



31/03/2024



# Pharus Electric Mobility Value Niche

## Portfolio Update

29<sup>th</sup> December 2023 – 31<sup>st</sup> March 2024

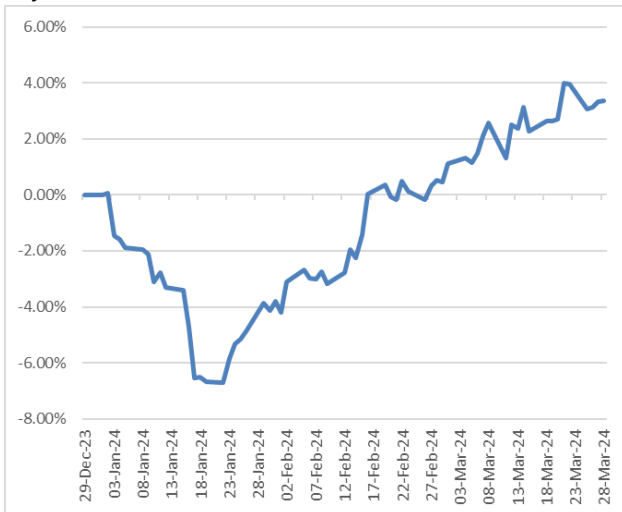


Launch date: 10.06.2019	Net Asset Value per share as of 31.03.24:	Class A – ISIN: LU1867072149	€ 154.45
Total Net Asset as of 31.03.24: € 20,617,850.10		Class B – ISIN: LU1867072222	€ 168.42
Currency: EUR		Class Q – ISIN: LU1867072495	€ 168.20
		Class A GBP – ISIN: LU2526377374	£ 97.95

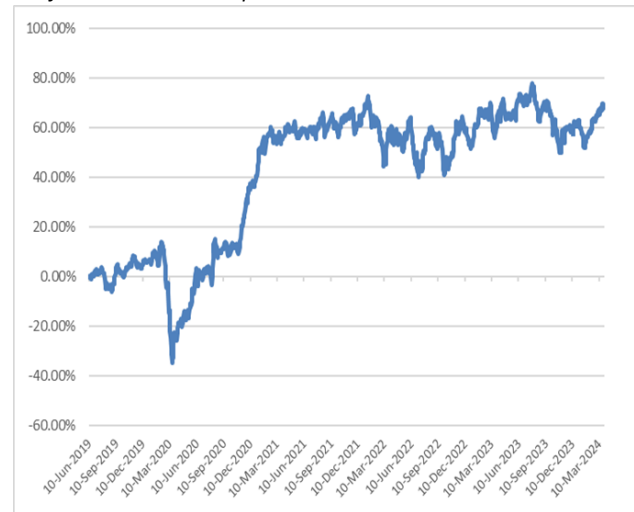
	Q1	Year to Date	1 Year	3 Years	Since inception
Performance (Class B)	+3,37%	+3,37%	+1.77%	+8.04%	+68.42%
Volatility					18.58%

### Net Asset Value per share

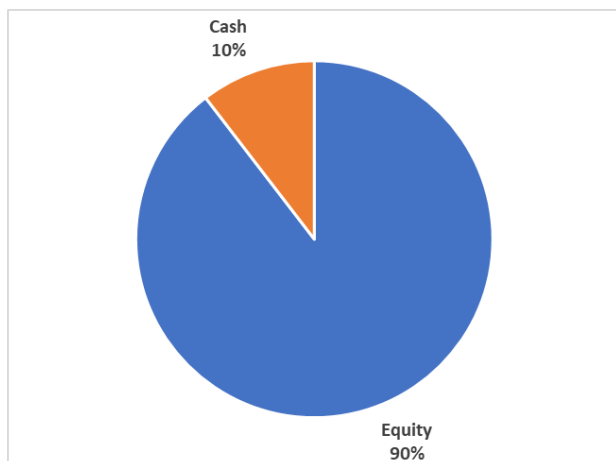
Performance Q1 2024: +3.37%



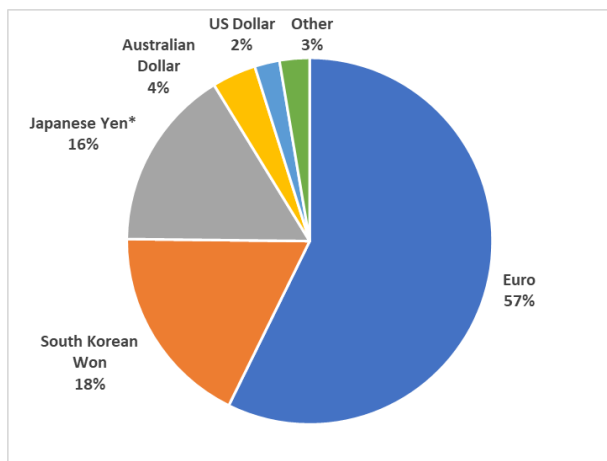
Performance since inception: +68.42%



### Portfolio breakdown by asset class



### Portfolio breakdown by currency



\*net of JPY hedging

During the first quarter of 2024, the Fund achieved a positive return of 3.37%.

The performance was better than that shown by the main ETFs exposed to electric mobility, benefiting from its deep value approach (P/TBV close to 1x), which allows investment in a high-growth theme but at reduced risk of permanent capital loss.

The dispersion of performance within the different niches was significant. Three of the eight Niches showed double-digit positive performance (**Cathodes** +12%, **Satellite Areas** +10%, **Electrolytes** +31%), benefiting from a number of positive results, especially with regard to Japanese companies (cathode precursor materials manufacturer Toda Kogyo was the best performer). Two niches were virtually unchanged, while the remaining three niches showed low-to-mid single digit declines.

The sub-niche that hurt the portfolio the most was **Lithium Cells** (-4%), due to weakness in Japanese and Korean electric vehicle battery manufacturers, as a result of the slowing phase in the penetration of electric cars on a global scale, aided by the waiting phase before the launch of mass market models.

