Are new stocks the missing piece in your portfolio?

How IPOs can redefine your investment strategy.

IPO
LISTED
NYSE

IPOS
LISTED
NYSE

Disclosure

Risks of Investing in IPOs

Please note: The Renaissance IPO ETF (ticker: IPO) and the Renaissance International IPO ETF (ticker: IPOS) invest in companies that have recently completed initial public offerings. Investors should use the content presented for informational purposes only, and be aware of certain risks related to IPOs.

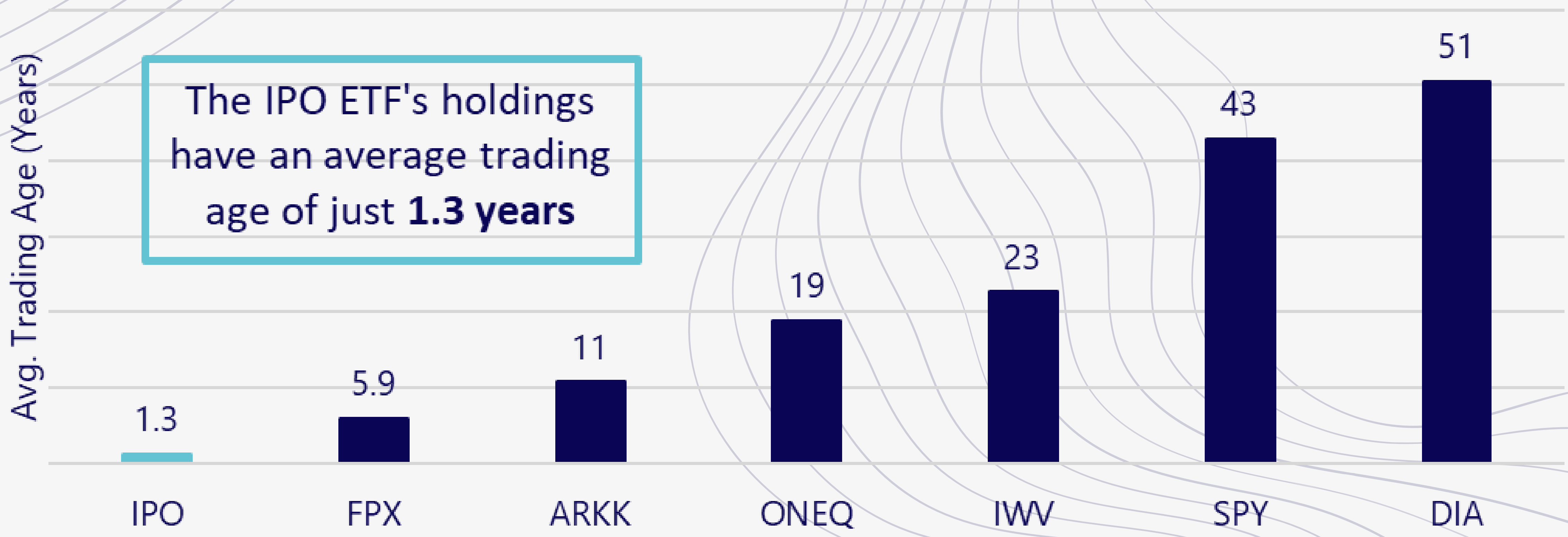
Some potential risks include:

- Sector concentration and sector-specific risks
- Small- and mid-cap company risk
- Emerging market risk
- Turnover and securities lending risks

Please read full risk disclosures carefully (see last page).

Markets are constantly evolving,
yet most portfolios consist of older stocks.

Don't miss out on the next generation of innovators. **Take advantage of our IPO ETFs to diversify your holdings with new stocks not found in most ETFs.**



Est. average trading age of each fund's constituents as of 12/31/24. Based on data sourced from Renaissance Capital, Bloomberg, and S&P.

Why IPOs?

