



LLB Swiss Investment AG

Audited annual report as of December 31, 2023

AMG Substanzwerte Schweiz

Investment fund under Swiss law

The English version of the annual report is a free translation from the original, which was prepared in German.

Contents

- 3** Facts and figures
 - Organization
 - Fund characteristics
 - Key figures

 - 4** Report of the Investment Manager

 - 5 – 9** Financial Statements
 - Statement of Assets
 - Statement of Income
 - Statement of Investments
 - Transactions during the reporting period
(if they no longer appear in the statement of net assets)

 - 10** Supplementary information to the annual report

 - 11** Short form report of the audit company for collective investment schemes on the financial statements

 - 12** Supplementary information
- Annex in accordance with Article 11 of Regulation (EU) 2019/2088 of the European Parliament and of the Council available in the German version.

Facts and figures

Organization

Board of directors of the Fund Management Company

Natalie Flatz, President
Bruno Schranz, Vice President
Markus Fuchs

Management of the Fund Management Company

Dominik Rutishauser
Ferdinand Buholzer

Fund Management Company

LLB Swiss Investment AG
Claridenstrasse 20
CH-8002 Zurich
Phone +41 58 523 96 70
Fax +41 58 523 96 71

Custodian Bank

Bank J. Safra Sarasin AG
Elisabethenstrasse 62
CH-4002 Basel
Phone +41 61 277 77 77
Fax +41 61 272 02 05

Investment Manager of the Fund

AMG Fondsverwaltung AG
Name change from March 16, 2023
Serafin Asset Management AG
Bahnhofstrasse 29
CH-6300 Zug

Distribution channels

Investment Manager of the Fund

Auditors

PricewaterhouseCoopers AG
Birchstrasse 160
CH-8050 Zurich

Fund characteristics

AMG Substanzwerte Schweiz invests mainly in equities and equity-like securities of companies having their registered offices or the majority of their commercial activities within Switzerland.

Investments will be selected according to the following aspects:

- ♦ Solid Swiss companies of substance
- ♦ Long term investment horizon
- ♦ Fundamental analysis (healthy balance sheets, attractive valuations close to their carrying amounts)
- ♦ Track record of the management

Given extraordinary market conditions, the fund management company may temporarily hold up to 100% of total fund assets in liquid assets.

For the hedging of market risks the fund management company may engage in short sales up to 30% of the fund's assets (directly and/or via futures).

A sustainable investment strategy is also pursued. In the prospectus a more comprehensive description of the ESG approaches applied can be found.

This fund is a product in accordance with Article 8 of the European Disclosure Regulation SFDR. Information on how the environmental or social characteristics have been met can be found in the "Annex pursuant to Article 11 of Regulation (EU) 2019/2088 of the European Parliament and of the Council" to this annual report.

Key figures

	31. 12. 2023	31. 12. 2022	31. 12. 2021
Net fund assets in million CHF	58.70	100.46	172.82
Number of units Class A	41 879	71 426	102 328
Asset value per unit Class A in CHF	1 401.69	1 406.49	1 688.88
Performance Class A	2.38%	-14.58%	3.35%
TER Class A	1.25%	1.22%	1.18%
TER incl. Performance Fee Class A	1.25%	1.22%	1.18%
PTR ¹	0.88	1.39	0.40
Explicit Transaction costs in CHF ²	75 505	141 649	119 587

¹ UCITS definition: The total of transactions in shares is deducted from the total of securities transactions and then set in relation to the average fund assets. Result is shown as a factor.

² The investment fund bears all incidental costs for the purchase and sale of investments. The amount shown corresponds to the explicit transaction costs.

Past performance is no guarantee for future results. The performance data do not take on the issue and redemption of units and costs incurred. No benchmark comparison is available for this fund.

Report of the Investment Manager

The year 2023 was characterized by a rollercoaster of share prices. It began with an impressive rise, followed by a period of stagnation. There was a significant slump in the third quarter, but a strong year-end rally in November and December enabled a positive end to the year.

Review

The AMG Substanzwerte Schweiz Fund performed positively over the course of the year and outperformed the SPI Small Companies Index. Due to its defensive orientation, major setbacks were avoided.