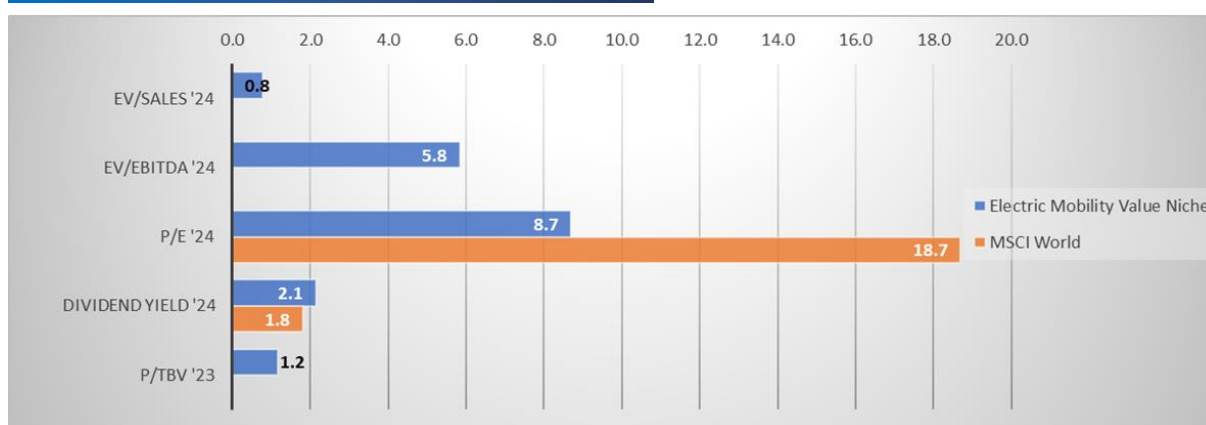
The first quarter of 2024 is expected to see a marked slowdown in the growth rate of electric cars. February data showed global electric vehicle market growth of 3 percent for a 13 percent penetration (China -9 percent sales for a 33 percent penetration share; Europe +10 percent for a 20 percent share; U.S. +11 percent for an 8.8 percent share). This slowdown was substantially anticipated by the market and should be followed by stabilization in the second half of the year. The improving trend will be supported by the launch of several new models, although a decisive acceleration will not occur until 2025-2026, when several electric vehicles will be available for the mass market segment.

There are, however, a number of potential catalysts that point to a recovery for Lithium Cells in the coming months including: the end of the downward revision of near-term earnings growth estimates; the launch starting in the second half of the year of the new 4680 cylindrical batteries, which will significantly improve battery performance; and the supportive regulatory environment in the U.S. market, where Korean and Japanese players are heavily exposed with aggressive Gigafactory development plans.

## Performance by niche – Q1 2024

NICHE	Performance
Lithium Cells	-4.19%
Cathodes	+11.85%
Anodes	-1.01%
Electrolytes & Elecfoils	+31.37%
Separators	-5.19%
Commodities	-0.18%
Powertrains & Ultracapacitors	-0.08%
Satellite Areas	+9.56%

## Portfolio valuation



Source: Niche AM, Refinitiv, MSCI

## Top holdings

ISIN	SECURITY	%	NICHE	SUB-NICHE
JP3866800000	Panasonic Holdings	5.68%	Lithium Cells (LC)	NCA
JP3402600005	Sumitomo Metal Mining	4.39%	Cathodes (CM)	NCA
KR7051911006	Lg Chem	4.20%	Lithium Cells (LC)	NMC
JP3544000007	Teijin Ltd	3.62%	Separators (SM)	WET
JP3627400009	Toda Kogyo	2.85%	Cathodes (CM)	NCA
KR7096771001	Sk Innovation Pref	2.53%	Lithium Cells (LC)	NMC
DE0007664039	Volkswagen Pref Shs	2.50%	Satellite Areas (SA)	CARS
FR0000131906	Renault	2.50%	Satellite Areas (SA)	CARS
FR0013176526	Valeo	2.36%	Power Trains & Ultracapacitors (PTU)	POWER TRAINS
FR0000131757	Eramet	2.36%	Commodities (C)	NICKEL SULPHATE

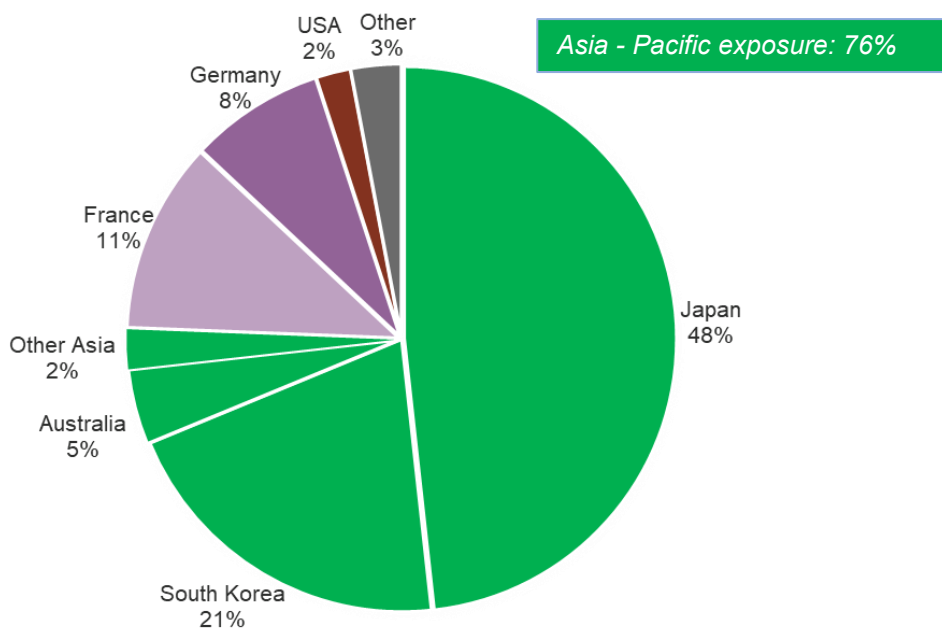
**Main increases in the quarter**

Holdings	Weight at 31/12/23	Weight at 31/03/24
ALD	1.4%	2.1%
Aurubis	0.0%	0.7%
Albemarle	0.0%	0.4%
Gaya Abadi Sempurna	0.1%	0.2%

