



Applied Innovation Update: Global Situation and Reindustrialization

Evelyne Pflugi
CEO, Co-Founder The Singularity Group

June 12, 2024



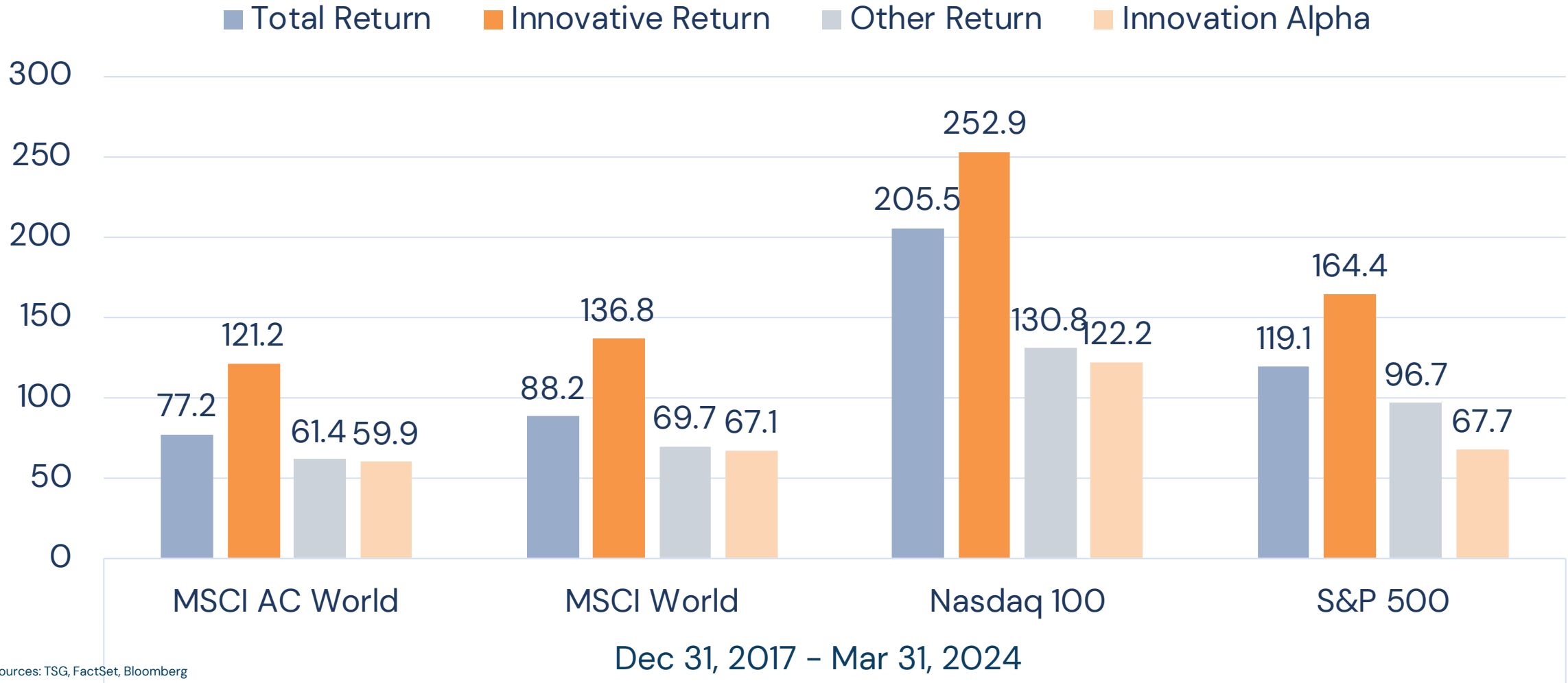


Investing in
Applied Innovation
= Outperformance



The Alpha of Applied Innovation

Companies selected for applied innovation revenues outperform on sustained **stock performance**



Sources: TSG, FactSet, Bloomberg



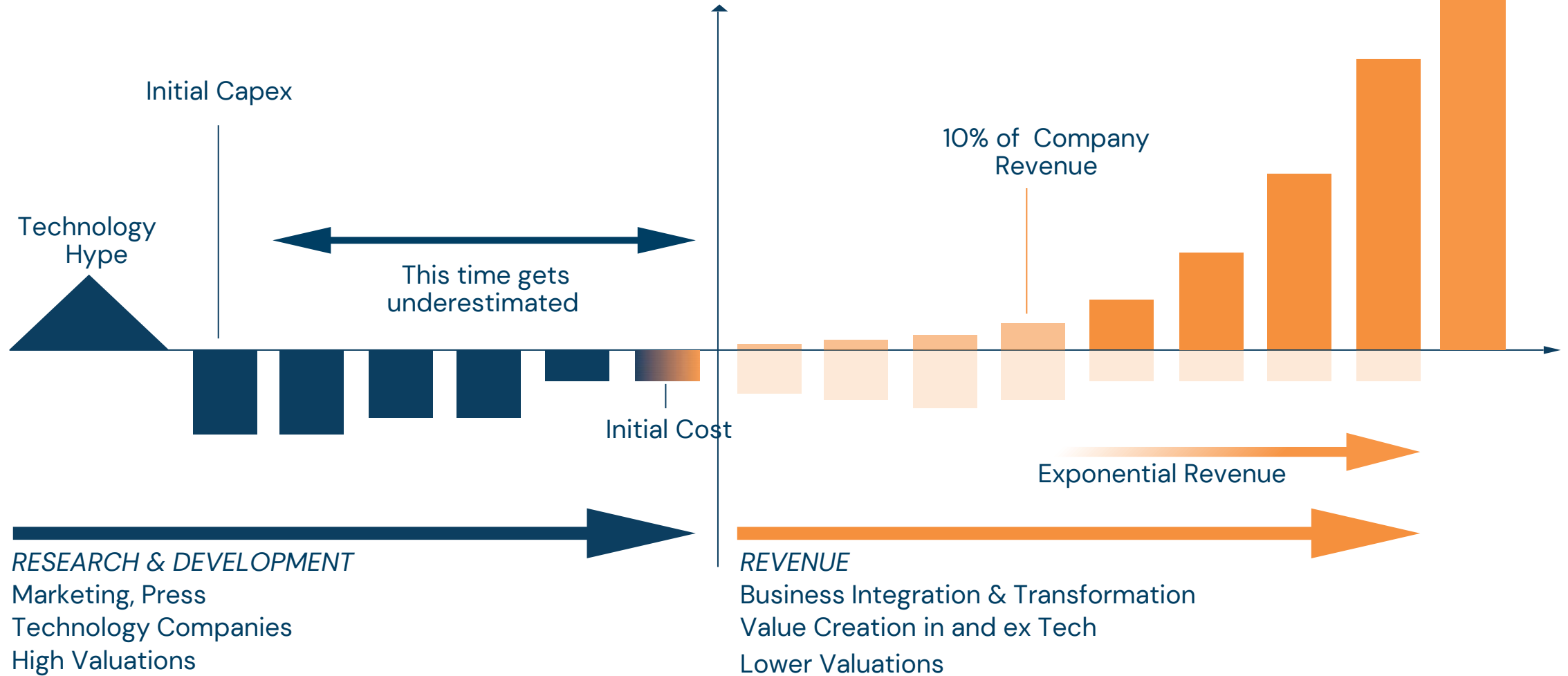
Applied Innovation and Earnings Growth

Companies selected for applied innovation revenues outperform on sustained **earnings growth**





