



GLOBAL INNOVATION

# Science Museum presentation

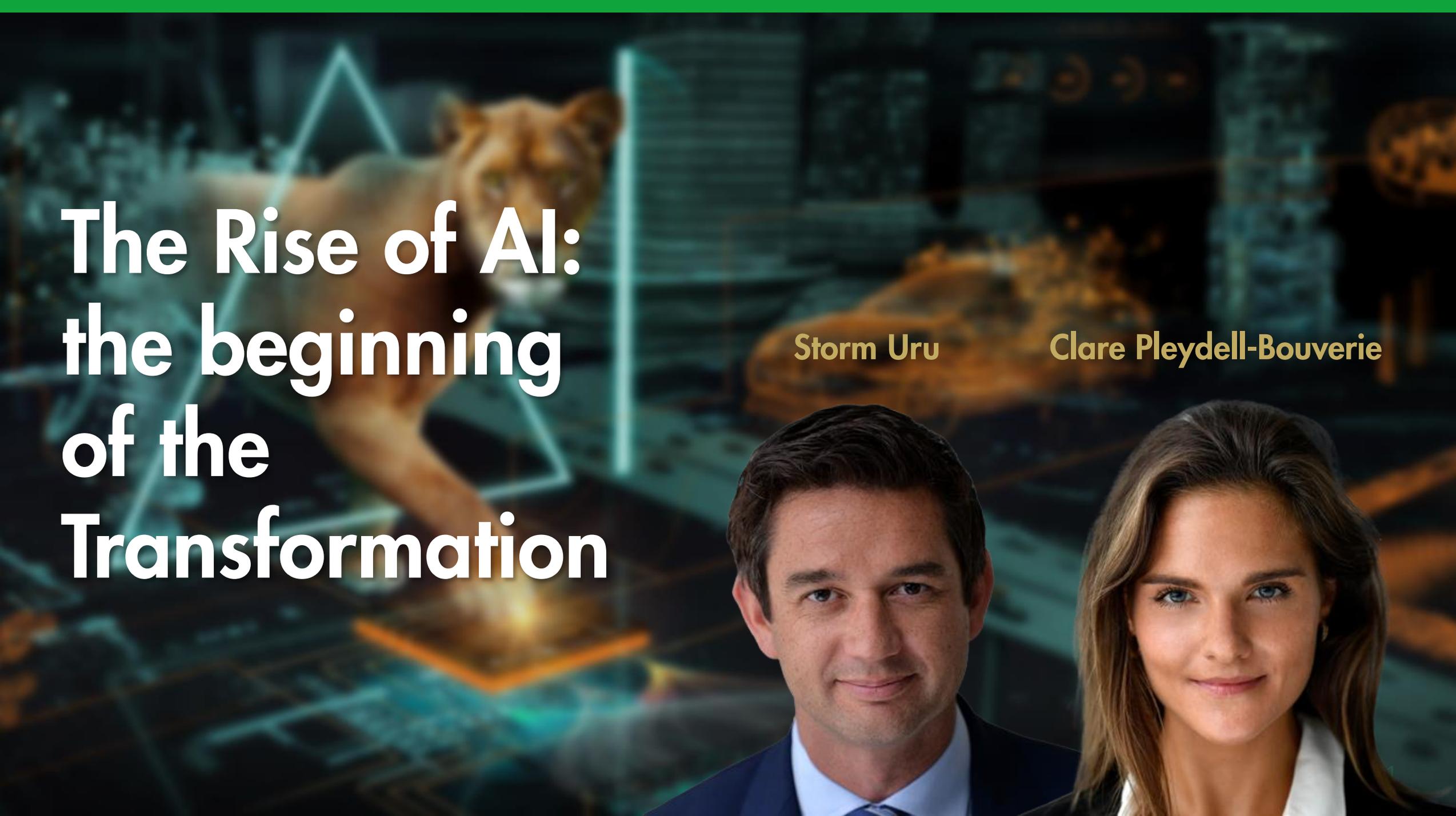
## AI: Why investors can't ignore the coming wave

