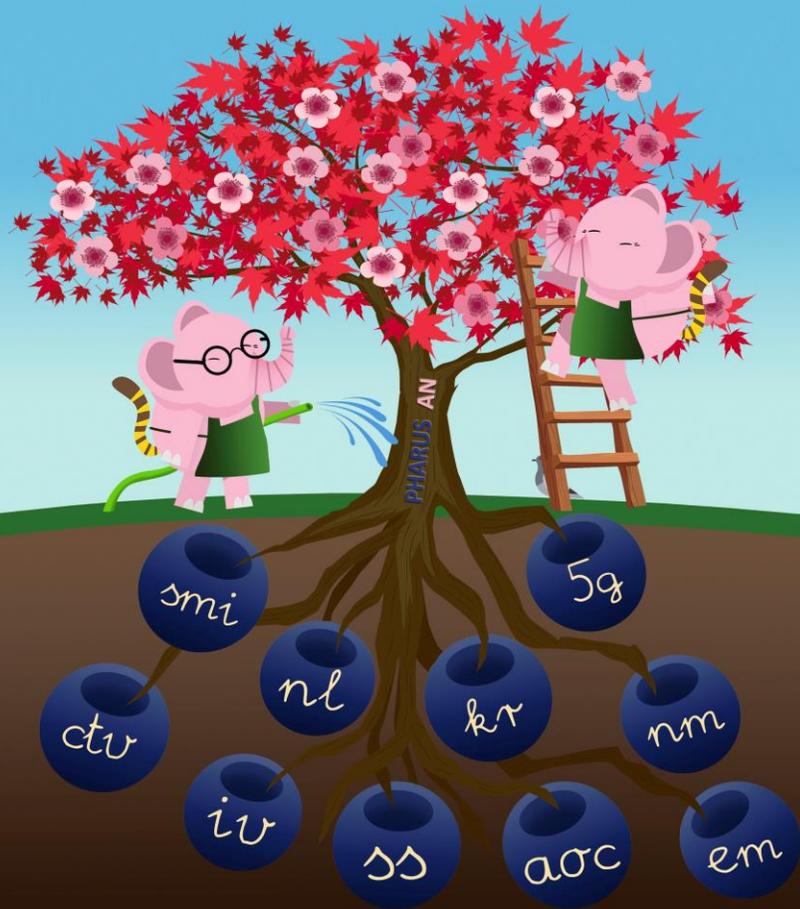


ASIAN NICHES



Managed by

imagine



NICHE AM

www.nicheam.com

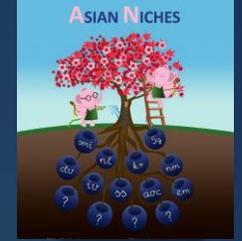
Pharus Asian Niches

Unique Investing

SMI: Small Cap Indonesia
NL: Neglected Luxury
KR: Korea reunification
5G: 5G
CTG: Close the gap
IV: Internet Victims
SS: Steel substitutions

AOC: Asian orphan companies
EM: Electric Mobility

Pharus Asian Niches: characteristics



- Luxembourg UCITS fund with daily liquidity
- **Equity:** 0% up to 70% mainly exposed to Asian Pacific markets
- **Cash & Bonds:** 30% to 100%
- **Euro** denominated
- **Management fee:** Professional Investor and listed class 0,6%; Retail 1,5%
- **Performance fee** (annual): 20% with HWM

Click [here](#) to view the animations





Asian Niches: unique ideas

1

Track record

- The Asia Flexible Fund, that the team managed for about 8 years before funding Niche, returned before fees +140% Vs +87% of the MSCI Asia Pacific TR index with a much lower volatility (11.7% Vs. 15.7%) *

2

Unicity

- This is a unique fund, composed by nine different thematic portfolios
- Each theme is UNIQUE as there are not products (funds or ETF) purely investing in it

3

Value Investing

- All the themes are neglected by the market although they have great potential for future appreciation

4

Information

- The Niche AM provides in-depth reporting for every and each theme in order to fully inform the investor and to keep him aligned with the strategy used to manage it



* From 30 March '10 to 29 December '17 – Source: Niche AM, Symphonia - This information is solely for informational purposes. Past performance is no guarantee of future returns. Investing involves risk and possible loss of principal capital



