

Comment August 2024

The fund recorded losses at the beginning of the month, in line with the overall market. As the month progressed, share prices recovered and the ALPORA Innovation Europe Fund closed the month of August in slightly positive territory. However, it was unable to keep pace with the reference market.

Kemira OYJ has established itself as a leading provider of sustainable water and industrial chemicals through a clear strategic focus on renewable and digital solutions. Population growth, urbanization, and the resulting increase in water consumption are putting considerable pressure on the natural water cycle. A safe water supply and sustainable wastewater treatment can no longer be guaranteed without chemicals. The sale of the oil and gas portfolio and the expansion of the water treatment business have increased Kemira's focus on innovation. The company focuses on renewable technologies and has a robust position in the water treatment market, particularly in Europe and the USA. The integration of digital services and the entry into the activated carbon market underline the ability to create sustainable growth opportunities.

Innovation assessment by the Serafin Innovation Hub

The investment process in the ALPORA Innovation Europe Fund to identify high-quality innovators consists of a four-step procedure. In the first step, we calculate an "Efficient Frontier of Innovation" by considering defined input and output metrics of the innovation process, using a mathematical optimization procedure. The optimization model allows multiple quantitative parameters on both the input and output sides to be dynamically calculated based on the investment universe. This provides an objective performance comparison of the companies. Each company is assigned an innovation score, measured within the context of the investment universe (Western Europe). In addition to our Innovation Factor model, the quality of the companies is measured using the long-established ARTICO model. Based on the Innovation Factor and the Quality Factors model, a combined Quality Innovation Score (including innovation, growth, profitability, balance sheet strength, valuation, and ESG) is calculated in the second step, with the Innovation Factor being the primary factor. In the third step, the investment team conducts a qualitative analysis of the innovators regarding their future viability and coverage of relevant market and technology trends. In the fourth and final step, portfolio construction takes place. Here, the Quality Innovation Scores of the companies are maximized using an optimization approach, while undesired risks are mitigated through relative weight constraints. The target portfolio size is 45 stocks. Valuation metrics are secondary in this selection, allowing companies in early growth stages to be included in the portfolio composition.

Key figures as of 30 August 2024

Net Asset Value Tranche EUR A	EUR 2'814.95
Number of shares	17'457
Total Net Asset Value	EUR 111.1m

Performance Tranche EUR A

Duration	Fund	MSCI Europe ETF
1 month	0.2%	1.7%
3 months	-2.7%	1.7%
12 months	3.6%	17.7%
3 years p.a.	-4.4%	7.3%
5 years p.a.	9.5%	9.5%
since inception (01.10.2014) p.a.	11.2%	7.3%
Year		
2024	1.9%	12.2%
2023	8.6%	15.7%
2022	-23.3%	-9.1%
2021	31.4%	24.9%
2020	20.0%	-3.2%
since inception (01.10.2014)	185.5%	100.3%

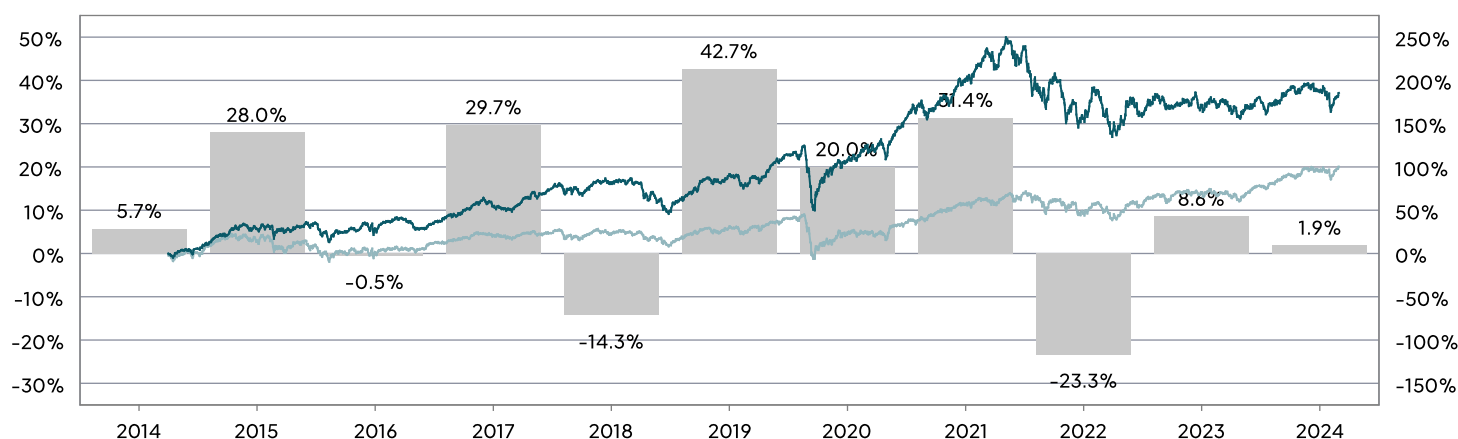
Risk ratios (rolling over the last 3 years)