1. Sizable, sustainable market
2. Unique asset class
3. Complement to core portfolios
4. Access to innovation
5. Low correlation, differentiated returns

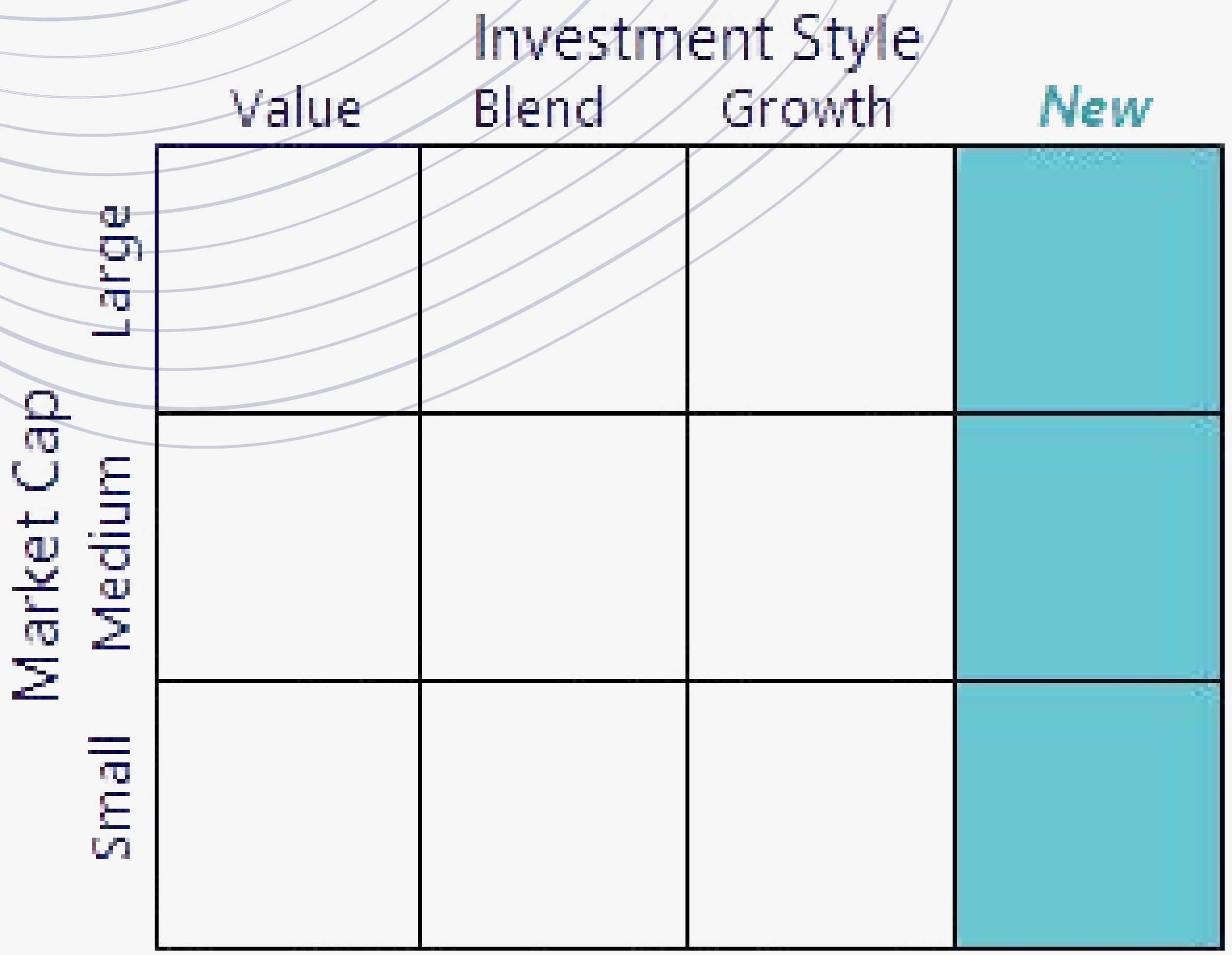
The IPO market is sizable and sustainable

New stocks (stocks traded for <3 years) are an **economically significant segment of equity markets**. On average, global IPOs have raised $100+ billion annually for over 20 years. These include many large cap names like **Arm**, **Uber**, and **Airbnb**.

