

Arfina Selection Swiss Small & Mid Cap ESG Fund - M

ISIN: CH1101348683

Investment objective

The Fund seeks to achieve long-term capital appreciation by investing in a diversified portfolio of equities of small and mid-cap companies domiciled in Switzerland or exercising the predominant part of their economic activity in Switzerland.

Investment policy

Arfina is committed to an active investment approach with a focus on bottom-up stock selection. Investment decisions are based on fundamental company analysis. Our investment philosophy is to identify undervalued, high-quality companies with sustainable development properties. We invest in companies taking into account the economic cycle and industry-specific factors, with a long-term time horizon. Due to our investment philosophy, we are flexible with regard to "style investing".

Market comment

The month in brief

A number of companies recalibrated their expectations in October. Although quarterly results largely met consensus expectations, investors responded with cautious applause. Companies failing to meet expectations were significantly penalized. Two examples in particular are Sika, where the share price was already weakening before the publication of the Q3 results and dropped by double digits in October, as well as SoftwareOne, which saw its share price fall by almost 50%. As this shows, investment cases based on takeovers or going-private can stand on shaky ground. Overall, the broad market, as measured by the SPI, fell by 3.3%, while the SPI Extra fell by almost 4%.

Georg Fischer is focusing on its core business

The idea had been on the table for many years, and in countless management meetings this question always remained unanswered. On October 29, it was finally decided: Georg Fischer will concentrate on its already dominant division Water and Flow Solutions. This business unit accounts for two thirds of the CHF 5 billion in sales. The Machinery Division was sold to Martin Ebner's United Grinding for CHF 630-650 million. For the Casting Solutions division, which is comparable in size, "all strategic options are being examined" - that's the typical phrase when a business unit is up for sale.

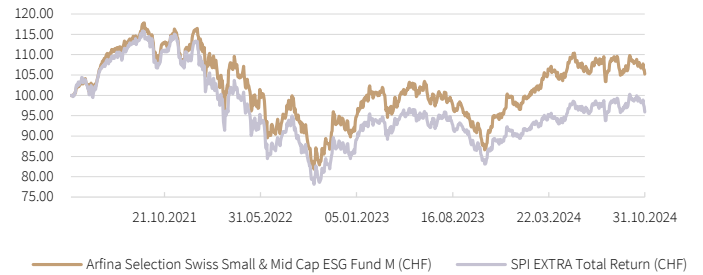
The Water Management Solutions business became a key driver for Georg Fischer in 2023 with the acquisition of Uponor for around CHF 2 billion. As a result, the net cash position then transformed into a sporty financial leverage of almost 3x. The attractive transaction price for the now sold Machinery business is all the more welcome. The Piping division delivers the highest margins within the Group and is highly value-generating with an ROIC of 20-24%. The now foreseeable focus on a core division is extremely welcome in itself, but also offers further advantages. Firstly, there is the leaner corporate structure and the easier to communicate equity story. The elimination of the much more cyclical Mechanical Engineering and - now also more likely - Light Metal Casting divisions, which primarily serves the automotive industry, should be rewarded with higher valuation multiples. Being one of the largest bets in the fund, we are also pleased about the substantial contribution to relative performance.

Risk level*



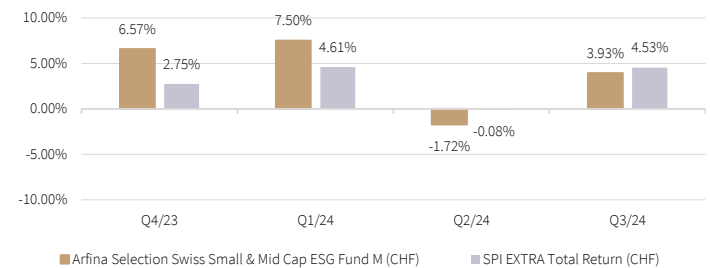
* as per current BIB dated 02.02.2024

Indexed Performance



Data source: PVB Pernet von Ballmoos

Quarterly Performance



Performance % in CHF

	Arfina Selection cumulative	SPI Extra cumulative
YTD	5.58%	4.94%
1 month	-3.84%	-3.96%
3 months	-3.93%	-2.85%
1 year	19.57%	13.81%
3 years	-6.11%	-13.51%
5 years	n.a.	n.a.
Since inception (22.03.2021)	5.23%	-4.08%

Arfina Selection (yearly)

2023	9.27%
2022	-21.25%
2021	(as from 22.03.2021) 15.83%
2020	-
2019	-

Past performance is shown net of fees and commissions. Past performance is not a reliable indicator of future performance. Investors may lose their invested capital.