Track record: Asia Flexible fund performance before fees

	Performance before fees *	Volatility
Symphonia Asia Flessibile (Isin: IT0004764392)	140%	11,7%
Asia Pacific Net TR	87%	15,7%

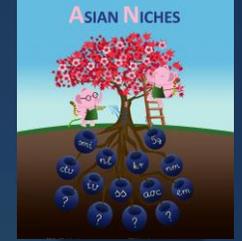
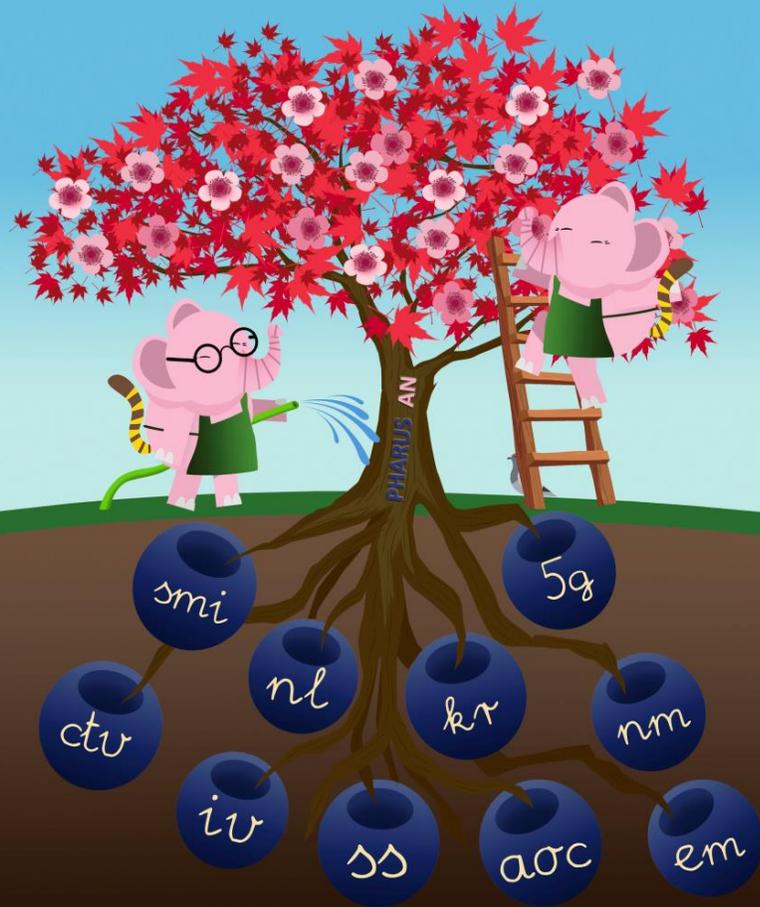
* From 30 March '10 to 29 December '17; performance before management and performance fees

Source: Symphonia SGR, Bloomberg



This information is solely for informational purposes. Past performance is not a reliable indication of future performance. FX rates may increase or decrease returns. Investing involves risk and possible loss of principal capital

ASIAN NICHES



The fund is a sophisticated laboratory,
where **unique, neglected** and **highly attractive**
investment niches are managed individually by Niche
AM team

In the following pages a brief analysis of those niches

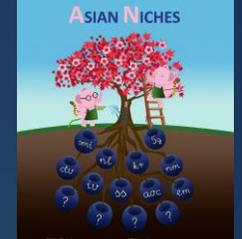
SMI: Small Cap Indonesia
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5G: 5G
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September 2020

Niche: «Small Cap Indonesia»

A tremendous opportunity



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Indonesia is a land with incredible potential. Its territory is huge, highly fertile and beautiful. The weather is ideal for agriculture and tourism. There are plenty of natural resources. The population is tame and friendly. Corporate governance is decent by emerging markets standards. The Central Bank is independent and from a political perspective the democracy system is maturing rapidly, while corruption is decreasing. The public debt is very low, inflation under control and growth is healthy. While this is well reflected in the valuation of big caps, it is not in small caps'. The discount of Indonesian small caps vs big caps is stunning, which is a legacy of the low visibility and reliability of those stocks in the past. Things have changed, and we expect a rapid catch up in the next few years, as it has happened in India.

Through this niche NAM aims to give the investor exposure to this resourceful country through an actively managed small caps portfolio that offers absolute low valuations and a huge discount versus the Indonesia big caps.

