31/03/2023

NICHE ASSET MANAGEMENT

Pharus Asian Value Niche

Portfolio Update

31st December 2022– 31st March 2023

NICHE AM

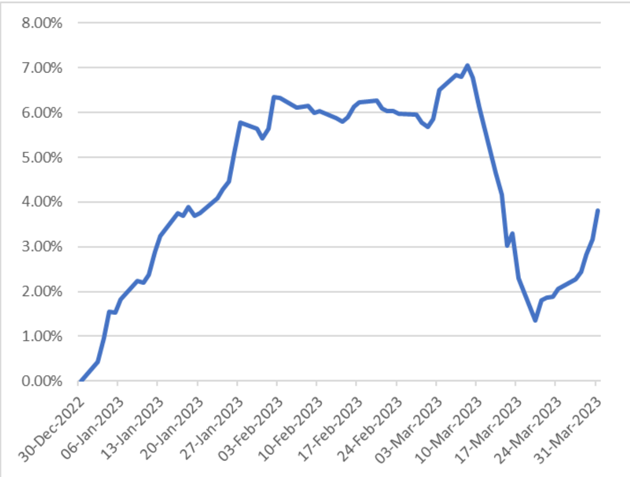
Launch date: 15.02.2019
Total Net Asset value 31.03.23: € 25,992,712.10
Currency: EUR

Net Asset Value per share As of 31.03.23:		
	Class A – ISIN: LU1867072578	€ 118.28
	Class B – ISIN: LU1867072651	€ 122.04
	Class Q – ISIN: LU1867072735	€ 121.88

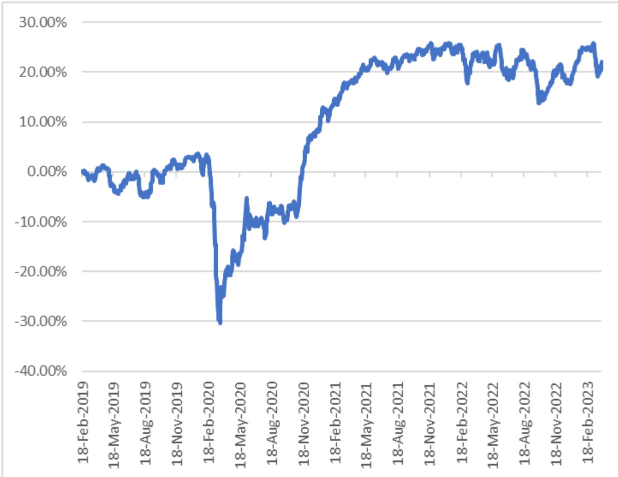
	Q1	Year to Date	1 Year	Since inception
Performance (class B)	+3,80%	+3,80%	-0,94%	+22,04%

Net asset value per share

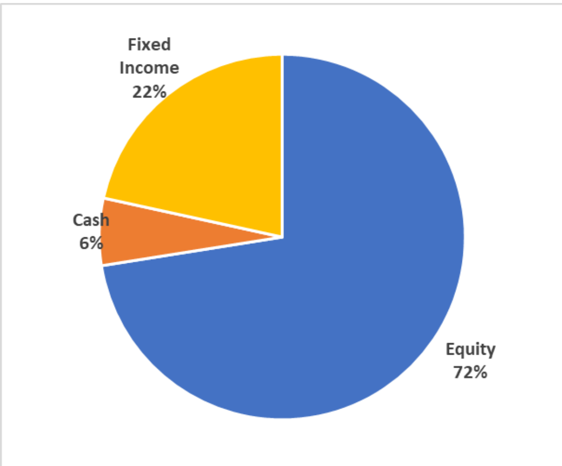
Performance first quarter: +3.80%



Performance since inception: +22.04%



Portfolio breakdown by asset class



The fund invests flexibly in a diversified portfolio of equities (0% to 100% of NAV) and bonds (0% to 100%).

The equity component has a predominant exposure to Asia Pacific markets and is divided into independent equity portfolios, each focused on an Equity Niche neglected by the market, but with ample growth potential in the medium term.

The bond component has an unconstrained absolute return objective.

* rating at 31/01/23 – Class Q

Quarterly comment

Asian Value Niche is not just another fund. It is an Article 8 SFDR fund that proposes a new Asia, an Asia where the investor can be invested for the long term.
When we started in this business, in the 1990s, there were three markets worthy of the name for which providers were giving index trends and analysts and economists were scrambling to provide forecasts. US, Europe and Japan. The heavy Japanese crisis and the emergence of China led to the latter eclipsing the country of the rising sun. So much so that today a large proportion of Asian funds are ex-Japanese. Today a new era has opened as a result of exceptional and concomitant forces: pandemic, Ukraine, supply chain crisis, China's confrontational attitude, sustainable investing. The result is that, inevitably, investors will no longer want to (or will not be able to) invest in autocratic countries (e.g. China, Vietnam and Thailand) and in countries with little transparency (Philippines). At the same time, the same forces will stimulate the discovery of neglected countries (Indonesia and Korea) or the rediscovery of forgotten countries (Japan). We would therefore not be surprised if the next two to three years see an explosion of Asia 'ex-China' funds. For now, we believe that Asian Value Niche is the only product of its kind.
Finally, after 15 years of the market's passion for growth and momentum, we believe there is room to benefit from the many value areas in Asia, leaving aside sectors or countries that are now overvalued and overcrowded (such as technology and India, respectively).
Asian Value Niche presents itself as a unique product, not only because of its structuring into absolutely distinctive niches, but also because of its investment universe, which well interprets the investor's new ethical instances. Instances that if followed can lead to better returns on investments with less risk. To this we add that the product's level of diversification (12 independent portfolios totalling some 500 securities) and its valuation (7x earnings) make it an ideal long-term asset allocation tool.
At the end of the quarter, we adjusted the weights assigned to our niches slightly, giving a little more weight (from 10% to 12.5%) to our *Japanese Orphan Companies* niche, which we take homoeopathically from a number of other niches. The Japanese Orphan Companies niche has over 160 Japanese companies that are completely overlooked by analysts (for now) but which are solidly profitable and have net cash positions exceeding their market capitalisation. An anomaly that now seems destined to close. This niche is also available in pure form as a UCITS fund listed on our innovative NicheJungle platform.
The Asian Value Niche fund is now more than four years old. The results are very good and the product is at the top of its class. Its structuring also distinguishes it from other products and makes it more suitable for a sophisticated or institutional audience. Pharus Sicav offered it a first home, which we enjoyed very much and gave us the opportunity to grow and make ourselves known. Now it's time to find a more agile platform that allows us to be even more competitive and efficient. We have found it in Safe Capital Sicav, which combines its agility and efficiency with the quality of ManCo Pharus, which has been overseeing the regulatory constraints of dozens of UCITS funds for decades. The migration will probably take place in 2024 and will be communicated to investors well before that. For the end investor, nothing will change except to see the product name change from Pharus Asian Value Niche to SafeCapital Asian Value Niche.

The quarter saw the fund advance 3.8%.
Eight of the twelve equity niches contributed positively to the fund's performance, confirming the validity of the value theme diversification approach. The best quarterly performance was generated by the *5G* niche (+16.8%), as a result of good performance by the major European telecom operators, starting from consistently depressed valuations and supported by high dividends, all the more depressed given the increasingly evident need to change the current competitive landscape to encourage accelerated investment in 5G. The *Electric Mobility niche* (+9.6%) also made a very positive contribution, supported by the rerating of Korean and Japanese stocks exposed to the huge amount of investment in electric mobility expected in the US as a result of the Inflation Reduction Act (IRA), and *The Magic of Graphite* (+8.2%), bolstered by the rise of plant engineering companies that will support the steel industry's carbon footprint reduction process.

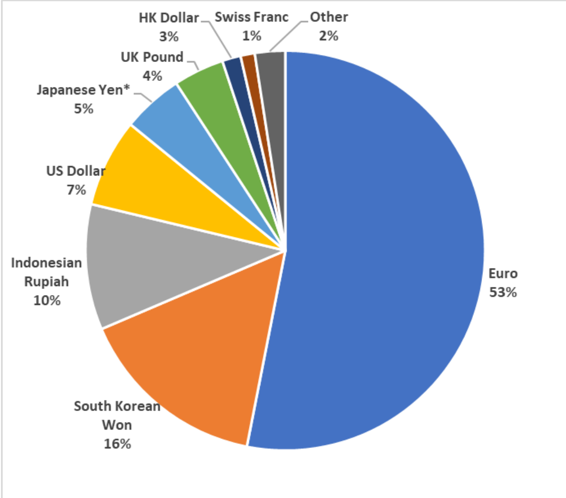
The niches that performed negatively, however, were: *Cocoon* (-11.2%), mainly due to Orpea's downturn on the continuation of the restructuring process which, in our view, illegally severely harms the interests of existing shareholders; *Internet Victims* (-1.9%), as a result of the risk aversion phase on the banking system resulting from the crisis of the US regional banks which led to the acquisition at a steep discount of Credit Suisse by UBS; *Korea Reunification* (-2.8%), which suffered particularly from the depreciation of the currency.
Finally, the bond portfolio (around 22% of NAV) performed positively at +2.1% despite tensions in the financial component, which was extremely volatile following the bankruptcy of Silicon Valley Bank in the US.

*Performance di nicchia primo trimestre 2023**

NICHE	Return
Electric Mobility Value	*+9,62%*
5G Value	*+16,83%*
Internet Victims	*-1,85%*
Indonesian Infrastructure Small Caps	*+3,21%*
Korea Reunification	*-2,81%*
Japanese Orphan Companies	*+4,89%*
Magic of Graphite	*+8,23%*
Champagne	*+2,58%*
No meat's land	*+2,72%*
Cocoon	*-11,23%*
Beauty for nothing	*-2,30%*
Fly with me	*+5,47%*

**Per una ripartizione dettagliata delle performance delle nicchie e degli indici di mercato si veda la tabella nella pagina dell'appendice.*

Portfolio breakdown by currency



**net of JPY hedging.*

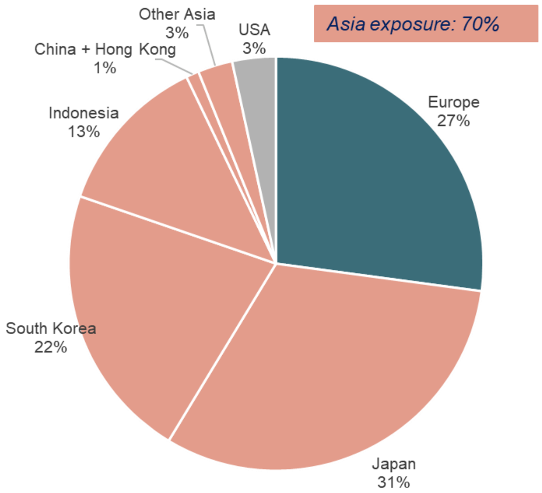
Top holdings

ISIN	Security	Portfolio	%
LU1867072222	Pharus SICAV Elec Mob Value Niche B	Electric Mobility	14.70%
IE0004F6ARY1	Nichejungle Kor Reunif SDG I	Korea Re-unification	9.34%
IE000MFX2916	Nichejungle Jap Orphan Cos SDG I	Japanese Orphan Companies	8.78%
FR0013461274	Eramet 5.8750 19-25 21/05A	Bond	2.46%
IT0005283111	Il Sole 24 Ore	Internet Victims	1.70%
XS1658012023	Barclays Bank Plc Fl.R 17-99 31/12Q	Bond	1.51%
XS2271356201	Webuild Spa 5.875 20-25 15/12A/12A	Bond	1.49%
XS2189784288	Commerzbank Ag Fl.R 20-99 31/12A	Bond	1.42%
US251525AN16	Deutsche Bank Sub Fl.R 14-Xx 30/04A	Bond	1.24%
FR0000062796	Vranken-Pommery Monopole	Champagne	1.16%

Equity top holdings

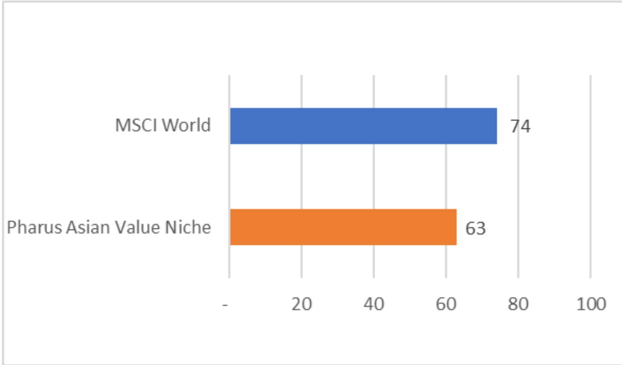
ISIN	Security	Niche	Sub-Niche	%
IT0005283111	Il Sole 24 Ore	Internet Victims	Publishers	1.70%
FR0000062796	Vranken-Pommery Monopole	Champagne	Champagne	1.16%
JP3544000007	Teijin	Magic of Graphite	Composites	1.07%
ID1000104508	Pt Tempo Scan Pacific	Indonesian Inf SC	Consumer Products	1.05%
FR0000051732	Atos	5G	5G Apps	0.96%
FR0000133308	Orange	5G	Telecom Services	0.93%
ES0178430E18	Telefonica SA	5G	Telecom Services	0.69%
CH0244767585	UBS Group	Internet Victims	Financials	0.68%
ID1000131105	Wijaya Karya Beton	Indonesian Inf SC	Real Estate&Construction	0.67%
SG1Q25921608	Delfi	Indonesian Inf SC	Consumer Products	0.66%

Equity breakdown by geographical exposure



Source: Niche AM

Equity Portfolio ESG rating



Source: Niche AM , Thomson Reuters

Contents

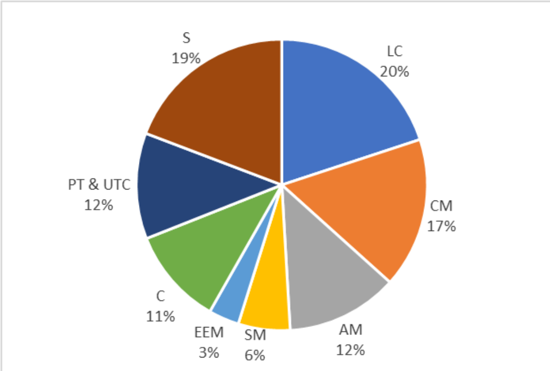
Electric Mobility Value

Value Investing Applied to a Growth Theme

 # stocks: 57 *Average Market Cap (mln €)* 9.931 *Median Market Cap (mln €):* 1.009

Electric Mobility – segment breakdown

		Asian Niches Fund	EM Niche
Lithium Cells	LC	3.1%	19.9%
Cathode makers	CM	2.6%	16.7%
Anode Makers	AM	1.9%	12.4%
Separators makers	SM	0.9%	5.8%
Electrolytes	EEM	0.5%	3.4%
Commodities	C	1.7%	10.8%
Power Train & Ultracapacitors	PT & UTC	1.8%	11.8%
Satellites (S)	S	3.0%	19.2%
Total		**15.5%**	**100.0%**



Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Panasonic	Lithium Cells (LC)	1.1%	6.44%
LG Chemical Pref	Lithium Cells (LC)	1.1%	11.89%
Sumitomo Metal Mining	Cathodes (CM)	0.9%	8.09%
Toda Kogyo	Cathodes (CM)	0.7%	1.12%
Teijin	Separators (SM)	0.7%	8.39%

Major increases in the quarter

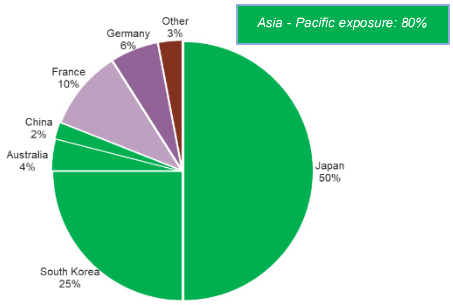
Name	Weight at 31/12	Weight at 31/03
N/A	-	-

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
Continental	0.4%	0.0%	+7.9%
Vitesco Technologies Group	0.5%	0.3%	+36.5%

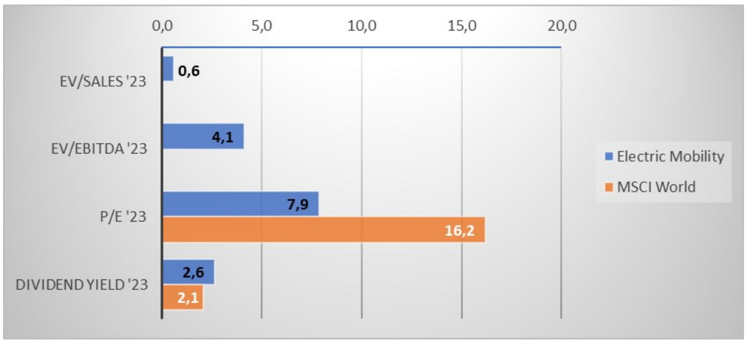
Source : Niche AM, Thompson Reuters

Geographical breakdown



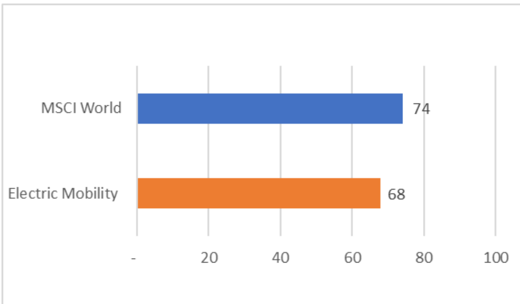
Source: Niche AM

Valuation snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

Electric Mobility Value

Value Investing Applied to a Growth Theme

Comment

The Fund appreciated 9.62% over the quarter, thanks to positive performance from most of the holdings in the portfolio.

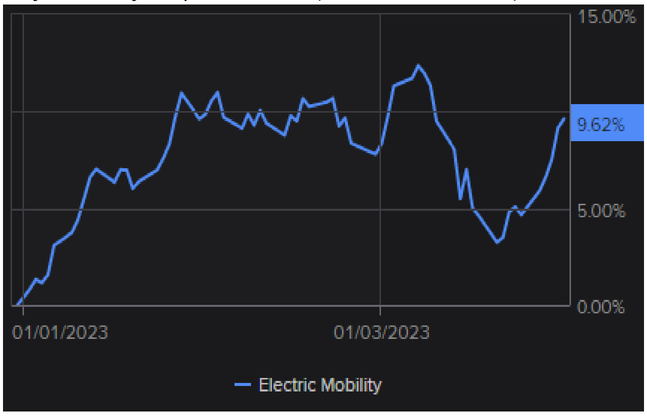
Electric car sales continue to show strong growth (+49% in February), with a penetration rate of around 13%, up from 9.6% in February 2022). The sector continues to grow fast driven by subsidies, longer range, better charging networks and increasing choice.

However, another emerging factor could further accelerate the penetration of electric cars. Tesla has in fact decided to significantly cut the prices of its cars, bringing them below the level of comparable internal combustion cars (before fuel economy). This leads to three consequences: 1) more people will opt for a Tesla rather than an internal combustion car; 2) other manufacturers will have to lower the price of their electric cars to prevent Tesla from achieving complete hegemony in the sector; 3) this will further increase the penetration of electric cars by increasing the number of affordable electric models. While this may put pressure on car manufacturers, it may also create significant bottlenecks with regard to batteries, an area on which the fund is focused.

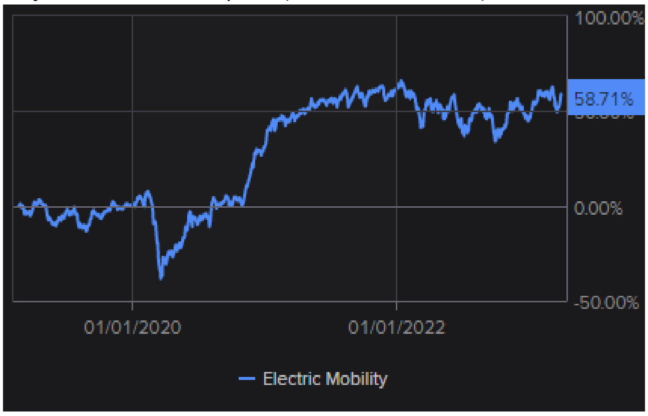
The Fund is also exposed to the expected significant growth in investments in electric mobility in the US market as a result of the Inflation Reduction Act (IRA). This Act will allow high tax credits for a decade for investments in battery production in the US. Korean players SK Innovation and LG Chemical are among the main beneficiaries. In particular, the projected credits that SK Innovation is expected to collect from the creation of new production capacity represent an important share of its current capitalization. This group has low valuations (around 5 times EBITDA), despite the rapid growth prospects of its electric battery division, both in terms of turnover and profitability. SK Innovation's margins are still lower than peers, due to the high costs incurred in the start-up phase of new production facilities but should now start to improve significantly. Panasonic is another company also characterized by low valuations (around 10 times '24 earnings), which should benefit from the construction of a new gigafactory in the US, following the one built for Tesla, with which it has a ten-year relationship (expected investment estimated for the new factory at around USD 4 bln).

The fund provides exposure to the mass adoption of electric mobility, but with limited risk of permanent capital loss due to its value approach: the portfolio has a P/E '24 ratio close to 8x and a price to tangible book value close to 1x.

Performance first quarter 2023 (31/12/22-31/03/23)



Performance since inception (21/02/19-31/03/23)



Source: Niche AM, Thomson Reuters

Description of the Niche

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.

5G Value

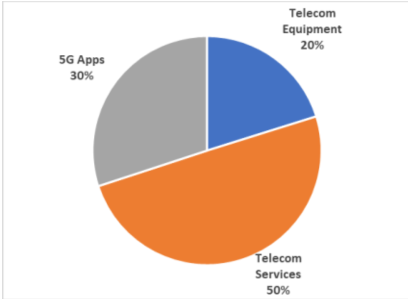
Moving to the next Internet investment chapter

 # stocks: 17 *Average Market Cap (mln €)* 47.664 *Median Market Cap (mln €):* 9.317

5G breakdown

	Asian Niches Fund	5G Niche
Telecom Equipment	1.5%	20.2%
Telecom Operators	3.8%	49.8%
5G Apps	2.3%	30.0%
Total	**7.6%**	**100.0%**

Source: Niche AM



Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Atos	5G Apps	1.0%	25.3%
Orange	Telecom Services	0.9%	16.6%
Telefonica SA	Telecom Services	0.7%	16.9%
Nokia	Telecom Equipment	0.7%	3.3%
Telecom Italia	Telecom Services	0.6%	42.3%

Major increases in the quarter

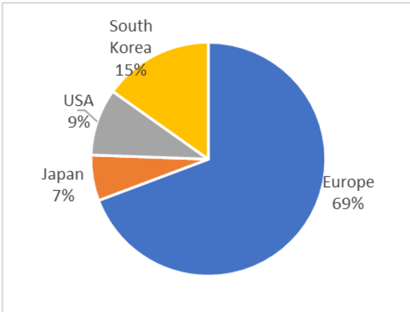
Name	Weight at 31/12	Weight at 31/03
BT Group	0.4%	0.5%
Orange Belgium	0.2%	0.3%

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
N/A	-	-	-

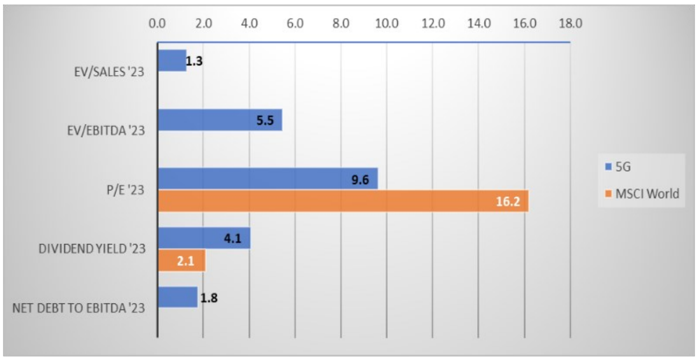
Source : Niche AM, Thomson Reuters

Geographical breakdown



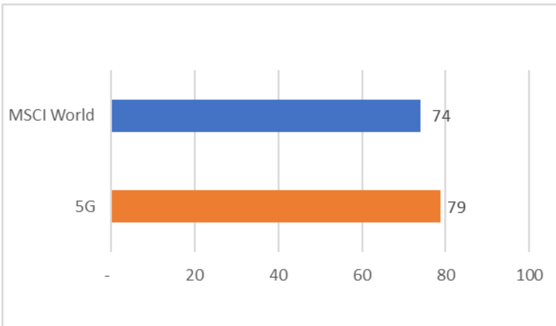
Source: Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

5G Value

Moving to the next Internet investment chapter

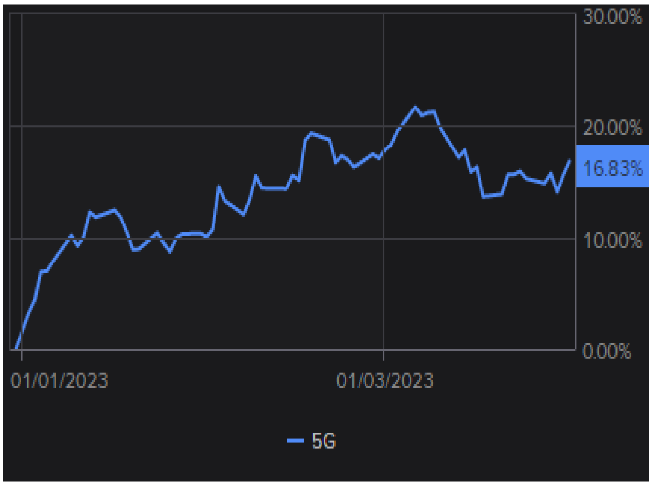
Comment

The Niche appreciated 16.8% over the quarter, making it the best performing within the Fund.

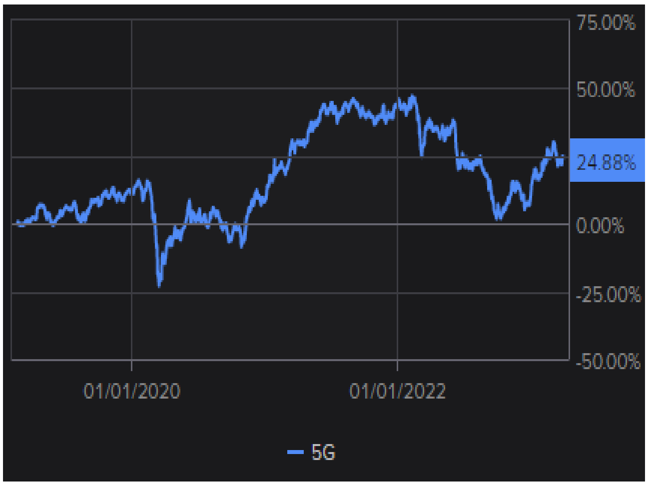
Recall that this Niche invests in companies that will benefit from the development of 5G technology, the adoption of which is proving faster than 3G and 4G. Consumer connections exceeded 1 billion at the end of 2022 and are expected to increase to around 1.5 billion this year. 5G connectivity on mobile is currently the main use of this technology and is being accompanied by a rapid deployment of Fixed Wireless Access (FWA), i.e. the use of 5G to provide fixed broadband connectivity, largely leveraging mobile broadband assets. FWA potential is particularly relevant in areas with unserved or underserved broadband markets (on a global basis, almost half of 5G mobile commercial launches also include an FWA offering). This connectivity offering is gradually being complemented by growing revenue opportunities in the business world, taking advantage of the digitisation process of enterprises, including private networks.

During the quarter, telecom operators in the **Telecom Services** sub-network that are pursuing 5G investments and steadily expanding their IT service offerings to the business world, including BT and Orange Belgium, increased. The values at which these players trade continue to be particularly attractive and supported by high dividend yields. These values are far from incorporating the growth trajectory that characterises this sector, which will become even more evident from 2025, with the commercial availability of 5G Advanced, which will improve speed, coverage, mobility and energy efficiency and support a new wave of business opportunities.
The **5G App/IT Consultants** sub-niche, which will benefit from the endless opportunities arising from the application of 5G to the corporate world, also came to the fore thanks mainly to Atos, which recovered some of the underperformance realised during 2022. The results of this French group are showing faster-than-expected signs of stabilisation with regard to its division called Tech Foundations, focused on traditional IT services, which will be separated in the second half of the year from the high-growth division Eviden, focused instead on Big Data, cloud and security.
More marginal, on the other hand, is the positive contribution of the **Telecom Equipment** sub-niche due to the slowdown in investments in telecom infrastructure in some important areas such as the US. In fact, these operators are trading at modest levels when the investment phase related to the advent of 5G technology is still far from complete.