Technical information

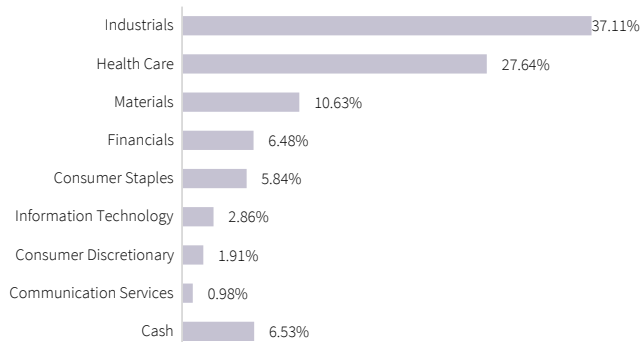
NAV CHF	104.73	Dividend	reinvested
AuM (CHF mio.)	38.15	in the benchmark (SPIEX)	94.49%
Volatility p.a.*	17.16%	in the ESG index (SPIT)	98.14%
# of positions	42		

* as per current BIB dated 02.02.2024

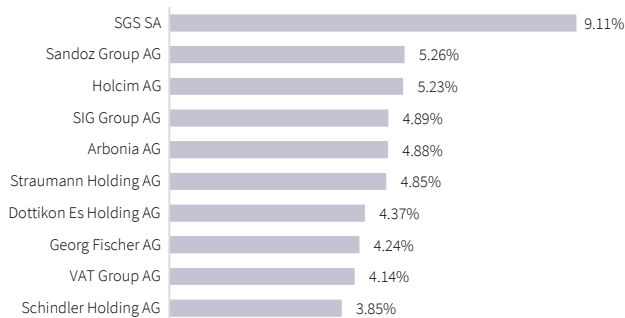
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Sector breakdown



Top 10 equities



General information

Fund manager	Arfina Capital SA
Management company	PvB Pernet von Ballmoos AG
Auditors	Deloitte AG
Custodian bank	UBS Switzerland AG
Legal Status	Contractual investment fund "securities fund"
Domicile	Switzerland
Base currency	CHF
Inception date	22.03.2021
NAV valuation	daily
Management fee	0.85%
Performance Fee	-
TER per 31.03.2024*	1.20%
Max. subscription fee	3.00% to the benefit of the intermediaries
Max. redemption fee	0.00% to the benefit of the intermediaries
Subscription	daily
Redemption	daily
Min. initial subscription	1 Unit
ISIN	CH1101348683
Valor	110134868
Bloomberg	ARFINAM SW
Reuters	68650600
Website for documents	www.pvb.swiss, www.fundinfo.com
Tax transparency	Germany / Austria
Distribution authorisation	Switzerland

* Current expenses are based on an estimate as per 31.03.2024 and are subject to annual fluctuations.

Monthly development

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	Share class M	-0.20%	1.85%	5.76%	-2.27%	3.70%	-3.02%	4.02%	0.08%	-0.17%	-3.84%	-	-	5.58%
	SPIEX Index	0.09%	0.74%	3.74%	-1.54%	3.32%	-1.78%	3.33%	0.57%	0.58%	-3.96%	-	-	4.94%

Annual performance

	2021*	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Share class M	15.83%	-21.25%	9.27%	-	-	-	-	-	-	-	-	-	-
SPIEX Index	12.93%	-24.02%	6.53%	-	-	-	-	-	-	-	-	-	-

* Since inception (22.03.2021)

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