Storm Uru & Clare Pleydell-Bouverie

November 2024

For UK audience

For professional investors and advisers only



# The Rise of AI: the beginning of the Transformation

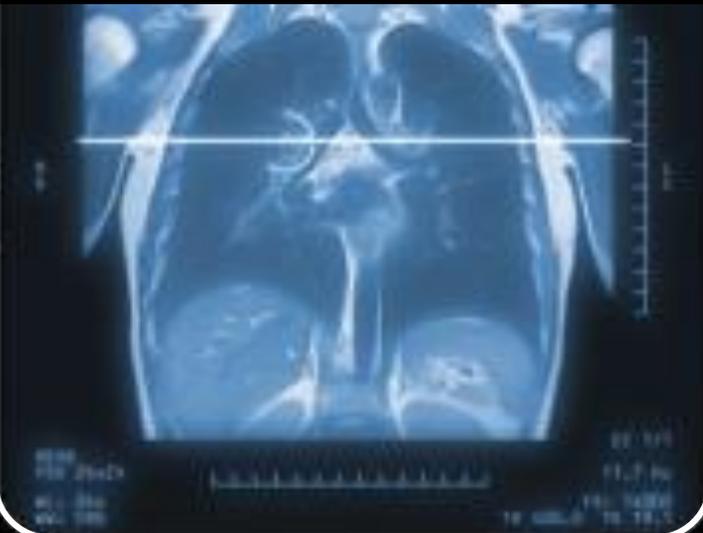
Storm Uru

Clare Pleydell-Bouverie

The wait is over

AI is here

**Computers with  
human-like intelligence**



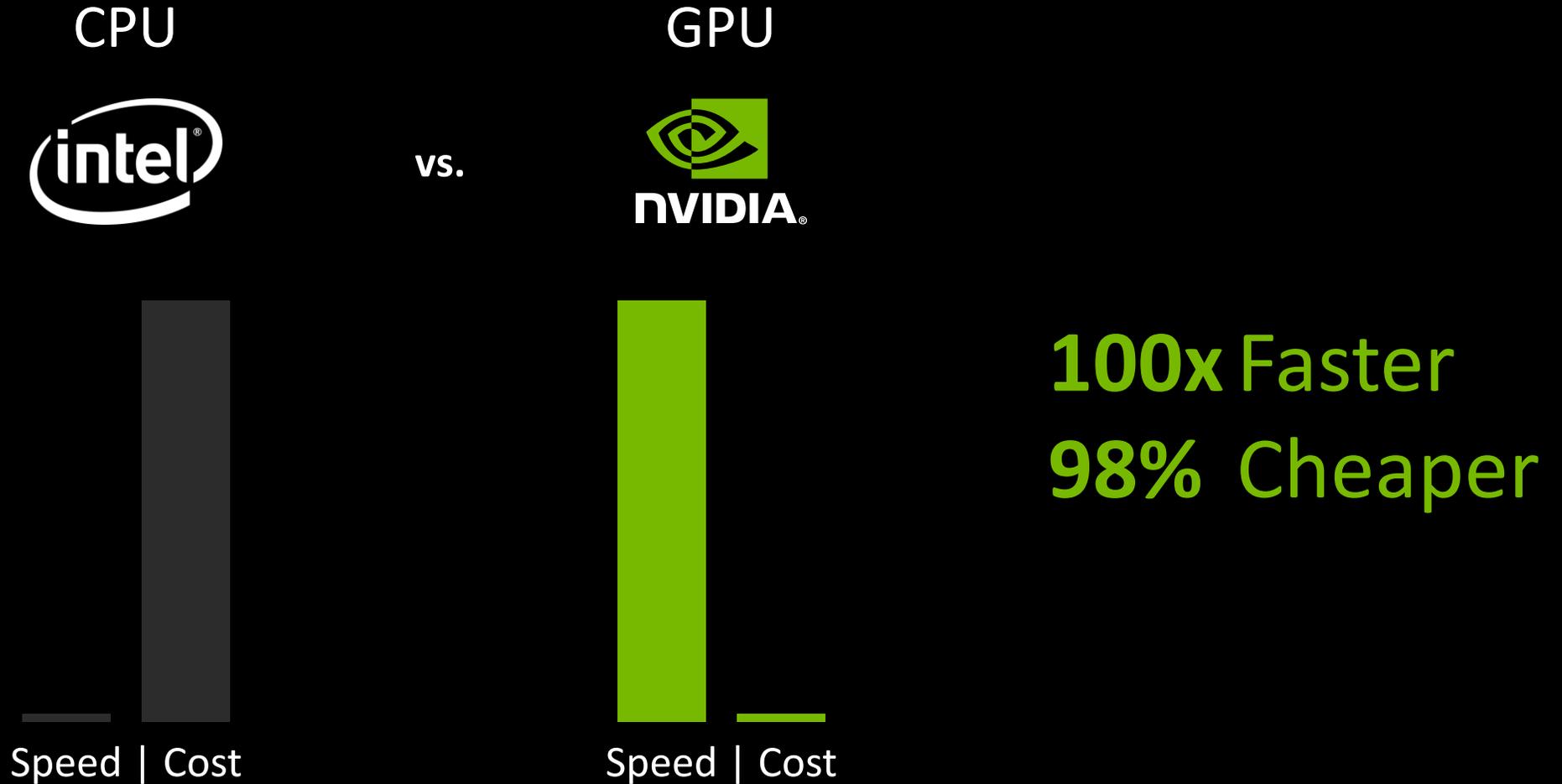