Applied Innovation Investing





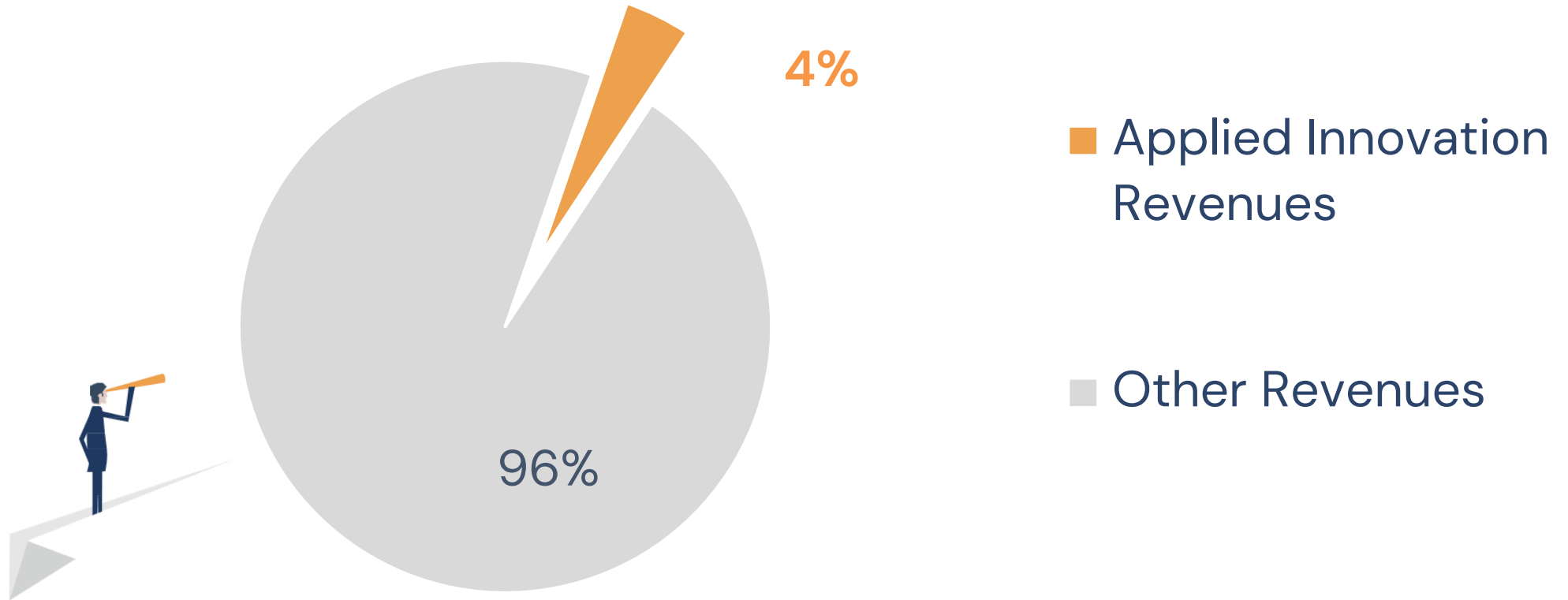
Applied Innovation





Needle in the Haystack

Total Revenues in Global Listed Equity: **78 Trillion USD**

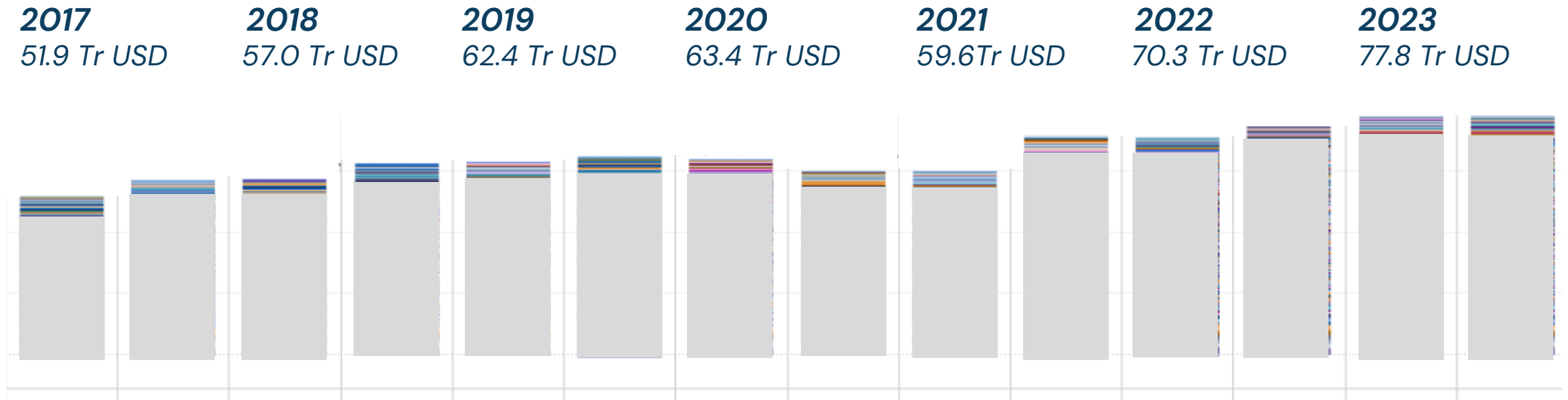


Source: TSG, FactSet



TSG Data Lense: Revenues by Product / Service

- 2000 product and service categories across listed companies globally → 77.8 Tr USD
- 95 of 2000 are innovative → 3.2 Tr USD (4.1%)



Source: TSG, FactSet



The Singularity Group Team

Core Team: Wide experience in asset management backed by technology expertise



Evelyne Pflugi
Chief Executive
Officer (CEO),
Co-Founder



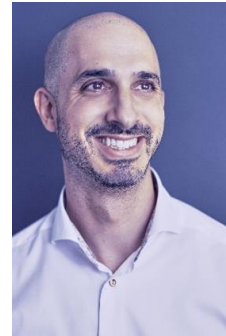
**Katharina
Boehringer**
Chief Marketing
Officer (CCO)



Johanna Heeb
Head of Business
Development



Pierre Guillier
Chief Investment
Officer (CIO)



**Shiko Ben-
Menahem, PhD**
Director of Research



Dita Bunjaku
Client Relations
Manager



Sabrina Herold
Director of Business
Development



Sara Garcia
Executive Assistant

Board of Directors: Highly experienced & well-known directors support with strategy, development & communication