Volatility (p.a.)	17.4%
Sharpe ratio (1.86% Risk free rate)	n/a
Beta (vs. MSCI Europe ETF)	1.03

Top 5 positions

AstraZeneca	5.2%
Novo Nordisk	5.1%
Novartis	4.9%
Shell	4.5%
LVMH	4.4%

Performance since launch Tranche EUR A



■ ALPORA Innovation Europe ■ MSCI Europe ETF ■ Performance p.a. (left scale)

Breakdown by sectors



Industrials	28.4%	Communication Serv.	5.3%
Health Care	18.1%	Financials	0.0%
IT	15.5%	Real Estate	0.0%
Consumer Discr.	14.3%	Consumer Staples	0.0%
Energy	9.6%	Utilities	0.0%
Materials	8.4%	Cash	0.4%

Breakdown by currencies



EUR	53.7%	GBP	8.8%
DKK	15.4%	NOK	7.6%
CHF	13.4%	SEK	1.0%

Breakdown by countries



Switzerland	23.0%	Netherlands	8.6%
United Kingdom	18.0%	Germany	6.5%
France	11.9%	Norway	3.9%
Denmark	11.3%	Belgium	2.9%
Sweden	9.1%	Others	4.5%

Legal notice

This document is promotional material. This document does not constitute an offer or recommendation for the purchase or sale of investment funds. We do not accept any liability for inaccurate information. Past performance is not a reliable indicator of current or future performance. The performance figures do not include commissions and costs, which arise at subscription and redemption of units. The price of a unit can rise as well as fall. For investors in Switzerland, the legal fund documents are available free of charge from Serafin Asset Management Ltd at www.serafin-am.com. For German investors the relevant documentations can be obtained free of charge at the information office in Germany (ODDO BHF SE) in paper form or electronically at www.fundinfo.com. In Singapore, the units of the fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap. 289)) ("SFA") and this material is limited to the investors in those categories.

Sustainability

Applied ESG characteristics

<input checked="" type="checkbox"/> Exclusion Criteria	<input checked="" type="checkbox"/> Reporting
<input checked="" type="checkbox"/> Integration	<input type="checkbox"/> Benchmark

This is a financial product within the meaning of Art. 8 of the Disclosure Regulation (EU) 2019/2088.

Fund facts

Domicile of fund	Switzerland
Legal form	Contractual investment fund
Investment universe	Europe
Investment manager	Serafin Asset Management Ltd, Zug
Management company	LLB Swiss Investment Ltd, Zurich
Custodian bank	Bank J. Safra Sarasin Ltd, Basel
Launch date	01.10.2014
Recommended investment horizon	5 years
Reference currency	EUR
ISIN / Bloomberg-Ticker (respective share class)	EUR A: CH0248877885 / ALPIEUR SW EUR B: CH0436491234 / ALPIEUB SW CHF-hedged: CH0302271066 / ALPICHF SW
Distributions	accumulating
Subscription and redemption	daily (cut-off 09.00 CET)
Tax transparency	CH, AT
Tax status Germany	Equity fund pursuant to InvStG with partial exemption
UK Tax Reporting Status	Tranche EUR A
Registered for public distribution	CH, DE; SGP (acccr. investors only)
Fee structure	
Subscription and redemption fee	none
Management fee p.a.	Tranche EUR A: 1.00% Tranche EUR B: 1.50% Tranche CHF-hedged: 1.00%
MiFID fee for third party research p.a.	0.04%
Total expense ratio p.a. (per 31.12.2023; TER)	Tranche EUR A: 1.26% Tranche EUR B: 1.75% Tranche CHF-hedged: 1.26%

Portfolio management



Patrick Hofer
patrick.hofer@serafin-am.com
+41 (0)41 726 71 76

Serafin Innovation Hub



Dr. Julian Vincent Kauffeldt



Dr. Niklas Bayrle

Serafin Asset Management Ltd
Bahnhofstrasse 29
CH-6300 Zug
+41 (0)41 726 71 71
www.serafin-am.com