**Main decreases in the quarter**

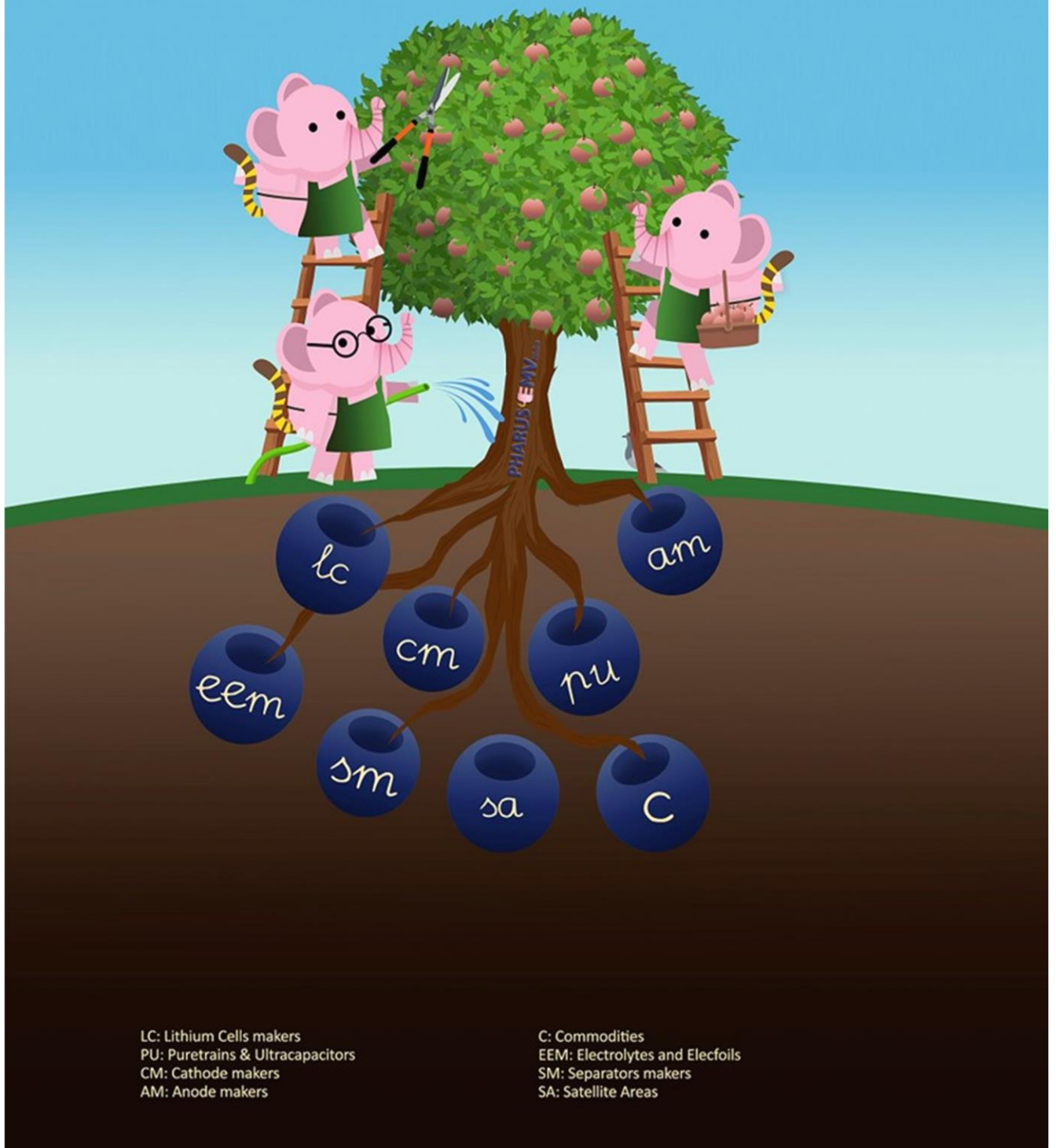
Holdings	Weight at 31/12/23	Weight at 31/03/24	Total Return
Soulbrain Holdings	2.4%	0.4%	+70.86%
TDK	2.4%	1.0%	+47.53%
Taiheiyo Cement	2.1%	0.7%	-3.35%

**Geographical Composition**



Source: Niche AM

# ELECTRIC MOBILITY VALUE Niche



# Lithium cells



# stocks: 7

Average Market Cap (mln €) 9.252

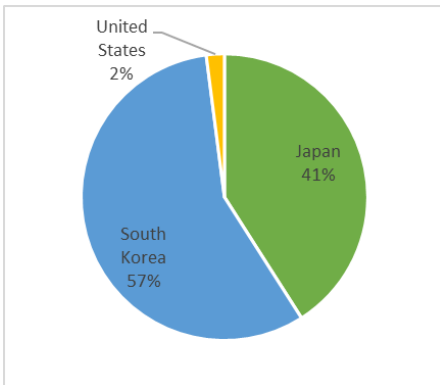
Median Market Cap (mln €): 2.227

## Lithium cells – segment breakdown

		EM Fund	Lithium Niche
Lithium Cells	LC	15.3%	100.0%
Nickel Manganese & Cobalt	NMC	9.3%	60.8%
Nickel Cobalt & Aluminium	NCA	6.0%	