Source: Renaissance Capital. Criteria includes but is not limited to minimum deal size/market cap of $5mm/$50mm for US IPOs and $100mm for XUS IPOs.

New stocks are a distinct asset class

Conventional asset allocation misses new stocks because it ignores a key factor: **time.** New stocks form a **distinct asset class** distinguished from traditional equity classifications based on **time in the market**.

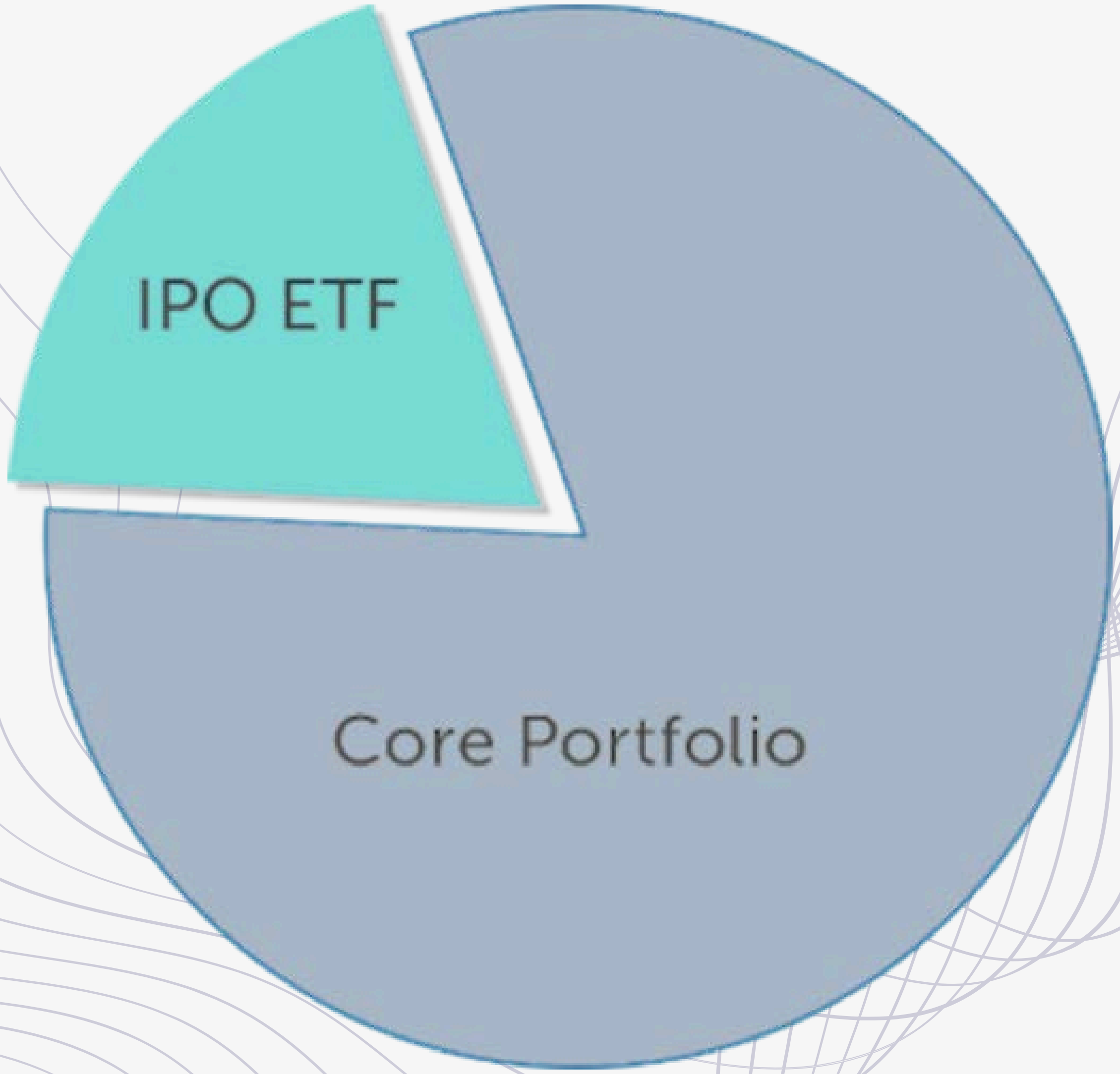


The **new stock asset class** encompasses many of the innovators that will shape the next decade. Evaluating these emerging names only within traditional categories can dilute their potentially transformative impact.

Traditional portfolios often miss out on IPOs

New stocks are often only added to core portfolios when they fall under a traditionally recognized category. Even the largest and most liquid new stocks may be excluded from major benchmarks for months or years after going public.

As a result, **new stocks** are often the missing piece of the typical equity portfolio. Utilizing new stocks as a separate asset class allows investors to supplement traditional investment strategies with **time diversification**.



The IPO market is the front door for innovation

For decades, investors have used IPOs to access innovative companies after their most important fundraising event. We believe advancements in AI and other disruptive tech once again position the IPO market as **the front door for innovation**.

Some of the most-watched tech disruptors are moving closer to public listings. At the same time, **many future market leaders are still complete unknowns.**

*Examples of pre-IPO candidates. Does not guarantee future eligibility for inclusion in the IPO ETF.

New stocks can offer a low correlation edge...

Because new stocks are not widely included in major benchmark indices, they can provide **a lower-correlation edge*** to traditional investment strategies.

...as well as differentiated returns

An IPO portfolio may provide differentiated returns. In a diversified portfolio that prioritizes larger, more liquid companies, **new stocks may outperform broad benchmark indices on a risk-adjusted basis over long-term market cycles**.

*Correlation with the S&P 500 using daily price movements for 10-year period ended 12/31/24. Comparing IPO (0.727) to market cap funds VV (0.980), VO (0.954), IWM (0.866), and IWC (0.789), and investment style funds VUG (0.955) and IWD (0.925).