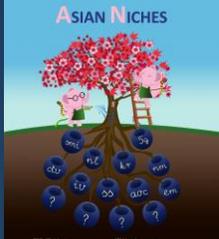
	Are there funds with this focus?	Or ETF?
Unicity	No	No

	PE '21E	EV/EBITDA '21E	P/TBV '19
Valuation (average)	4.6x	3.8x	0.7x

* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	70 bln \$	250





Niche: «Neglected Luxury»

Overlooked rarity



The luxury sector has been one of the winners of the last 2 decades. Globalisation, growing inequality, emerging markets and westernisation have been at the root of its growth. Luxury means not just quality, but also exclusivity and recognisability. Selling prices or supply constraints determine and warrant the rarity effect that encompass the concept of luxury. Although the market generously prices these luxury stocks, it sometimes does not recognise some companies as belonging to the luxury sector. There could be many reasons for this: low profitability; being part of a conglomerate; short term imbalance between supply and demand; corporate governance issues, etc.

The niche aims to give the patient investor the opportunity to gain exposure to these unique stock at valuations that are extremely attractive.

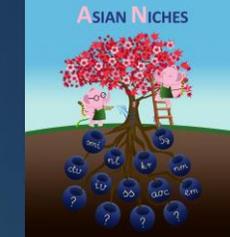
	Are there funds with this focus?	Or ETF?
Unicity	No	No

	PE '21E	EV/EBITDA '21E	P/TBV '19
Valuation (average)	9.3x	4.5x	0.8x

* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	255 bln \$	20





Niche: «Korea Reunification»

A free option on an already attractive market



South Korea is the ideal market to play through a value approach, as it is cheap, and its economy is growing healthy. Beside this, it has a terrific catalyst, this being a reunification or some form of rapprochement, with its half (North Korea). This event could be able to increase the long-term growth potential of the country and to free the market animal spirits. The Korea reunification is a way to add a free option to an already attractive market.

The niche aims to give the investor an exposure to the main beneficiaries of the reunification or of a rapprochement between the South and the North Korea.

	Are there funds with this focus?	Or ETF?
Unicity	Some small local funds	No

	PE '21E	EV/EBITDA '21E	P/TBV '19
Valuation (average)	6.5x	5.7x	0.4x

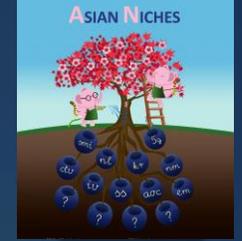
* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	400 bln \$	280



Niche: «5G»

Moving to the next Internet investment chapter



The 5G is coming

- This starts a 5 to 10 years journey leading to full 5G connectivity
- The 5G will shape this century and will change the way we live for good
- The 5G will open the gates to new business models, will greatly improve the productivity and will make the world smaller and safer

5G will make a broad and disruptive array of new technologies reality. IoT, AI, VR, AU, block chain, self-driving cars, smart living, smart homes, remote healthcare won't be possible without 5G. Nonetheless the companies that will make 5G possible are still neglected and offer great value

The niche aims to give the investors an exposure to these 5G players.

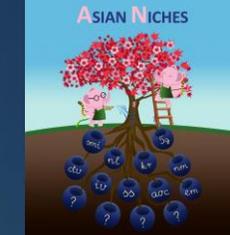
	Are there funds with this focus?	Or ETF?
Unicity	No	No

	PE '21E	EV/EBITDA '21°	P/TBV '19
Valuation (average)	9.3x	5.2x	n/a

* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	4,600 bln	110





Niche: «Mind the Gap»

As simple as that ...



There are some classes of shares, like saving/preferred, or some companies' structures, like holdings or conglomerates, that can present huge discounts versus ordinary shares or the sum of the controlled companies. These discounts tend to close over time. Shares conversions, M&A, spin-offs, changes in dividend policies are normally the catalysts.

The niche aims to give investors an exposure to these shares classes or companies structures.

	Are there funds with this focus?	Or ETF?
Unicity	No	No

	PE '21E	EV/EBITDA '21E	P/TBV '19
Valuation (average)	10.1x	2.9x	0.8x

* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	2,150 bln	100





Niche: «Internet Victims»

Chasing the survivors



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Every technology revolution, and the ongoing huge internet revolution is no exception, makes corporate victims; business models are replaced; many of the old players fail to adapt early, while new players are ushered in, thriving and gaining market share.