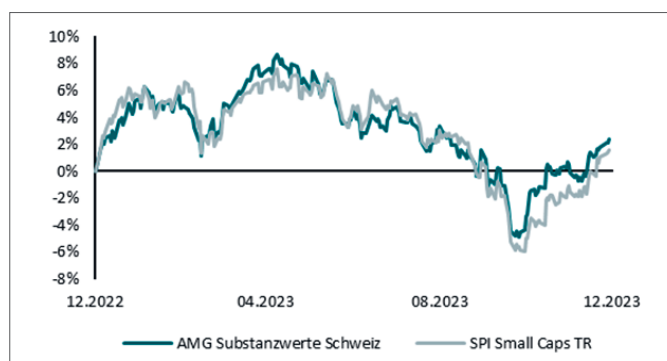


Fig. 1: Performance of AMG Substanzwerte Schweiz Source: Serafin, Bloomberg

In the reporting year, the shares of Also Holding AG, Aryzta AG, Accelleron Industries AG, Jungfraubahn Holding AG, Flughafen Zürich AG, Burkhälter Group, and APG SGA SA topped the list of positive performers. We took profits on BKW Energie AG and liquidated the stock. Emmi AG, Bossard Holding AG, Vetropack Holding AG, Vaudoise Assurances Holding SA, and Cham Group AG also made a positive contribution to performance. On the other hand, the share prices of Schweiter Technologies AG, Villars Holding SA, Arbonia AG, Barry Callebaut Group, Metall Zug AG, TX Group AG, DKSH Holding AG, SGS SA, and Cembra Money Bank AG were disappointing. Bell Food Group AG, Meier Tobler AG, Bucher Industries, Groupe Minoteries SA, Coltene Holding AG, Galenica AG, SIG Group AG, Piazza AG, and HIAG Immobilien Holding AG made insignificant contributions to the positive or negative performance.

Over the course of the reporting period, we further optimized the portfolio to reduce risks and strengthen the defensive orientation. No position has a weighting of more than well over 5%. This was achieved by reducing the positions in Villars Holding SA, Groupe Minoteries SA, Jungfraubahn Holding AG, and Vaudoise Assurances Holding SA or by disposing of stocks such as Holdigaz SA and Arbonia AG.

We have also diversified the portfolio more broadly. The most important change, however, was the liquidation of all short positions in the 4th quarter and a new long-only focus for the fund.

Outlook

The markets' attention is mainly focused on the future development of inflation and the resulting interest rate movements as well as corporate earnings momentum. The current crises in Ukraine and the Middle East are also influencing the market situation as further disruptive factors.

Despite the increase in valuations as a result of the year-end rally, they are still not excessively high.

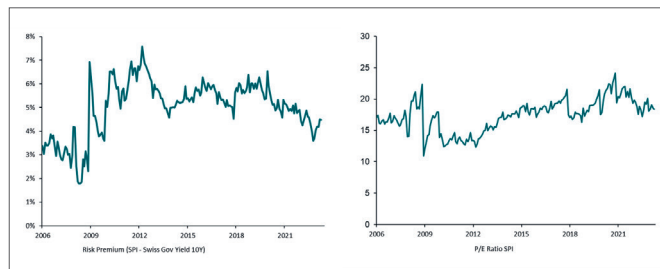


Fig.2: Valuation on the Swiss stock market Source: Serafin, Bloomberg

In addition, we continue to see catch-up potential for small caps.



Fig. 3: Stocks in the small cap segment signal further potential Source: Serafin, Bloomberg

We are also convinced that the overall increase in structural inflation expectations is not yet fully reflected in the performance of value stocks.