Performance first quarter 2023 (31/12/22-31/03/23)



Performance since inception (21/02/19-31/03/23)



Source: Niche AM, Thomson Reuters

Niche description

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 will not 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

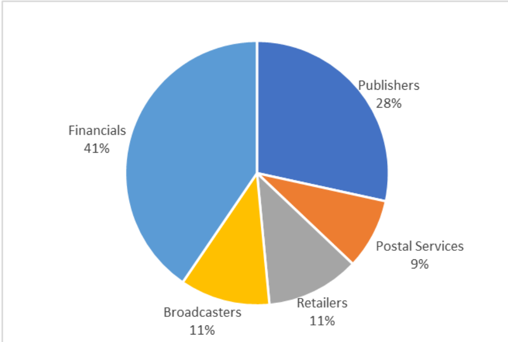
Internet Victims

Chasing the survivors

 # stocks: 23 *Average Market Cap (mln €)* 19.158 *Median Market Cap (mln €):* 2.749

Internet Victims breakdown

	Asian Niches Fund	Internet Victims Niche
Publishers	2.4%	28.4%
Postal Services	0.7%	8.6%
Retailers	0.9%	11.4%
Broadcasters	0.9%	11.0%
Financials	3.4%	40.5%
Total	**8.3%**	**100.0%**



Source: Niche AM

Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Il Sole 24 Ore	Publishers	1.7%	7.4%
UBS Group	Financials	0.7%	10.6%
RCS Mediagroup	Publishers	0.5%	15.5%
BNP Paribas	Financials	0.5%	2.4%
AXA	Financials	0.5%	8.6%

Major increases in the quarter

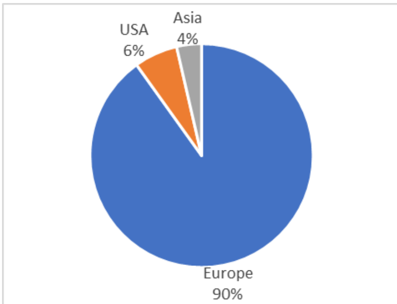
Name	Weight at 31/12	Weight at 31/03
UBS Group	0.0%	0.7%

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
Television Broadcasts	0.4%	0.0%	+31.1%

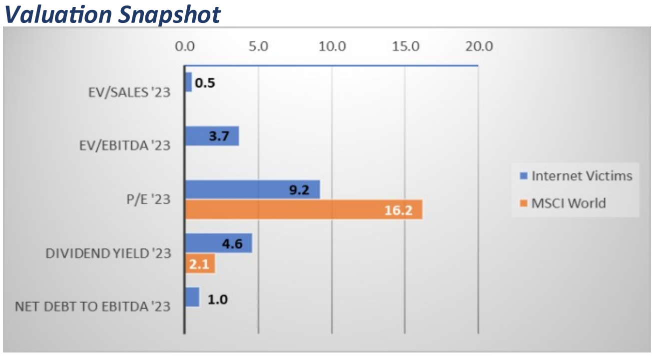
Source: Niche AM, Thomson Reuters

Geographical breakdown



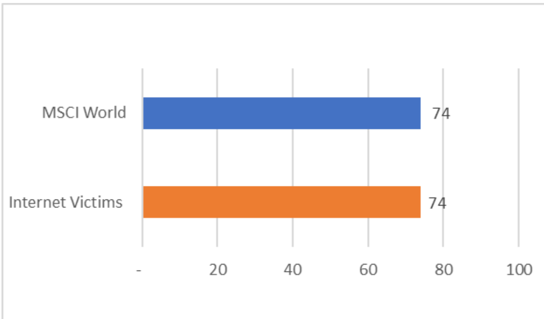
Source: Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

Internet Victims

Chasing the survivors

Comment

The Niche fell 1.8% during the quarter, affected by the negative performance of the Financials sub-niche, which suffered from the US regional bank crisis and the strong negative impact on Credit Suisse, which was subsequently acquired by UBS.

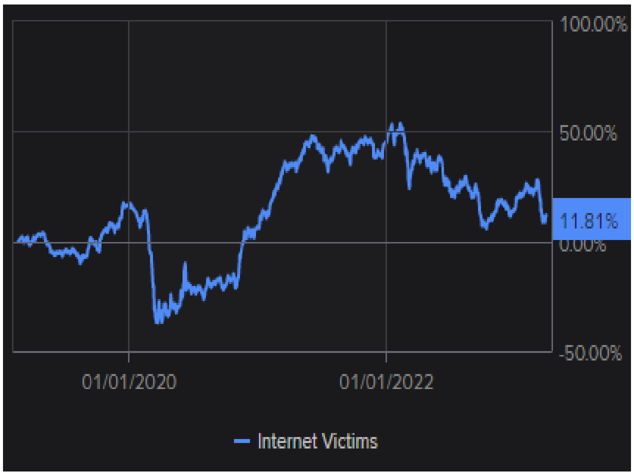
The fall of Credit Suisse came at a time when the bank, following a series of scandals, had already profoundly revamped its corporate culture and management lines, proceeding with a massive restructuring aimed at transforming it into a less risky entity, more akin to Julius Baer than UBS. Credit Suisse's assets had in fact fallen by around 35%, from around CHF 819 billion in 2020 to CHF 515 billion at the end of 2022, almost all of which related to the investment banking division. Despite the bank's very solid capitalisation (CTE1 14.2%) and liquidity (liquidity ratio at the top of its category, above 150%, just four days before its fall), the ongoing media attack caused many clients to lose confidence in the bank, fuelling a maelstrom from which bearish speculation took advantage, prompting the Swiss authorities to implement a dramatic rescue plan. UBS was able to take over Credit Suisse with a present from the authorities of no less than CHF 57 billion in tangible capital, roughly equal to the tangible capital UBS held prior to the takeover. In addition to the capital, strong profit-generating assets and a huge franchise were given. The Wealth Management divisions of UBS and CS have strong synergies. The Swiss commercial banking division of Credit Suisse is a jewel that, sold or combined with the UBS division, can lead to big gains or synergies. UBS is covered by the state for losses on Credit Suisse's equity in excess of CHF five billion and has a guaranteed credit line of up to CHF 100 bln from the central bank to protect the soundness of the Swiss financial system.

In light of the considerations presented, a position has been created on UBS, the potential upside of which is such that the losses generated by the exposure to Credit Suisse stock can be recovered. Moreover, UBS is now probably the most solid company in the sector. Hence an outstanding risk/benefit profile.

The negative performance of financial stocks was partly offset by the positive performance of the broadcasters sub-niche, thanks mainly to the strong performance of Hong Kong-listed Television Broadcasts, on which profits were taken.

Performance first quarter 2023 (31/12/22-31/03/23)

Performance since inception (21/02/19-31/03/23)



Source: Niche AM, Thomson Reuters

Description of the Niche

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.

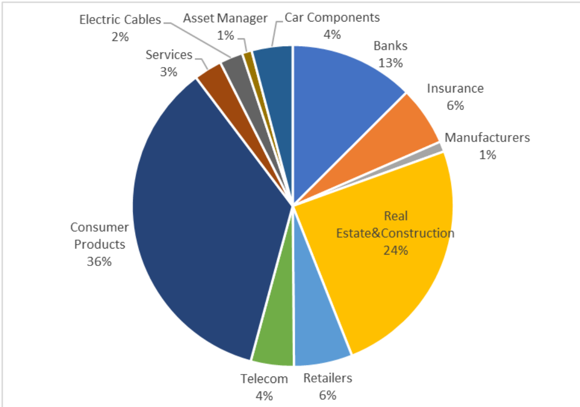
Indonesian Infrastructure Small Caps

The New India

 # stocks: 29 | *Average Market Cap (mln €):* 602 | *Median Market Cap (mln €):* 281

Indonesian Infrastructures Small Caps breakdown

	Asian Niches Fund	Indonesian Infrastructures Small Caps
Banks	1.2%	13%
Insurance	0.6%	6%
Manufacturers	0.1%	1%
Real Estate& Construction	2.4%	25%
Retailers	0.6%	6%
Telecom	0.4%	4%
Consumer Products	3.4%	36%
Services	0.3%	3%
Electric Cables	0.2%	2%
Asset Manager	0.1%	1%
Car Components	0.4%	4%
Total	**9.7%**	**100.0%**



Source: Niche AM

Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Pt Tempo Scan Pacific	Consumer Products	1.1%	-1.1%
Wijaya Karya Beton	Real Estate& Construction	0.7%	-11.0%
Delfi	Consumer Products	0.7%	44.5%
Ramayana Lestari	Retailers	0.6%	14.0%
Bank Danamon Indonesia	Banks	0.5%	5.9%

Major increases in the quarter

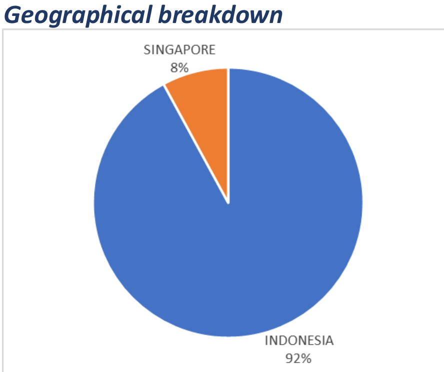
Name	Weight at 31/12	Weight at 31/03
PP Presisi	0.2%	0.3%
Wijaya Karya Bangunan	0.6%	0.7%
Asuransi Tugu Pratama	0.2%	0.3%

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
N/A	-	-	-

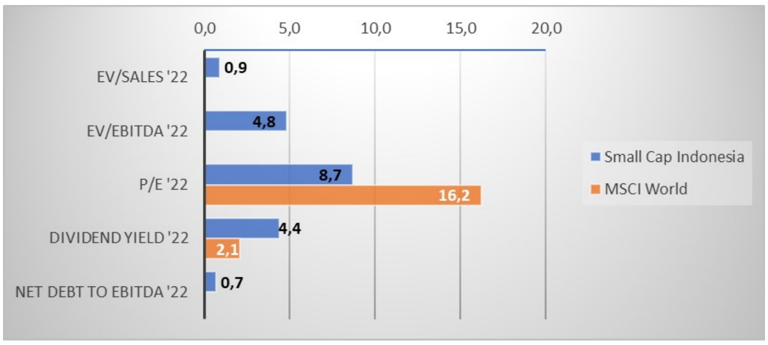
Source: Niche AM, Thomson Reuters

Geographical breakdown



Source : Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

Indonesian Infrastructure Small Caps

The New India

Comment

The Niche appreciated by 3.2% during the quarter.

The stabilisation of the rupee, after a sharp depreciation in the fourth quarter that had hurt performance, was supported by good macroeconomic data. The IMF upgraded its GDP forecast for 2023 from 4.8% to 5%, due to the government's improved efficiency in maintaining a positive current account balance and attracting foreign investment. Core inflation in March fell to +2.94% per year from +3.0% per year in February, at levels that prompted the Central Bank not to change its policy rate.

Positive macroeconomic momentum and positive news flow supported the consumer sector in particular. Several stocks posted double-digit gains. Delfi, a Singapore-listed confectionery company that generates two-thirds of its sales in Indonesia, stood out: the stock appreciated by more than 40 per cent following the publication of strong annual results in sales, profitability and cash generation. The group is benefiting from the growth of its own brands in the premium segment and the introduction of Millennials and Gen-Z products, particularly in the healthy snacks category. Ramayana Lestari Sentosa, which operates in the department store segment, especially clothing, also made a positive contribution.

During the quarter, two companies exposed to the construction sector, PP Presisi and PT Wijaya Karya Bangunan, were among the beneficiaries of Indonesia's gigantic multi-year infrastructure development plan, which will include the construction of the new capital Nusantara on the island of Borneo. PP Presisi is a leader in heavy equipment rental and construction services (civil works, foundations, etc). PT Wijaya Karya Bangunan, on the other hand, is active in the construction and concessions sector, which is basing its growth strategy on modular structures, which are still not very common in the country and in Far East Asia in general. Modular structures, also developed on innovative architectural designs, strongly reduce the environmental impact compared to traditional ones and have the advantage of greatly reducing project completion times, with positive spin-offs in terms of cash generation.

Performance first quarter 2023 (31/12/22-31/03/23)

Performance since inception (21/02/19-31/03/23)

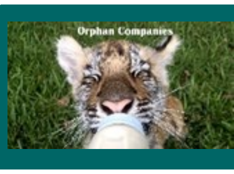
Source: Niche AM, Thomson Reuters

Description of the Niche

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.

Japanese Orphan Companies

An anomaly that will not last

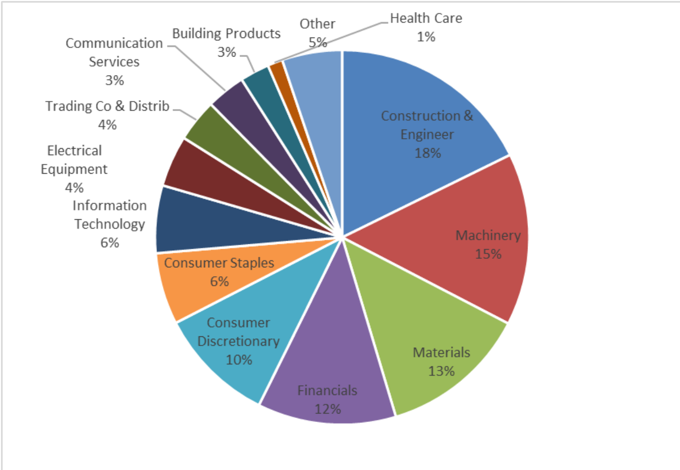


# stocks:	167	*Average Market Cap (mln €)*	246	*Median Market Cap (mln €):*	152

Japanese Orphan Companies breakdown

	Fund	JOC Niche
Materials	1.3%	12.8%
Financials	1.2%	12.0%
Consumer Discretionary	1.0%	10.1%
Consumer Staples	0.6%	6.2%
Information Technology	0.6%	5.8%
Communication Services	0.3%	3.4%
Health Care	0.1%	1.3%
Real Estate	0.1%	0.7%
Construction & Engineer	1.8%	17.8%
Machinery	1.5%	14.9%
Electrical Equipment	0.5%	4.4%
Trading Co & Distrib	0.4%	3.7%
Building Products	0.3%	2.5%
Commercial Serv & Supply	0.1%	1.1%
Professional Services	0.1%	1.0%
Ground Transportation	0.1%	0.9%
Marine Transportation	0.1%	0.9%
Industrial Conglomerates	0.1%	0.5%
Total	**10.3%**	**100.0%**

