

Ariane Deep Knowledge AI Pharma Index



DEEP
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GROUP

This product is intended solely for professional investors

Ariane Deep Knowledge AI Pharma Index

Ariane Deep Knowledge AI Pharma Index is designed to **reflect the major dynamics of the AI in Pharma sector**. Index constituents include companies that work on precision and personalised medicine, with a focus on bringing these products to the mainstream by lowering costs and time to market for new drugs thanks the use of the AI-based solutions.

Index Information

Start date: October 14, 2021

100% Initial Reference Price

Index calculating agent: Vontobel

Composition reviewed on a quarterly basis

AI is moving the industry towards a data centric drug discovery approach, which will exponentially accelerate innovation in the sector in general. **Deep Knowledge Group** is one of the investment pioneers in AI Pharma sector. Backed by its subsidiaries' analytical and computational capabilities, Deep Knowledge Group provides market insights for AI in Pharma and Longevity sectors.

Longevity Index Structure

Stabilizers: Large, well-known companies with great market performance. This set is considered to be the most reliable and suitable for risk-averse investors

Promising companies: Promising companies who tend to generate the highest returns, these companies also tend to have high volatility and low market caps.

Performers: Companies of considerable size with good financial performance, pipelines and market strategies. These companies have big market share-growth potential.

Ariane Capital

- To develop the index, Deep Knowledge Group has partnered with Ariane Capital who offers an investment strategy focused on small, mid and large cap companies involved in the AI Pharma sector.

Industry Expansion

| 2017 | Growth | 2022 |
|-------------------|--------|--------------------|
| AI Companies - 10 | 40x | AI Companies - 400 |
| Investors - 30 | 35x | Investors - 1050 |
| Corporations - 11 | 10x | Corporations - 100 |

Source: *AI for Drug Discovery, Biomarker Development and Advanced R&D Landscape Overview Report*

Industry Highlights

CAGR 47%

CAGR is projected to be 47% over 2021-2025 according to Business Wire Report 2021

\$5.9B

Global AI pharma market industry Valuation by 2025 (Business Wire Report 2021)

50%

Global healthcare companies will implement AI strategies by 2025

Macro Comments and Product Updates

- Difficult macro environment in 2022 with **COVID, inflationary fears, rate rise expectations** and the **Russia - Ukraine war**.
- Nasdaq** (NDX Index) is **down 12.9% YTD**. The **iShares Biotechnology ETF** (IBB) and **S&P 500** (SPX Index) have suffered in line and are **down 15.2%** and **7% YTD**, respectively.
- The **Ariane Deep Knowledge AI Pharma Index is outperforming the iShares Biotechnology ETF (IBB) by 8.3%**, partly due to the cash component of the certificate, partly due to the relative outperformance of the AI Pharma subsector.
- Less than one month into **2022**, we have already seen **Sanofi** sealing a deal with **Exscientia** to develop **oncology** and **immunology treatments**, and **BenevolentAI** and **AstraZeneca** agreeing on the expansion of their **AI-powered drug discovery** partnership to include systemic lupus erythematosus (SLE) and heart failure (HF). This indicates that the role of AI in the drug discovery and development process is only set to **grow**.

Partnership with Deep Pharma Intelligence

- DPI actively participated in the development of the Index**, providing market insights and technological due diligence of the Index constituents. Together with Deep Knowledge Group, DPI has created an industry profile of unprecedented depth.
- DPI produces **regular analytical reports on Advanced R&D in Pharma sector** in particular, assessing technological and scientific achievements, IP valley, competitor environment and future prospects of particular companies and market sectors in general.



Ariane AI Pharma Index Universe

1

Shares and other equities listed on a stock exchange

2

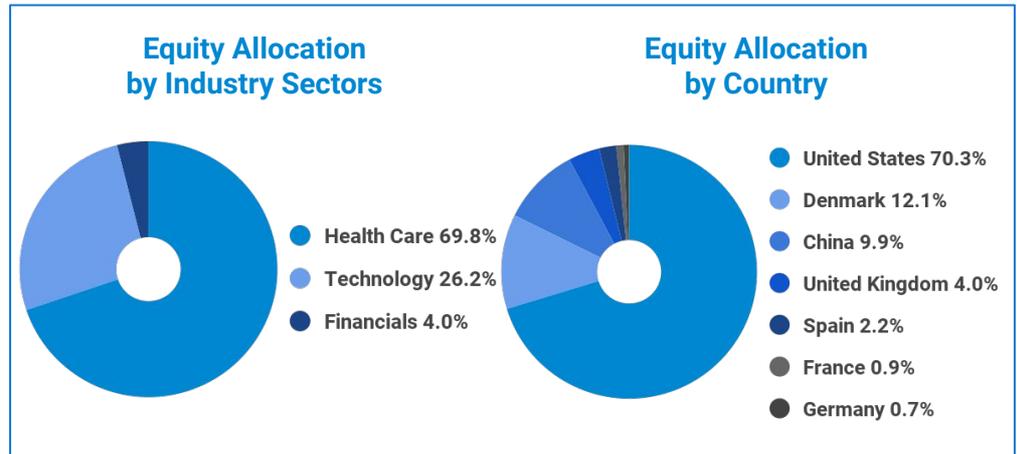
Derivative Instruments (Options, Futures, Forwards and Swaps)

