

Comment September 2024

The reporting month began weakly at the stock exchanges in early September, with cyclical stocks experiencing above-average losses. In tandem with the overall market, a recovery in stock prices followed later in the month, further fueled by a significant interest rate cut by the Federal Reserve. During this phase, the fund demonstrated its defensive positioning and concluded the reporting month virtually unchanged.

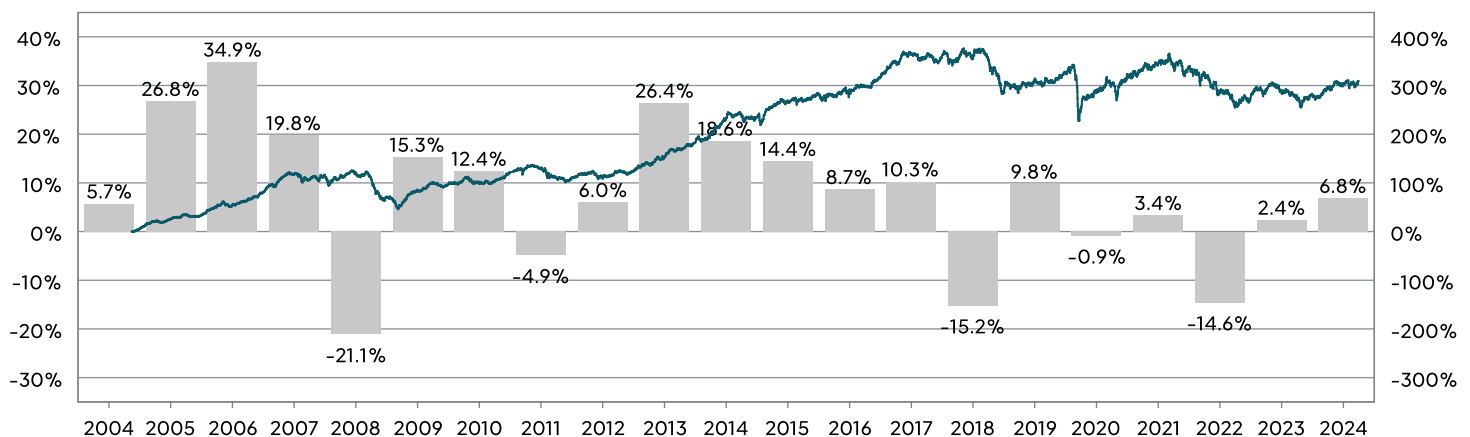
Burkhalter provided an update at the beginning of the month on the first half of the year, presenting solid financial results. Comments regarding the business outlook during the Investor Stock Conference support our positive stance on this Swiss value stock. **Plazza** also reported very compelling figures and a positive outlook. **Helvetia** exhibited a somewhat mixed performance in the first half of the year. We remain confident in the company's potential and have slightly increased our position. Expectations for **Metall Zug** were low even before the presentation of its half-year results, which is why the overall disappointing financial figures did not further burden the conglomerate's stock price. We anticipate that the stock price will benefit from the initiated measures and an economic recovery.

Cham Group announced that it is in discussions with Ina Invest regarding a potential merger. These talks are still in the early stages and a decision is expected only after shareholder approval in 2025. The anchor shareholders of both companies support a possible combination. We took advantage of market volatility for portfolio management and expanded several positions, such as **BKW** and **Perlen Industrieholding**. Conversely, we slightly reduced our positions in **APG**, **Bossard**, and **HIAG**. The economic outlook remains subdued and could also lead to lower interest rates in Switzerland. A significant portion of these cautious expectations is already reflected in stock prices and during any further downturns in the stock markets, we will take advantage of the attractive investment opportunities within our investment segment.

Top 10 positions

| Company | Weight |
|--------------|--------|
| Bossard | 5.1% |
| Cham Group | 4.8% |
| Plazza | 4.7% |
| APG | 4.5% |
| Metall Zug | 4.3% |
| Vetropack | 4.3% |
| Accelleron | 4.2% |
| BKW | 4.1% |
| Galenica | 4.0% |
| Jungfraubahn | 3.8% |

Performance since launch



■ AMG Substanzwerte Schweiz ■ Performance p.a. (left scale)

Key figures as of 30 September 2024

| | |
|-----------------------|--------------|
| Net Asset Value | CHF 1'455.95 |
| Number of shares | 26'418 |
| Total Net Asset Value | CHF 38.5m |

Performance

| Duration | Fund |
|-----------------------------------|-------|
| 1 month | 0.3% |
| 3 months | 2.5% |
| 12 months | 7.6% |
| 3 years p.a. | -2.7% |
| 5 years p.a. | 0.0% |
| since inception (15.11.2004) p.a. | 7.3% |

Year

| | |
|------------------------------|--------|
| 2024 | 6.8% |
| 2023 | 2.4% |
| 2022 | -14.6% |
| 2021 | 3.4% |
| 2020 | -0.9% |
| since inception (15.11.2004) | 308.8% |