**Assist**



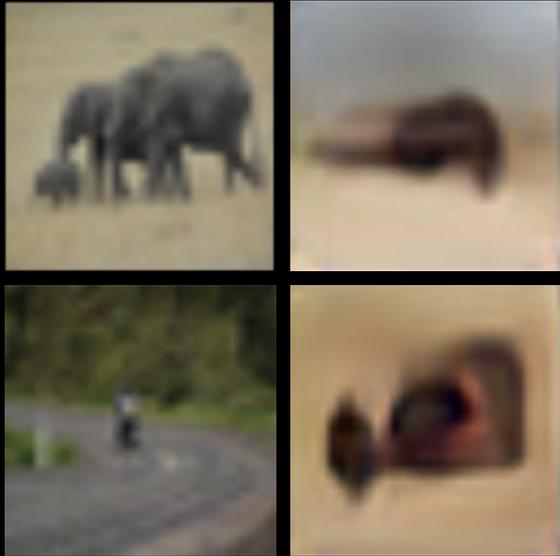
**Agential AI**



# Accelerated computing



## 🔍 Elephant in a room



**2016**

**1 GPU**



**2022**

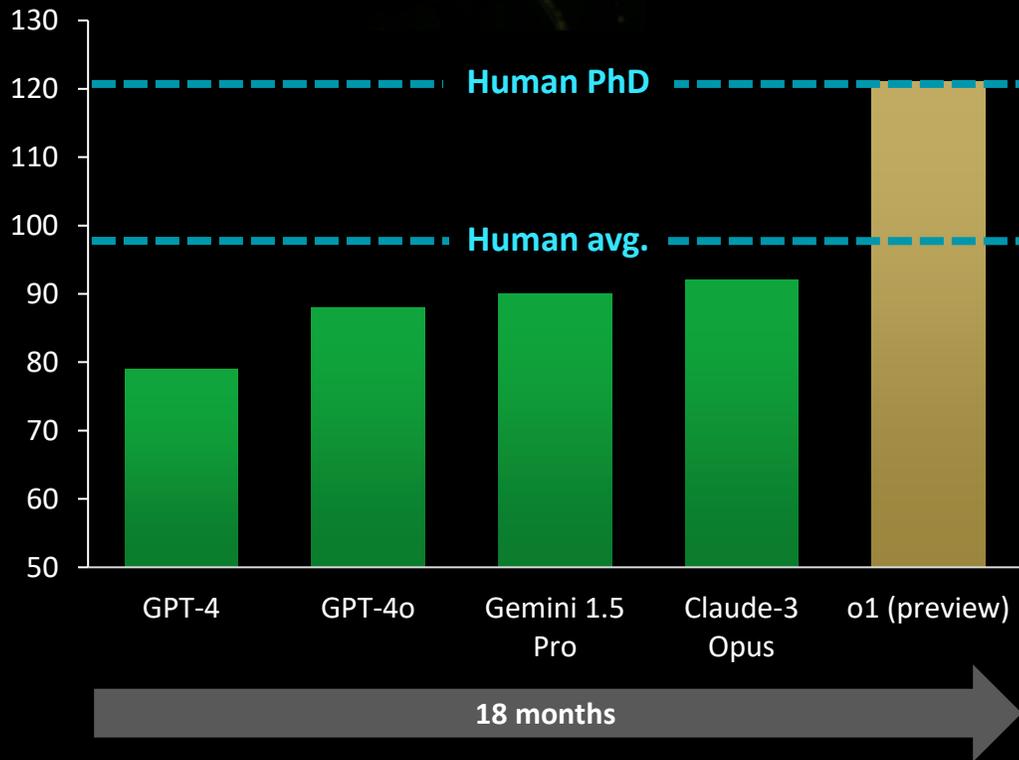
**4,000 GPU  
Cluster**



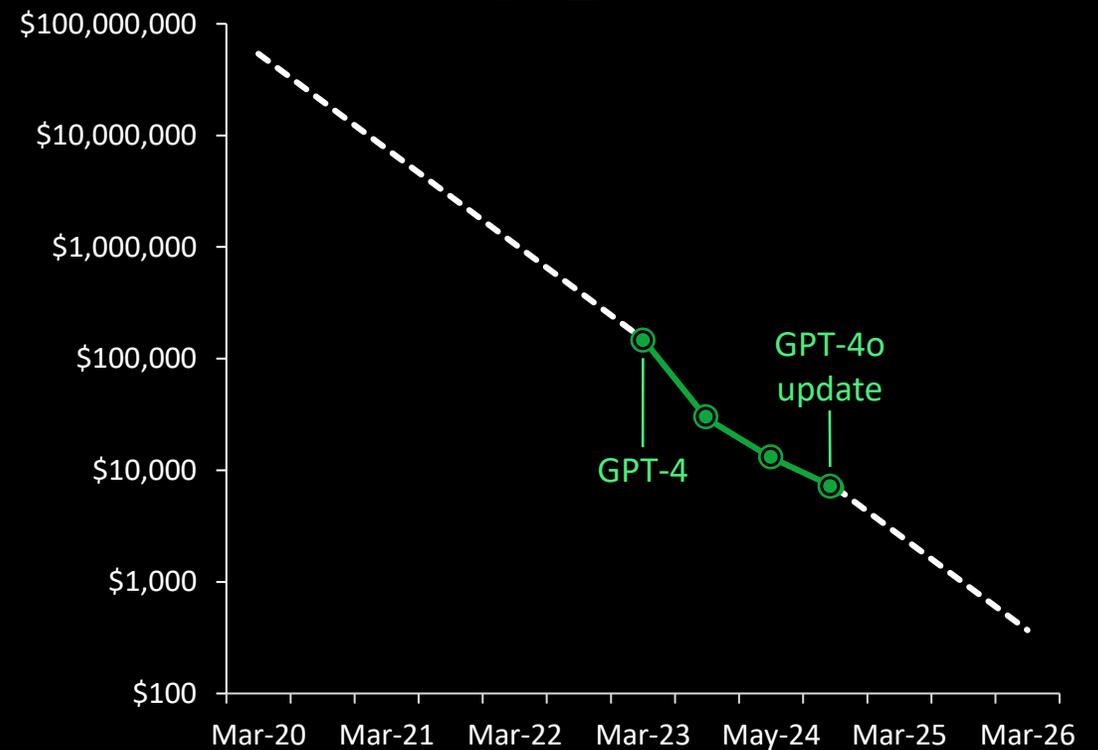
**2023**

**30,000 GPU  
Cluster**