This slow and cruel process is well known by investors, who, however, normally tend to be late in fully understanding the depth and the breath of the shift.

Once the trend is established most of the investors sell the old players and gain exposure to the new ones. The old players have to live through a prolonged period of restructuring and reinvention; valuations are squeezed, failures and consolidation are common. We call them the (internet revolution) VICTIMS

At the end of a technology revolution a new class of companies emerges; this class is composed by the old players which have learnt to live through the change, thriving in a less competitive environment and/or through an adapted business model. We call them the (internet revolution) SURVIVORS. Finding survivors can be even more rewarding than finding winners.

The niche aims to gain exposure to the survivors of the internet revolution

	Are there funds with this focus?	Or ETF?
Unicity	No	No

	PE '21°	EV/EBITDA '21E	P/TBV '19
Valuation (average)	8.7x	5.0x	n/a

* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	2,500 bln \$	120





Niche: «Steel Substitution»

Anticipating a trend



Our infrastructures, our vehicles and our many devices are made partially of iron and its derivatives. Although materials such as plastic and aluminium have partially replaced it in some applications, it still plays a dominant role in our system. Its physical properties, the abundance of iron ores and its labor-intensive characteristic have kept its leadership solid and unchallenged. Up to a point though...Other materials are emerging with better qualities in terms of safety, resistance, weight and sustainability. As their prices will go down, steel will be gradually substituted and many of its mines and producing assets will go stranded.

The niche aims to give the investor the opportunity to gain exposure to this growing trend of attractive valuations as the market still doesn't appreciate it yet.

	Are there funds with this focus?		Or ETF?
Unicity	No		No
	PE '21°	EV/EBITDA '21E	P/TBV '19
Valuation (average)	9.5x	5.5x	1.1x
	Market Cap		# stocks
Capacity	200 bln		20

* Thomson Reuters, NicheAM



Niche: «Asian Orphan Companies»

Thinking outside the box



Brokers coverage is essential when attracting investors interest, improving liquidity and valuations. However, there are many companies in Asia that don't have any coverage or are covered just by one local broker, we call them "orphan companies". Reason being: coverage can be expensive, time demanding, brokers have cut the number of analysts and now focus on fewer companies, etc. As the result the uncovered or under-covered companies trade a huge discount versus their peers. Normally this undue discount will be closed by the restart of the broker coverage or by corporate action. Those are deep value opportunities; however investor has to be patient to reap the reward.

The niche aims to give investors an exposure to deeply undervalued orphan companies.

	Are there funds with this focus?	Or ETF?
Unicity	No	No

	PE '19	EV/EBITDA '19	P/TBV '19
Valuation (average)	10.7x	2.4x	0.5x

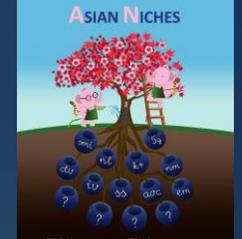
* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	25 bln	110



Niche: «Electric Mobility»

Getting ready for a seismic change



Electric mobility will grow dramatically in the next few years, with a speed still unexpected by most and changing the world for good. The electric mobility will be pervasive, affecting land, air and water transportation. The batteries stocks, just a part of the broader electric mobility sector, will overcome the semiconductor sector by total sales in few years. We deem the sector a great opportunity for those who have a firm understanding of it, and potentially hazardous for those who do not. Niche Asset Management team boasts a long and successful experience in the electric mobility investing.

Niche aims to give the investor exposure to this exciting sector through its value approach.

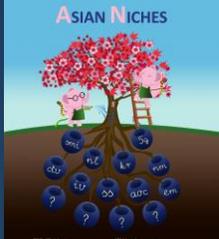
	Are there funds with this focus?	Or ETF?
Unicity (Secondary lithium batteries)	0	2 ETF (1 non-harmonised)

