

# ALPS | O'Shares Global Internet Giants ETF

Quarterly Insights | Q4 2023

## Key Takeaways

- The ALPS | O'Shares Global Internet Giants ETF (OGIG) returned 17.73% in the fourth quarter of 2023 as growth and technology stocks rallied into the new year on better-than-expected quarterly earnings.
- Information Technology provided the best sector performance for OGIG in the fourth quarter contributing 10.96% to fund performance.
- Snap Inc. (**SNAP US, 2.57% weight\***) was OGIG's top performer in Q4, surging over 90% after the company's CEO sent out a letter highlighting improving trends expected in 2024.

## Performance Notes

- The ALPS | O'Shares Global Internet Giants ETF (OGIG) returned 17.73% last quarter, significantly outperforming the NASDAQ 100 Index, which returned 14.59% for the same period. OGIG's stock selection and greater allocation towards diversified global tech stocks led to the fund's outperformance against the NASDAQ 100 Index for the quarter.
- Despite recent uncertainty and instability across global markets, OGIG's globally diversified, quality internet holdings are well-positioned to capture further online growth opportunities. Additionally, OGIG's overweight towards Information Technology and select mega-cap tech names are poised to benefit from game-changing developments around "New Tech", including Artificial Intelligence (AI), which has caused the Tech sector to lead all others through the end of 2023.

## Performance Summary

	Q4 2023	YTD	1 Y	3 Y
OGIG (NAV)	17.73%	49.61%	49.61%	-12.42%
O'Shares Global Internet Giants Index - TR	17.91%	50.47%	50.47%	-11.99%
NASDAQ 100 Index - TR	14.59%	55.13%	55.13%	10.18%

As of 12/31/2023

**Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit [www.alpsfunds.com](http://www.alpsfunds.com). Performance includes reinvested distributions and capital gains.**

Performance data prior to 6/21/2022 reflects the performance of the Fund as managed under the OSI ETF Trust.

For standardized performance please see page 3.

## Why OGIG?

- **"New Tech vs. Old Tech":** Positioned for the digital transformation of the global economy
- **Focus on Quality and Revenue Growth**
- **Differentiated Approach to Growth and Tech**

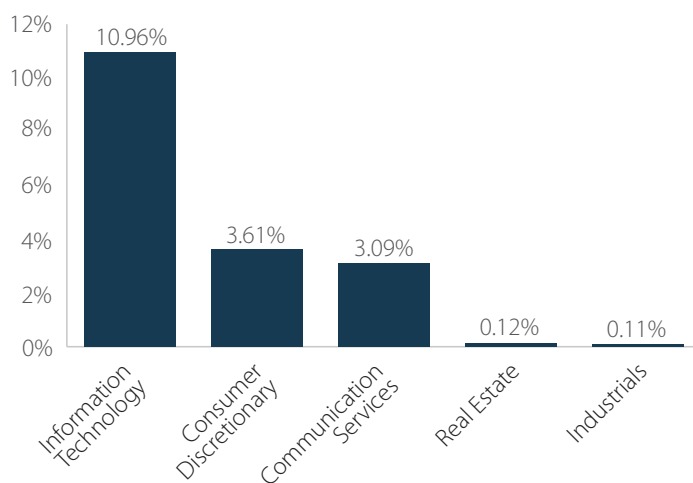


## Attribution

- Information Technology (+10.96%) was the leader in Q4 2023 while Industrials (+0.11%) was the laggard among OGIG's sector contribution to returns. Infrastructure software company, SentinelOne, Inc. (**S US, 1.40% weight\***) was the top performer in OGIG's Information Technology allocation, gaining nearly 63% last quarter after reporting quarterly results above analyst expectations and subsequently raising its full-year guidance on the back of improving free cash flow and business diversification. Following the trend of earnings beats, cybersecurity company, CrowdStrike Holding, Inc. (**CRWD US, 1.68% weight\***), another OGIG Information Technology name, jumped 52.54% in the fourth quarter after topping quarterly earnings estimates and raising full-year revenue forecasts, in part, thanks to strong operating execution and the addition of add-on products for existing customers.
- Also moving higher last quarter, e-commerce company, PDD Holdings Inc. (**PDD US, 2.85% weight\***), rallied 49.19% within OGIG's Consumer Discretionary allocation following rapid expansion in the company's newest hit app, Temu, which saw a 315% year-over-year revenue growth, nearly double that of the average street estimate.
- Rounding out top-gaining stocks within OGIG for Q4, Roblox Corp (**RBLX US, 0.68% weight\***), gained nearly 58% last quarter following a blow-out quarterly earnings announcement that highlighted a rise in daily active users, which analysts see as sustainable as the video game company expands their footprint across new regions.

\* Weight in OGIG as of 12/31/2023

## OGIG Sector Performance – Q4 2023



Source: Bloomberg L.P., as of 12/31/2023

**Past performance is no guarantee of future results.**

### Valuation Update

- As of December 31, 2023, OGIG's underlying index (OGIGX) exhibits a price-to-sales (P/S) ratio of 5.72x and a price-to-cash flow (P/CF) ratio of 26.49x.