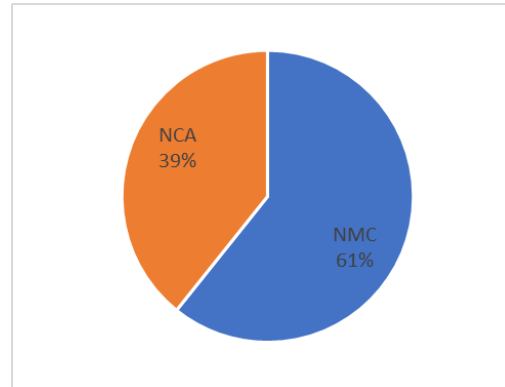
Source: Niche AM

## Geographical breakdown

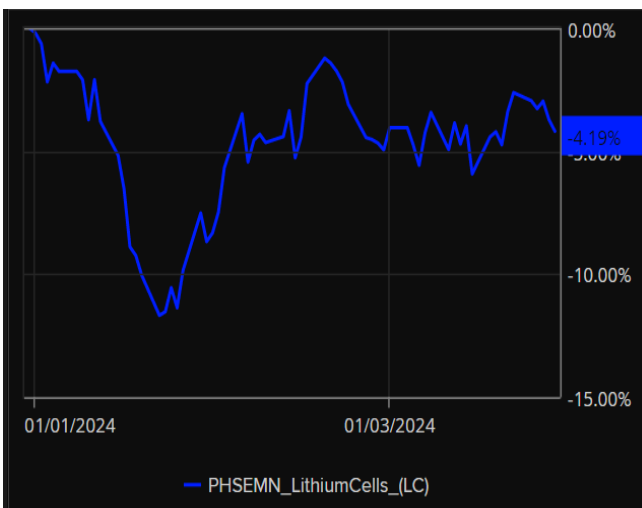


Source: Niche AM

## Segment breakdown

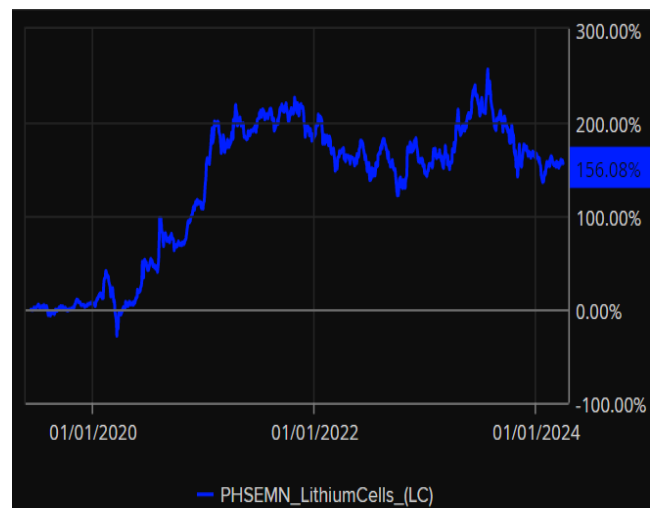


## Performance Q1 2024 (31/12/23-31/03/24)



Source: Niche AM, Refinitiv

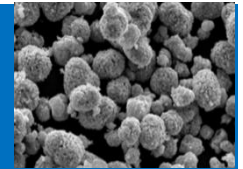
## Performance since inception (10/06/19 – 31/03/24)



## Niche Description

Electric mobility will grow dramatically in the coming years, with a speed still awaited by most, changing the world forever. Electric mobility will be pervasive, encompassing transport on land, water and air. At the heart of the electrification of mobility are lithium batteries, which consist of several lithium cells joined together through a battery management system. Each cell is a small battery with a cathode, an anode, a separator and filled with an electrolyte solution. There are different types of lithium cells, each with its own chemistry, although NCA and NMC are by far the most widely used in the electrification of transport.

# Cathodes



# stocks: 9

Average Market Cap (mln €): 3.136

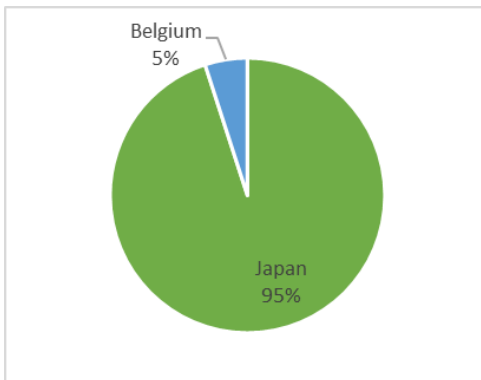
Median Market Cap (mln €): 274

## Cathodes – segment breakdown

		EM Fund	Cathodes Niche
<b>Cathodes</b>		<b>13.0%</b>	<b>100.0%</b>
Nickel Manganese & Cobalt	NMC	2.1%	16.1%
Nickel Cobalt & Aluminium	NCA	7.7%	58.9%
Cathodes Material	CM	3.3%	25.0%

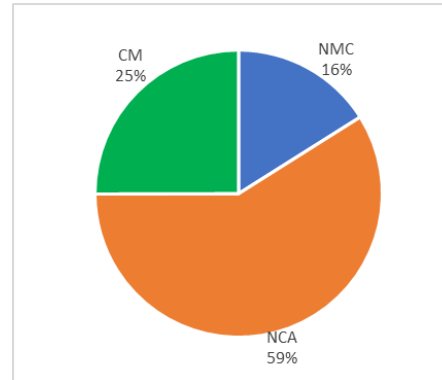
Source: Niche AM

## Geographical breakdown

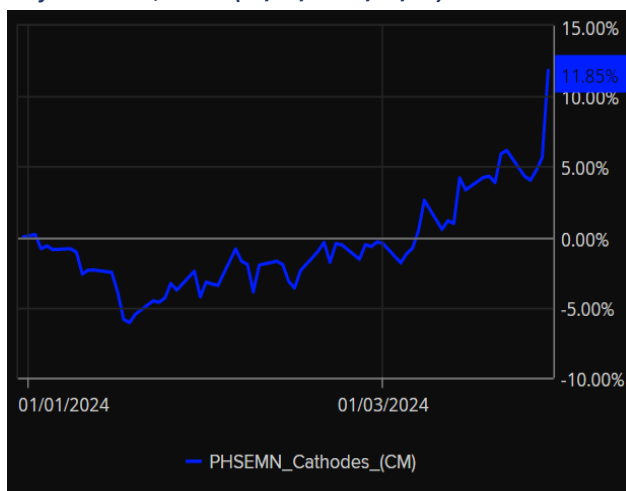


Source: Niche AM

## Segment breakdown



## Performance Q1 2024 (31/12/23-31/03/24)



Source: Niche AM, Refinitiv

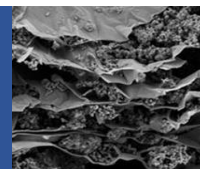
## Performance since inception (10/06/19 – 31/03/24)



## Niche Description

Cathodes are the most expensive component in lithium-ion batteries for electric vehicles (about 25 per cent of the total cost) and their chemistry is decisive for energy density and thus battery capacity. The composition of these cathodes will, at least for the next 5 to 7 years, be limited to two types of chemistry, NCA (nickel, cobalt and aluminium) and NMC (nickel, manganese and cobalt), as these provide the energy density required to make electric mobility competitive in terms of range with internal combustion vehicles.