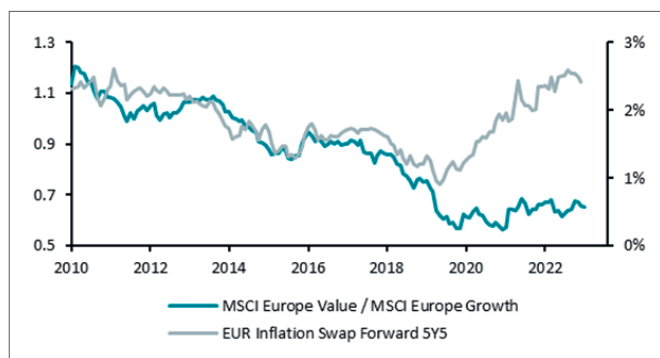


Fig. 4: Inflation expectations and value stocks Source: Serafin, Bloomberg

The decreasing scepticism among investors makes us cautious: there are an increasing number of investors who expect both interest rate cuts and only a moderate weakening of the global economy without a global recession.

We would like to thank our investors for the trust they have placed in us and wish them a successful investment year in 2024.

Your Serafin Asset Management Team

Statement of Assets

	31. 12. 2023 CHF	31. 12. 2022 CHF
Bank Balances	778 260	2 620 803
Debtors	560 553	235 974
Equities	57 370 377	110 112 632
Total Fund Assets	58 709 190	112 969 409
Equity short sales	–	–12 499 160
Bank liabilities	–3	–
Liabilities	–8 158	–10 102
Net Fund Assets	58 701 029	100 460 147
Outstanding units Class A	units	units
Number of units outstanding at the beginning of the reporting period	71 426	102 328
New Issued Units	1 295	1 656
Redeemed Units	–30 842	–32 558
Number of units outstanding at the end of the reporting period	41 879	71 426
Net asset value per unit	Klasse A in CHF	
31. 12. 2023	1 401.69	
Change in net assets	CHF	
Net fund assets at the beginning of the reporting period	100 460 147	
Dividend income	–378 736	
Dividend capital gains	–2 146 169	
Balance from unit trade	–39 658 182	
Total result of the reporting period	423 968	
Net fund assets at the end of the reporting period	58 701 029	

Statement of Income

	1. 1. – 31. 12. 2023 CHF	1. 1. – 31. 12. 2022 CHF
Income bank deposits	–	2
Income on shares (dividends)	2 135 439	2 372 596
Other income	–	1 230
Equalisation income on subscriptions	16 213	4 890
Total income	2 151 652	2 378 718
less:		
Negative interest	–	20 038
Bank charges and debit interest	8 430	5 385
Expense from securities lending and borrowing	61 351	68 985
Dividends paid on shares sold short	283 906	218 878
Auditor fees	9 300	9 244
Management fees (1.14%)	943 548	1 433 604
Custodian fees (0.05%)	40 732	62 911
Other expenses	22 710	25 901
Equalisation income on redemptions	341 467	135 467
Total expenses	1 711 444	1 980 413
Net income	440 208	398 305
Realized capital gains and losses	2 548 572	11 786 831
Net realized gain	2 988 780	12 185 136
Unrealized capital gains and losses	-2 564 812	-36 075 468
Total result	423 968	-23 890 332
Allocation of income Class A	CHF	
Net income 2023	440 208	
Income brought forward	31 368	
Income available for distribution	471 576	
Income to be distributed to investors	418 788	
Balance to be brought forward	52 788	
Distribution per unit	10.00	
Withholding tax 35%	3.50	
Accumulated realized capital gains Class A	15 623 024	
Realized capital gains and losses	2 548 572	
Capital gains available for distribution	18 171 596	
Capital gains to be distributed to investors	1 256 364	
Capital distribution per unit	30.00	
Withholding tax 35%	–	
Balance to be brought forward (Accumulated capital gains/losses) Class A	16 915 232	