Source: Niche AM



Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Zenitaka	Costructions	0.3%	11.9%
Heian Ceremony Service Co Ltd	Funerary Services	0.2%	0.5%
Furukawa Co Ltd	Industrials	0.2%	0.2%
Nikkon Hldgs Shs	Logistic Services	0.2%	4.3%
Echo Trading Co	Pet food	0.1%	31.5%

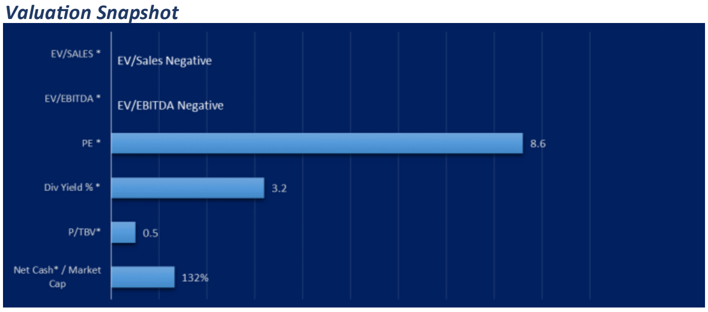
Major increases in the quarter

Name	Weight at 31/12	Weight at 31/03
Sakai Chemical Industry	0.0%	0.1%
Origin Limited	0.0%	0.1%
United	0.0%	0.1%

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
Nihon Shokuhin	0.1%	0.0%	+80.0%

Valuation Snapshot



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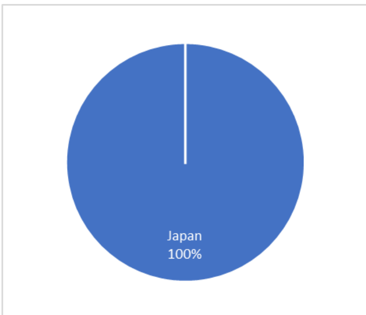
Source: Niche AM, Thomson Reuters

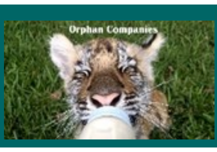
Geographical breakdown



Source: Niche AM

Japanese Orphan Companies

An anomaly that will not last



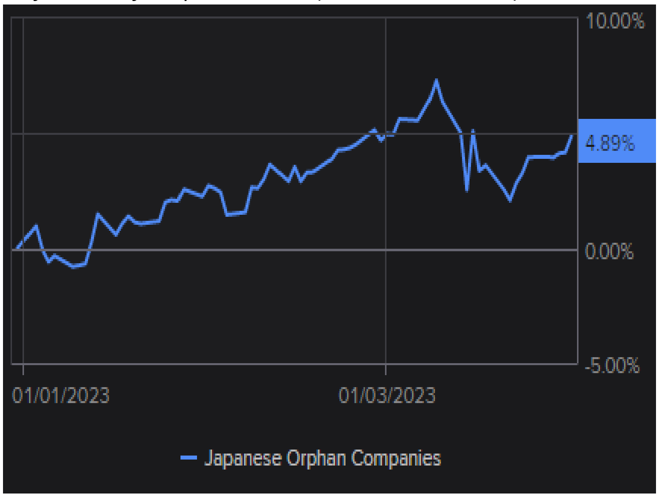
Comment

The niche ended the quarter with a positive performance of 4.89%.
The yen was volatile during the period; The niche maintained an average currency hedging policy of almost 50% of its exposure to the yen, thereby mitigating currency movements.

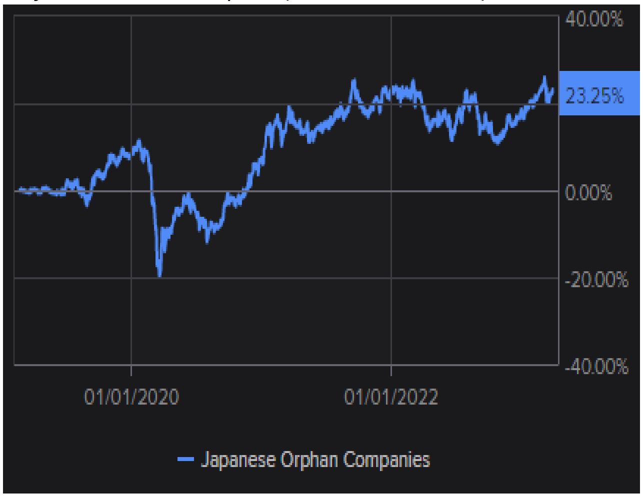
The largest contributions to the Niche's positive performance came from the industrial and materials sectors, which benefited from the favourable infrastructure environment. Quarterly results published in February were moderately positive, on average slightly above market expectations.

The Niche also benefited from expectations of a change in monetary policy by the BoJ, which widened the 10-year yield band, supporting key rate-sensitive sectors such as regional banks. Indeed, Niche has exposure to some 20 Japanese regional banks with very low valuations (Price to Tangible Book Value of 0.15x- 0.25x). Some of their positive performance was lost in the latter part of the period due to concerns about the US and European banking system. However, it has to be said that Japanese banks are characterised by a solid funding structure and solid capital, exceeding regulatory requirements. Talking to several companies, we understand that investments in long-dated investment bonds are being gradually reduced as a result of the US regional bank turmoil.
The Niche's portfolio is composed of securities with an average net liquidity of more than 130% of their market capitalisation, while trading with a TBV of less than 0.5x and a P/E of less than 9x. We believe that this extreme anomaly will be reabsorbed as soon as the Japanese economy normalises.

Performance first quarter 2023 (31/12/22-31/03/23)



Performance since inception (21/02/19-31/03/23)



Source: Niche AM, Thomson Reuters

Description of the Niche

For listed companies, analyst coverage is essential to attract investor interest and, consequently, increase their liquidity and valuations. However, there are many companies in Japan that have no or very limited coverage. There may be several reasons for this: hedging may be too expensive, too time-consuming, the company may be family-owned and not interested in the valuation that the market attaches to it, it may be one of the many companies whose hedging has been cut as a result of the restructuring of analysis offices following the 2008 crisis and/or the new financial regulations implemented, etc. As a result, many of these 'orphan companies' trade at significant discounts to peers and their fair value. The analysis is done directly by us, through various alternative sources (balance sheet data, interviews with competitors/customers/suppliers, interaction with management, etc.). Normally this discount is closed when analysts resume coverage or following corporate transactions. Here we find many attractive investment opportunities that can offer significant rewards if the investor knows how to be patient.

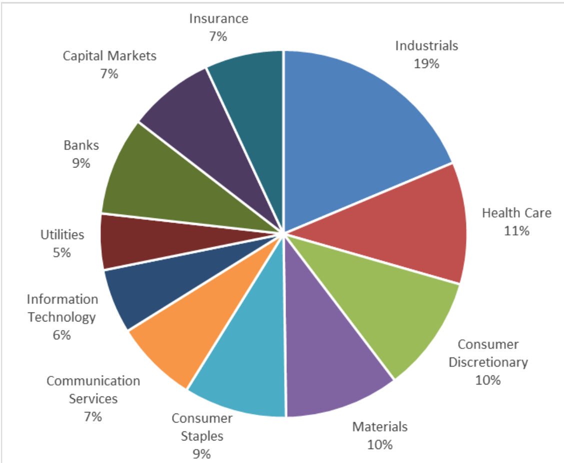
Korea Reunification

A free option on an already attractive market

 # stocks: 132 *Average Market Cap (mln €)* 2.083 *Median Market Cap (mln €):* 243

Korea Reunification breakdown

	Asian Niches Fund	Korea Reunification Niche
Industrials	1.8%	18.7%
Health Care	1.0%	10.8%
Consumer Discretionary	1.0%	10.2%
Materials	1.0%	10.1%
Consumer Staples	0.9%	9.1%
Communication Services	0.7%	7.3%
Information Technology	0.5%	5.7%
Utilities	0.5%	5.0%
Banks	0.8%	8.7%
Capital Markets	0.7%	7.6%
Insurance	0.7%	6.9%
Total	**9.6%**	**100.0%**



Source: Niche AM

Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Shinhan Financial Group	Banks	0.2%	-3.2%
Hana Financial Group	Banks	0.2%	-4.2%
Kookmin Bank ADR	Banks	0.2%	-5.8%
Snt Holdings Co Ltd	Industrial	0.1%	-1.3%
Sungwoo Hitech Co Ltd	Industrial Machinery	0.1%	58.7%

Major increases in the quarter

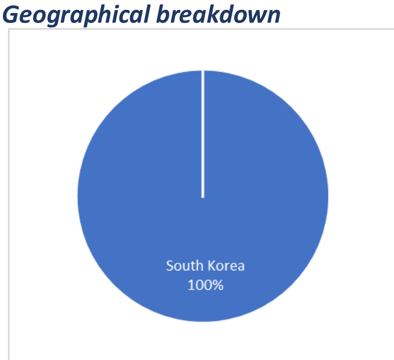
Name	Weight at 31/12	Weight at 31/03
KT	0.1%	0.2%
Hwacheon Machine Tool	0.0%	0.1%
Industrial Bank Of Korea	0.0%	0.1%

Major decreases in the quarter

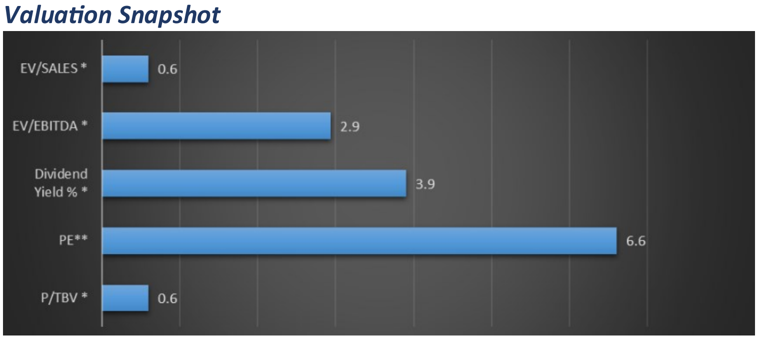
Name	Weight at 31/12	Weight at 31/03	Total Return
Osstem Implant	0.1%	0.0%	+61.0%

Source: Niche AM, Thomson Reuters

Geographical breakdown



Valuation Snapshot



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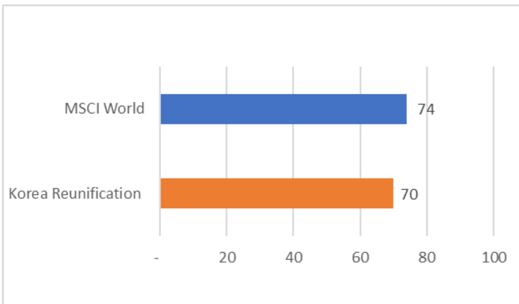
Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

Korea Reunification

A free option on an already attractive market

Comment

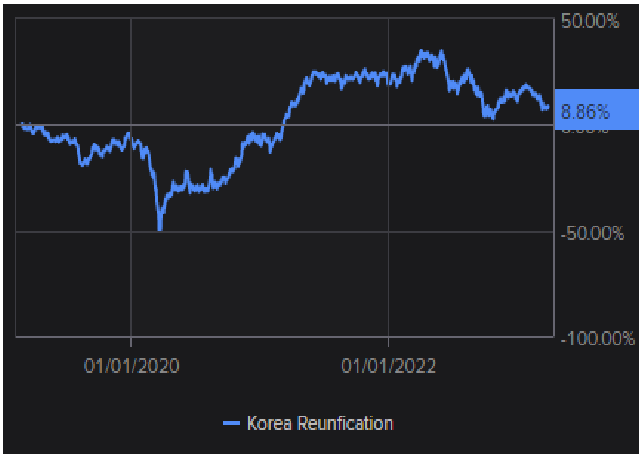
The Niche ended the quarter with a negative performance of -2.81%.

The performance was negatively impacted by the weakening of the Korean won due to concerns about the Korean economy and its real estate market. Real estate in Korea accounts for about 70 per cent of consumers' investment portfolios and its decline in value creates apprehension, affecting consumption. On average, house prices are high and the BOK cannot raise interest rates further so as not to hurt consumers, adversely affecting the currency.

Although this situation may persist in the short term, limiting the upside for the extremely undervalued valuations of stocks exposed to the domestic economy, we see an exceptional upside once these factors wear off. With few exceptions, the Korean banking system is very solid and has been well prepared for the current situation. Memories of the 1997 and 2008 crises have guided the country's banking regulation. As in many parts of the world, the property market has overheated in a few major metropolises, primarily Seoul, while it has remained relatively cheap in the countryside and most cities. In addition, variable mortgage interest rates, which peaked at around 5.6% in November, have fallen to more reasonable levels. The economy is robust, characterised by a strong labour market and rising wages. This should help support rising mortgage rates. In addition, the weakening of the yen will encourage the country's large industrial groups to accelerate the onshoring of part of their manufacturing activity and will probably make the country a more attractive alternative to China in the production of strategic goods. This will help the economy. Finally, while addressing these macro issues, the country continues its irresistible expansion in every area of technology, design, culture, medicine and food. These strengths are in no way reflected in Korean stocks exposed to the domestic economy, and this phase represents, in our view, a great opportunity to invest here, possibly through a well-diversified and solid portfolio.
The main detractors in terms of performance were consumer stocks, banks and telecom operators. The weakness in consumer stocks is related to the consumer anxiety explained above. The weakness in banking and telecom operators is due to fears of regulatory policy changes to make these strong sectors share the pain of consumers. We believe it is unlikely that Parliament would be willing to weaken two sectors so crucial to the country. That said, the banking stock is trading between 0.2 and 0.4 times TBV, despite having an ROE of over 10%, while the telecom sector is trading below 3x EV/EBITDA and below TBV. Overall, the project portfolio trades at a P/E of 6.6x and a P/TBV of 0.6x.

Performance first quarter 2023 (31/12/22-31/03/23)

Performance since inception (21/02/19-31/03/23)



Source: Niche AM, Thomson Reuters

Description of the Niche

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.