# Anodes



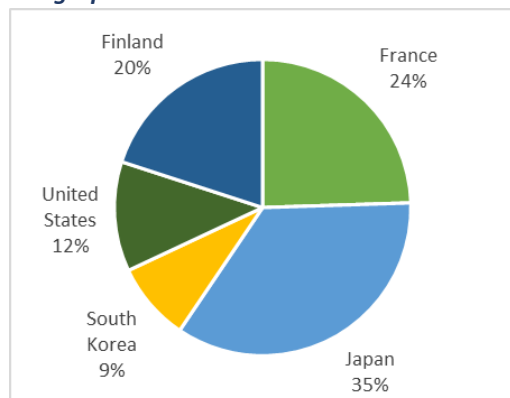
# stocks: 7      Average Market Cap (mln €) 5.266      Median Market Cap (mln €): 2.682

## Anodes – segment breakdown

	EM Fund	Anodes Niche
<b>Anodes</b>	<b>6.9%</b>	<b>100.0%</b>
Coating	1.7%	24.5%
Anodes	1.7%	25.3%
Artificial Graphite	1.3%	18.2%
Needle Coke	2.2%	32.0%

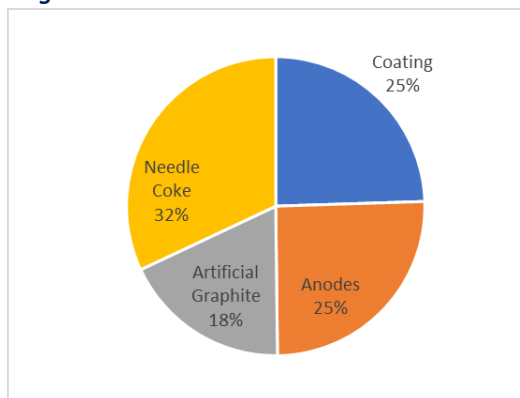
Source: Niche AM

## Geographical breakdown

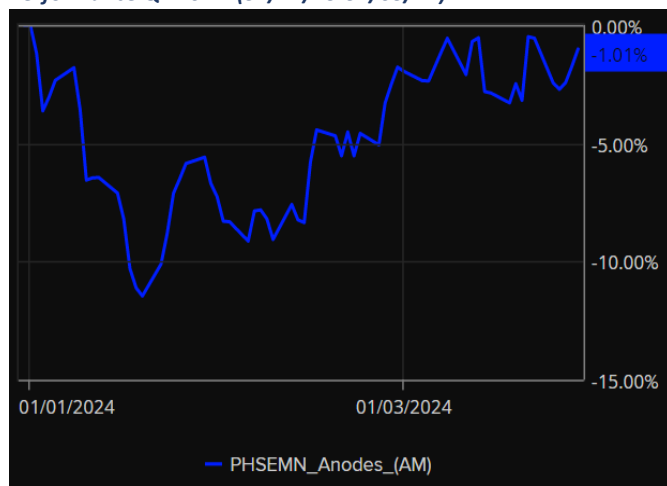


Source: Niche AM

## Segment breakdown

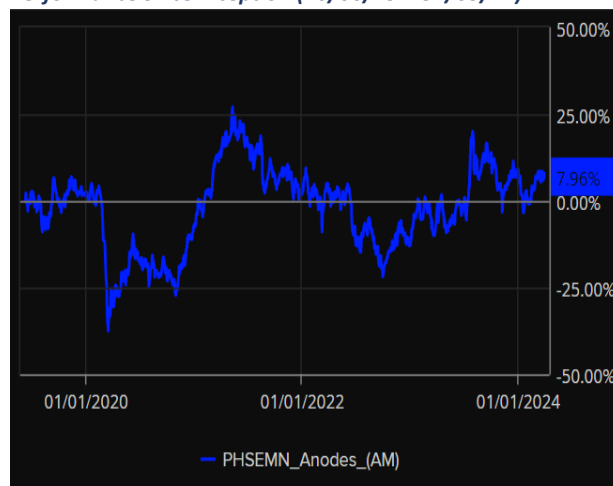


## Performance Q1 2024 (31/12/23-31/03/24)



Source: Niche AM, Refinitiv

## Performance since inception (10/06/19 – 31/03/24)

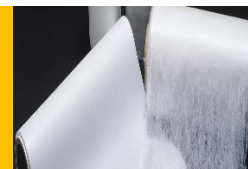


## Niche Description

Anodes also contribute to determining the energy density of the battery, as they are responsible for storing and releasing lithium ions to and from the cathode. Anodes are arranged on copper or aluminium membranes that serve as a current collector for the anode. Selecting high quality materials for the anode enables lithium cells to offer good retention capacity and significant energy efficiency.



# Separators



# stocks: 5

Average Market Cap (mln €): 2.344

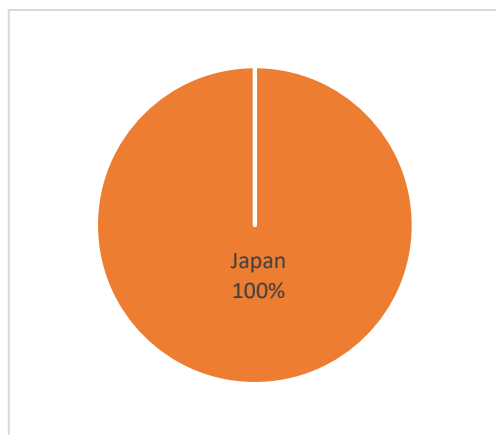
Median Market Cap (mln €): 1.707

## Separators – segment breakdown

	EM Fund	Separators
<b>Separator Maker</b>	<b>5.4%</b>	<b>100.0%</b>
Wet Separators	4.5%	82.9%
Dry Separators	0.9%	17.1%