Risk ratios (rolling over the last 3 years)

| | |
|-------------------------------------|-------|
| Volatility (p.a.) | 10.0% |
| Sharpe ratio (0.72% Risk free rate) | n/a |
| Beta (vs. SPI Small Cap TR Index) | 0.70 |

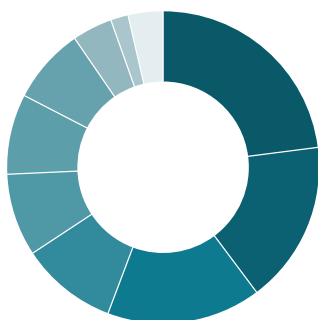
Exposure

| | |
|----------|-------|
| Equities | 96.4% |
| Cash | 3.6% |

Top-3 / Poor-3 performers in September 2024

| Company | Perf. |
|-------------------|--------|
| Bossard | 9.4% |
| Helvetia NA | 8.7% |
| VZ Holding | 6.3% |
| Jungfraubahn | -12.7% |
| Groupe Minoteries | -5.0% |
| TX Group | -3.3% |

Breakdown by sectors



| | | | |
|--------------------|-------|-----------------------|------|
| ■ Industrials | 23.0% | ■ Communication Serv. | 7.8% |
| ■ Real Estate | 16.8% | ■ Utilities | 4.1% |
| ■ Financials | 16.0% | ■ IT | 1.8% |
| ■ Consumer Staples | 10.0% | ■ Energy | 0.0% |
| ■ Materials | 8.6% | ■ Consumer Discr. | 0.0% |
| ■ Health Care | 8.3% | ■ Cash | 3.6% |

Distributions to investors

(Amounts in CHF per unit)

| Date | Gross dividend (subject to VAT) | Capital (without VAT deduction) | Total dividend (gross) |
|--------------|---------------------------------|---------------------------------|------------------------|
| 20.03.2006 | 7.00 | 93.00 | 100.00 |
| 21.03.2007 | 7.00 | 163.00 | 170.00 |
| 26.03.2008 | 8.40 | 170.00 | 178.40 |
| 22.03.2010 | 170.00 | 30.00 | 200.00 |
| 15.03.2011 | 30.00 | 30.00 | 60.00 |
| 20.03.2012 | 9.00 | 18.00 | 27.00 |
| 12.03.2013 | 30.00 | - | 30.00 |
| 13.03.2014 | 4.00 | 51.00 | 55.00 |
| 18.03.2015 | 5.00 | 195.00 | 200.00 |
| 21.03.2016 | - | 200.00 | 200.00 |
| 24.03.2017 | 6.00 | 90.00 | 96.00 |
| 05.07.2017 | - | 100.00 | 100.00 |
| 21.03.2018 | - | 100.00 | 100.00 |
| 20.03.2019 | - | 40.00 | 40.00 |
| 18.03.2020 | 6.00 | 34.00 | 40.00 |
| 27.04.2021 | - | 40.00 | 40.00 |
| 26.04.2022 | 8.00 | 32.00 | 40.00 |
| 25.04.2023 | 6.00 | 34.00 | 40.00 |
| 18.03.2024 | 10.00 | 30.00 | 40.00 |
| Total | | | 1'756.40 |

Legal notice

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Investment philosophy

The equity fund invests in Swiss companies from the small & mid cap segment. The investment focus is on companies that receive lesser attention by investors, with an overweighting of defensive value stocks. AMG Fonds' own in-depth equity analysis is used for stock selection and risk-conscious fund management. Within the framework of the bottom-up approach, particular attention is paid to the financial ratios and balance sheet ratios. The management of the companies is the decisive factor for a fundamentally long-term commitment. This approach results in a niche portfolio in a special segment of the Swiss equity market that offers solid development potential with lower volatility.

Fund facts

| | |
|------------------------------------|---|
| Domicile of fund | Switzerland |
| Legal form | Contractual investment fund |
| Investment universe | Small & Mid Caps Switzerland |
| Investment manager | Serafin Asset Management Ltd, Zug |
| Management company | LLB Swiss Investment Ltd, Zurich |
| Custodian bank | Bank J. Safra Sarasin Ltd, Basel |
| Launch date | 15.11.2004 |
| Recommended investment horizon | 5 years |
| Reference currency | CHF |
| ISIN / Bloomberg-Ticker | CH0019597530 / AMGSSCH SW |
| Distributions | distributing (Dividend & Capital Gain) |
| Subscription and redemption | daily (cut-off 09.00 CET) |
| Performance Fee | 8% over 2% Hurdle, with High Water Mark |
| High Water Mark and Hurdle | CHF 1'714.9366 |
| Tax transparency | CH, AT |
| Tax status Germany | Equity fund pursuant to InvStG with partial exemption |
| Registered for public distribution | CH, DE |

Fee structure

| | |
|---|-------|
| Subscription and redemption fee | none |
| Management fee p.a. | 1.00% |
| Total expense ratio p.a. (per 31.12.2023; TER, before profit sharing) | 1.25% |

Portfolio management



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