

GET TO KNOW THE NEXT GENERATION_

. An average customer in the not-so-distant future

We are amidst remarkable changes not seen since the industrial revolution. The inter-connectivity of today makes this revolution faster and reach further than any before. New technologies profoundly change the way we consume the world, the way we interact and in turn create new opportunities for services and brands. Consumption is becoming frictionless and immersive. It is turning into an experience that leads consumers to demand full and constant access, anytime and anywhere, to premium products and services.

A different mindset_

So what are today's best, most innovative brands doing to stay distinct and relevant?

They're diving into the experience

This is not science fiction, nor is it a particularly bold perspective on the influence of technology. These changes don't just transform the **customer experience**, they change how the world works, how people connect, create, work, consume knowledge, get money, get entertained. In short, it changes how we live.

How can investors benefit from this **consumer revolution**? What are the implications for existing and potentially emerging companies?

Companies are creating new value and gaining brand loyalty not just by focusing on specific product features or design, but by reimagining the **broader experience** of how customers use their product. Being aligned with this new customer paradigm is obviously not a "nice-to-have" but the only way to thrive.

Netflix managed to kill DVDs in just a few years by putting technology at the service of **experience innovation**. This is exactly how one builds a \$200bn+ business in a decade: by going beyond the product. Zoom or Peloton are other great examples of how one can revolutionise a product or service by turning every aspect of it into the **right experience** at the very right moment.

Even legendary product innovation leaders see that they can increase sales by **improving the experience**. Nike is innovating the fitness experience and the community, not just the shoe. Tesla lets you buy a car using a digital signature, request home delivery and schedule services with roaming technicians who can remotely diagnose issues.

On average, we go to the grocery store 1.6x times a week, do we really enjoy it? Or would we rather order from a nicely designed app boosted by powerful AI who knows ahead of us what new brand or product we will enjoy trying?

7 Keyfacts

About the Next Generation

<They shop online instead of waiting in line>

<They stream the world; content is their new gold>

<For them, living a happy life equals living a healthy life>

<They want to look good in order to feel good>

<They've never been to the doctor's office, but instead they visit their doctor every week remotely>

<They pay for usage, not possession and prefer flexibility over ownership>

<Next consumers don't know how to drive but they drive all the time>

For innovators, there has never been this much opportunity_

. “High-growth” in a “low-growth” environment

At SILEX we are convinced that the recent pace of change can only further accelerate, creating numerous opportunities for companies who can grow faster by leading and disrupting entire industries.

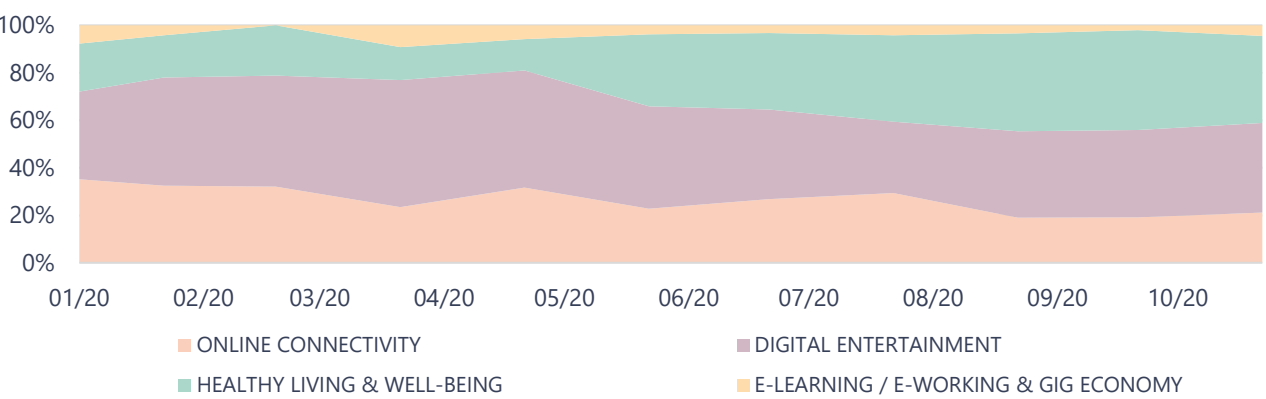
In a world where cyclical growth keeps on disappointing, investing in these high-growth companies is as relevant as ever.

Our Next Generation thematic equity strategy is positioned just like that, and invests in the innovators and disruptors of today and tomorrow.

. A multi-thematic approach centred around the Next Generation

Online connectivity	Digital entertainment	Healthy living & well-being	E-working, E-learning & the GIG economy
Connectivity technologies	Streaming technologies	Fitness & Sports	Freelance platforms
Digital advertising technologies	Video game developers & technologies	FoodTech	AR/VR Solutions for remote applications
Delivery platforms	Social networks	HealthTech	Remote working / learning
		Beauty & Aesthetic	

. Historical theme allocation



Source: SILEX as of October 2020

. Our four investment themes

. Online connectivity

We live online_

On-demand everything

We, as the Next Generation, require effortless and immediate access to almost everything everywhere. From entertainment to shopping, it must be available instantaneously.