Statement of investments as of December 31, 2023

Description	Currency	Balance at (in 1'000 resp. piece) 31. 12. 2023	Purchases	Sales	Price at 31. 12. 2023	Valuation CHF	as % of total assets
Securities							
Equities (traded on an exchange)						54 893 892	93.50
Accelleron Industries NA	CHF	114 500	60 500	25 500	26.260	3 006 770	5.12
ALSO NA	CHF	7 063	1 155	13 492	251.000	1 772 813	3.02
APG SGA NA	CHF	13 976	259	1 729	183.000	2 557 608	4.36
Barry Callebaut NA	CHF	1 400	600	1 200	1 419.000	1 986 600	3.38
Bell Food NA	CHF	4 600	4 600	11 512	254.000	1 168 400	1.99
Bossard Holding NA	CHF	13 200	610	11 010	221.000	2 917 200	4.97
Bucher Industries NA	CHF	4 600	3 900		353.200	1 624 720	2.77
Burkhalter NA	CHF	18 500		6 371	92.700	1 714 950	2.92
Cembra Money Bank NA	CHF	28 000	6 800	10 000	65.600	1 836 800	3.13
COLTENE NA	CHF	18 872	18 872		71.600	1 351 235	2.30
DKSH NA	CHF	30 000	2 000	22 000	58.400	1 752 000	2.98
Emmi NA	CHF	1 500		2 500	911.000	1 366 500	2.33
Flughafen Zürich NA	CHF	12 250	3 250	10 500	175.600	2 151 100	3.66
Galenica NA	CHF	39 000	8 725	36 225	72.750	2 837 250	4.83
Groupe Minoteries NA	CHF	3 667		17 453	280.000	1 026 760	1.75
HIAG Immobilien NA	CHF	33 991	9 289	291	79.800	2 712 482	4.62
Jungfrau NA	CHF	16 704		40 347	160.000	2 672 640	4.55
MCH Group NA	CHF	452 709		197 543	4.180	1 892 324	3.22
Meier Tobler Group NA	CHF	20 547	20 547		36.950	759 212	1.29
Metall Zug -B- NA	CHF	1 953	240	717	1 525.000	2 978 325	5.07
PLAZZA -A- NA	CHF	9 800		2 307	300.000	2 940 000	5.01
Schweiter Technologies NA	CHF	2 480	2 850	370	519.000	1 287 120	2.19
SGS NA	CHF	16 000	21 000	5 000	72.540	1 160 640	1.98
SIG Group NA	CHF	60 000	60 000		19.350	1 161 000	1.98
TX Group NA	CHF	10 000	700	4 887	120.800	1 208 000	2.06
Vaudoise Assurances NA	CHF	6 500		7 288	440.000	2 860 000	4.87
Vetropack Reg. -A-	CHF	76 796		57 413	39.100	3 002 724	5.11
Villars NA	CHF	2 032	18	7 737	585.000	1 188 720	2.02
Equities (traded on another regulated market open to the public)						2 476 485	4.22
Cham Group NA	CHF	5 003		5 784	495.000	2 476 485	4.22
Total securities						57 370 377	97.72
Cash and other assets						1 338 813	2.28
Total fund assets						58 709 190	100.00
Bank liabilities						-3	-0.00
Liabilities						-8 158	-0.01
Total net assets						58 701 029	

Divergences in the totals may be attributed to rounding differences.

Breakdown

Distribution Shares by industry (net long/short)	Valuation CHF	as % of total assets
Financial services	4 696 800	8.00
Health care	1 351 235	2.30
Basic materials	2 476 485	4.22
Real estate	5 652 482	9.63
Industry	22 429 759	38.20
Technology	1 772 813	3.02
Consumer service	10 464 218	17.82
Basic consumer goods	8 526 585	14.52
Total	57 370 377	97.72

Fair value hierarchy

The following table shows the fair value hierarchy of the investments. Fair value is the price, that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Investment type	Total amount	Valuation		
		Valuated at prices quoted on an active market	Valuation based on observable market parameters	Valuation method not based on market data (valuation models)
Equities	57 370 377	54 893 892	2 476 485 ¹	–
Bonds	–	–	–	–
Investments in other collective investment schemes	–	–	–	–
Derivatives	–	–	–	–
Total	57 370 377	54 893 892	2 476 485	–

¹ The following securities belong to this category: Cham Group NA

Divergences in the totals may be attributed to rounding differences.