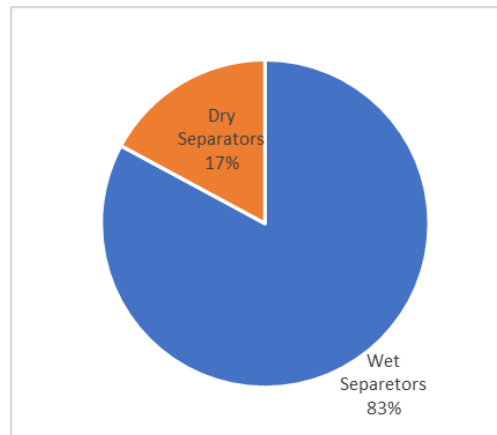
Source: Niche AM

## Geographical breakdown

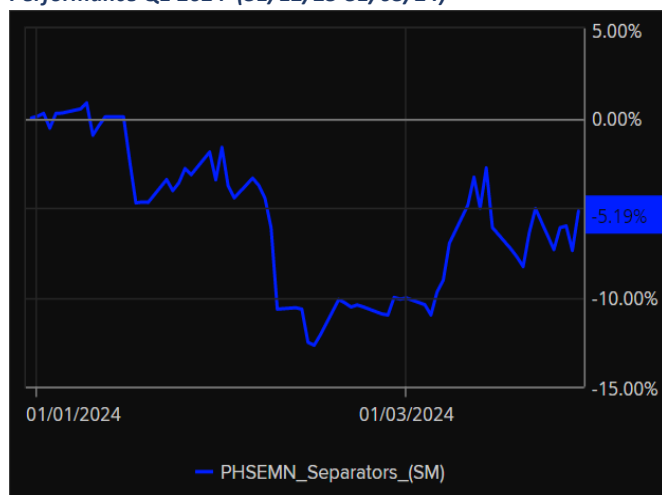


Source: Niche AM

## Segment breakdown



## Performance Q1 2024 (31/12/23-31/03/24)



## Performance since inception (10/06/19 – 31/03/24)



Source: Niche AM, Refinitiv

## Niche Description

Separators ensure the safety of lithium cells as they act as a barrier between cathode and anode. Although separators occupy only 5% of the space of a cell, they represent the second most significant cost item after the cathode (around 10% of the total cost). The market for separators for electric vehicles was worth around USD600m in 2015, with a capacity of 0.5bn. This number could grow to over 20bn square metres by 2025, in line with the growth of electric mobility. However, there is a risk that after 2030 this component will no longer be needed if the solid-state battery is developed and adopted...

# Electrolytes



# stocks: 3

Average Market Cap (mln €): 399

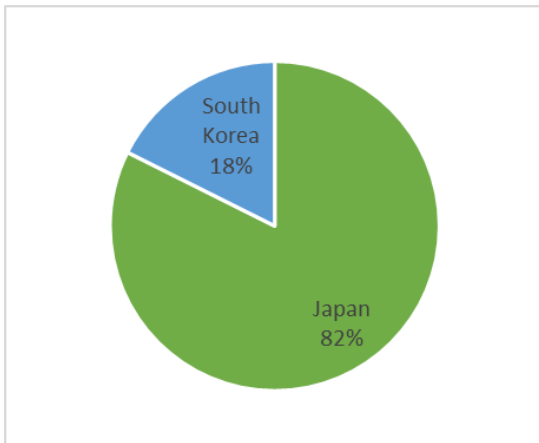
Median Market Cap (mln €): 354

## Electrolytes & Elecfoils – segment breakdown

	EM Fund	Electrolytes Niche
<b>Electrolytes &amp; Elecfoils</b>	<b>4.4%</b>	<b>100.0%</b>
Electrofoils	0.0%	0.0%
Electrolytes	2.5%	100.0%

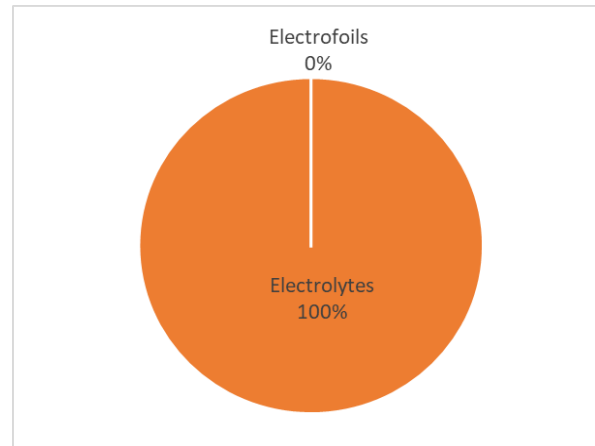
Source: Niche AM

## Geographical breakdown

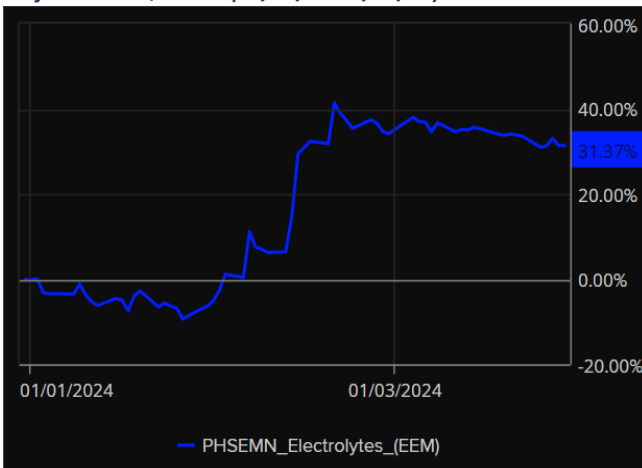


Source: Niche AM

## Segment breakdown

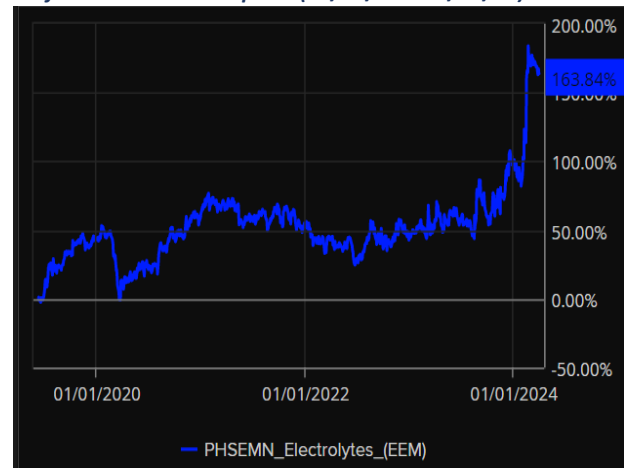


## Performance Q1 2024 (31/12/23-31/03/24)



Source: Niche AM, Refinitiv

## Performance since inception (10/06/19 – 31/03/24)



## Niche Description

The electrolyte plays a key role as it enables and promotes the movement of lithium ions between cathode and anode. The electrolyte consists of solvents, salts and additives. The solvents allow the salts to dissolve. The salts allow the ions to pass through. Additives are products that are added to modify and refine the characteristics of the electrolyte. Materials that ensure a high ion-conducting capacity are essential to ensure good performance of the cell.