20%

E-commerce sales account for only 20% of all retail sales worldwide. It will rise to 30% by 2023

2025

the year most experts believe the first implantable mobile phone will be available

Digital connectivity is bringing online services that were once offline, impacting companies in various fields such as: food/grocery delivery platforms, AdTech (advertising technology) or e-commerce platforms.

. Digital entertainment

We stream the world_

34%

Video streaming is expected to grow 34% CAGR in the next 5 years

With the emergence of accessible ultra-high-speed connectivity, the time we spend consuming videos, music and gaming is exploding.

The traditional video and audio industry are under heavy disruption from new content creation and distribution (streaming platforms).

Exceptional growth will continue to accelerate in the years to come creating numerous opportunities for streaming technologies (content delivery networks), video-gaming companies or social networks.

59%

Online gaming is expected to grow 59% CAGR in the next 5 years

65%

Of respondents are more likely to watch live events online if the stream is not delayed from the broadcast

. Our four investment themes

. Healthy Living & well-being anima sana in corpore sano_

Feeling healthy and looking good is our new credo: many of us want to eat organic, plant-based, and locally-sourced products. We prefer natural ingredients and are willing to pay a premium for it. Going to the gym every day is part of our routine. New companies and products are emerging in the FoodTech. New gym equipment revolutionise fitness at home.

47%

47% of 18-34 years care about eating more healthy vs 23% of 55+

\$4.5tr

The global wellness economy is worth **\$4.5 trillion**

92%

of patients using telemedicine get their issue resolved after one e-consultation

10%

Aesthetic medicine market is expected to grow by **10%+ CAGR** in the next 5 years

New, non-invasive aesthetic medical procedures are opening a whole new world for everyone wanting to look better on Instagram, while remote monitoring apps help you make sure your health is in constant check.

. E-working, E-learning & the gig economy

We expect remote learning and working to be seamless. We are hungry to learn and feel frustrated by traditional learning methods. We want to work remotely and use technology to be more productive any time. It is a reality that we only see accelerating that more and more people will not work for one employer, but they will use freelance platforms to work in six different places, and just do the things that add the most value. Large companies are also waking up and seeing the value that is being created by those operating in the 'gig' economy. Should we all not?

\$342bn

EdTech revenues to reach \$342bn by 2025 (vs \$152bn in 2018)

<3%

Today less than 3% of total global education expenditure is digital

\$2.7 trillion

The GIG Economy could reach \$2.7T annually by 2025 as millennials embrace contracting and freelancing

\$73bn

AR market estimated to grow from \$11bn in 2019 to \$73bn by 2024

. The Next Generation daily routine

6 A.M. DING!

Wake-up time, let's get ready for a digital and healthy day ahead



First things first; where's my phone?



7 A.M. NAMASTE

Daily routine starts with my online morning yoga class



My health in constant check with my digital and connected wrist. How did I sleep? Am I feeling good?



12 A.M. WHAT'S FOR LUNCH?

Worldwide cuisine 1-click away!



3 P.M. LET'S HAVE A BREAK!

Augmented reality is making it so much fun to play video games. I never thought I'd spend so much time (and \$) entertaining myself digitally!



6 P.M. I RIDE MY PELOTON BIKE

I discovered @ home fitness during a pandemic and I actually love it. Saves me time and I can even train with my buddies from across the Atlantic!



8 P.M. YUMMY, A VEGAN BURGER

I am a flexitarian and I love it. Better for me, better for the planet, and I can show it off on Insta!



9 P.M. CONNECTED TV AND CHILL

Premium content accessible anywhere anytime, what's not to like!

At SILEX we have once more put our human expertise and technology to work so we can help our partners capture the opportunities around this true revolution.

Our Next Generation Thematic Equity solution highlights the value of good ideas coupled with concrete execution.

Do not wait for the future to be the present. Come meet the next Generation with SILEX now.

Get in touch with us_
+41 22 310 66 00 _ amc@silex-partners.com

This document is not for distribution to retail investors or US investors, but is for the exclusive use of institutional investors acting on their own account and categorised either as «eligible counterparties» or «professional clients» within the meaning of markets in financial instruments directive 2014 65 /EU Confidential to recipient, not for reproduction Promotional article This document and any information enclosed within it may contain restricted, privileged and confidential information and are therefore intended for distribution to authorised persons only If you are not the intended recipient of this document, you must not disseminate, modify, copy/ plagiarise or take action in reliance upon it, unless permitted by SILEX IP With respect to the present document, neither SILEX IP nor any of its employees or representatives, makes any warranty or representation, whether express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information disclosed Neither SILEX IP nor any of its employees or representatives assumes or accepts any liability and/or responsibility whatsoever caused by any action taken in reliance upon this document This content is not intended to be a solicitation nor an offer of service, it solely has the purpose of informing professional investors The preparation of the information provided herein is done with a high level of care Nevertheless, errors are possible The recipient of this document is urged to seek the advice of professionals in order to discuss the risks involved with the businesses described in this document Past performance is not necessarily indicative of future performance Reference to certain securities and financial instruments is for illustrative purposes only SILEX IP assumes that all users understand risks involved in the businesses described in this document SILEX IP reserves the right to modify the contents and the terms of this document at all times All rights reserved



www.silex-partners.com

Rue de Villereuse, 22 _ 1207 Geneva

© 2020 SILEX Investment Partners SA