3

Cash Component

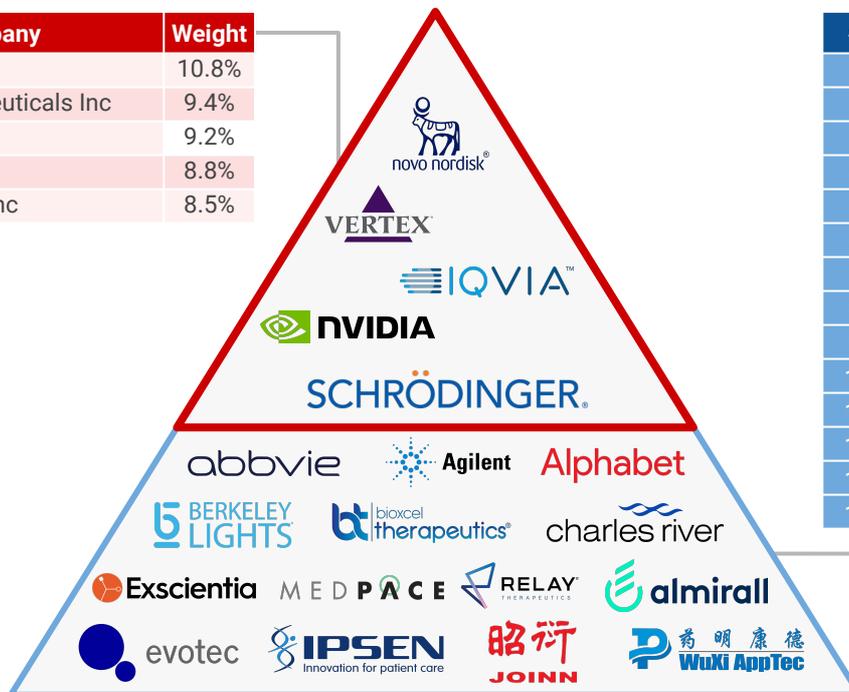
Strategic Certificate on the Ariane Deep Knowledge AI Pharma Index guaranteed by Bank Vontobel AG

| | |
|---------------------------------------|-----------------------------------|
| Index Calculation Agent | Bank Vontobel AG, Zürich |
| Index Sponsor | Ariane Group SA |
| ISIN / Swiss Security Number / Symbol | CH1124674461 / 112467446 / PAIPHV |
| Index Start Day | October 14, 2021 |
| Index Start Value | 100.00 |
| Index Currency | USD |



The Structure of the Ariane Deep Knowledge AI Pharma Index

| # | Company | Weight |
|---|----------------------------|--------|
| 1 | Novo Nordisk | 10.8% |
| 2 | Vertex Pharmaceuticals Inc | 9.4% |
| 3 | Schrodinger Inc | 9.2% |
| 4 | NVIDIA Corp | 8.8% |
| 5 | IQVIA Holdings Inc | 8.5% |



| # | Company |
|----|------------------------------|
| 1 | Agilent Technologies Inc |
| 2 | Relay Therapeutics Inc |
| 3 | WuXi AppTec Co., Ltd. |
| 4 | Alphabet-A Rg |
| 5 | Joynn Laboratories Co., Ltd. |
| 6 | Charles River Laboratories |
| 7 | Exscientia PLC |
| 8 | AbbVie Inc |
| 9 | Medpace Holdings Inc |
| 10 | Almirall SA |
| 11 | BioXcel Therapeutics Inc |
| 12 | Ipsen |
| 13 | Berkeley Lights Inc |
| 14 | Evotec SE Bearer |

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Deep Knowledge Group encourages all interested private and institutional investors to participate in the AMC's investment activity and ensures strong analytical and informational support of all investors in the Ariane Deep Knowledge AI Pharma Index.

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