Our IPO ETFs aim to offer:

1. **A systematic investment approach.** Our IPO ETFs seek to capture the largest, most liquid new stocks using a passive, index-based methodology.
2. **Novel diversification.** Time diversification can complement traditional investment strategies while providing low correlation to major benchmarks.
3. **Dynamic access to the new economy.** Proprietary IPO tracking criteria is designed to provide intelligent exposure to the most important new stocks.
4. **The go-to ETFs for new stocks.** A defined three-year holding period means our IPO ETFs only include new stocks not found in most core portfolios.

Want to learn more?

Contact our ETF Team.

Schedule a call by reaching out to our portfolio managers at renaissance@renaissancecapital.com

Check out our ETF site.

Detailed methodology, daily holdings, and more at etfs.renaissancecapital.com

Risk Disclosure

Investments in the Renaissance IPO ETF, symbol “IPO”, and the Renaissance International IPO ETF, symbol “IPOS” (the “ETFs”) are subject to investment risk, including possible loss of the principal amounts invested. The ETFs invest in companies that have recently completed initial public offerings. These stocks are unseasoned equities lacking trading history, a track record of reporting to investors and widely available research coverage which may result in extreme price volatility. Due to a greater number of IPOs in certain segments, the ETFs may also be subject to information technology and financial sector risk, small and mid-capitalization company risk, and, for the Renaissance International IPO ETF, emerging market risk. The ETFs may hold securities in the form of Depository Receipts, REITs, and Partnership Units, which have greater risks than common shares. The strategies have high portfolio turnover and securities lending risks. The returns of the ETFs may not match the return of the respective indices. The ETFs are classified as non-diversified investment companies subject to concentration risk.

Prospectus

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus and/or summary prospectus with this and other information, please visit the document center. Read the prospectus carefully before investing. Foreside Fund Services, LLC, distributor for the ETFs, 1-866-486-6645.