Champagne

Ready to sparkle

 # stocks: 3 *Average Market Cap (mln €)* 304 *Median Market Cap (mln €):* 237

Champagne breakdown

	Asian Niches Fund	Neglected Luxury Niche
Champagne	2.2%	100.0%
Total	**2.2%**	**100.0%**

Source: Niche AM

Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Vranken-Pommery	Champagne	1.2%	6.3%
Lanson BCC	Champagne	0.6%	12.9%
Laurent Perrier	Champagne	0.5%	-14.6%

Major increases in the quarter

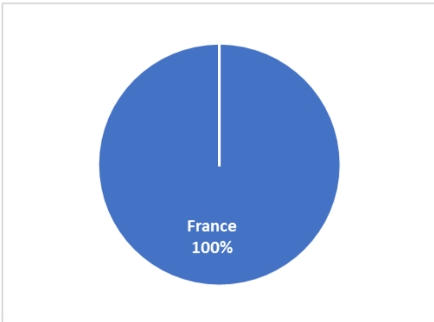
Name	Weight at 31/12	Weight at 31/03
Vranken-Pommery	1.0%	1.2%

Major decreases in the quarter

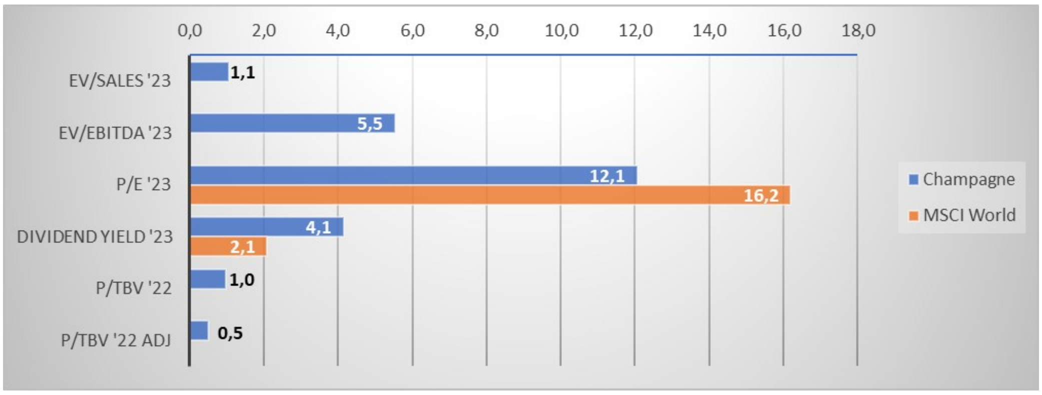
Name	Weight at 31/12	Weight at 31/03	Total Return
N/A			

Source: Niche AM

Geographical breakdown



Valuation Snapshot



Source: Niche AM, Thomson Reuters

Champagne

Ready to sparkle

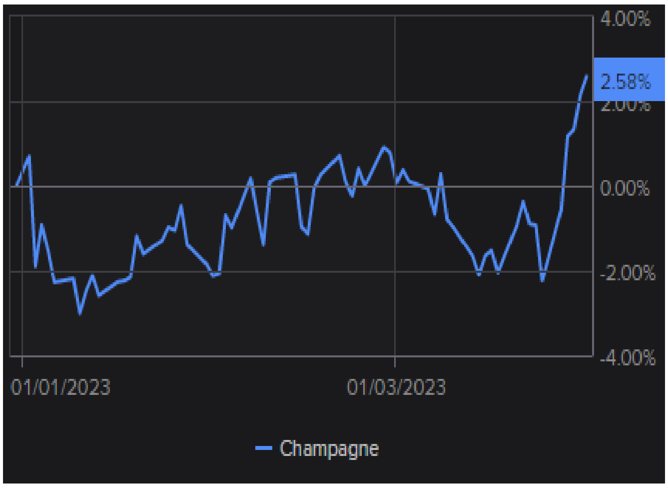
Comment

During the first quarter of 2023, this Niche appreciated by 2.6%.

Performance was adversely affected by partial profit-taking on Laurent Perrier after its strong appreciation in the previous quarter. In contrast, the other two stocks in the Niche made decent gains. The best performer was Lanson-BCC, buoyed by positive results confirming the sector's strong operating leverage. With revenues up by 6.7%, profits rose by 100%, i.e. the absolute increase in revenues was almost completely transferred to profits (profits as a percentage of revenues rose from 7.1% to 13.4%).
Considering the growing consumption in the Asian region, which implies a better price/mix, and the limitations in terms of production, which are translating into less champagne supply in some European markets, it is difficult not to assume a structural growth outlook for the industry's profits.

It should again be emphasised that the leverage that characterises the stocks in this sector is actually 'apparent', as it is guaranteed by the stock of champagne held. For example, in the case of Lanson-BCC, compared to the €467m of net debt, €406m corresponds to lines of credit for the ageing of champagne, representing a volume of almost 3.6 years of sales, with a book value of around €520m.
The sector's valuations remain sacrificed in absolute terms (close to tangible assets adjusted by inventory), and all the more unjustified when compared to the luxury industry.

Performance first quarter 2023 (31/12/22-31/03/23)



Performance since inception (15/04/22 – 31/03/23)

Source: Niche AM, Thomson Reuters

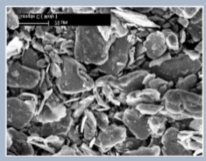
Description of the Niche

2021 was a particularly good year for the champagne industry. Demand increased despite the lingering impact of Covid restrictions. Over 320 million bottles were sold (+32%, recovering Covid's losses of the previous year). Despite the war in Ukraine, the recovery in tourism is expected to add demand. Meanwhile, the slow penetration of champagne in Asia continues, driven by investments in marketing by the big houses, such as LVMH. This is compounded by the low inventory levels of the past two years, which will presumably lead to a further upward revision of prices, which we believe will translate into improved industry profits. Champagne has staggering operating leverage. A 10% increase in price can triple profits, given that we start from a low margin. Since we are not far from the maximum number of bottles that can be produced, we believe there is room for a significant price increase. The first step could be the elimination of the discount sales campaigns we are used to. Champagne companies trade at or below tangible net worth. However, if we adjust this net worth for the selling price of the finished products in the huge warehouses, the price/tangible net worth ranges from 0.3x to 0.6x. Furthermore, by owning valuable vineyards, caves, vintage stocks and old buildings, these stocks are a clear anti-inflationary asset.

The Magic of Graphite:

Carbon fibre & steel recycling

The best is yet to come

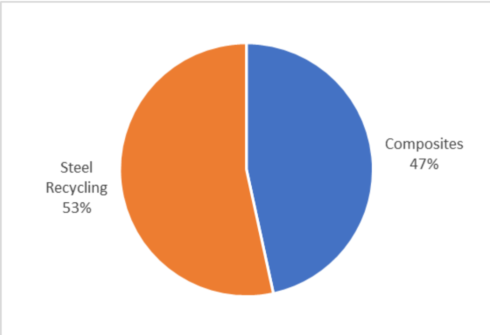


 # stocks: 9 *Average Market Cap (mln €):* 2.371 *Median Market Cap (mln €):* 2.346

The Magic of Graphite breakdown

	Asian Niches Fund	The Magic of Graphite Niche
Composites	1.7%	46.6%
Steel Recycling	1.9%	53.4%
Total	**3.6%**	**100.0%**

Source: Niche AM



Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Teijin Ltd	Composites	1.1%	8.0%
Danieli And Co Spa	Steel Recycling	0.5%	28.2%
Nippon Carbon Co	Steel Recycling	0.5%	-3.1%
Resonac Holdings Corporation	Steel Recycling	0.4%	6.2%
Graftech Intl	Steel Recycling	0.4%	1.5%

Major increases in the quarter

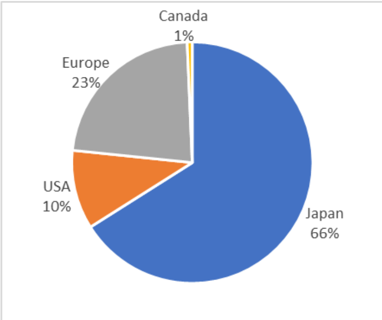
Name	Weight at 31/12	Weight at 31/03
N/A	-	-

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
N/A	-	-	-

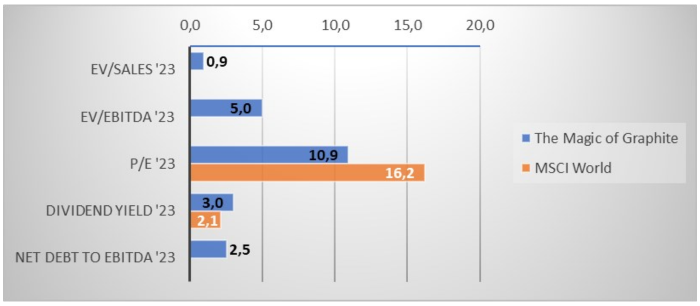
Source: Niche AM

Geographical breakdown



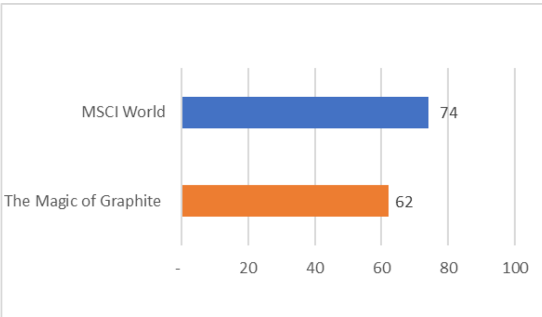
Source: Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)

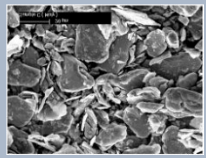


Source: Niche AM, Thomson Reuters

The Magic of Graphite:

Carbon fibre & steel recycling

The best is yet to come



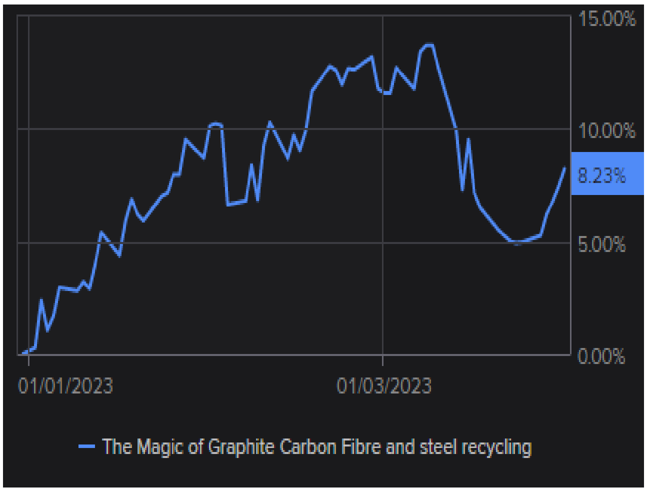
Comment

During the first quarter, the Niche achieved a positive performance of +8.2%.

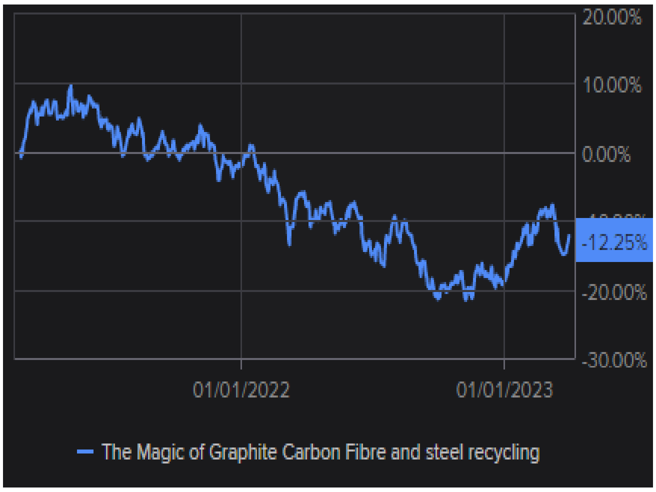
This performance was again driven by the **Steel Recycling** sub-niche, particularly due to the strong performance of the world's two leading companies in the production of direct iron ore reduction (DRI) plants, which represent the main route to reducing the steel industry's heavy carbon footprint: Danieli and Kobe Steel. Japan's Kobe Steel appreciated by more than 60% in euro terms after an upward revision of earnings growth forecasts driven by improved steel spreads (higher selling prices associated with falling prices of key raw materials). Within the machinery division, Kobe Steel expects a further increase in orders, which will significantly exceed the previous fiscal year's record level.

Danieli, on the other hand, appreciated by almost 30% during the quarter, again supported by supportive results and an order backlog that for the plant division includes many innovative plants for the production of green steel. In spite of the rerating, Danieli's valuations remain modest (around 7.4 times June '24 earnings) considering the solid capital structure.
The **Composite Materials** sub-niche also made a positive contribution, thanks mainly to the partial recovery of Teijin, which has an important growth optionality in the carbon fibre and aramid (a fibre used in aerospace and security applications) materials sector.

Performance first quarter 2023 (31/12/22-31/03/23)



Performance since inception (01/03/21 – 31/03/23)



Source: Niche AM, Thomson Reuters

Description of the Niche

Carbon Fibre and Steel Recycling represent two cheap and neglected investment ideas with a common story. They share the same essential material: the graphite. And they are back from a period of underperformance driven by the weakness of their respective reference markets.
Carbon Fibre players have been suffered from the crisis of the aeronautical sector, that represent 60% of the current graphite demand. Their current valuation is far from the euphoric phase experienced 10 years ago, despite their prices more than halved and the carbon fiber utilization is growing rapidly thanks to the Electric Vehicles adoption, the wind farms spread and the new applications in the construction sector (expected annual growth between 20/30%).
The long-term outlook for the Steel Recycling is also very promising due to the steel sector need to reduce its carbon footprint, especially in China. Electric Arc Furnaces (EAF) furnaces, that use graphite electrodes to melt down the recycled steel, allow to save 75% of carbon emissions in comparison to the traditional blasted furnaces. In the near future, EAF furnace will be powered by natural gas (sponge steel) and hydrogen, further reducing its negative environmental impact.