Evelyne Pflugi
CEO, Co-Founder



Eric G. Sarasin
Chairman of the Board



Tobias Reichmuth, PhD
Co-Founder



David M. Solo
Member of the Board



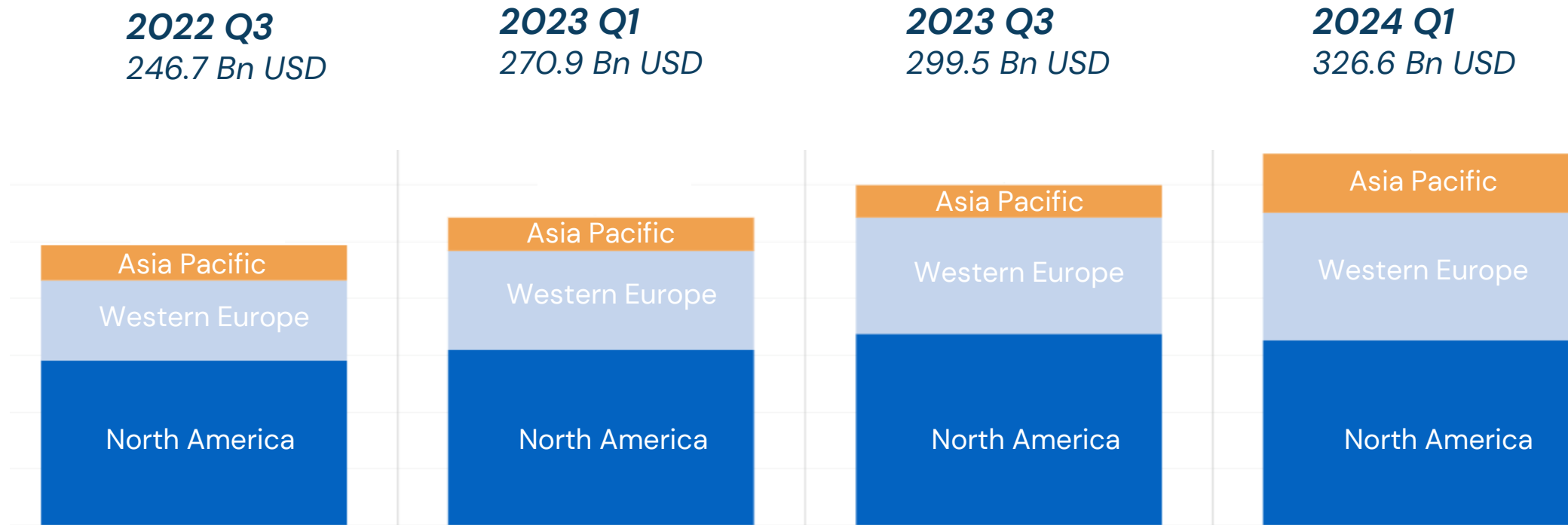
Entrepreneurs vs Analysts

<p>Laurenz Apiarius Founding Partner, Curiosity Capital</p>	<p>David Balsar General Manager Innovation & Ventures, Mekorot</p>	<p>Tommaso Bonanata Head of Investment Management, Base58 Capital</p>	<p>Endri Dibra, PhD CEO and Founder, Arbrea Labs</p>	<p>Juergen Eck, PhD Founder and Advisor, Brain Biotech AG</p>	<p>Daniel Gelbart CEO & Founder, Gelbi Ventures, ORTHO-TEAM Group Exec. Mgt.</p>	<p>Erik Kuntze, MD Medical Device Expert, Cardiothoracic Surgeon</p>	<p>Sebastian Guenther New Models for Growth Lead Europe / DACH, Accenture</p>	<p>Andres Gujan Co-founder, Camot Capital</p>	<p>Dr. Gregory Hitz CEO and Co-founder, Sevensens Robotics</p>	<p>Tristan Hocke, PhD Managing Director, Liqtra</p>	<p>Agnes Petit, PhD Climate Tech Entrepreneur Digital Shaper</p>
<p>Dr. Joern Hoppmann Professor of Management & Sustainability, Oldenburg University</p>	<p>André Hugentobler Global Head of Technology and Innovation, Trinseo</p>	<p>Dr. Tilo Huehn Professor of Food Composition and Process Design, ZHAW</p>	<p>Lars Jaeger, PhD Head of Alternative Risk Premia, GAM, Scientist and Writer</p>	<p>Dr. med. Nadia Khan Professor & Neurosurgeon, KiSpi UZH and Founder of the Moyamoya Center</p>	<p>James Khedari Commercial Director, Green Water and Power</p>	<p>Joscha Krieglsteiner General Manager / Co-founder, Liqtra</p>	<p>Dr. Johannes Meuer Professor of Sustainability Strategy and Operations, Kühne Logistics University</p>	<p>Manu Nair, PhD Founder and CEO, Synthara AG</p>	<p>Simone Lionetti, PhD Senior Researcher, Algorithmic Business Research Lab (ABIZ), Lucerne University of Applied Sciences</p>	<p>Matthieu Despeisse PhD Group Leader, Solar Modules, CSEM</p>	<p>Yash Raj Shrestha PhD Group Leader Applied AI Lab UNIL</p>
<p>Carsten Danzer, PhD CEO Adaptilion, Serial Entrepreneur</p>	<p>Tristan Salomon Founder and CEO Axom</p>	<p>Dr. Yulia Sandamirskaya Head of Cognitive Computing in Life Sciences lab, ZHAW and research scientist, Intel Labs</p>	<p>Lukas Schleuniger Co-founder, Red or Blue Labs</p>	<p>Philipp Schmid Head Research Industry 4.0 & ML, CSEM</p>	<p>Andreas Schneider, PhD Innovation and Business Development Director, Ypsomed</p>	<p>Simone Schürle, PhD Professor of Responsive Biomedical Systems, ETH and Co-founder, MagnebotiX</p>	<p>Tyson Soutter Managing Director, EMEA & APAC Clockwork Analytics</p>	<p>Sandhya Sriram, PhD Co-founder, CEO, Chairman, Shioik Meats Pte. Ltd</p>	<p>Alexander Stumpfegger Head of Consulting, CID</p>	<p>Hon Mun Yip Investor, Alternative Protein Industry</p>	<p>John Orthwein Head of Blockchain and DeFi IAM Innovation Lab</p>



Reshoring Revenues by Region

➤ *Western Europe and Asia Pacific sees recent bump in innovative reshoring revenues*





Reshoring Revenues by Subtheme

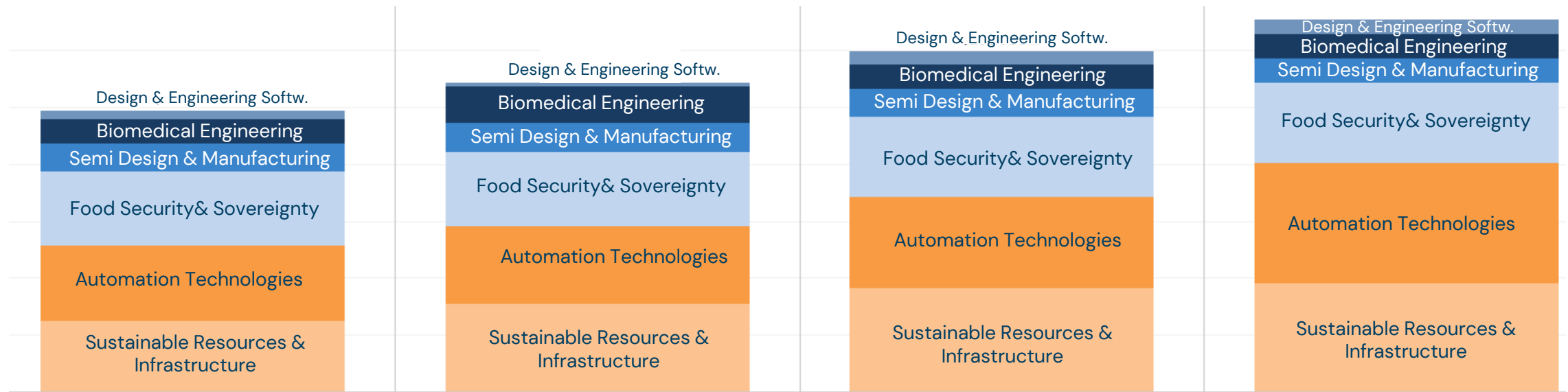
➤ *Automation Technologies and Sustainable Resources & Infrastructure see fastest growth*

2022 Q3
246.7 Bn USD

2023 Q1
270.9 Bn USD

2023 Q3
299.5 Bn USD

2024 Q1
326.6 Bn USD

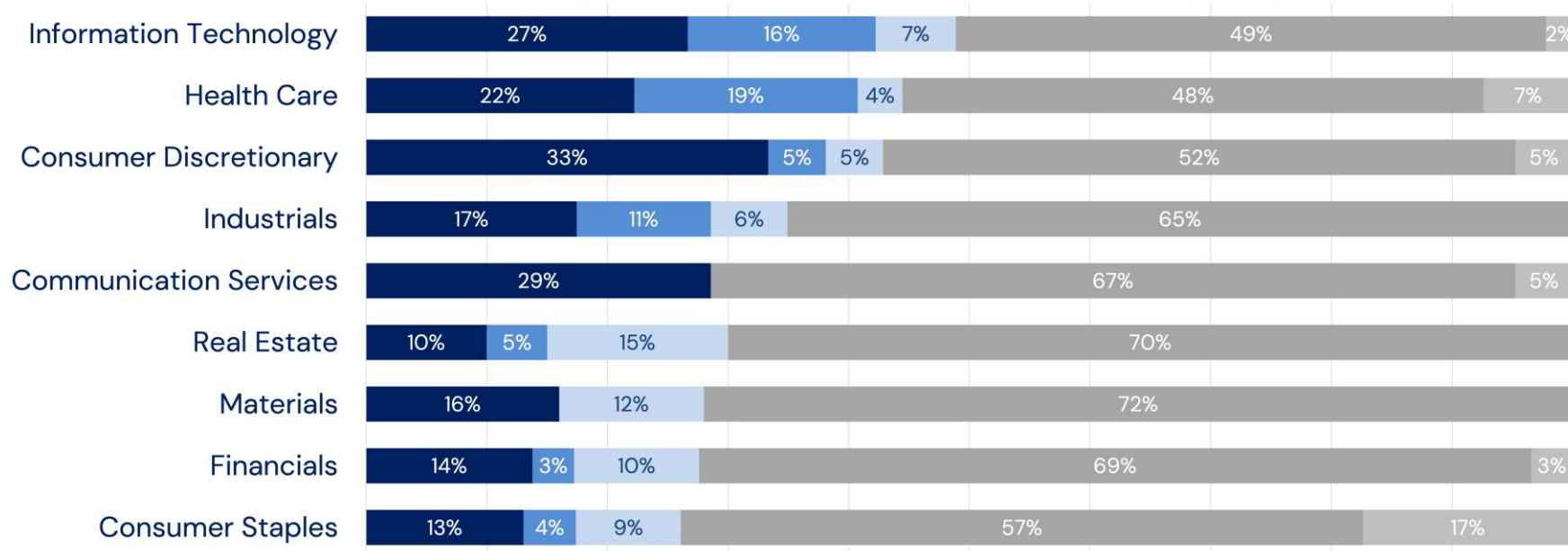




Reshoring: TSG Innovation Survey 2024

Have you considered reshoring or nearshoring business activities to your home country or neighboring countries?

(N = 305, Source: TSG Global Innovation Survey 2024)



■ Yes, we have already
■ Yes, we are planning to do so in the next 3 years
■ Yes, but still considering
■ No, we are not considering
■ Considered, but won't go ahead

