

## Comment July 2024

The ALPORA Innovation Europe Fund performed similarly to the MSCI Europe ETF in July but lagged. The fund was also unable to escape the sell-offs in the IT sector. Nevertheless, it outperformed the Europe Growth Index. **Volution Group PLC** develops energy-efficient solutions to improve indoor air quality. The focus on heat recovery solutions is particularly noteworthy. In the first half of 2024, the company made significant progress in the development of innovative air quality systems. With brands such as Vent-Axia, Manrose, and Airtech in the UK and Fresh, PAX, and VoltAir in continental Europe, the Volution Group serves diverse markets. 70.5% of sales come from products with low carbon emissions and high energy savings. The sales target for these product categories of 75% by the end of 2026 is therefore within reach. The company has achieved impressive sales growth of 6.3% and an increase in adjusted operating profit of 12.9%. These developments and the solid balance sheet make the Volution Group an attractive portfolio position and underline the innovative strength of small, agile companies.

## Innovation assessment by the Serafin Innovation Hub

Within Serafin Asset Management, the Innovation Hub is responsible for developing innovation-oriented models and conducting innovation analysis. In addition, the Innovation Hub provides assessments of the latest technology and innovation trends and their impact on the equity market. The investment process in the Alpora Innovation Europe Fund to identify high-quality innovators consists of a three-step process. In a first step, we use a mathematical optimization procedure to calculate an Efficient Frontier of Innovation, taking into account defined input and output metrics of the innovation process. Thanks to the optimization model, several quantitative parameters on both the input and output side can be calculated in dynamic dependence on the comparison group. This allows an objective comparison of the companies' performance. This results in an innovation score for each company, each measured in the context of the investment universe, which in this case is equities Western Europe. Furthermore, in a second step, the Serafin Innovation Hub performs a qualitative detailed analysis of the innovators with regard to their future viability and coverage of relevant market and technology trends. In the third, final step, the portfolio construction takes place, in which the approximately 30 most robust companies in Western Europe are selected based on a proprietary fundamental analysis. The focus is on the stability of the balance sheet, the business model and the tradability. The financial strength of the company should enable the realization of the existing potential. Valuation ratios are secondary in this selection, so that companies in young growth phases can also be included in the portfolio composition.

## Key figures as of 31 July 2024

<b>Net Asset Value Tranche EUR D</b>	<b>EUR 2'815.57</b>
<b>Total Net Asset Value</b>	<b>EUR 113.4m</b>
SRI	4

## Performance Tranche EUR D

Duration	Fund	MSCI Europe ETF
1 month	-1.0%	1.0%
3 months	-0.9%	3.3%
12 months	1.6%	13.0%
3 years p.a.	-2.8%	7.4%
5 years p.a.	8.5%	8.8%
since inception (01.10.2014) p.a.	11.2%	7.1%
<b>Year</b>		
2024	1.7%	10.3%
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)	185.0%	96.9%

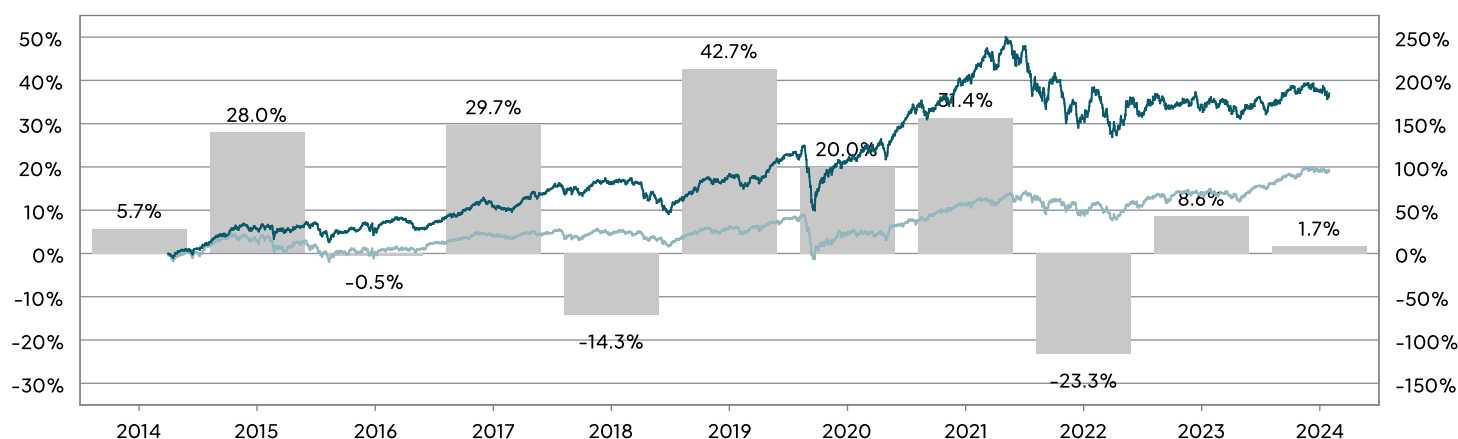
## Risk ratios (rolling over the last 3 years)

Volatility (p.a.)	17.2%
Sharpe ratio (1.75% Risk free rate)	n/a
Beta (vs. MSCI Europe ETF)	1.16

## Top 5 positions

Novo Nordisk	4.9%
AstraZeneca	4.7%
Shell	4.7%
Novartis	4.6%
LVMH	4.2%

## Performance since launch Tranche EUR D

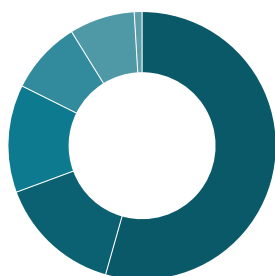


## Breakdown by sectors



Industrials	27.9%	Communication Serv.	5.0%
Health Care	17.2%	Financials	0.0%
IT	16.1%	Real Estate	0.0%
Consumer Discr.	14.8%	Consumer Staples	0.0%
Energy	10.5%	Utilities	0.0%
Materials	8.3%	Cash	0.3%

## Breakdown by currencies



EUR	54.4%	GBP	8.8%
DKK	15.0%	NOK	7.9%
CHF	13.0%	SEK	0.9%

## Breakdown by countries



Switzerland	22.3%	Sweden	9.0%
United Kingdom	17.8%	Germany	7.0%
France	11.8%	Norway	4.1%
Denmark	11.2%	Belgium	2.8%
Netherlands	9.6%	Others	4.2%

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## 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 B CH0436491234 / ALPIEUB SW EUR D CH0494981860 / ALPIEUD SW USD-hedged R CH1135984883 / ALPIUSD SW CHF-hedged R CH1135984875 / 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
Registered for public distribution	CH, DE; SGP (accr. investors only)

## Fee structure

Subscription and redemption fee	none
Management fee p.a.	Tranche EUR B: 1.50% Tranche EUR D: 1.00% Tranche USD-hedged R: 1.50% Tranche CHF-hedged R: 1.50%
MiFID fee for third party research p.a.	0.04%
Total expense ratio p.a. (per 31.12.2023; TER)	Tranche EUR B: 1.75% Tranche EUR D: 1.26% Tranche USD-hedged R: 1.76% Tranche CHF-hedged R: 1.76%

## Portfolio management



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