# Getting smarter – IQ<sup>1</sup>



# Getting cheaper – GenAI cost<sup>2</sup>



# Speed of adoption matters

## Salesforce CRM



payback of 3 years

**ROIC: 25%**

## AI Assistant



payback of 1.5 days

**ROIC: 2000%**

# New winners of tomorrow

Incumbents

AI start-ups

Linklaters

salesforce

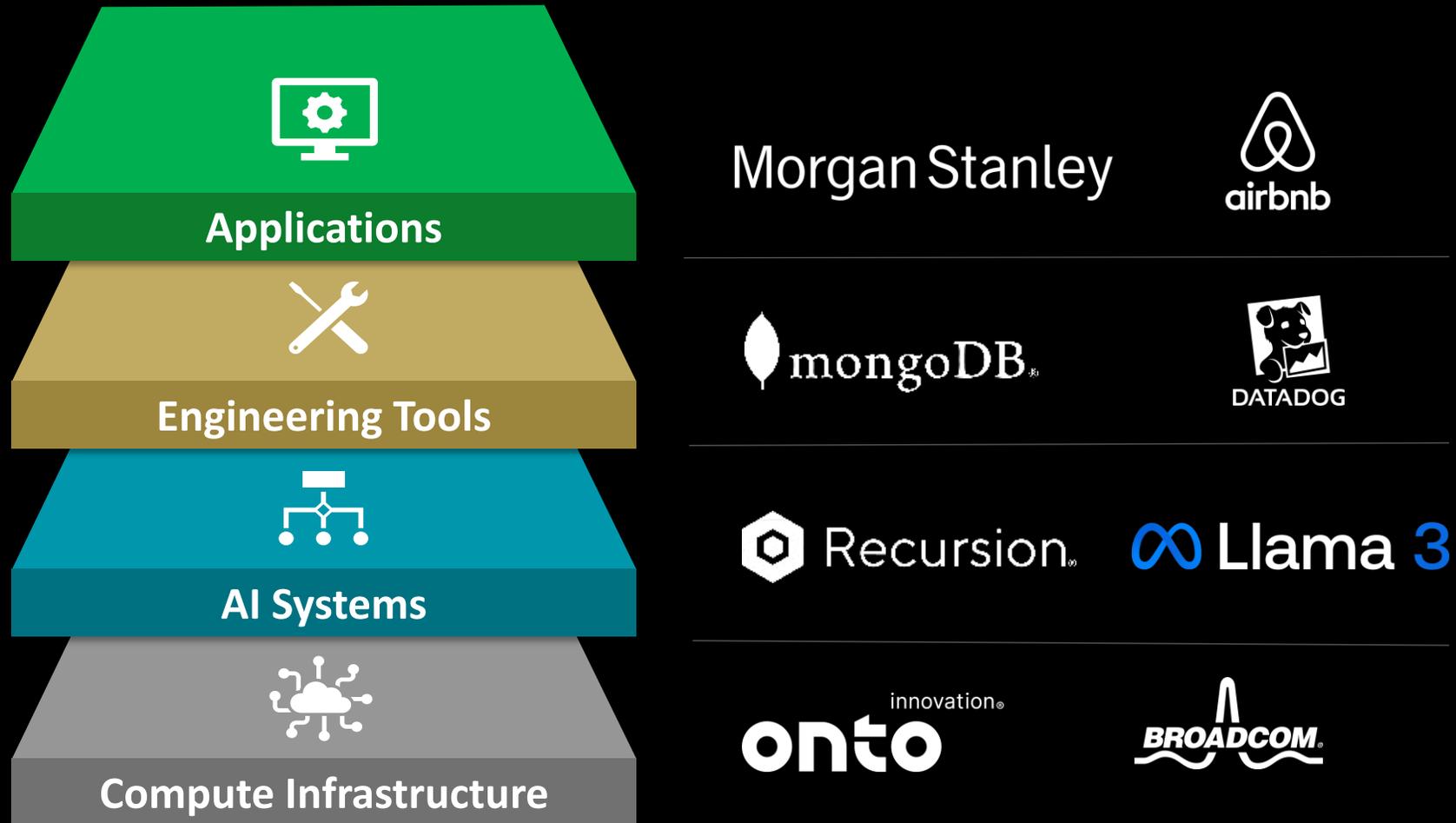


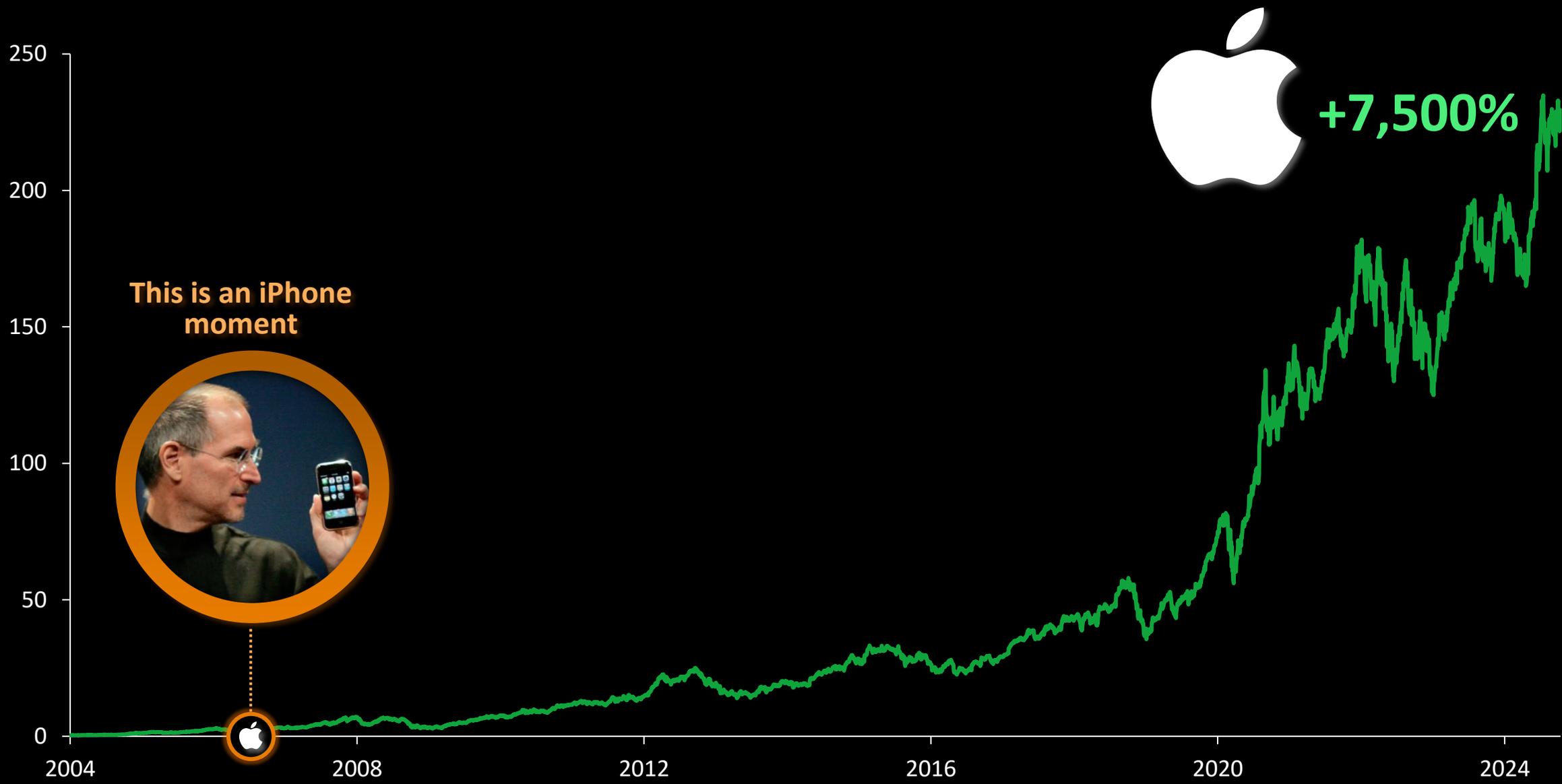
Harvey.