Transactions during the reporting period

(If they no longer appear in the statement of net assets)

Currency	Description	Purchases	Sales
Securities			
Equities			
CHF	ABB NA	45 000	45 000
CHF	Arbonia NA		235 000
CHF	Aryzta NA	122 453	1 142 453
CHF	Avolta NA	55 000	
CHF	Baloise NA	1 500	10 865
CHF	BKW NA	2 000	40 400
CHF	Forbo NA		2 925
CHF	Holdigaz NA		25 679
CHF	lastminute.com		37 786
CHF	Meyer Burger Technology NA	1 400 000	500 000
CHF	Novartis NA	15 000	15 000
CHF	PSP Swiss Property NA	32 500	12 500
CHF	Schweiter Technologies I	2 030	2 030
CHF	Swiss Life NA	2 000	
CHF	Swiss Prime Site NA	25 000	
CHF	Swiss Re NA	25 500	1 000
CHF	Swisscom NA	2 900	2 900
CHF	The Swatch Group I	4 200	
CHF	UBS Group NA	135 000	45 000
CHF	VAT Group NA		9 500
Derivatives			
Contracts:			
CHF	Future SMI 15.09.2023	23	23
CHF	Future SMI 16.06.2023	9	9
CHF	Future SMIM 16.06.2023	105	105
Participation certificates			
CHF	Roche GS	2 500	2 500

Incl. merger, split, reorganisation, redemption etc. Bonds in thousand.

Supplementary information to the annual report as of December 31, 2023

1. Fund Performance

No benchmark comparison is available for this fund. Past performance is no indicator for current or future results. Performance figures do not take into account any commissions charged on issue or redemption of units.

2. Soft commission agreements

For the period from January 1 to December 31, 2023 no "soft commission agreements" in the name of LLB Swiss Investment AG were applied and no soft commissions were received.

3. Principles for the valuation and the calculation of the net asset value

The valuation is effected as per § 17 of the fund contract.

§ 17 Calculation of the Net Asset Value

1. The net asset value of the investment fund is calculated in euro at the market value at the market value as at the end of the financial year and for each day on which units are issued or redeemed. The fund assets will not be calculated on days on which the exchanges / markets in the Fund's main investment countries are closed (e. g. bank and stock exchange holidays).
2. Securities traded on an exchange or other regulated market open to the public are to be valued at the current prices paid on the main market. Other investments or investments for which no current price is available are to be valued at the price that would probably have been obtained in a diligent sale at the time of the estimate. In such cases, the Fund Management Company will use appropriate and recognized valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price / net asset value. If they are regularly traded on a stock exchange or another regulated market open to the public, the fund management company may value such funds in accordance with sec. 2.
4. The value of money market instruments that are not traded on a stock exchange or another regulated market open to the public is determined as follows: the valuation price of such investments is successively adjusted in line with the redemption price, taking the net purchase price as the basis and ensuring that the investment returns calculated in this manner are kept constant. If there are significant changes in the market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns. If there is no current market price in such instances, the calculations are as a rule based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).
5. Bank deposits are valued at the amount of the claim plus accrued interest. If there are significant changes in market conditions or credit rating, the valuation principles for time deposits will be adjusted in line with the new circumstances.
6. The net asset value of a unit is determined by the market value of the fund assets, less all the fund liabilities, divided by the number of units in circulation. It will be rounded up to 1 cent.
7. The percentages of the market value of the Fund's net assets (fund

assets less liabilities) attributable to the individual unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the Fund for each unit class. The percentage is recalculated when one of the following events occurs:

- a) when units are issued and redeemed;
- b) on the relevant date for distributions, provided that (i) such distributions are only made for individual unit classes (distribution classes); (ii) the distributions of the various unit classes differ when expressed as a percentage of the respective net asset values; or (iii) different commission or expenses are charged on the distributions of the various unit classes when expressed as a percentage of the distribution;
- c) when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued expenses and commissions) to the various unit classes, provided that the liabilities of the various unit classes are different when expressed as a percentage of the respective net asset value, especially if (i) different commission rates are applied for the various unit classes or (ii) class-specific expenses are charged;
- d) when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided the income or capital gains stem from transactions made solely in the interests of one unit class or several unit classes but disproportionately to their share of the net fund assets.