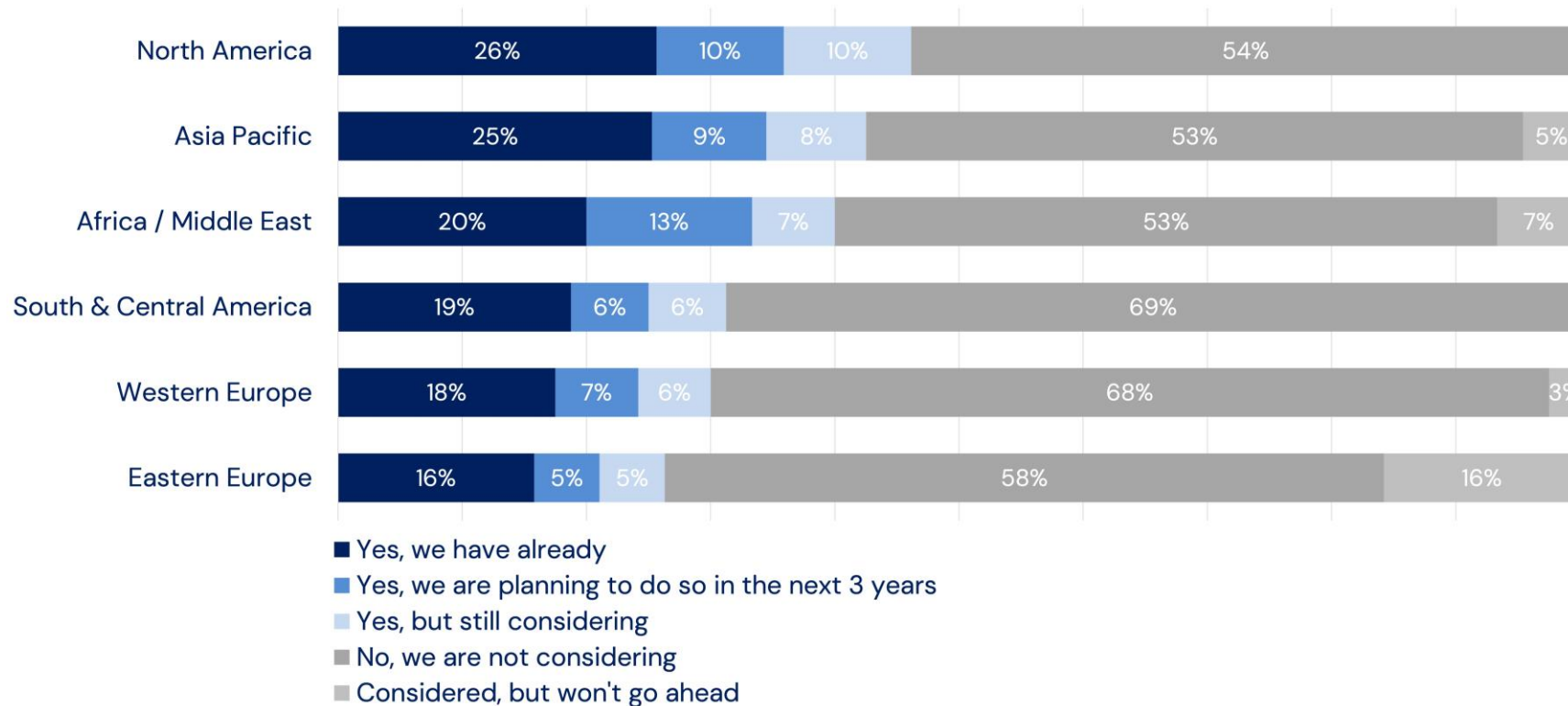
- IT, Health Care, & Consumer Discretionary sectors lead the pack
- Between **38%-43% of companies** have already or are planning to re-/nearshore business activities, reflecting **broad recognition of need to mitigate supply chain risks**



Reshoring: TSG Innovation Survey 2024

Have you considered reshoring or nearshoring business activities to your home country or neighboring countries?

(N = 305, Source: TSG Global Innovation Survey 2024)



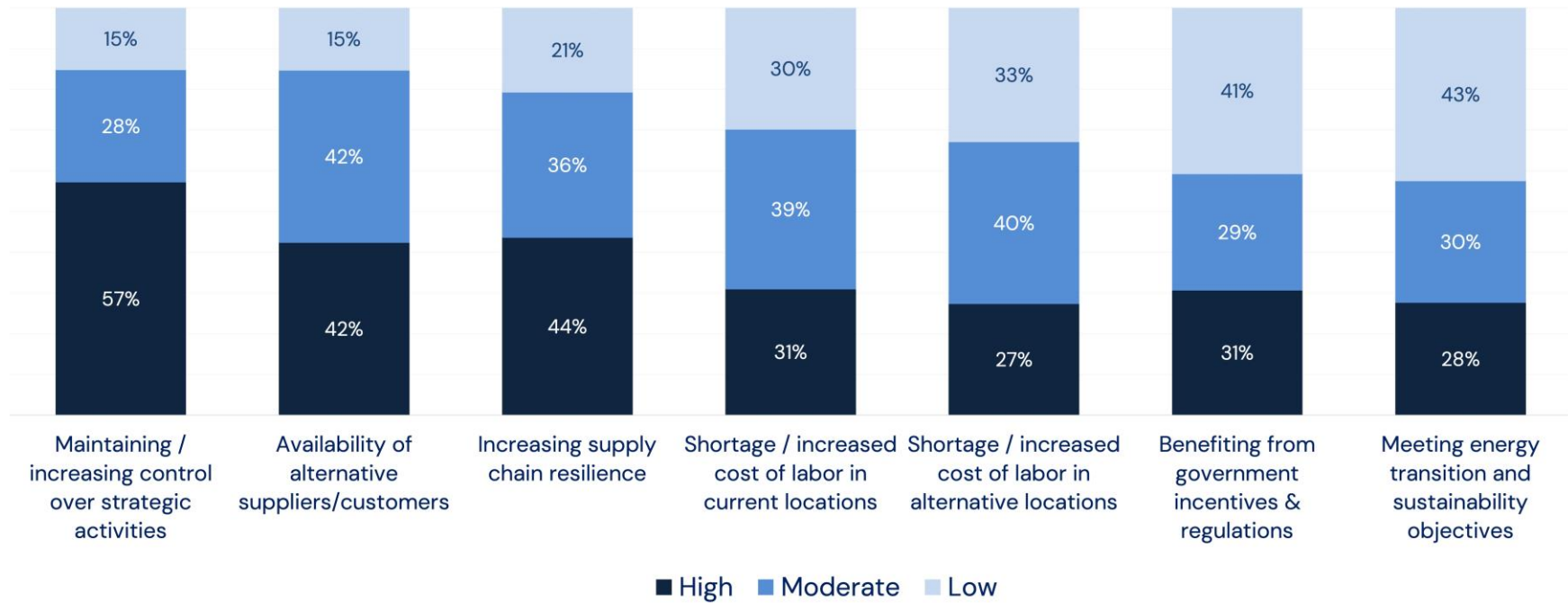
- **36% of North American and 34% of Asia Pacific companies** have already or are planning to re-/nearshore business activities, reflecting
- **Mexico, Singapore, Taiwan, and India** see positive effects as new manufacturing hubs
- **Europe shows less engagement**
- **Romania and Poland** report optimism



Reshoring: TSG Innovation Survey 2024

How important are these factors for your decision to relocate business activities?

(N = 119, Source: TSG Global Innovation Survey 2024)



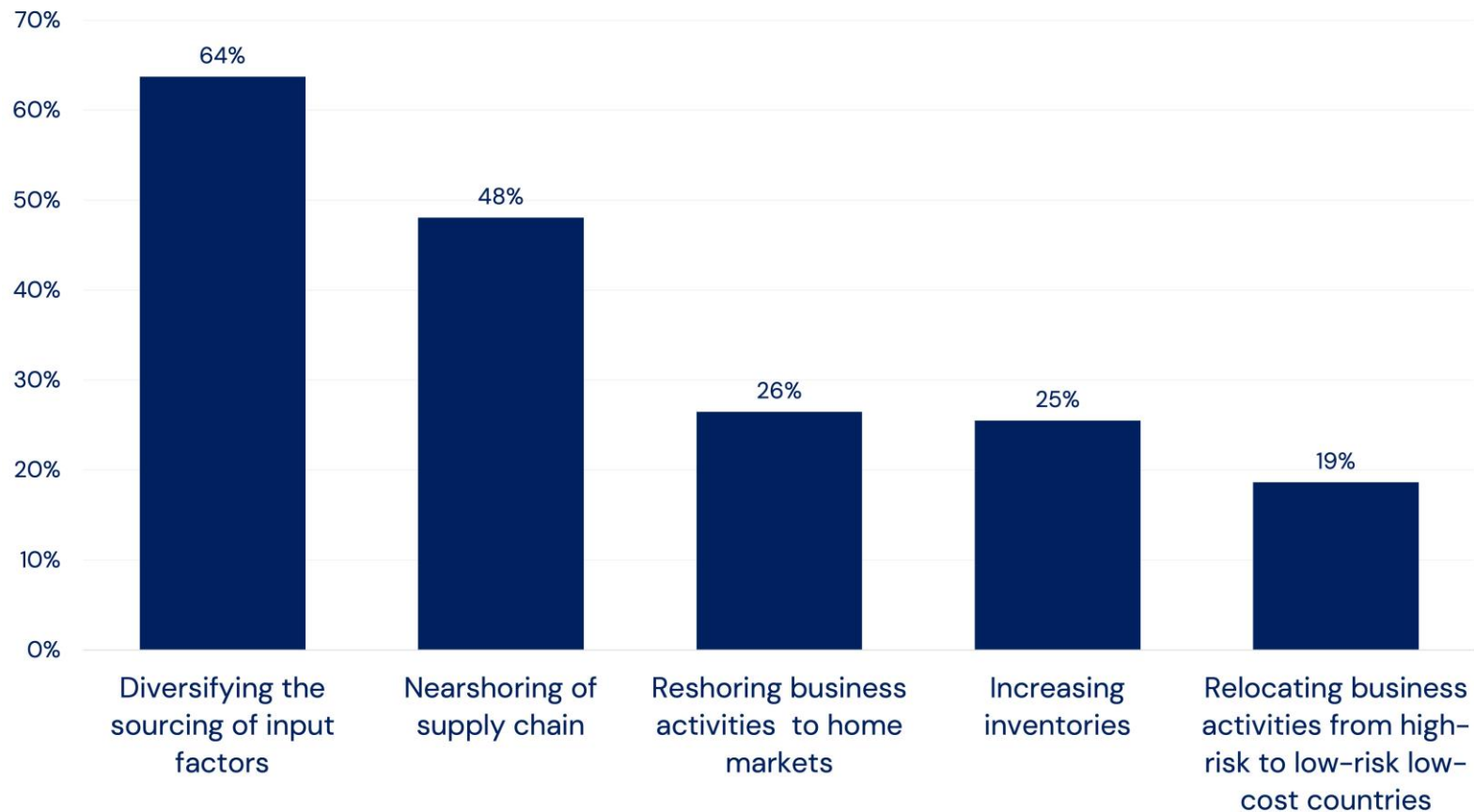
- **Control over strategic activities** (85%), steady **supplier/customer base** (84%), and **supply chain resilience** (80%) are key relocation drivers
- Effects of **energy transition** are less pronounced (58%)