Google



# The opportunity set





Source: Bloomberg. All use of company logos, images or trademarks in this presentation are for reference purposes only  
**Past performance does not predict future returns**

# Defining innovation – our philosophy

Driving prices  
lower



 **BROADCOM**

CREATING  
VALUE

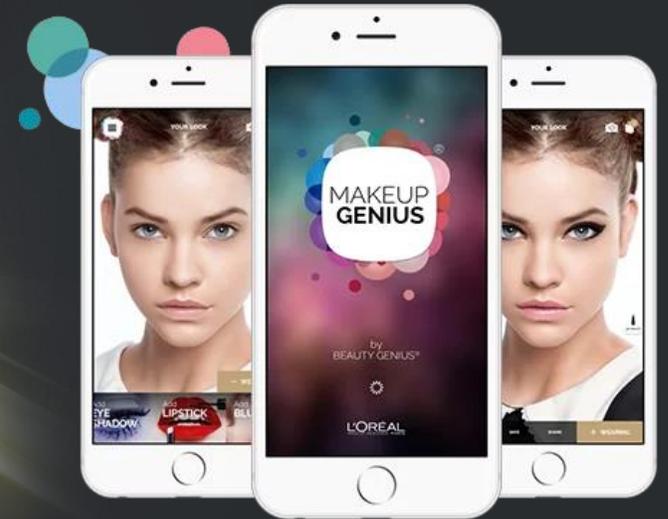
HIGHER  
QUALITY



LOWER  
PRICES



High quality  
price ratio



**L'ORÉAL**

# Global Innovation process



Create value



Capture value



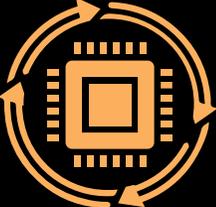
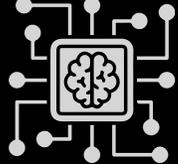
Execute



Evidence



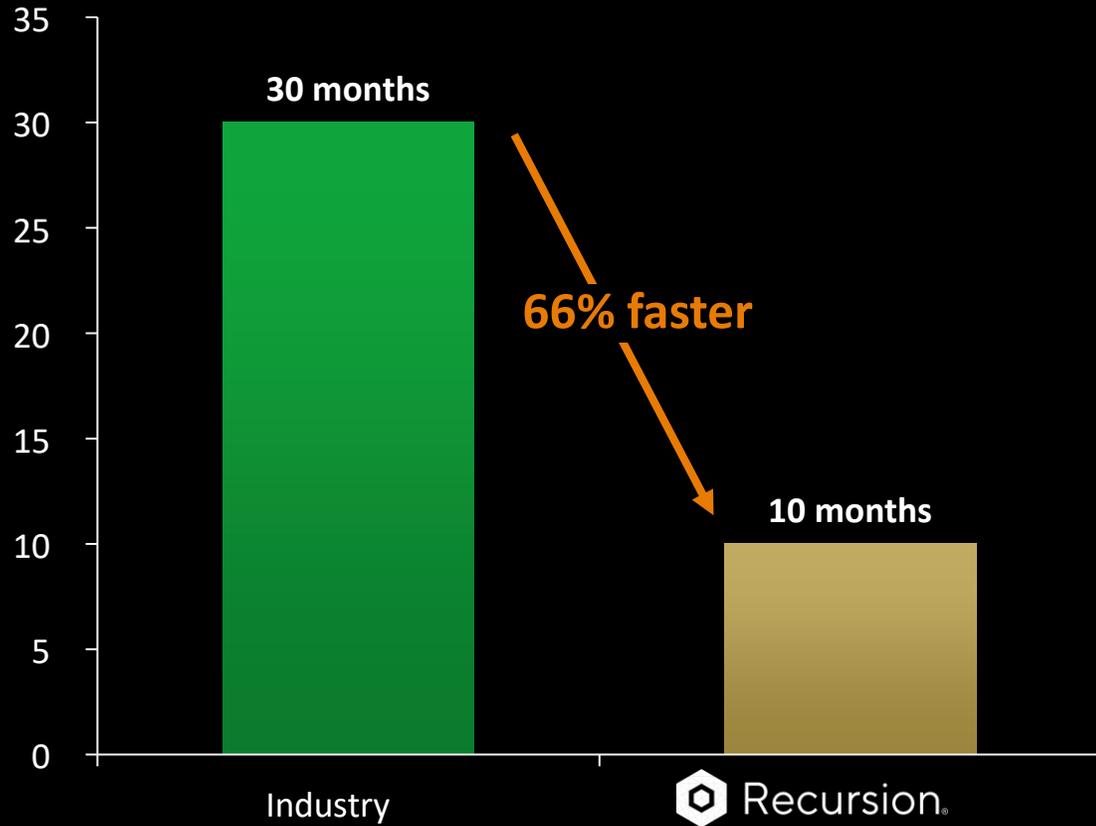
# Winners of tomorrow – driven by 6 new mega trends