Cocoon

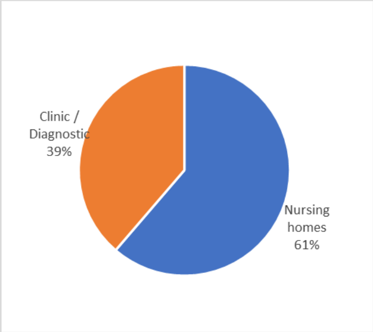
Nursing homes and clinics

 # stocks: 15 | *Average Market Cap (mln €):* 3.922 | *Median Market Cap (mln €):* 400

Cocoon breakdown

	Asian Niches Fund	Cocoon Niche
Nursing homes	0.9%	61.3%
Clinic / Diagnostic	0.6%	38.7%
Total	**1.5%**	**100.0%**

Source: Niche AM



Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Lippo Karawaci	Nursing homes	0.3%	20.3%
Fresenius Se	Nursing homes	0.2%	-7.0%
Walgreens Boots	Clinic / Diagnostic	0.2%	-7.3%
Falco Biosystems	Clinic / Diagnostic	0.1%	10.0%
Seegene Inc	Clinic / Diagnostic	0.1%	-8.1%

Major increases in the quarter

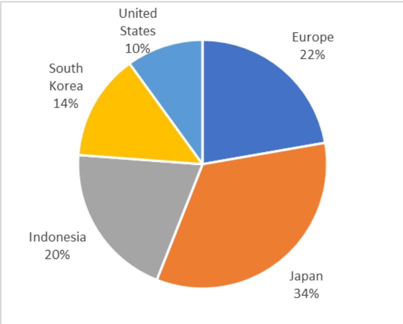
Name	Weight at 31/12	Weight at 31/03
Human Holdings	0.0%	0.1%
Seegene	0.0%	0.1%
SD Biosensor	0.0%	0.1%

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
N/A	-	-	-

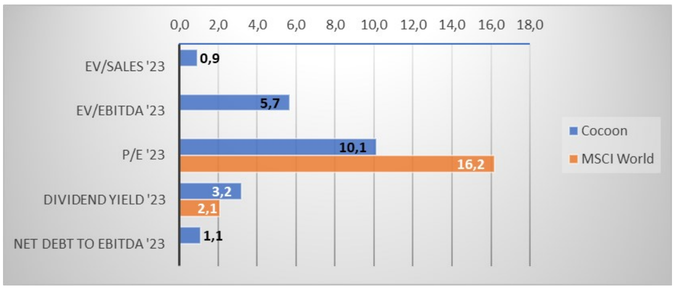
Source: Niche AM

Geographical breakdown



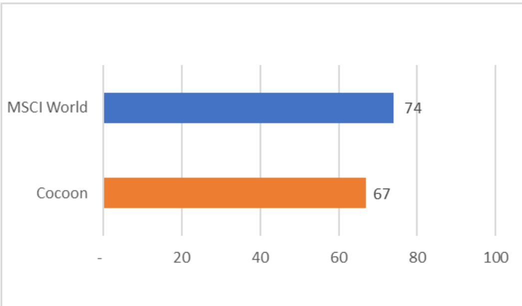
Source: Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

Cocoon

Nursing homes and clinics

Comment

The Niche, which is mainly invested in Japanese companies (over 40%) and the remainder in Europe, the US and Indonesia, lost 11.3% during the quarter.

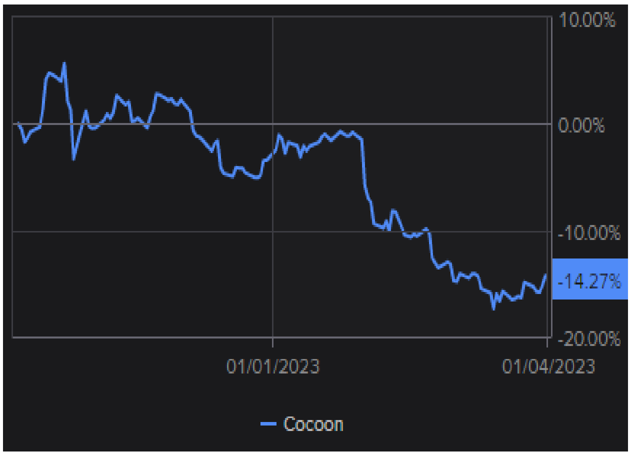
The niche's performance was heavily impacted by two exceptional events affecting two different companies in the Nursing Homes sub-niche. The first is that the court responsible for the restructuring of Orpea decided with the directors to promote a capital increase in which the current shareholders cannot participate as the conditions are prohibitive for them. A number of outside investors will be able to participate instead. The company has thus lost over 68% of its valuation as a result of the news. This is as unprecedented as ever, and we are taking action with other shareholders to overturn this decision that lacks legal as well as logical support.
The second event concerned Humana AB, a Swedish nursing home company whose licence to operate was taken away. The reason was not made clear. The company argued that the measure lacked legitimacy. The court allowed the company to keep the licence until the parties are heard by the judge. Here the stock lost 62% on the news.

The best performers are also to be found in the Nursing Homes sub-niche: Sweden's Attendo AB (+22%) benefited from the problems of its competitor, Indonesia's Lippo Karawaci (+18%), which is well set in its corporate restructuring.

In the Clinic/Diagnostic sub-niche, Falco Holding (+10%), active in the management of clinics and pharmacies, which trades at 7x earnings, is worth less than its tangible equity and has USD 70m of net cash on USD 170m of capitalisation, stood out well.

Performance first quarter 2023 (31/12/22-31/03/23)

Performance since inception (10/10/22-31/03/23)



Source: Niche AM, Thomson Reuters

Description of the Niche

There is a growing realisation that diagnostics play a primary role in disease prevention and that public services need the support of private facilities. This is an issue that has gone 'on the bubble' several times in the past and never fully exploded. Today we think that we can invest in view of the next growth cycle that will inevitably come. Because here, clearly, growth is not in question.
Retirement homes, once seen as the grey gold, have now become untouchable following the Orpea scandal. We believe, on the other hand, that it is now possible to be exposed to this sector emptied of all euphoria. **In Japan, the choice is huge, the valuations very low, often below the value of the real estate alone or even the net cash of the companies themselves**. Stocks to accumulate in order to cash in on dividends, waiting for sense to return to the sector.
The Niche is particularly exposed to Japan, the US, Indonesia and Europe.

Beauty for nothing

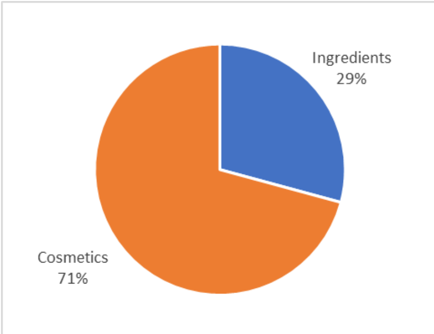
Cosmetics and ingredients

 # stocks: 9 *Average Market Cap (mln €):* 502 *Median Market Cap (mln €):* 186

Beauty for nothing breakdown

	Asian Niches Fund	Beauty for nothing Niche
Ingredients	0.3%	29.2%
Cosmetics	0.6%	70.8%
Total	**0.9%**	**100.0%**

Source: Niche AM



Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Artnature Inc	Ingredients	0.2%	3.7%
Amorepacific Corp Pfd Shs	Cosmetics	0.1%	-4.3%
Arata Corp	Cosmetics	0.1%	-4.1%
Nippi Inc	Ingredients	0.1%	8.9%
Suheung Capsule Co Ltd	Cosmetics	0.1%	-12.9%

Major increases in the quarter

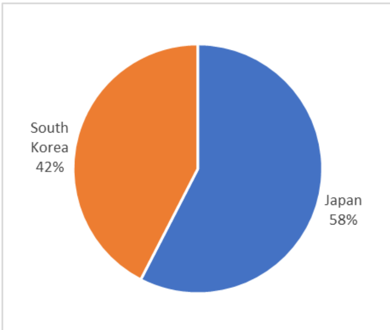
Name	Weight at 31/12	Weight at 31/03
N/A	-	-

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
Cosmax Inc	0.3%	0.0%	+59.4%
Humedix	0.2%	0.0%	+49.4%

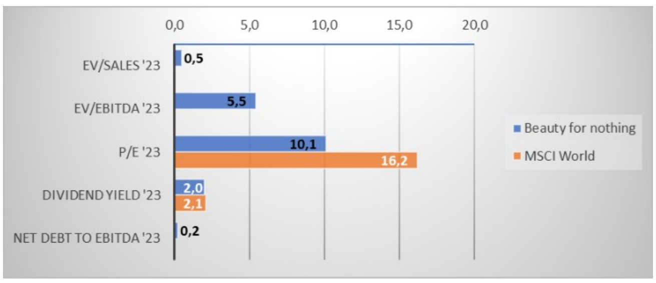
Source: Niche AM

Geographical breakdown



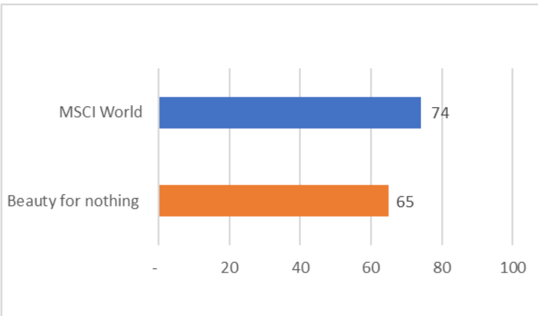
Source: Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

Beauty for nothing

Cosmetics and ingredients

Comment

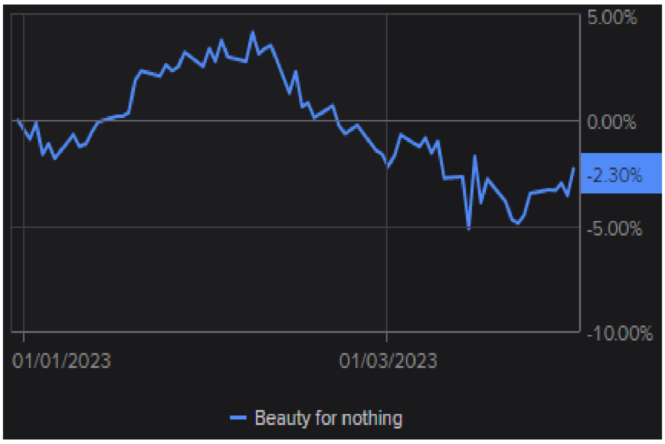
The Niche is approximately 70% invested in cosmetics players and the remaining 30% in producers of ingredients for this industry, such as collagen and hyaluronic acid.

Geographically, on the other hand, the Niche is 100% exposed to Asian markets, especially to Korean companies, which account for about 42% of the portfolio. The high exposure to the Korean market should not come as a surprise, as it is the market with the highest expenditure per consumer in the entire Asian region.

The performance achieved by the Niche during the period under review was a negative 2.3%.

The worst performer was Suheung Capsule. The company specialises in the production of capsules for dietary supplements or active ingredients to improve well-being and appearance. It trades at 0.6x tangible book value and 7x earnings and has grown methodically over the past 10 years. The second worst performer was Seigakaku, a Japanese company engaged in the production of hyaluronic acid. This company is worth about 12x earnings and has a net cash position greater than its market capitalisation.
The best performer in the portfolio during the quarter was Nippi (+9%), a Japanese company that produces and trades collagen and is gradually increasing exports to Europe and the US where demand is growing and the currency is strong. This company trades at 0.4x tangible book value and 8x earnings.
During the quarter we took profits on Cosmax and Humedix in view of the nice rerating in recent months.

Performance first quarter 2023 (31/12/22-31/03/23)



Performance since inception (10/10/22-31/03/23)

Source: Niche AM, Thomson Reuters

Description of the Niche

If luxury responds to man's biological need to feel part of a group or here to stand out, cosmetics responds to an even more vital need: to be beautiful and stay young. It is an urge that clearly cannot find a true answer in cosmetics. In cosmetics, however, the subject can find hope. And hope, after all, is the fuel of human life and enthusiasm.
The sector experiences phases of great growth, followed by phases of decline, with increasing competition and decreasing margins. From 2012 to 2020, the industry was characterised by great growth and expansion of margins and multiples. Covid changed this. There were fewer exits and visits from masseurs and hairdressers. Meanwhile, competition increased, attracted by the sector's robust margins. Today, there are many quality companies that have returned to attractive valuations, with the competitive environment gradually improving in view of a number of players exiting the market. **We invest in players of finished products and producers of ingredients for these (collagen, hyaluronic acid, etc).**

The portfolio is focused on Japan, Korea and the USA.

No meat's land

Alternatives to meat

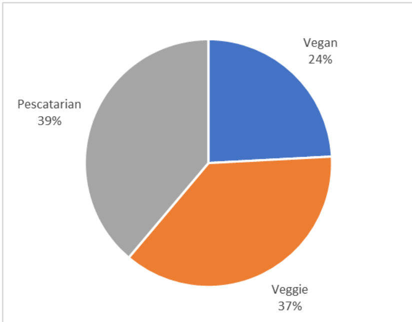
There are no other alternatives...

 # stocks: 17 *Average Market Cap (mln €):* 2.999 *Median Market Cap (mln €):* 91

No meat's land breakdown

	Asian Niches Fund	No meat's land Niche
Vegan	0.4%	24.2%
Veggie	0.6%	37.0%
Pescatarian	0.6%	38.8%
Total	**1.7%**	**100.0%**

Source: Niche AM



Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Associated British Foods	Veggie	0.3%	23.6%
Fresh Del Monte Produce	Veggie	0.1%	14.9%
Dongwon Industries	Pescatarian	0.1%	1.3%
Maple Leaf Foods	Vegan	0.1%	6.0%
Oyang Corp	Pescatarian	0.1%	-1.9%

Major increases in the quarter

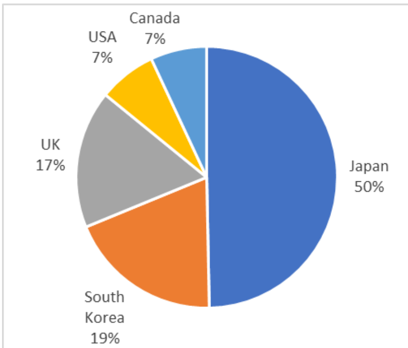
Name	Weight at 31/12	Weight at 31/03
Associated British Foods	0.2%	0.3%

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
Kako	0.1%	0.0%	+91.8%

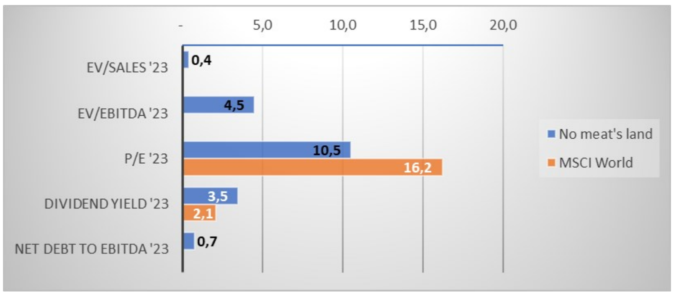
Source: Niche AM

Geographical breakdown



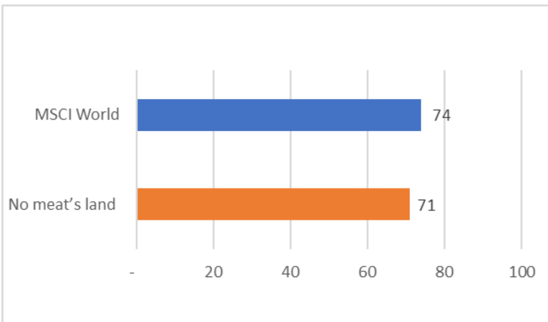
Source: Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

No meat's land

Alternatives to meat

There are no other alternatives...