Reshoring: TSG Innovation Survey 2024

Supply chain measures in the past 12 months

(N = 102, Source: TSG Global Innovation Survey 2024)



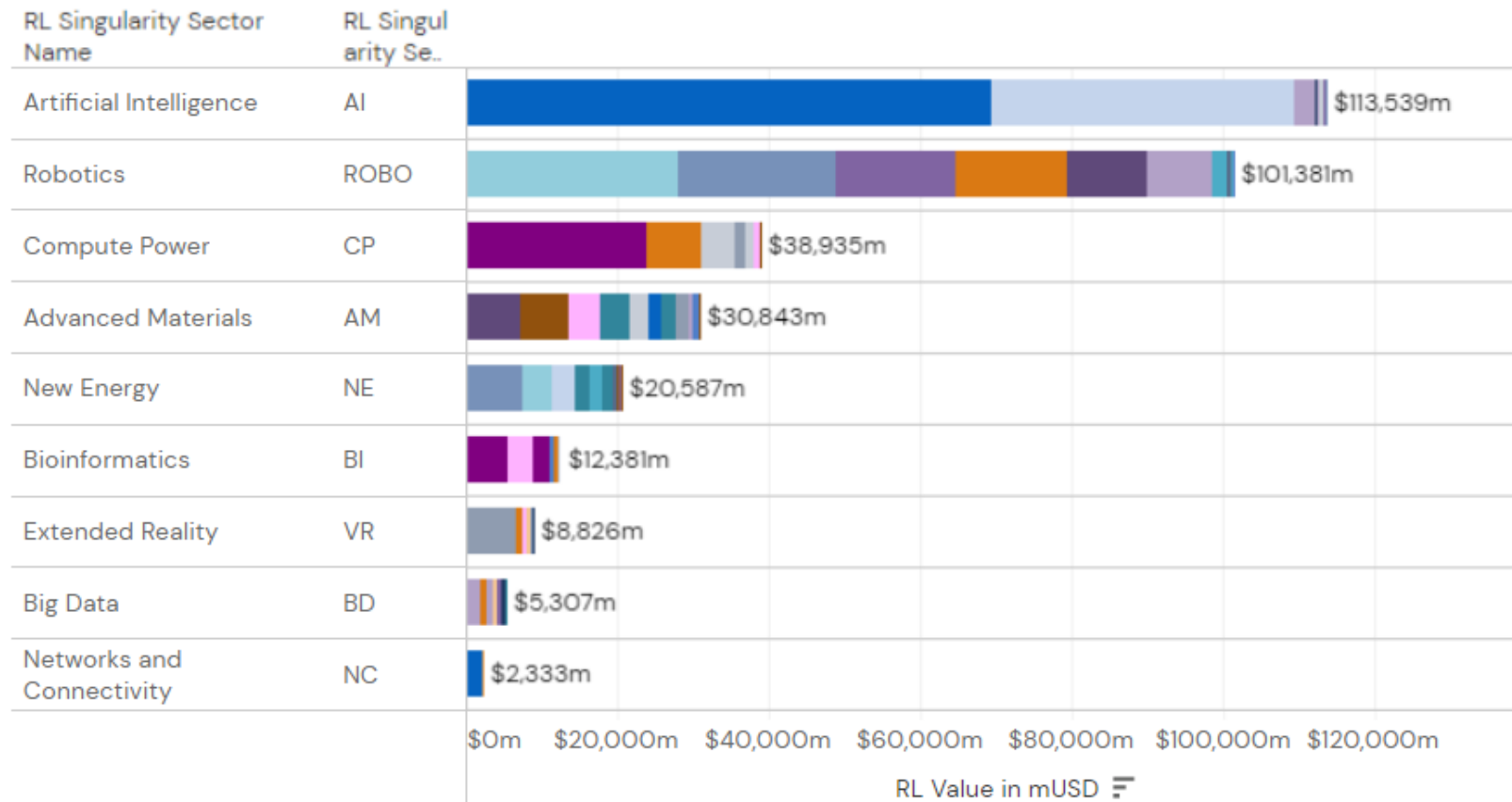
- **Diversifying the sourcing of input factors** emerges as the most common strategy (64%)
- This mitigates supply chain disruptions by reducing dependency on single sources and **spreading risk across multiple suppliers**
- **Nearshoring** (48%) and **reshoring** business activities to home markets (26%) are also prominent strategies



Global Innovation Update: Regions

➤ Japan Innovation Revenues: AI and Robotics neck to neck

Sectors in mUSD

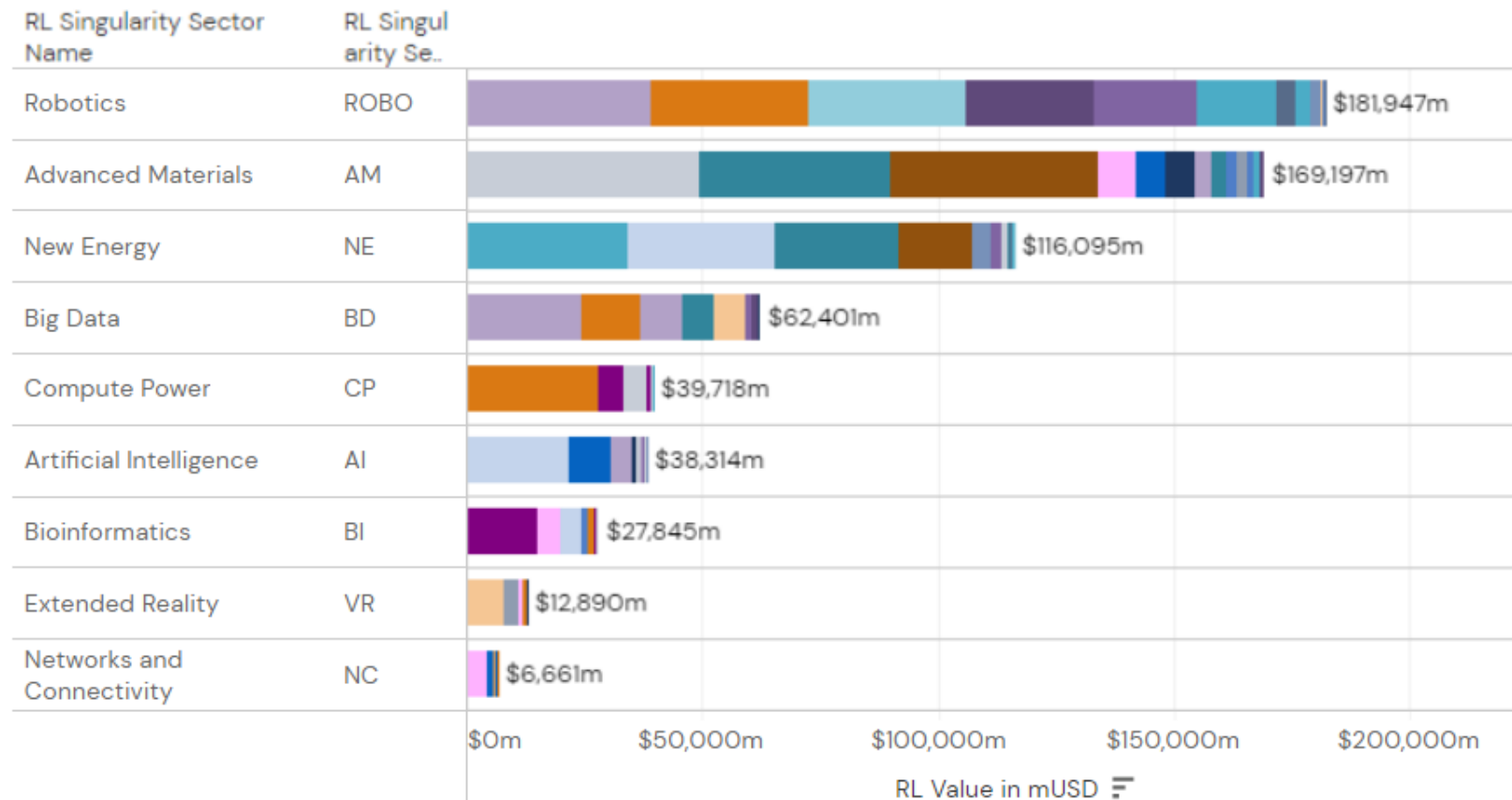




Global Innovation Update: Regions

➤ *Europe Innovation Revenues: Hardware and Materials, Compute Power not negligible*