<p><b>Power demand</b></p>  <p> Constellation</p>	<p><b>Accelerated computing</b></p>  <p> BROADCOM</p>	<p><b>Silicon Materials</b></p>  <p> APPLIED MATERIALS</p>	<p><b>Drug discovery</b></p>  <p> Recursion</p>	<p><b>AI infused software</b></p>  <p> <i>shopify</i></p>	<p><b>Autonomous driving</b></p>  <p> TESLA</p>
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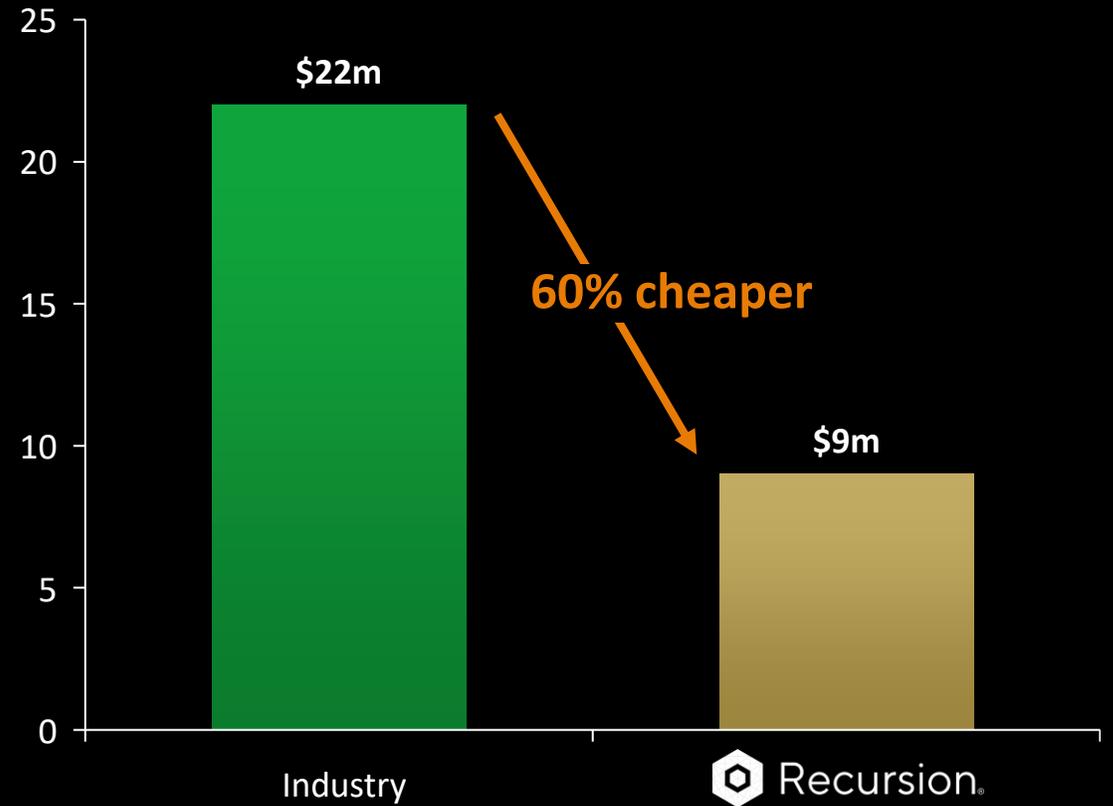
# Drug discovery



## Time to validate drug lead



## Cost of pre-clinical development



# Power demand



AI servers use

**10x**

more  
power than  
traditional servers

**Datcentre power growth:**

An additional

**100x New York Cities**

by 2030

**Brookfield**  
Renewable

 **Constellation**

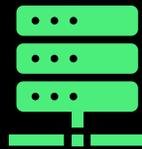
# Major upgrade cycle

**\$3trillion**

To be spent on **AI**  
in the next 5 years

**8,000**

Data centres



**7 billion**

smartphones



**4 billion**

PCs



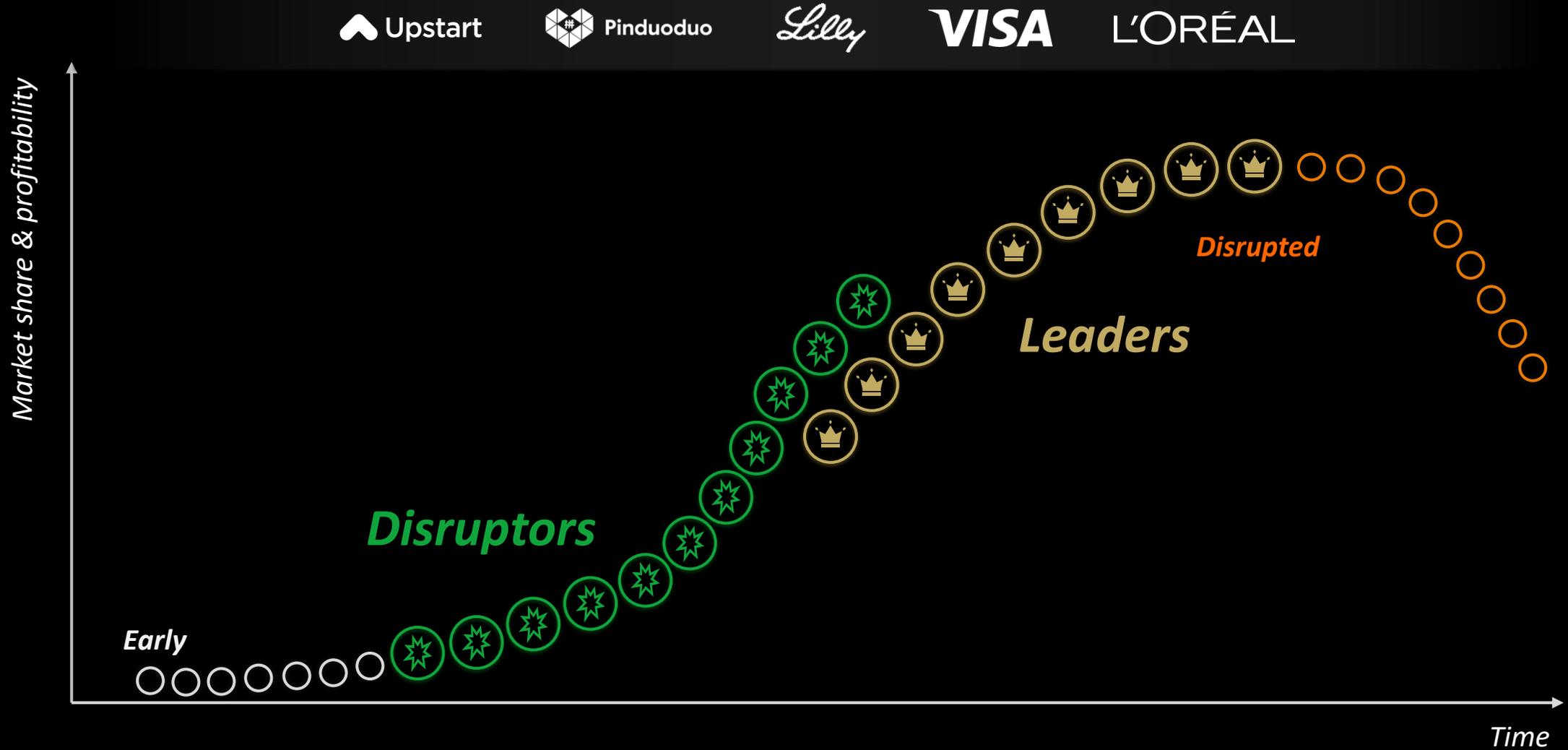
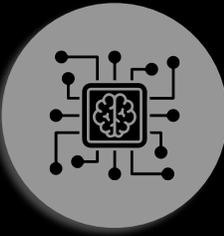
... to be ripped out and replaced for AI