### OGIG Top/Bottom Performers Q4 2023

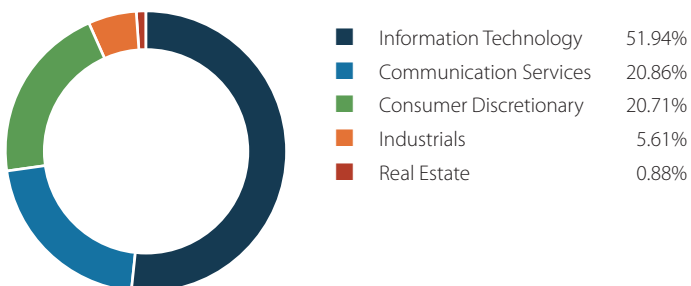
Leaders	Performance	Theme
Snap Inc (SNAP US)	90.01%	Communication Services
SentinelOne Inc (S US)	62.75%	Information Technology
ROBLOX Corp (RBLX US)	57.87%	Communication Services

Laggards	Performance	Theme
Meituan (3690 HK)	-28.32%	Consumer Discretionary
BILL Holdings Inc (BILL US)	-24.85%	Information Technology
Confluent Inc (CFLT US)	-20.97%	Information Technology

Source: SS&C ALPS Advisors, as of 12/31/2023

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### Sector Allocations



\* Weight in OGIG as of 12/31/2023

### Price Multiples

	O'Shares Global Internet Giants Index	NASDAQ 100 Index
Price/Earnings Ratio	38.14x	30.27x
Price/Cash Flow Ratio	26.49x	21.01x
Price/Sales Ratio	5.72x	4.62x
Average Market Capitalization (in Mil, \$)	\$421,323	\$886,447

Source: Morningstar, as of 12/31/2023

**Past performance is no guarantee of future results.**

### Q4 2023 Company Spotlight

Company: **Snap, Inc.**  
(SNAP US, 2.57% weight\*)



Sector:  
**Communication Services**

- Snap Inc. is a technology and social media company focusing on virtual interactions through pictures. The company's popular app, Snapchat, focuses on visual communication to support storytelling and expression among users.
- Snap Inc. rocketed over 90% in Q4 2023 after the Snap CEO sent out a letter highlighting improving trends, with double-digit growth expected for daily active users and sales in 2024. The welcomed news comes as the Snapchat premium subscription has finally gained traction, keeping paying customers on the platform for longer.

## ALPS | O'Shares Global Internet Giants ETF

## ALPS | O'Shares Global Internet Giants ETF (OGIG) Performance as of 12/31/2023

Total Returns	Cumulative				Annualized			
	1 M	3 M	YTD	SI <sup>1</sup>	1 Y	3 Y	5 Y	SI <sup>1</sup>
NAV (Net Asset Value)	5.65%	17.73%	49.61%	45.84%	49.61%	-12.42%	13.72%	7.00%
Market Price	5.62%	17.80%	50.10%	45.84%	50.10%	-12.39%	13.82%	7.00%
O'Shares Global Internet Giants Index - TR	5.71%	17.91%	50.47%	50.12%	50.47%	-11.99%	14.31%	7.56%
NASDAQ 100 Index - TR	5.56%	14.59%	55.13%	147.54%	55.13%	10.18%	22.66%	17.65%

**Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit [www.alpsfunds.com](http://www.alpsfunds.com). Performance includes reinvested distributions and capital gains.**

Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

Performance data prior to 6/21/2022 reflects the performance of the Fund as managed under the OSI ETF Trust.

<sup>1</sup> Fund inception date: 6/5/2018, date reflects the commencement of investment operations.

Total Operating Expenses: **0.48%**

## Top 10 Holdings

Amazon.com Inc	5.90%	ServiceNow Inc	2.07%
Microsoft Corp	5.78%	Snowflake Inc	1.72%
Meta Platforms Inc	4.46%	Atlassian Corp	1.71%
Alphabet Inc	4.22%	CrowdStrike Holdings Inc	1.68%
PDD Holdings Inc	2.85%	Adobe Inc	1.59%

Source: Bloomberg L.P., as of 12/31/2023, subject to change

Daily holdings are available at [www.alpsfunds.com](http://www.alpsfunds.com).

## ALPS | O'Shares Global Internet Giants ETF

## Important Disclosures &amp; Definitions

**An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus containing this and other information, call 1-866-759-5679 or visit [www.alpsfunds.com](http://www.alpsfunds.com). Read the prospectus carefully before investing.**

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Concentration in a particular industry or sector will subject the Fund to loss due to adverse occurrences that may affect that industry or sector. The Fund may use derivatives which may involve risks different from, or greater than, those associated with more traditional investments. A Fund's emphasis on dividend-paying stocks involves the risk that such stocks may fall out of favor with investors and underperform the market. Also, a company may reduce or eliminate its dividend after the Fund's purchase of such a company's securities.

Companies involved with internet technology and e-commerce are exposed to risks associated with rapid advances in technology, obsolescence of current products and services, the finite life of patents and the constant threat of global competition and substitutes.

The Fund employs a "passive management" - or indexing - investment approach and seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

NASDAQ 100 Index: one of the world's preeminent large-cap growth indexes. It includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization.

O'Shares Global Internet Giants Index: a rules-based index intended to give investors a means of tracking stocks exhibiting quality and growth characteristics in the internet technology and e-commerce business segments and pass screens for gross margin and cash burn sustainability. Companies included in OGIGX derive at least 50% of their revenues from a) internet technology companies whose principal business is to provide the technologies that support internet commerce; and b) internet commerce companies whose principal business is to sell products and services via the internet.

Price/Cash Flow (P/CF) Ratio: represents the weighted average of the price/cash flow ratios of the stocks in a portfolio. Price/cash flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

Price/Earnings (P/E) Ratio: a valuation ratio of a company's current share price compared to its per-share earnings.

Price/Sales (P/S) Ratio: represents the weighted average of the price/sales ratios of the stocks in a portfolio. Price/sales represent the amount an investor is willing to pay for a dollar generated from a particular company's operations.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with O'Shares Investments.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

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