Sectors in mUSD

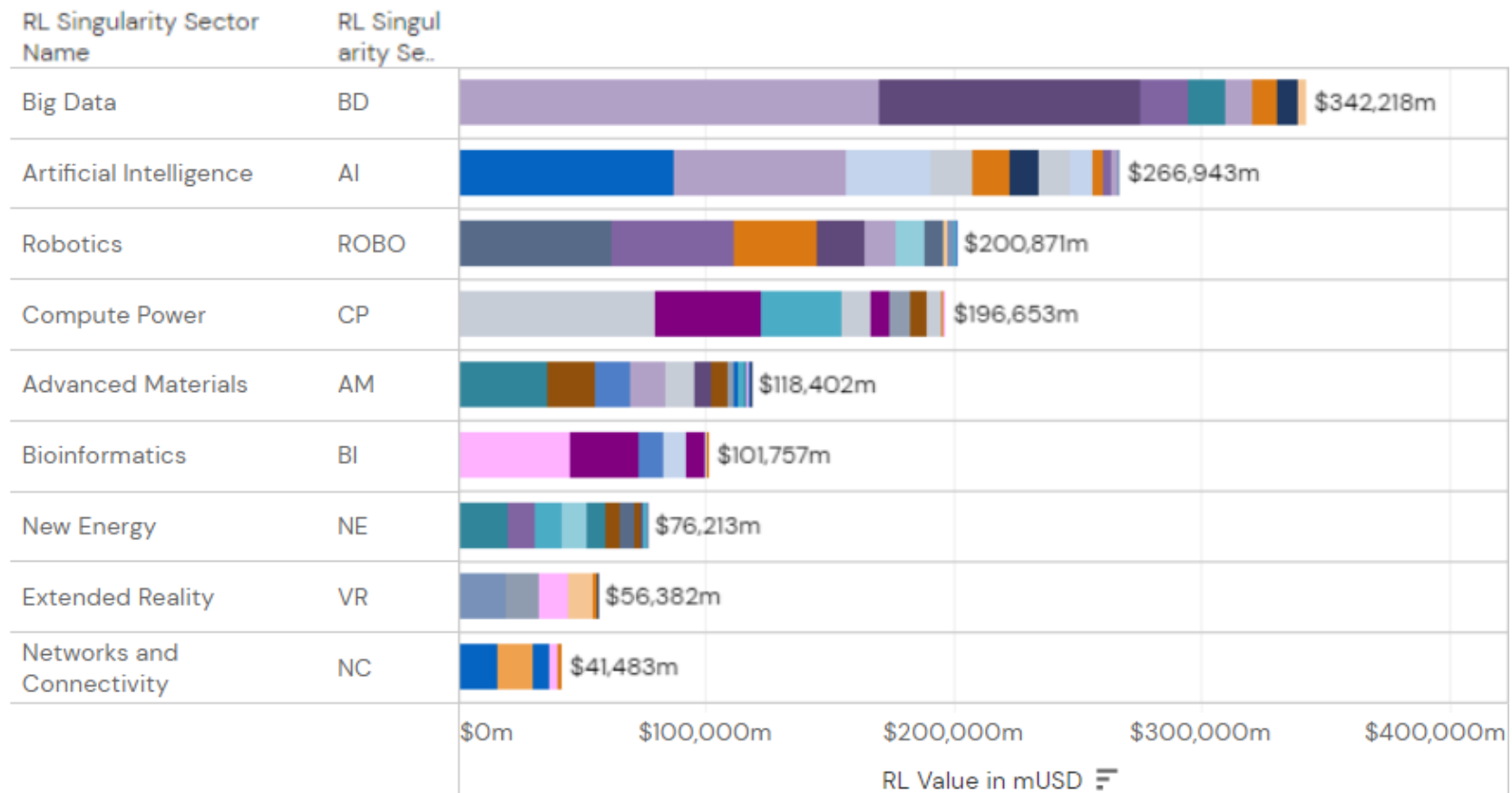




Global Innovation Update: Regions

➤ *US Innovation Revenues: Data and AI in focus, Robotics catching up*

Sectors in mUSD





Investing in
Applied Innovation
= Outperformance



Singularity Strategies

Core- Strategies

The Singularity Fund

Global All Country / **MSCI ACWI**

Large Cap

UCITS (Lux)

Singularity Small/Mid

United States / **Russell 2000**

Small Cap

UBS AMC

Singularity US Innovation Focus

United States / **Nasdaq 100**

Large Cap

LUKB AMC

Thematic Strategies & Collaborations

Reindustrialization

Developed markets / **MSCI World**

Mid Cap Industrials

UBS AMC

LUKB Smart Farming

Developed markets / **MSCI World**

All-Cap

LUKB AMC

Generative AI

Developed markets / **MSCI World**

All-Cap

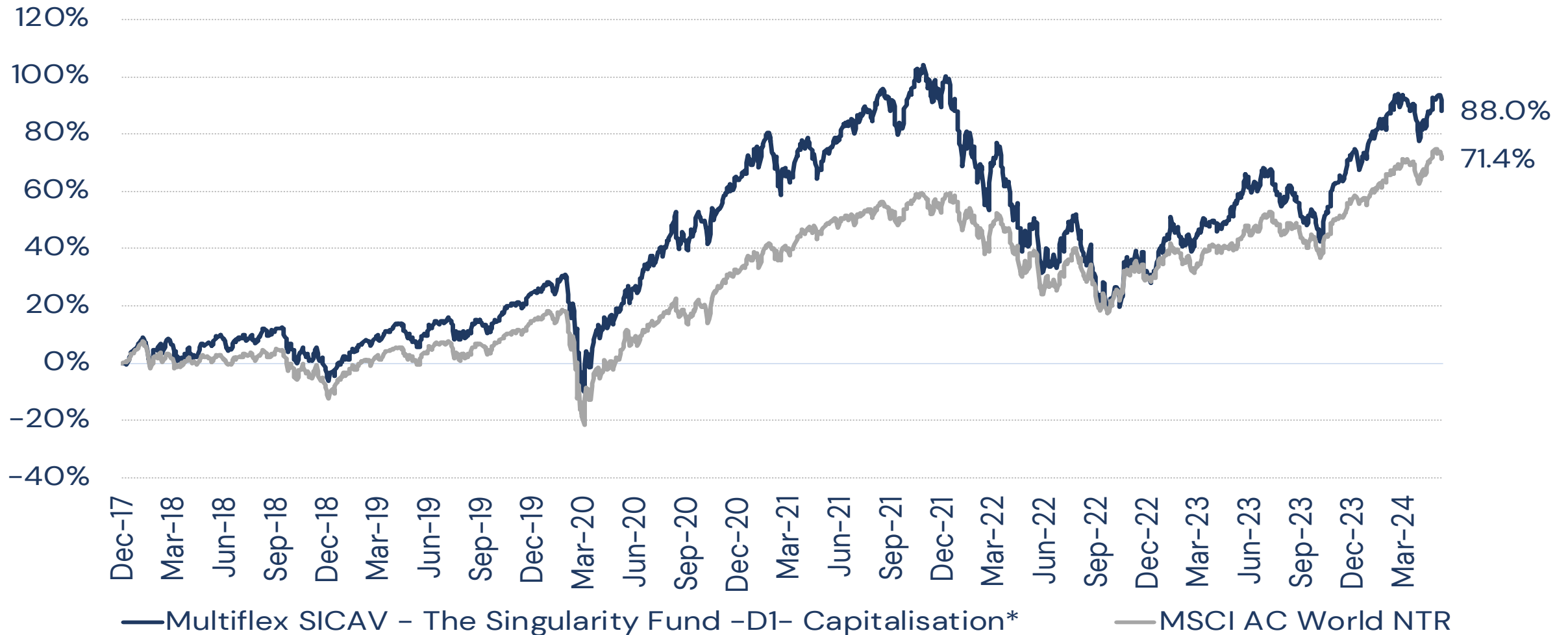
LUKB AMC



The Alpha of Applied Innovation

(as of May 31, 2024)