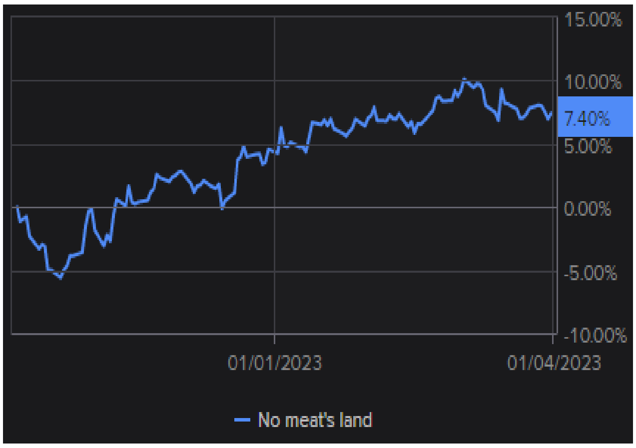
Comment

This new Niche was also launched on 10 October and invests in companies in the food sector that are exposed to a greater focus on non-animal proteins, in view of the unsustainable impact that meat consumption has on the environment.

During the first quarter of 2023, the Niche achieved a positive performance of 2.7%. Among the best performers were Japanese starch producer Kako (+25%), major pineapple producer Fresh Del Monte (+15%) and UK-based AB Food (+24%), which, in addition to owning Twinnings, researches and produces the basic ingredients for many of the industrial food products. Among the worst performers were the Korean Maeil Dairies (-11%) and the Japanese Ahjikan (-8%) and Chuo Gyorui. Maeil Dairies is one of the most important dairy producers in South Korea, with a strong market share in baby milk powder. The company is gradually growing abroad, launching innovative products. Despite this, the stock trades at 6x earnings and 0.7x tangible book value. The company has no debt. Ahjikan produces and sells traditional Japanese vegetable, egg and fish foods through supermarkets and delis. Stable business has not made a loss in the last 20 years. Worth 8x earnings and 0.45x tangible book value. Chuo Gyorui processes, preserves and sells fresh fish. It trades at 7x earnings and 0.35x tangible. During the quarter we bought on AB Food weakness and took profits on Kako.

Performance first quarter 2023 (31/12/22-31/03/23)

Performance since inception (10/10/22-31/03/23)



Source: Niche AM, Thomson Reuters

Description of the Niche

The environmental and social repercussions of meat consumption are considerable:1. **Many times more than the much-criticised palm oil, meat consumption causes deforestation**. This removes oxygen lungs necessary for our planet, as well as putting many animals at risk of extinction and the destruction of indigenous cultures. 2. **The CO2 emissions from raising mammals and poultry for meat is greater than the sum of CO2 emissions from all means of transport**. The consumption of these foods is therefore the primary cause of climate change.3. **About a quarter of the earth's liveable surface is used to produce food for mammals and poultry for slaughter**. If humans stopped eating them, a huge area of land would be freed up and thus available for agricultural production to feed the poorest people. One kg of meat requires 7 kg of plant food resources that could be consumed by humans and 10000 litres of water.4. **Meat from mammals and poultry is unhealthy and is responsible for a significant number of cancers**, containing cadaverine, which is a carcinogen. The WHO classifies red meat as carcinogenic class 2A which means that it is very likely to cause cancer. Sausages as class 1, meaning that they lead to tumours. Industrially raised chicken is also considered a vehicle for pathogens and carcinogens (PhPI). In addition, meat increases the risk of cardiovascular disease. Fish does not present these problems. Vegetables do not present these problems.5. **Mammal and poultry farming is a source of terrible physical and emotional suffering for animals**. The meat lobbies are very careful to hide this. **Today there are all possible alternatives to meat on the market. While this was a super-hot sector 18/24 months ago, today it is being neglected**. We believe this phase is a good entry point to invest at low valuations in the future of food. Japan, Korea, Europe, Canada, the USA are the areas where investments are being made.

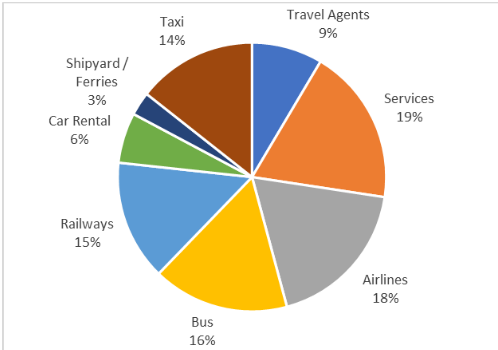
Fly with me

The Recovery of Transportation

 # stocks: 12 | *Average Market Cap (mln €):* 2.793 | *Median Market Cap (mln €):* 760

Fly with me breakdown

	Asian Niches Fund	Fly with me Niche
Travel Agents	0.1%	8.5%
Services	0.3%	18.9%
Airlines	0.3%	18.4%
Bus	0.2%	16.4%
Railways	0.2%	14.5%
Car Rental	0.1%	6.1%
Shipyard / Ferries	0.0%	2.8%
Taxi	0.2%	14.4%
Total	**1.5%**	**100.0%**



Source: Niche AM

Top Holdings

Name	Sub- Niche	Asian Niches Weight	Return Q1
Blue Bird	Services	0.3%	25.9%
FNM	Railways	0.2%	3.5%
Comfortdelgro Corp	Taxi	0.2%	-4.9%
National Express Group Plc	Bus	0.2%	-5.6%
Carnival Plc	Cruises	0.1%	26.1%

Major increases in the quarter

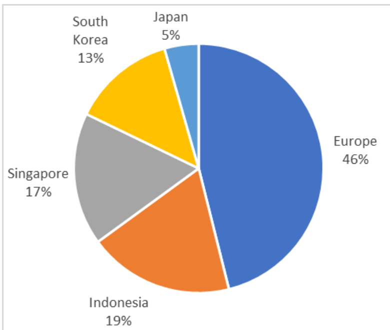
Name	Weight at 31/12	Weight at 31/03
FNM	0.1%	0.2%
Comfortdelgro Corp	0.1%	0.2%
National Express Group	0.1%	0.2%

Major decreases in the quarter

Name	Weight at 31/12	Weight at 31/03	Total Return
EasyJet	0.2%	0.0%	+55.3%
Deutsche Lufthansa	0.1%	0.0%	+42.5%

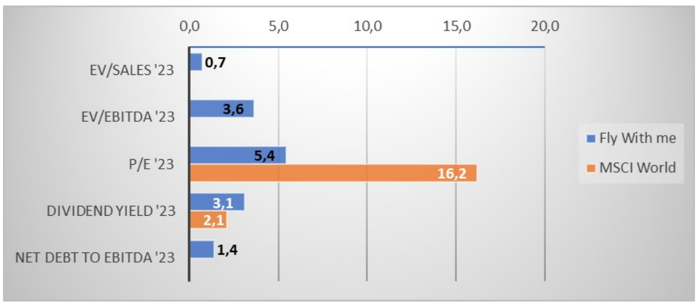
Source: Niche AM

Geographical breakdown



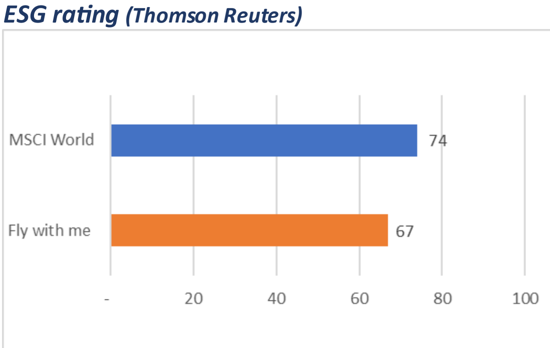
Source: Niche AM

Valuation Snapshot



Source: Niche AM, Thomson Reuters

ESG rating (Thomson Reuters)



Source: Niche AM, Thomson Reuters

Fly with me

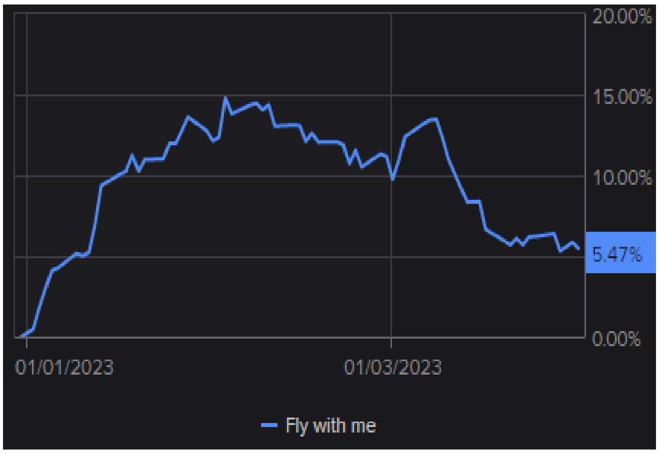
The Recovery of Transportation

Comment

This new Niche was launched on 10 October 2022 and invests in companies active in the transport sector that can benefit from the sector's recovery following the end of the pandemic.

The Niche's performance was positive (+5.5%), despite the downturn recorded in March as a result of economic growth fears triggered by the US banking crisis. The best contributors were again the airlines (EasyJet +44%, AirFrance +38% and Lufthansa) and Carnival, exposed to cruises (+28%). The biggest detractors were TUI (-20%), again National Express and ComfortDelGro (-5%). Tui is an airline, a cruise company, a hotel operator and Europe's largest tour operator. The company incurred heavy losses during the pandemic and was helped by German government plans to support the transport industry. In March, Tui announced that it would launch a significant capital increase to repay this debt and return the debt ratio to pre-Covid levels. We consider this initiative to be the right one, reducing risk and freeing it from the shackles of politics. However, this also means a phase of severe weakness in the stock. We are more than happy to participate in the increase in April, significantly increasing our position. The booking book for 2023 indicates a tourism industry in full recovery, with supply failing to meet demand. We believe that this situation will continue in 2024 and could lead to significant gains for the industry. ComfortDelGro, on the other hand, is a Singapore-based company, active in ground transportation, mainly buses, taxis and trains. It owns and operates about 34k vehicles in 7 countries, including Singapore, UK, Ireland, New Zealand, Australia and Malaysia. ComfortDelGro trades at just over tangible equity, under 4x EBITDA and has no debt. We increased it in the quarter. In the quarter we opportunistically profited on some airlines (EasyJet and Lufthansa) by acquiring the cash to participate in TUI's capital increase, as well as increasing ComfortDelGro, FNM (3x earnings) and National Express (4.4x EBITDA).

Performance first quarter 2023 (31/12/22-31/03/23)



Performance since inception (10/10/22-31/03/23)

Source: Niche AM, Thomson Reuters

Description of the Niche

The pandemic saw transport utilisation plummet by 50% to 90%, depending on the means of transport and geographical area. The indebted transport companies had to resort to painful capital increases or had to accept costly state aid. From planes to road, water or rail transport. For business or pleasure. It was a massacre. **The post-pandemic recovery was immediately replaced by recession fears. The transport sector, on average, now lies 70% below 2019 prices on the stock exchange. Has the world changed?** On the leisure travel side, the trend can only continue powerfully as soon as the recession clouds have cleared. On the business side, a full return to 2019 levels is not expected before 2024. Video calls have partly replaced meetings. This implies cost savings and increased efficiency. However, in-person meetings will remain and increase along with global GDP.

The perception of risk in the industry has increased a lot. Capacity has shrunk. This creates a unique opportunity for diversified exposure to an industry that enjoys structural growth. Man is a traveller. The niche starts with a dozen or so titles and will be populated gradually. The sub-sectors are airlines, buses, railways, taxis, ferries, cruises companies. The investment areas are Japan, Korea, ASEAN, USA and Europe.

Bond Portfolio

# securities:	30	*Yield to Maturity*	7.72%	*Duration*	1.70

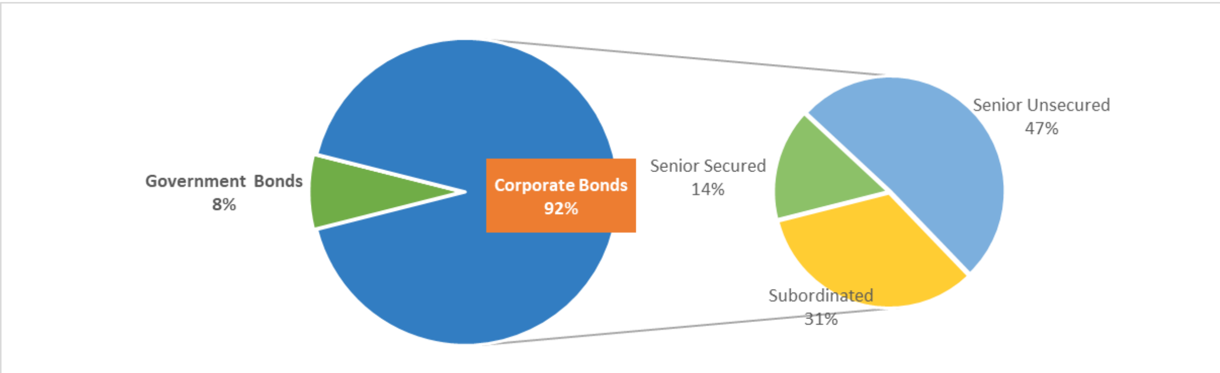
Comment

During the first quarter of 2023, the bond portfolio turned in a positive performance of +2.1%, slightly underperforming the high-yield benchmarks to which it may be compared.

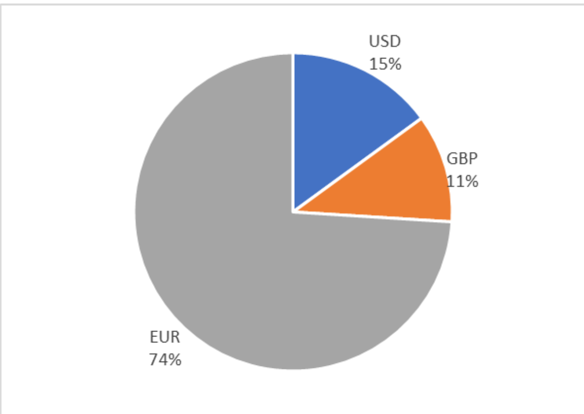
The quarter was characterised by marked volatility. Spreads generally widened as a result of fears over the stability of the financial sector after the well-known events surrounding the US regional banks and the repercussions these had on Credit Suisse. After a marked widening, which particularly affected Tier I and II bonds in the banking sector, spreads then narrowed as the scenario stabilised. This volatility increased sectoral dispersion, with positive performance within the portfolio especially among industrial and telecommunications sectors, and negative contribution from the financial sector. From a trading point of view, the weakness phase was exploited to include in the portfolio a subordinated Deutsche Bank issue, which replaces a similar type of UniCredit bond that was subject to a call.