	PE '21E	EV/EBITDA '21E	P/TBV '19
Valuation (average)	11,1	4,0	1,4

* Thomson Reuters, NicheAM

	Market Cap	# stocks
Capacity	3,500 bln \$	300

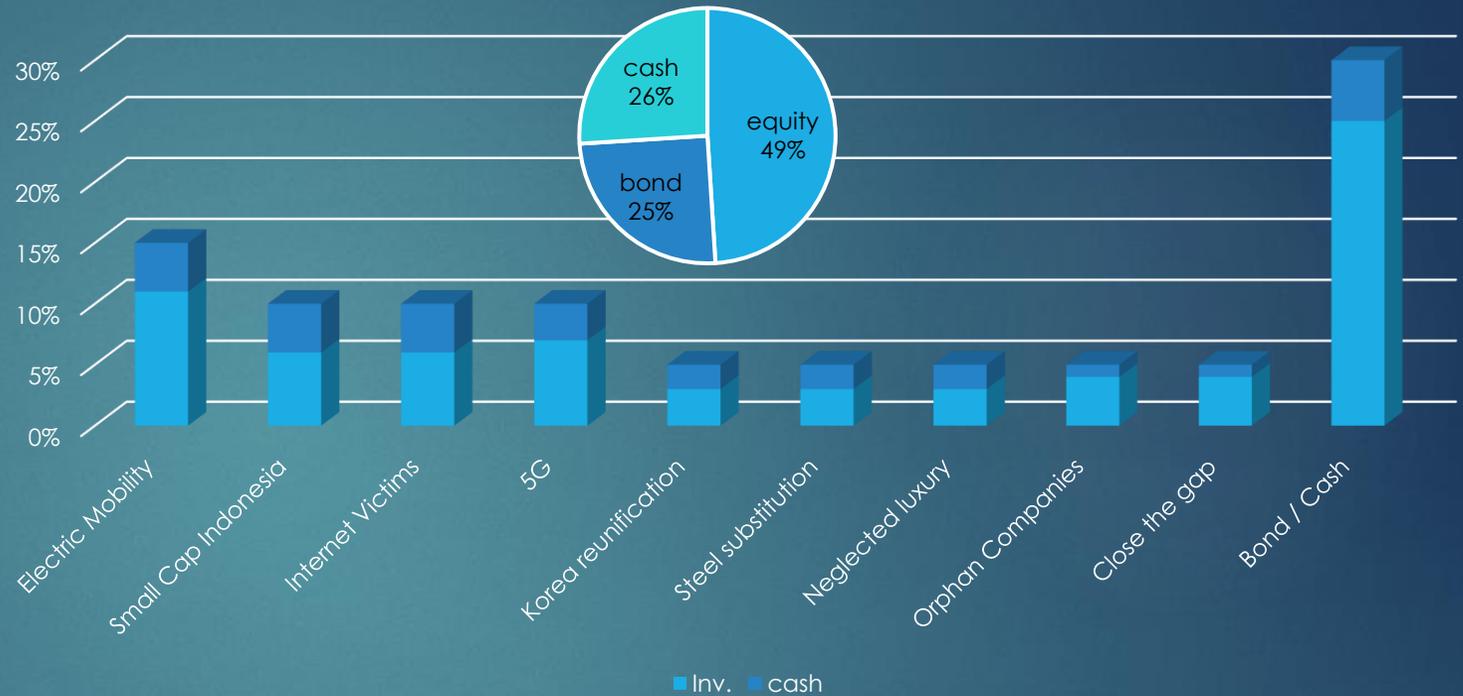




Portfolio allocation by niches

- To each niche portfolio, as well as to the bond portfolio, is pre-allocated a fixed part of the Fund NAV
- Each portfolio is flexible on the allocation between cash and equity (or bonds for the bond portfolio)

Sample of portfolio allocation



<i>Hp. Equity niche investments</i>	35%	50%	70%	100%
	↓	↓	↓	↓
Equity as a % of Portfolio	25%	35%	50%	70%
Bond / Cash	75%	65%	50%	30%
Total	100%	100%	100%	100%



Pharus Asian Niches

Management company	Pharus Sicav
ISIN	Class A – all type of investor – LU1867072578 Class B – reserved to Institutional & Professional Investor – LU1867072651 Class Q – listed class * – LU1867072735
Management Fee	1,50% Class A 0,60% Class B 0,60% Class Q
Performance Fee (annual)	20% with HWM
Benchmark	-
Dividends	Accumulation
Minimum initial subscription amount during the initial subscription period	Euro 1,000 for Class A Shares Euro 50,000 for Class B Shares
Minimum holding amount	Euro 1,000 for Class A Shares Euro 50,000 for Class B Shares



* The Q Share Class can only be invested by Intermediaries via the ATFund market of the Italian Stock Exchange



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