The Singularity Fund vs MSCI All Country World Index

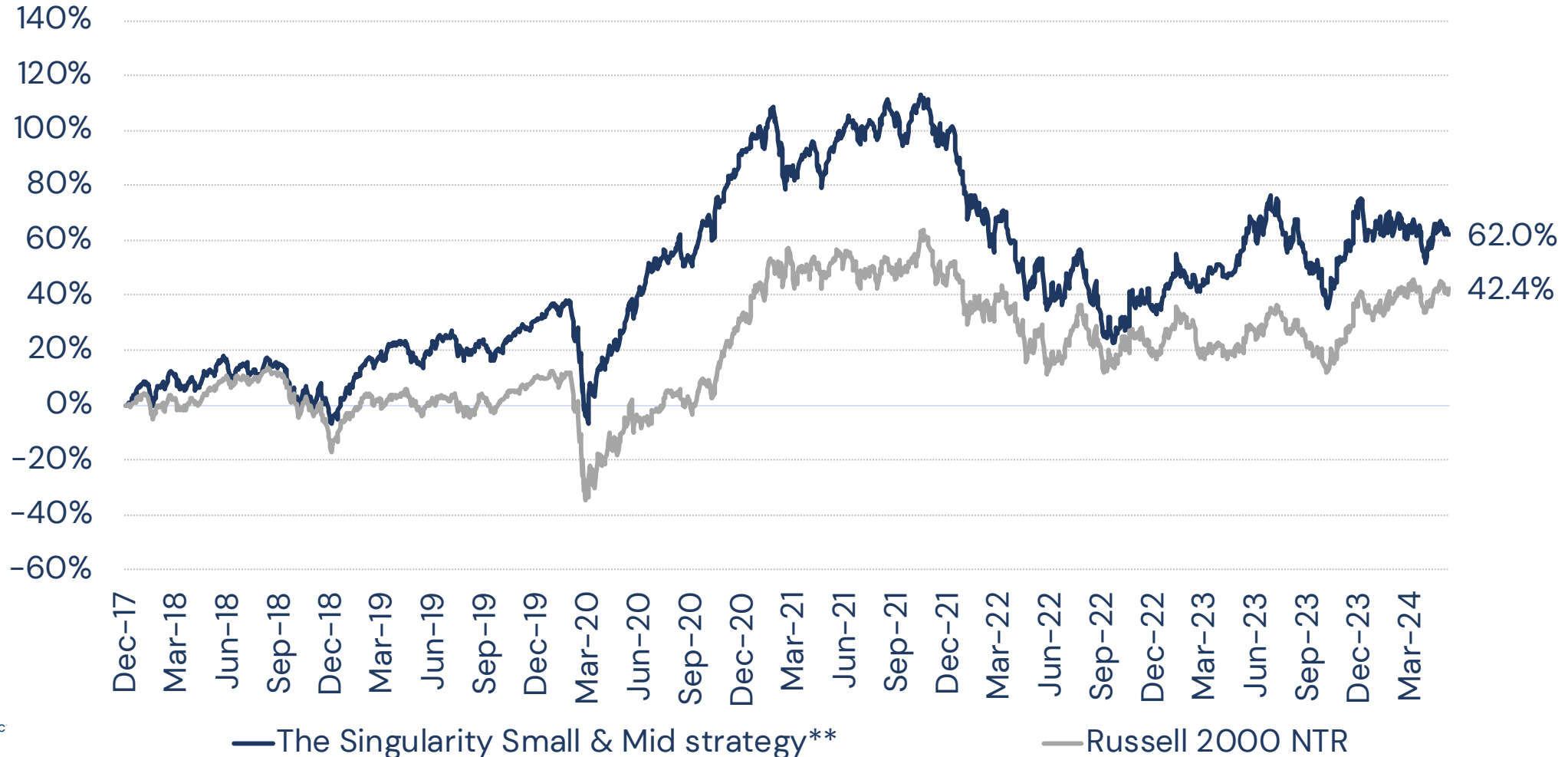




The Alpha of Applied Innovation

(as of May 31, 2024)

Singularity SmallMid vs Russell 2000 Index



Sources: TSG, Fac

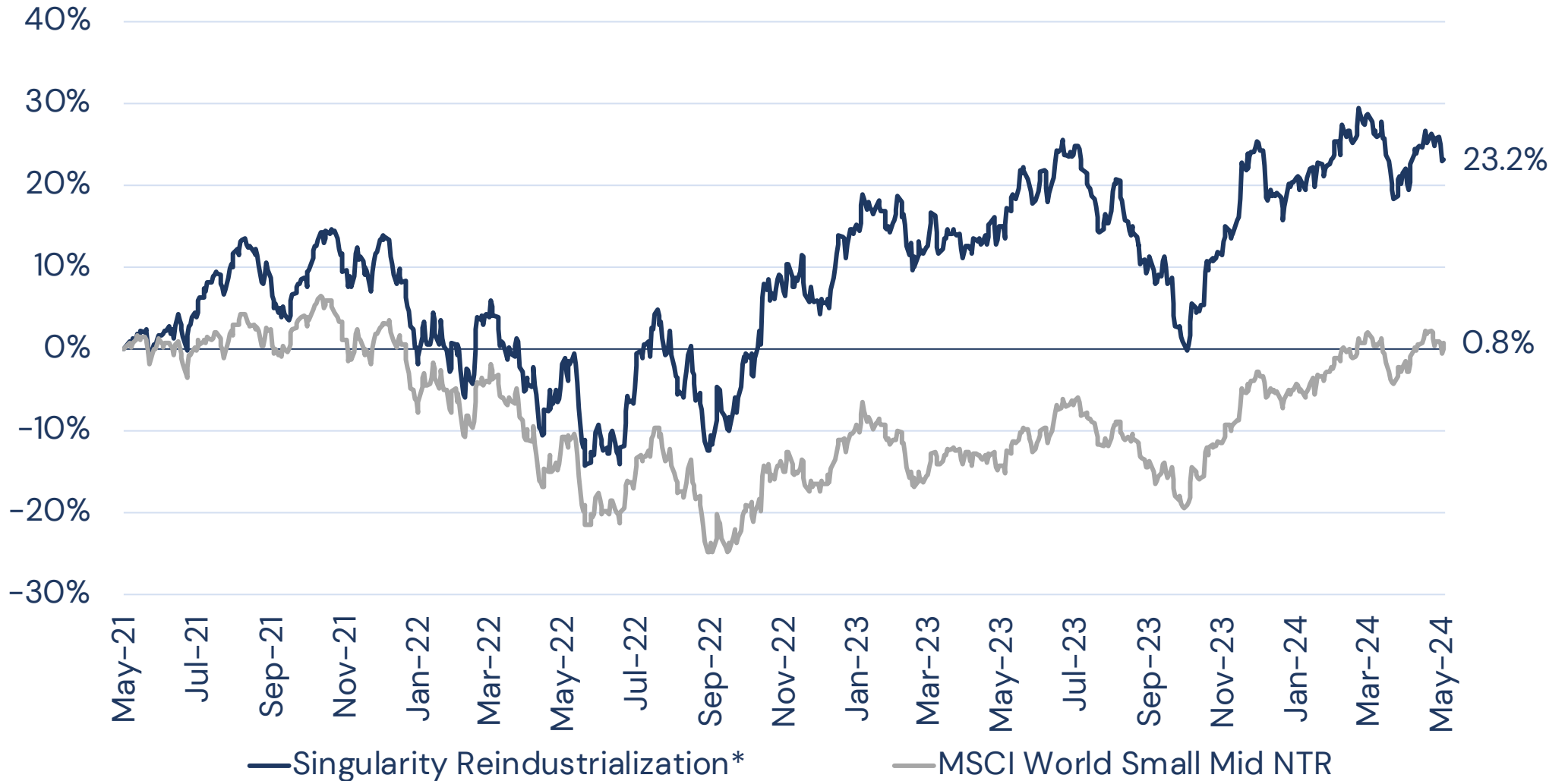
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Singularity Themes

(as of May 17, 2024)

Singularity Reindustrialization vs MSCI World Small Mid



Sources: TSG, FactSet, Bk

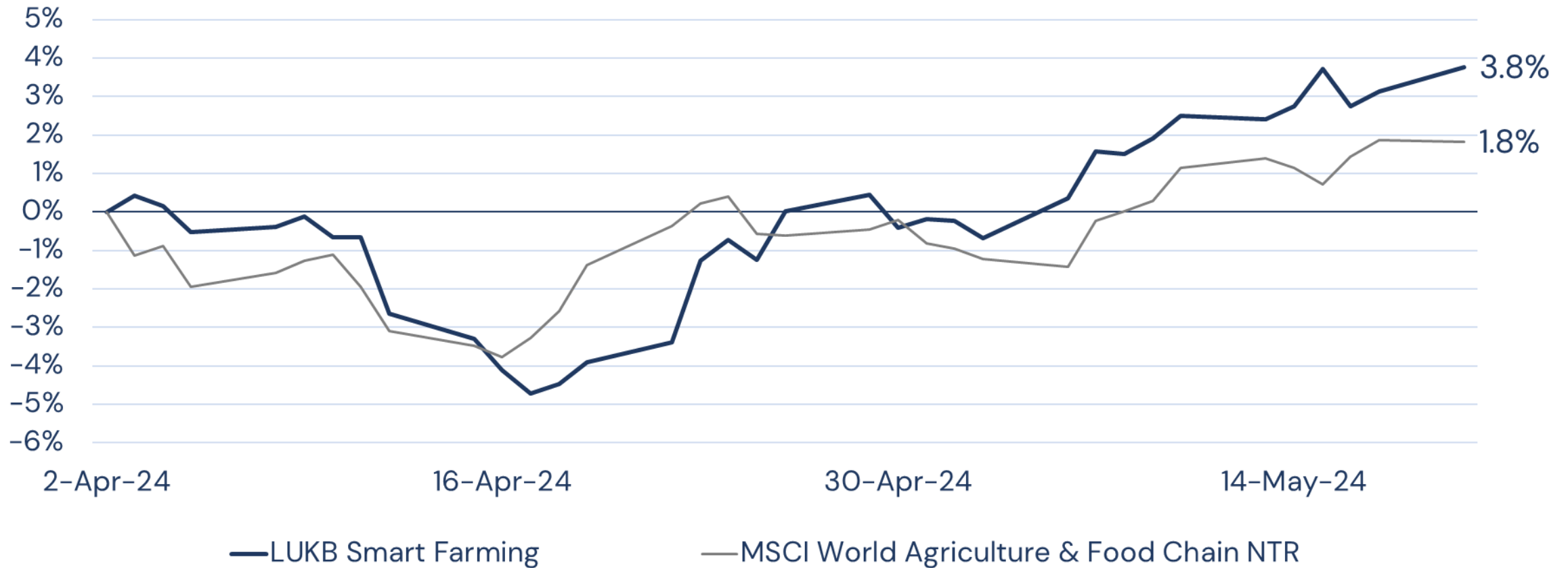
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Singularity Themes