 SK hynix

 arm

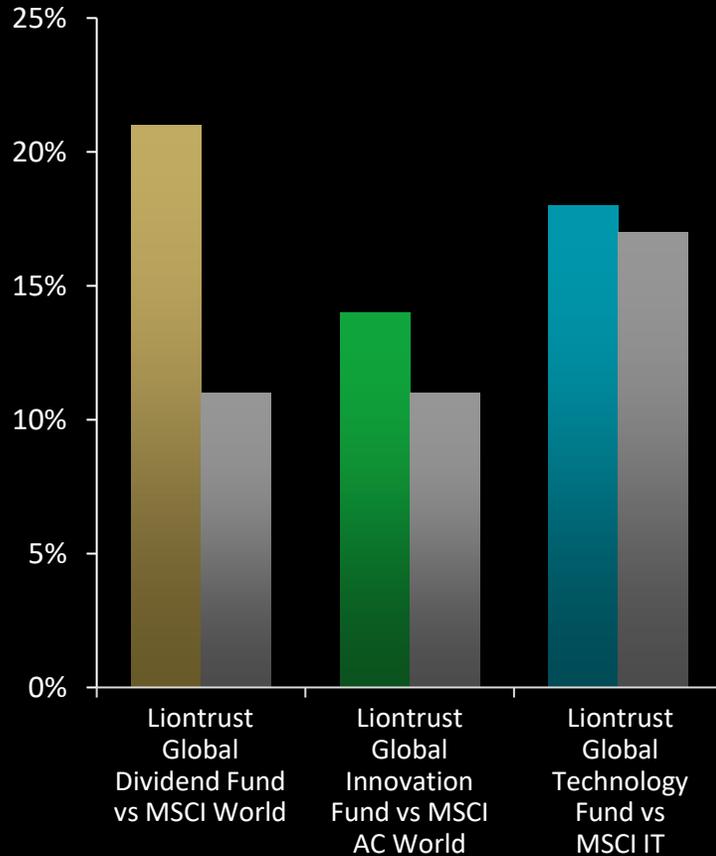
 DELL

# Innovation curve

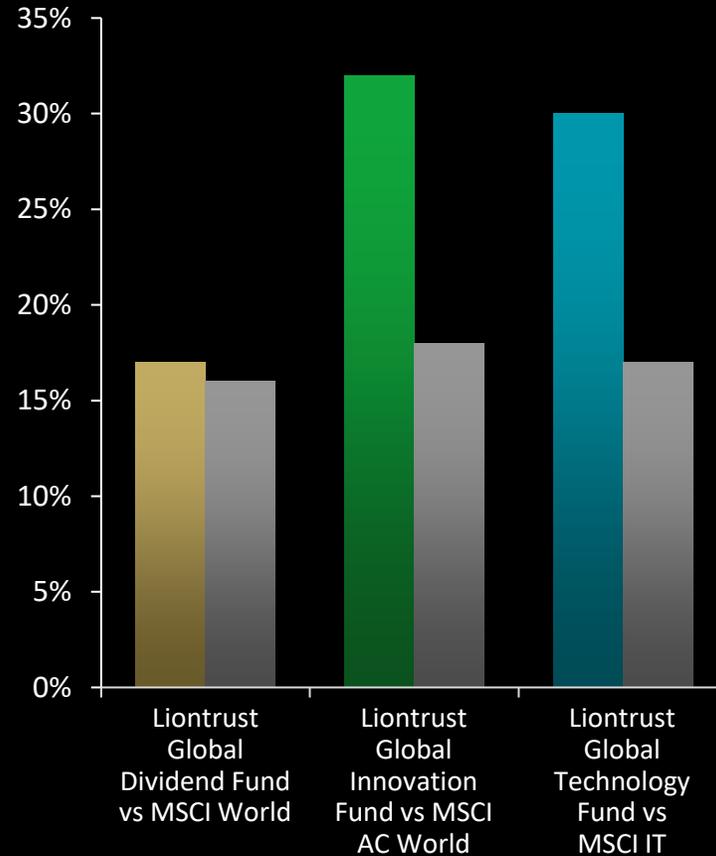


# Global Innovation Funds

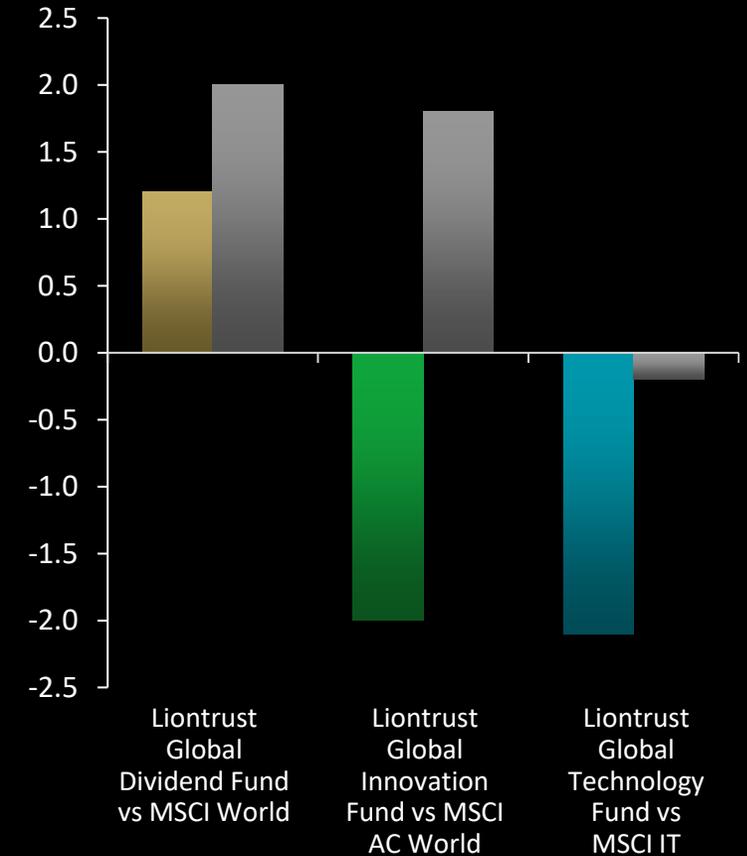
## Return on Invested Capital



## 3-year average sales growth



## Net Debt/EBITDA



Source: Liontrust, Bloomberg, October 2024, Liontrust Global Dividend example portfolio vs comparator benchmark MSCI World, Liontrust Global Innovation example portfolio vs comparator benchmark MSCI All-Country World and Liontrust Global Technology example portfolio vs comparator benchmark MSCI World Information Technology

**Past performance does not predict future returns.** You may get back less than you originally invested. Please refer to the Key Risks slide for more information

# A once in a generation opportunity for investors in Innovation

	Liontrust Global Dividend Fund	Liontrust Global Innovation Fund	Liontrust Global Technology Fund
1 year	1 <sup>st</sup> Quartile	1 <sup>st</sup> Quartile	1 <sup>st</sup> Quartile
3 years	1 <sup>st</sup> Quartile	4 <sup>th</sup> Quartile	1 <sup>st</sup> Quartile
5 years	1 <sup>st</sup> Quartile	2 <sup>nd</sup> Quartile	2 <sup>nd</sup> Quartile
Performance since manager inception	1 <sup>st</sup> Quartile*	2 <sup>nd</sup> Quartile*	1 <sup>st</sup> Quartile*

Source: FE Analytics, as at 30.09.24, primary share classes performance, total return, dividends reinvested, net of fees versus respective IA comparator benchmarks. \*Manager inception dates as follows: Liontrust Global Dividend Fund 31.08.17; Liontrust Global Innovation 01.07.19 and Liontrust Global Technology Fund 08.02.23

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# Liontrust Global Innovation

## Discrete performance

To previous quarter 12 months ending (%)	Sep-24	Sep-23	Sep-22	Sep-21	Sep-20
Liontrust Global Dividend C Acc GBP	26.8	10.9	-5.8	21.2	8.1
MSCI World	20.5	11.5	-2.9	23.5	5.2
IA Global Equity Income	15.2	9.4	-0.6	21.6	-3.9
Quartile	1	1	4	2	1

To previous quarter 12 months ending (%)	Sep-24	Sep-23	Sep-22	Sep-21	Sep-20
Liontrust Global Innovation C Acc GBP	28.4	5.3	-24.3	19.5	29.9
MSCI All-Country World	19.9	10.5	-4.2	22.2	5.3
IA Global	16.2	7.8	-8.9	23.2	7.2
Quartile	1	3	4	3	1

To previous quarter 12 months ending (%)	Sep-24	Sep-23	Sep-22	Sep-21	Sep-20