# Commodities for electric mobility



# stocks: 14

Average Market Cap (mln €): 2.269

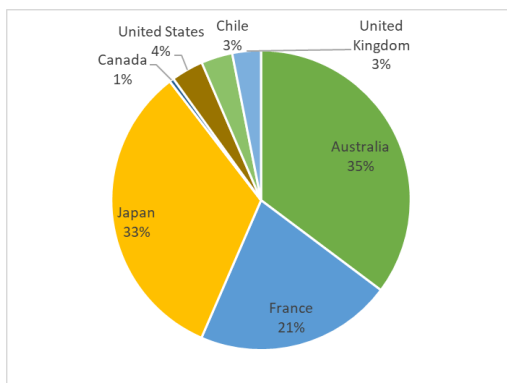
Median Market Cap (mln €): 1.263

## Commodities – segment breakdown

	EM Fund	Commodities Niche
<b>Commodities</b>	<b>11.1%</b>	<b>100.0%</b>
Natural Graphite	1.4%	12.4%
Cobalt	1.1%	10.1%
Nickel Sulphate	3.5%	31.8%
Lithium	2.8%	25.7%
Copper	2.2%	19.8%
Vanadium	0.0%	0.3%

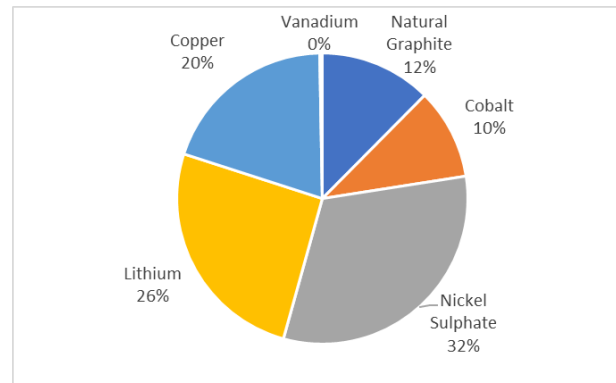
Source: Niche AM

## Geographical breakdown

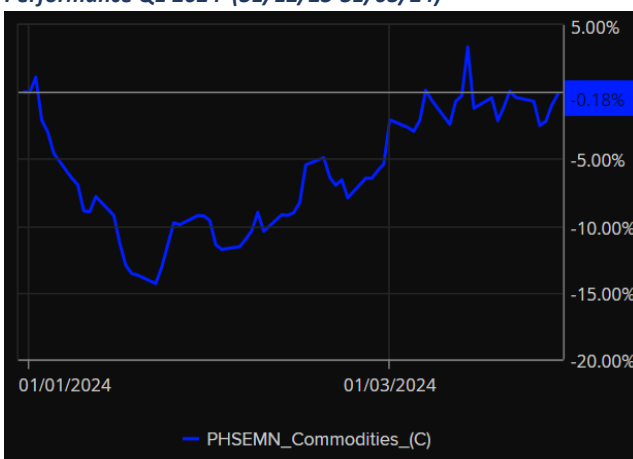


Source: Niche AM

## Segment breakdown

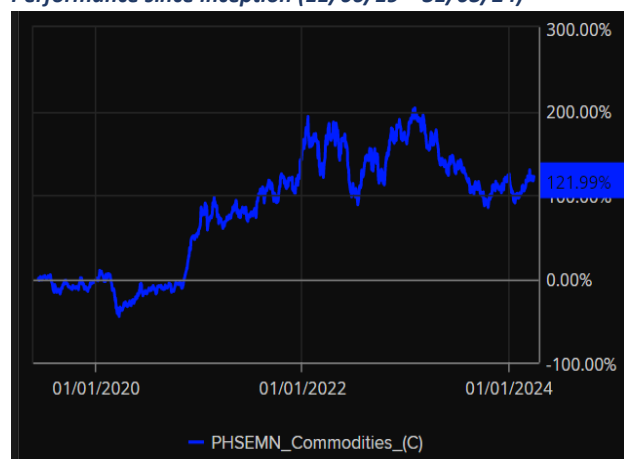


## Performance Q1 2024 (31/12/23-31/03/24)



Source: Niche AM, Refinitiv

## Performance since inception (11/06/19 – 31/03/24)



## Niche Description

Base Materials are vital for electric mobility. The need for cobalt, lithium and graphite will multiply many times over by 2025, while the need for nickel will almost double. Today, the world seems unprepared for this change, so a gradual increase in the price of these materials is likely once the adoption of e-mobility begins to accelerate dramatically.

# Powertrains & Ultra Capacitors



# stocks: 9

Average Market Cap (mln €): 7.141

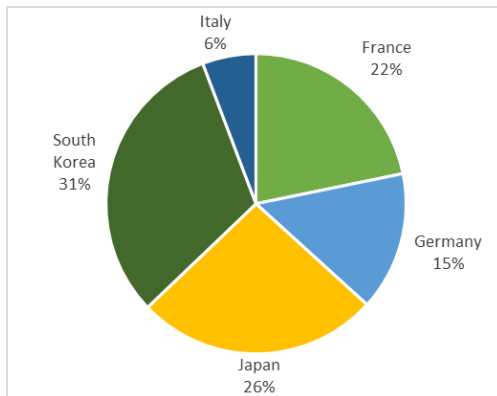
Median Market Cap (mln €): 5.856

## PTs & UTs – segment breakdown

	EM Fund	Powertrains & UT
<b>Powertrains &amp; UTs</b>	<b>10.8%</b>	<b>100.0%</b>
Power Trains	8.0%	73.9%
Ultra Capacitors	2.8%	26.1%