Bond Portfolio breakdown

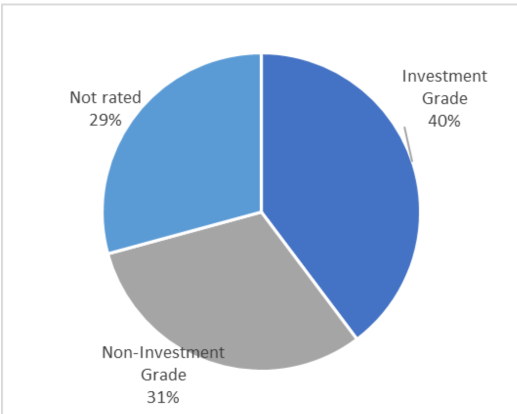
Bond allocation



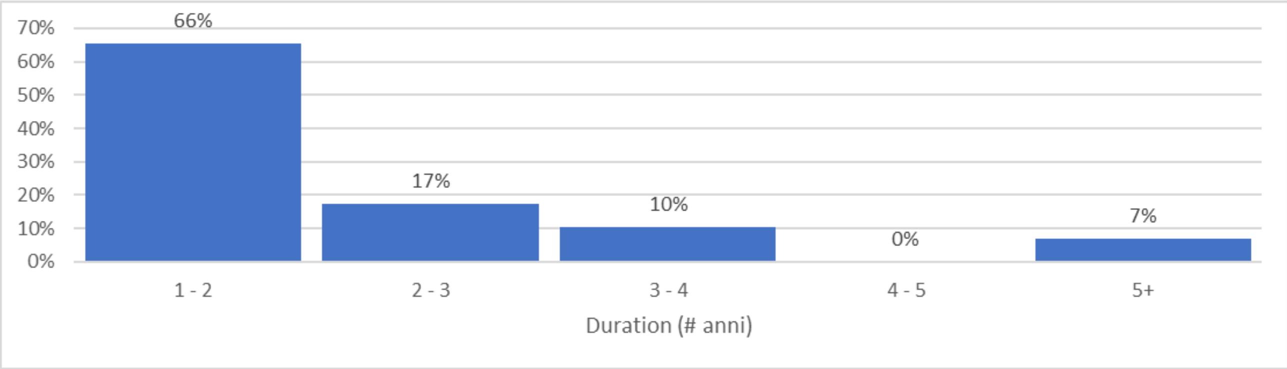
Currency Breakdown



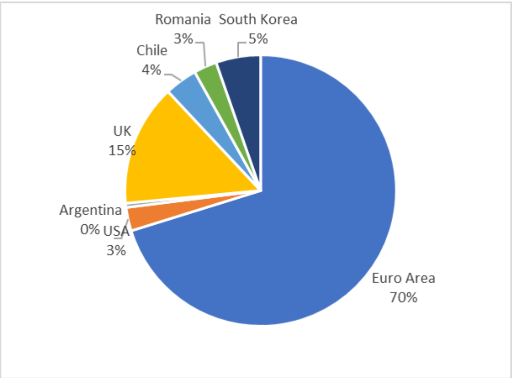
Rating Breakdown



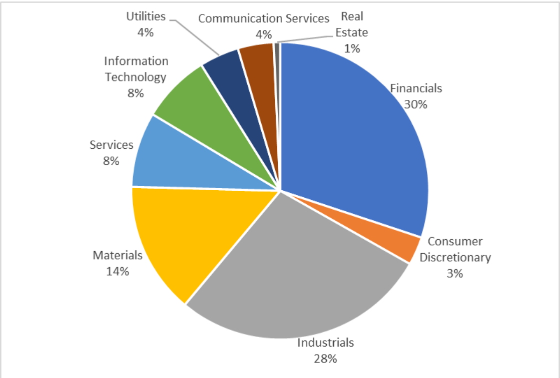
Bond Portfolio Duration



Bond Geographical Breakdown



Corporate Bond - Sector Breakdown



Closed Niches

Neglected Luxury

Rarity Overlooked

Comment

The Niche was present at the launch of the Asian Niches fund in February 2019 and closed on the 14 of April 2022.It has always had a weighting within the fund of between 3 and 5%, with a maximum allocation set at 5%. Together with the Internet Victims Niche, it represented the least Asian of the Niches in the Asian Niches fund. This Niche has been has performed only decently since inception, returning 14%, while nonetheless comfortably overperforming the 2 indices that we track, the MSCI ASIA PACIFIC total return and the MSCI ASIA PACIFIC VALUE total return.

The Niche was composed of five sub-niches at the start: 1) Luxury Travel, 2) Beauty and Personal care, 3) Fashion&Watches,4) Luxury cars, 5) Champagne and fine wines.

The sub-Niche that we remain extremely positive on, and which has now been recreated as a single niche is the Champagne Niche, a Niche purely focused on champagne companies, dedicating 2.5% of the fund to them.

Performance since inception (21/02/19 – 14/04/22)

Source: Niche AM, Thomson Reuters

Description of the Niche

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.

The CUB (China Under Biden)

Discover the Value side of China Equity

Comment

The Niche was closed in October 2021. Since its launch in January 2021, it has performed +33%. Its performance has been free of the negative trends that have characterised other segments of the Chinese market, due to the government's interventionist measures.

The portfolio in this Niche was exposed to Chinese companies with a value/deep value profile that could benefit from an improvement in relations between the US and China, which have come under severe pressure during the Trump administration. Although there was no clear improvement in relations between the two countries, this theme benefited from a significant presence in government-invested securities (SOEs), which made them reliable in terms of balance sheets and political support. It was decided to close the Niche, despite the still modest valuations, in view of China's political attitude, which tends to militarise the Asian area, behave in an overbearing manner towards its neighbours, worsen an already bad governance (Xi Jinping, like Erdogan and Putin, is no longer subject to a government ceiling) and change the rules of the market in an unpredictable and peremptory manner. We have therefore decided to reallocate resources to areas with equally or more depressed valuations, a more readable political climate, more balanced governance and greater respect for investors.

Performance since inception (31/12/20 – 07/10/21)

Source: Niche AM, Thomson Reuters

Description of Niche

"The CUB" Niche invests in deeply undervalued and sound companies that could benefit from a stabilization of the USA-China relations. Most of those companies are exposed to infrastructures (constructions, railways, ports, airports, telecommunication services, telecommunication equipment, renewables, water, and waste management).

One of the most fashionable investment themes between 2015 and 2018, the Silk Road was an ambitious 4 trillion USD project to link China to Africa and Europe. Now this project has been completely washed away from investors' mind (different the reasons: emerging market crisis related to Covid, Sino-America trade war, Trump related widespread US sanctions towards State Owned Enterprises). However, in our opinion, this project of utmost importance will regain speed and the investors' interest, following the infrastructures plans in the aftermath of the Covid pandemic and the improving relations between China and US. The companies within this Niche can rerate dramatically thanks to this process...

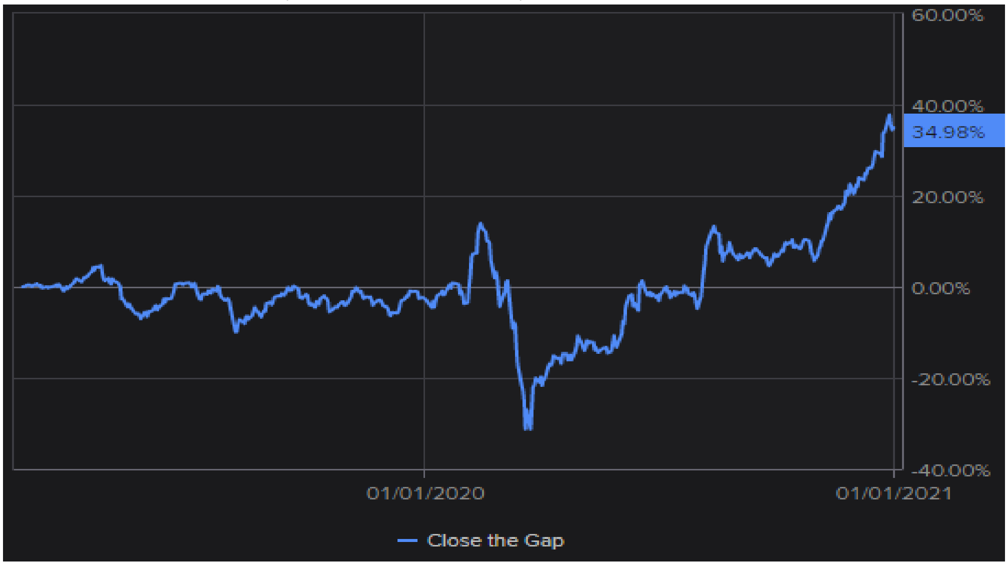
Close the Gap

As simple as that …

Comment

The Niche aim was to bank on the closing of the gap between ordinary shares and preferred shares in Korea, where this gap was still huge.
The Niche was divested at the end of 2020, following the closure of the significant part of the gap between ordinary and preference shares (discount narrowed by more than 30%). This was the goal of the Niche itself. The Niche recorded performance of about 35% since inception (18/02/2019). The assets of the Niche were converted in the new Niche «The CUB» (China Under Biden).

Performance since inception (21/02/19 – 31/12/20)



Source: Niche AM, Thomson Reuters

Description of Niche

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.

Steel and Plastic Substitution

Anticipating a trend

Comment

The Niche was divested at the end February 2021, recording performance of about 26% since inception (18/02/2019). Most of the positive performance was generated by the wood and aluminium sub-niches.
Those two investment cases present huge secular growth, but they can no longer be considered Value. On the other hand, the sub-niches Carbon Fiber and Steel Recycling recorded a negative performance. Since we believe that both those themes are incredibly attractive, we decided to put them into a new Niche: "The Magic of Graphite".

Performance since inception (21/02/19 – 28/02/21)

Source: Niche AM, Thomson Reuters

Niche description

Our infrastructure, our vehicles, and many of our tools are partially made of iron and/or its derivatives. Although materials such as plastic and aluminum have partially replaced it in some applications, it continues to play a dominant role in our society. Its physical properties, its abundance in nature and its labor-intensive processing' have maintained its solid leadership. Up to a certain point, however... Other materials are emerging with better characteristics in terms of safety, strength, weight, durability, and environmental sustainability. As the cost of producing such new materials falls, iron and its derivatives will gradually be replaced, and many mines and manufacturing plants will have to be closed.
Through this niche NAM provides exposure to companies that produce these innovative materials.

Appendix

SHARE PORTFOLIO: Indexes % price changes as at 31/03/2023

Index	Price as of 31/03/2023	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change 3 months (local currency)	% Price Change 3 months (€)	% Price Change Year to Date (local currency)	% Price Change Year to Date (€)	% Price Change Since inception ** (local currency)	% Price Change Since inception ** (€)
Pharus Asian Value Niche*	*122,04*	-	***-1,87%***	-	***3,80%***	-	***3,80%***	-	***22,04%***
Electric Mobility	-	-	*1,69%*	-	*9,62%*	-	*9,62%*	-	*58,71%*
5G	-	-	*-0,23%*	-	*16,83%*	-	*16,83%*	-	*24,81%*
Internet Victims	-	-	*-9,89%*	-	*-1,85%*	-	*-1,85%*	-	*11,81%*
Indonesian Infrastructure Small Caps	-	-	*-3,44%*	-	*3,21%*	-	*3,21%*	-	*39,31%*
Korea Reunification	-	-	*-3,15%*	-	*-2,81%*	-	*-2,81%*	-	*8,79%*
Japanese Orphan Companies	-	-	*0,17%*	-	*4,89%*	-	*4,89%*	-	*23,25%*
The Magic of Graphite: Carbon Fibre and steel recycling (inception date 01 Mar '21)	-	-	*-3,19%*	-	*8,23%*	-	*8,23%*	-	*-12,25%*
Champagne (inception date 15 Apr '22)	-	-	*1,80%*	-	*2,58%*	-	*2,58%*	-	*16,32%*
No meat's land (inception date 10 Oct '22)	-	-	*-1,67%*	-	*2,72%*	-	*2,72%*	-	*7,40%*
Cocoon (inception date 10 Oct '22)	-	-	*-1,25%*	-	*-11,23%*	-	*-11,23%*	-	*-14,27%*
Beauty for nothing (inception date 10 Oct '22)	-	-	*-0,71%*	-	*-2,30%*	-	*-2,30%*	-	*12,91%*
Fly with me (inception date 10 Oct '22)	-	-	*-5,13%*	-	*5,47%*	-	*5,47%*	-	*9,95%*
MSCI Asia Pacific Value (.dMIAP0000VPUS)	**146.82**	**1,29%**	**-1,17%**	**3,03%**	**1,72%**	**3,03%**	**1,72%**	**-4,17%**	**-0,02%**
MSCI Asia Pacific (.MIAP00000PUS)	162,10	2,61%	0,12%	4,08%	2,77%	4,08%	2,77%	3,05%	7,51%
Korea (.KS200)	322,03	2,30%	1,11%	10,63%	5,04%	10,63%	5,04%	12,64%	1,23%
Tokyo Stock Exchange (.TOPX)	2003,50	0,51%	0,41%	5,91%	3,25%	5,91%	3,25%	25,07%	8,67%
Indonesia (.JKSE)	6805,28	-0,56%	-1,32%	-0,66%	-1,92%	-0,66%	-1,92%	4,73%	2,81%
MSCI Small Cap Indonesia- USD (.dMIID000S0NUS)	472,10	-1,45%	-3,84%	2,07%	0,78%	2,07%	0,78%	-36,24%	-33,49%
China (.HSI)	20400,11	3,10%	0,60%	3,13%	1,31%	3,13%	1,31%	-28,03%	-24,94%
Bond High Yield (AHYE.PA)	219,77	-	0,14%	-	1,79%	-	1,79%	-	-1,11%

The performance of the individual Niches is gross of fees.
** Class b*
** Start date: 18/02/2019, unless otherwise stated*
Source: Niche AM, Thomson Reuters

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