Liontrust Global Technology C Acc GBP	32.0	24.2	-21.8	23.7	38.6
MSCI World Information Technology	35.8	25.3	-9.9	24.1	38.4
IA Technology & Technology Innovation	24.8	19.0	-21.1	26.6	34.6
Quartile	1	2	2	4	2

Source: FE Analytics, as at 30.09.24. Liontrust Global Dividend Fund, primary share class performance, C Accumulation GBP, total return (net of fees, interest/income reinvested) versus MSCI World and IA Global Equity Income comparator benchmarks. Liontrust Global Innovation Fund, primary share class performance, C Accumulation GBP, total return (net of fees, interest/income reinvested) versus MSCI All-Country World and IA Global comparator benchmarks. Liontrust Global Technology Fund, primary share class performance, C Accumulation GBP, total return (net of fees, interest/income reinvested) versus MSCI World Information Technology and IA Technology & Technology Innovation comparator benchmarks. Quartiles and rankings, as at 30.09.24, generated on 07.10.24

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# Key risks

**Past performance does not predict future returns. You may get back less than you originally invested.**

We recommend this fund is held long term (minimum period of 5 years). We recommend that you hold this fund as part of a diversified portfolio of investments.

The Funds managed by the Global Innovation Team:

- May hold overseas investments that may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of a Fund
- May have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on a Fund's value than if it held a larger number of investments
- May encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings
- Outside of normal conditions, may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash
- May be exposed to Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails
- Do not guarantee a level of income

The risks detailed above are reflective of the full range of Funds managed by the Global Innovation Team and not all of the risks listed are applicable to each individual Fund. For the risks associated with an individual Fund, please refer to its Key Investor Information Document (KIID)/PRIIP KID.

The issue of units/shares in Liontrust Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

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