

Value Investing for the Modern Era

Intangible Value

ITAN adapts the timeless principles of value investing to the modern era. Originating in the 1930s, value investing provides a framework for buying companies below intrinsic value. However, as the economy shifts from industrial to information-based, corporate value is increasingly becoming intangible rather than tangible. **ITAN** extends traditional value concepts to include four pillars of intangible value.



**Intellectual
Property**



**Brand
Equity**



**Human
Capital**



**Network
Effects**

Quantifying Dark Matter

Intangible value can be challenging to quantify, as it is largely omitted from standard accounting statements. The most relevant data tend to be large, noisy, and unstructured. Sparkline combines its fundamental understanding of investing with state-of-the-art natural language processing to convert these data into measures of intangible value for each company.

Fund Objective

ITAN is an actively-managed exchange traded fund (ETF) seeking long-term capital appreciation. The fund invests in U.S.-listed equity securities from the approximately top 1,000 largest stocks by market capitalization. The fund seeks to remain nearly fully invested at all times.

Fund Details

as of 6/29/2021

Ticker	ITAN
Primary Exchange	NYSE
Expense Ratio	0.50%
CUSIP	02072L771
Inception Date	6/29/2021
Net Assets	-
# Holdings	152

Fund Characteristics

as of 6/29/2021

	ITAN	S&P 500
Earnings / Price (%)	3.0	3.0
Sales / Price (%)	37.0	29.3
Expected Growth (%)	14.9	14.6
Return on Equity (%)	21.1	24.0
R&D / Price (%)	1.9	0.9
S&M / Price (%)	1.5	0.6
Patents / Price *	2.5	1.1

Source: S&P, USPTO, Sparkline. All calculations are weighted averages with weights equal to position size. Net income, sales, R&D, S&M, and patents are calculated over a trailing 12-month window. The S&P 500® is a popular gauge of large-cap U.S. equities that includes 500 leading companies. Characteristics refer to the underlying stocks and do not predict the performance of the fund.

Earnings / Price is net income divided by market cap. **Sales / Price** is sales divided by market cap. **Expected Growth** is consensus analyst expected long-term growth of earnings per share (note: does not guarantee future performance). **Return on Equity** is net income divided by book value. **R&D / Price** is research and development expenditures divided by market cap. **S&M / Price** is sales and marketing expenditures divided by market cap. **Patents / Price** is the number of patent grants from the USPTO divided by market cap. * Patents are scaled by billions (e.g., # patents per \$1 billion market cap).

Fund Performance

as of 6/29/2021

	YTD	1M	3M	1Y	3Y	5Y	ITD
ITAN NAV	-	-	-	-	-	-	-
ITAN Market Price	-	-	-	-	-	-	-
S&P 500® Index	-	-	-	-	-	-	-

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so shares may be worth more or less when redeemed or sold. Current performance may be lower or higher than that quoted. Visit etf.sparklinecapital.com/itan for data as of the most recent month end.

Market price returns are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times. NAV is the sum of all assets less any liabilities, divided by the number of shares outstanding. Values are percent returns. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. YTD is year-to-date and ITD is inception-to-date. ITD returns for S&P 500® are since the inception of ITAN. S&P 500® Index returns are for illustrative purposes only. Indices are unmanaged. You cannot invest directly in an index.

Important Disclosures

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. This and other important information is contained in the prospectus, which may be obtained by visiting etf.sparklinecapital.com/itan. Please read the prospectus carefully before investing.

Investments involve risk and principal loss is possible. There can be no assurance that the fund will achieve its investment objective. The fund invests in equity securities, which may fall in value in adverse economic and market conditions. The fund expects to have exposure to the information technology, communications, healthcare, and consumer discretionary sectors, which face unique competitive, technological, demand, and regulatory risks. The fund may invest in mid- and small-cap companies, which may have limited liquidity and greater volatility. The fund is actively managed and its success will depend on the skills of the advisor and subadvisor, which has a limited operating history. The fund utilizes quantitative methods, machine learning and alternative data, which are subject to data quality, model, algorithm, regulatory, and technological risks. The fund employs a value investing strategy, which may fail if stocks do not reach the subadvisor's assessment of fair value. Please see the prospectus for more details of these and other risks.

Unlike mutual funds, ETFs may trade at a premium or discount to their net asset value. ETF shares may only be redeemed at NAV by authorized participants in large creation units. There can be no guarantee that an active trading market for shares will exist. The trading of shares may incur brokerage commissions.

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The fund is distributed by Foreside Fund Services LLC. The fund's investment advisor is Empowered Funds, LLC, which is doing business as Alpha Architect. The fund's investment subadvisor is Sparkline Capital LP.

Top 10 Holdings

as of 6/29/2021

Company	Ticker	Weight
Microsoft	MSFT	5.1%
Amazon	AMZN	4.1%
Apple	AAPL	3.3%
Facebook	FB	3.3%
Alphabet	GOOGL	2.9%
Alphabet	GOOG	2.0%
Nvidia	NVDA	1.9%
Intel	INTC	1.9%
Oracle	ORCL	1.8%
Cisco	CSCO	1.8%

Fund holdings are subject to change and should not be considered recommendations to buy or sell any security.

Sponsor Biography



Kai Wu

Founder & CIO
Sparkline Capital LP

Kai Wu is the founder and Chief Investment Officer of Sparkline Capital, an investment management firm applying state-of-the-art machine learning and computing to uncover alpha in large, unstructured data sets.

Prior to Sparkline, Kai co-founded and co-managed Kaleidoscope Capital, a quantitative hedge fund in Boston. With one other partner, he grew Kaleidoscope to \$350 million in assets from institutional investors. Kai jointly managed all aspects of the company, including technology, investments, operations, trading, investor relations, and recruiting.

Previously, Kai worked at GMO, where he was a member of Jeremy Grantham's \$40 billion asset allocation team. He also worked closely with the firm's equity and macro investment teams in Boston, San Francisco, London, and Sydney.

Kai graduated from Harvard College Magna Cum Laude and Phi Beta Kappa.