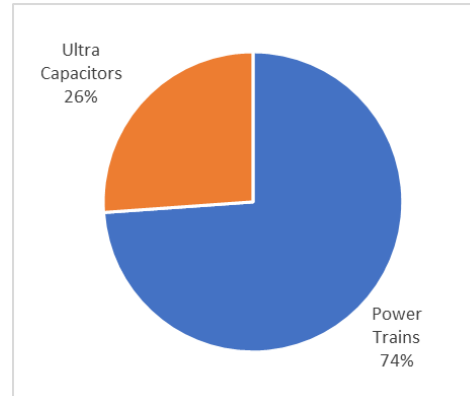
Source: Niche AM

## Geographical breakdown

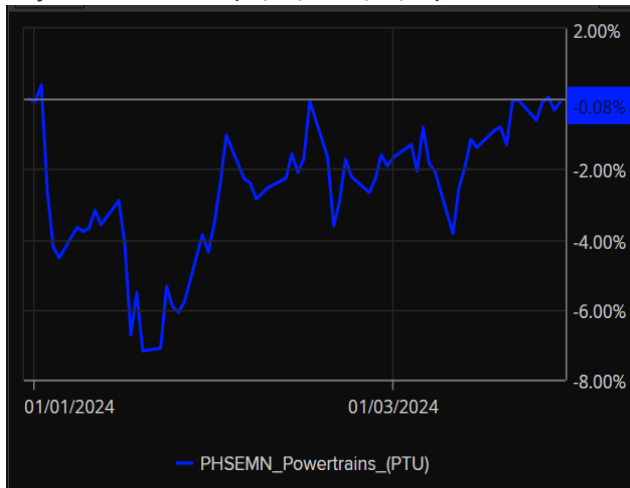


Source: Niche AM

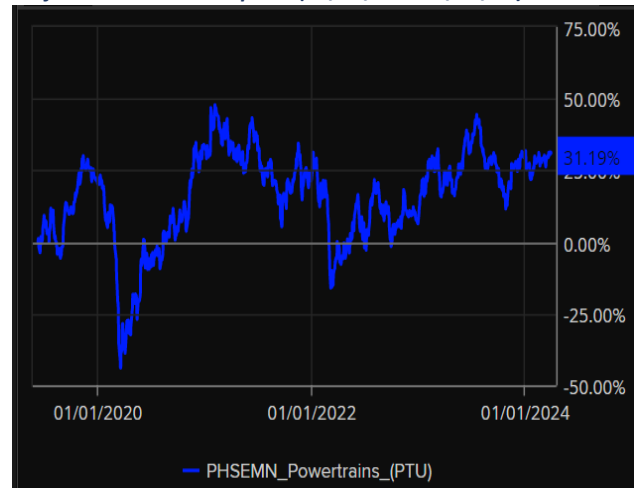
## Segment breakdown



## Performance Q1 2024 (31/12/23-31/03/24)



## Performance since inception (10/06/19 – 31/03/24)



Source: Niche AM, Refinitiv

## Niche Description

Electric vehicle powertrains are completely different from conventional ones and will be refined over time to produce solutions that can improve vehicle efficiency. Those companies that are best equipped to handle the change will be able to gain market share and significantly improve margins. At the same time, ultracapacitors can become an important complement to the electric powertrain, providing high energy intensity when needed and, in doing so, increasing vehicle performance and extending battery life.

# Satellite Areas



# stocks: 23

Average Market Cap (mln €): 5.258

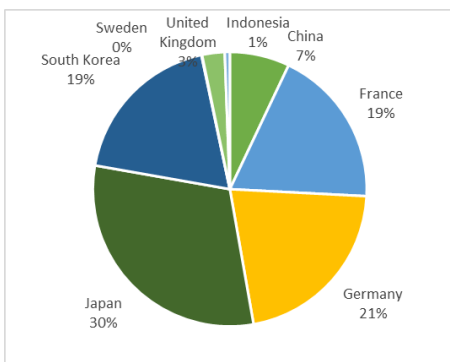
Median Market Cap (mln €): 927

## Satellite Areas – segment breakdown

	EM Fund	Satellite Areas Niche
<b>Satellite Areas</b>	<b>24.7%</b>	<b>100.0%</b>
Sensors	1.4%	5.8%
Cars	8.9%	36.0%
Assembly Lines	4.3%	17.5%
Electric Airplanes	0.5%	2.0%
Electrodes Cutting Equipment	3.2%	13.0%
Charging Stations	1.2%	4.7%
New Materials For Mobility	3.0%	12.3%
Lithium Batteries Assembly Machinery	0.4%	1.7%
Thermal Management Systems	0.9%	3.7%
Electric Bus	0.7%	2.7%
Electric Scooters	0.1%	0.6%

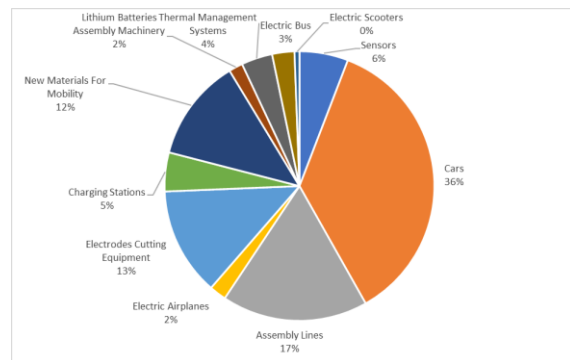
Source: Niche AM

## Geographical breakdown

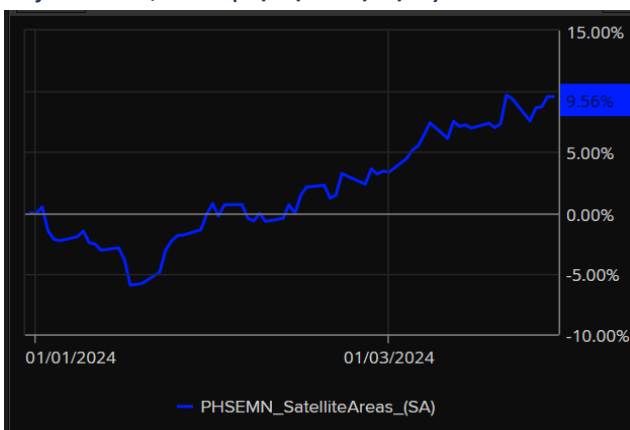


Source: Niche AM

## Segment breakdown



## Performance Q1 2024 (31/12/23-31/03/24)



## Performance since inception (10/06/19 – 31/03/24)



Source: Niche AM, Refinitiv

## Niche Description

The transition from internal combustion vehicles to electric vehicles will be epochal, the value of the battery market will multiply by 30 in less than 10 years, reaching that of semiconductors. A billion cars and hundreds of millions of other vehicles will be affected. There is no doubt that this change will have the power to reshape many other adjacent sectors. This Niche seeks to identify the companies that will indirectly benefit from this trend.

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