4. Performance fee calculation AMG Substanzwerte Schweiz

(from § 20 of the Fund Contract on § 20 Fees and Incidental Costs Charged to the Fund Assets)

In addition, the fund management company shall charge the investment fund a performance fee. It is calculated for each day on which units are issued or redeemed and equals 8% of any appreciation in value exceeding a minimum return of 2% (hurdle rate). The basis for calculating the performance value is the NAV of a unit (IA) on the date the investment fund was created. The IA benchmark will increase daily by the prorated amount of the minimum return. A provision will be created for the performance fee to the extent the NAV of a unit exceeds the IA benchmark. If the surplus NAV declines over the course of the accounting year, the provision will again be accordingly reversed. If at the end of the financial year a performance fee is due, it will be disbursed at that time and the NAV of a unit (prior to the charge for the performance fee) will be set as the new basis for calculating the IA benchmark. This means that the fund assets can only be charged with payment of a performance fee if the minimum return was exceeded in a given financial year and the NAV has increased in absolute terms.

5. Information about Affairs of Special Economic or Legal Importance

Changes were made to the fund contract. The respective publications were made on March 9, and December 11, 2023. The full texts of the publications are available in German at the Fund Management Company.

Short form report of the audit company for collective investment schemes on the financial statements

Opinion

We have audited the financial statements of the AMG Substanzwerte Schweiz – which comprise the statement of net assets as at December 31, 2023, the statement of income for the year then ended, information regarding the appropriation of net income and the disclosure of costs as well as additional information pursuant to art. 89 para. 1 let. b–h of the Swiss Collective Investment Schemes Act (CISA).

In our opinion, the enclosed financial statements (page 3 and 5 to 10) are compliant with the Swiss Collective Investment Schemes Act, the relevant ordinances as well as the fund contract and the prospectus.

Basis for opinion

We conducted our audit of financial statements in accordance with Swiss law and the Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements” section of our report. We are independent of the investment fund as well as of the fund management company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the fund management company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors of the fund management company for the financial statements

The Board of Directors of the fund management company is responsible for preparing the financial statements in accordance with the Swiss Collective Investment Schemes Act, the corresponding ordinances as well as the fund contract and the prospectus, and for such internal control as the Board of Directors of the fund management company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the investment fund’s internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors of the fund management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers AG

Andreas Scheibli
Licensed audit expert, Lead auditor

Patricia Bösch
Licensed audit expert

Zurich, January 26, 2024

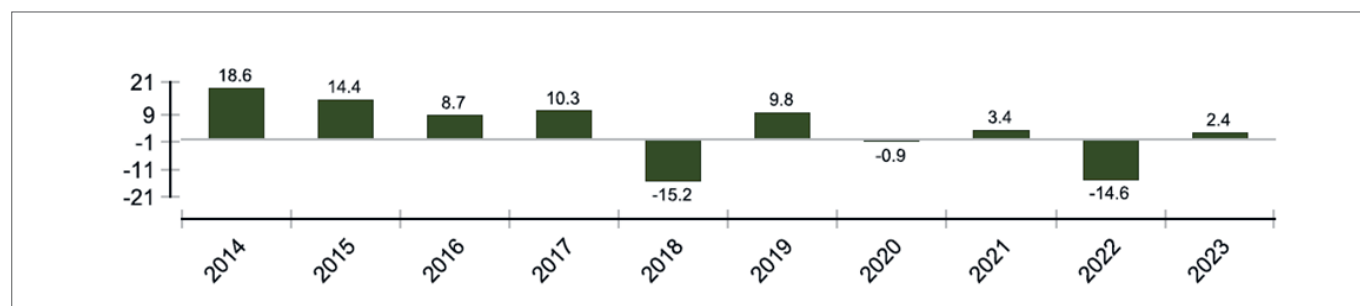
Supplementary information

Past performance per calendar year (in %)

- Past performance is not a reliable indicator of future performance. Markets may develop completely differently in the future.
- The chart allows you to evaluate how the sub-fund has been managed in the past and compare it with its benchmark.
- The performance is shown after deduction of ongoing costs. Entry and exit costs are not taken into account in the calculation.
- This fund does not use a benchmark.

AMG Substanzwerte Schweiz

This chart shows the performance of the sub-fund as a percentage loss or gain per year over the last 10 years.



- The share class was launched on November 15, 2004.
- The share class or its performance is denominated in Swiss francs (CHF).