(as of May 17, 2024)

LUKB Smart Farming vs MSCI World Ag & Food Chain



Sources: TSG, FactSet, Bloomberg



The Alpha of Applied Innovation

(as of May 31, 2024)

Singularity US Innovation Leaders vs NDX



Sources: TSG, Fact

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— Singularity US Innovation Leaders

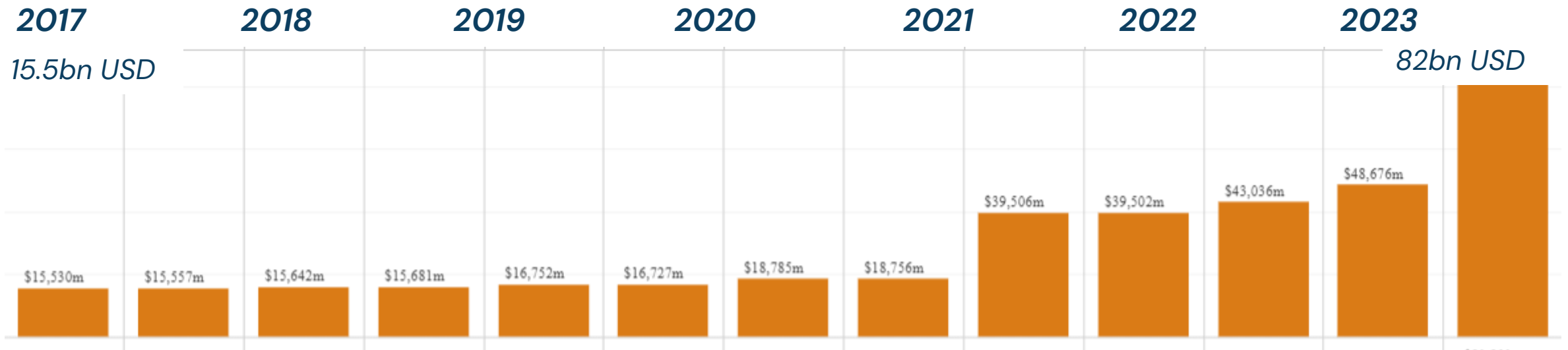
— ISHARES NASDAQ 100 INDEX ETF





TSG Data Lense: Revenues by Product / Service

Video Multimedia Semiconductors



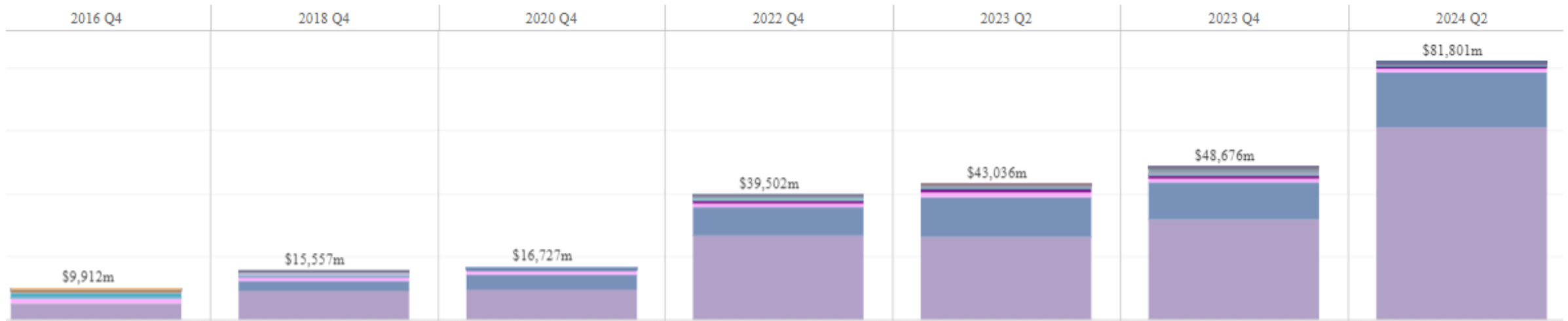


TSG Data Lense: Revenues by Company

Penetration Growth

Winners Takes All

Pricing Power





TSG Data Lense: Revenues by Product / Service

2017

2018

2019

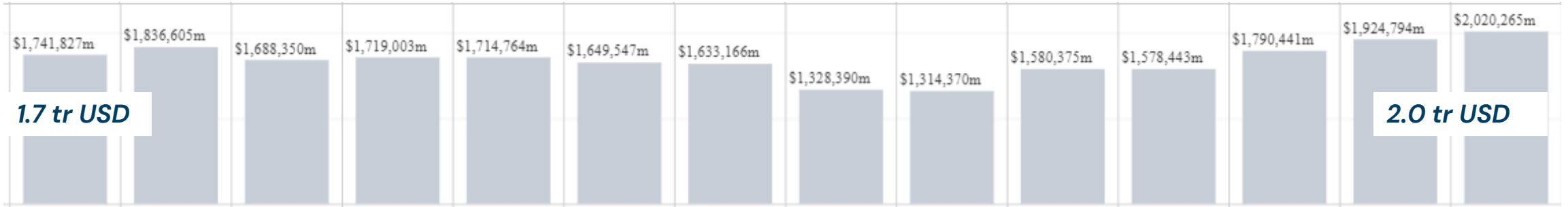
2020

2021

2022

2023

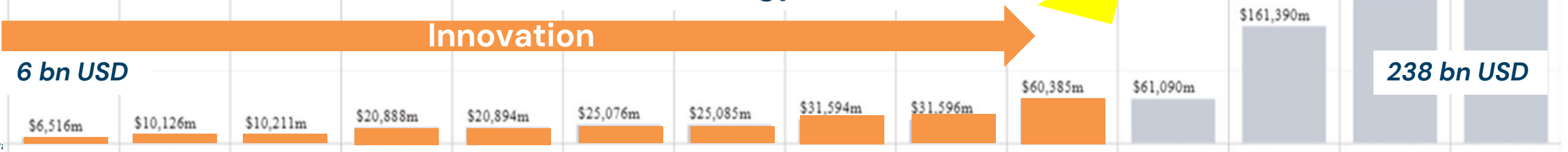
Car Manufacturing Grand Total



Conventional Engine Car Manufacturing



Alternative Energy Car Manufacturing



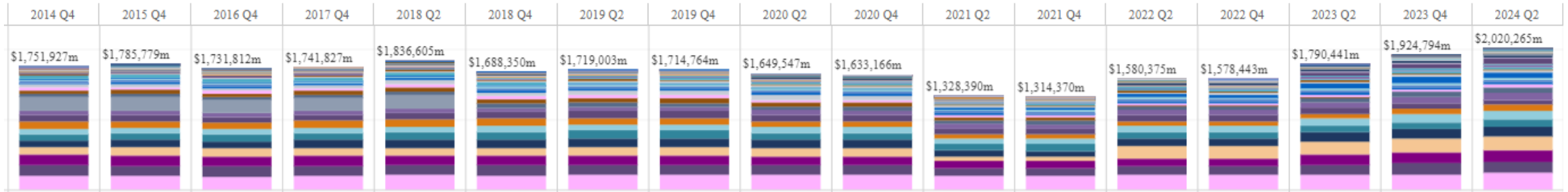


TSG Data Lense: Revenues by Company

1.7 tr USD

Car Manufacturing Grand Total

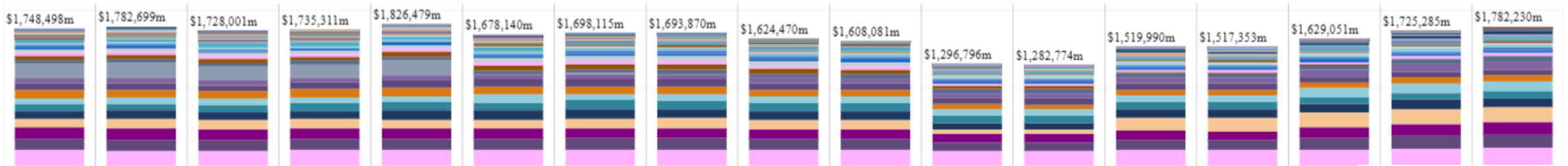
2.0 tr USD



1.7 tr USD

Conventional Engine Car Manufacturing

1.7 tr USD



3 bn USD

Alternative Energy Car Manufacturing

238 bn USD



