



31/03/2025

NICHE
ASSET MANAGEMENT

Pharus **Electric Mobility Value** Niche

Portfolio Update

31st December 2024 – 31st March 2025



Launch date: 10.06.2019

Total Net Assets as of 31.03.25: € 17,120,222.34

Currency: EUR

Net Asset Value
per share
as of 31.03.25:

Class A – ISIN: LU1867072149 € 135.53

Class B – ISIN: LU1867072222 € 150.22

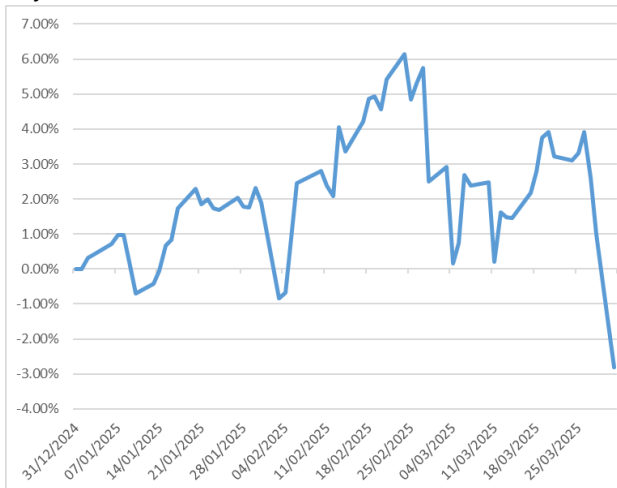
Class Q – ISIN: LU1867072495 € 149.97

Class A GBP – ISIN: LU2526377374 £ 85.62

	Q1	Year to Date	1 Year	3 Years	Since inception
Performance (Class B)	-2.82%	-2.82%	-10.81%	-5.80%	+50.22%
Volatility					18.40%

Net Asset Value per share

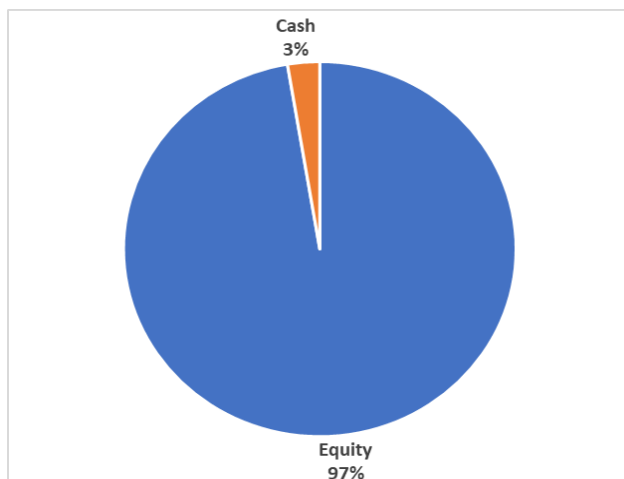
Performance Q1 2025: -2.82%



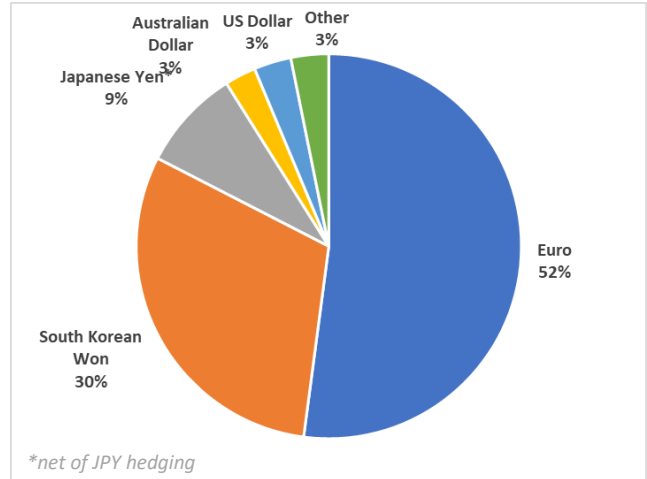
Performance da partenza: +50.22%



Portfolio breakdown by asset class



Portfolio breakdown by currency



Quarterly comment

The Fund ended the quarter down 2.82%, impacted by the still negative sentiment surrounding electric mobility, coupled with risk aversion related to recessionary fears in the US following the adoption of the trade tariff policy.

Although negative, the performance was better than that achieved by the main ETFs focused on electric mobility, which lost around 9% on average.

The niches that suffered the most were *Lithium Cells* (-5.3%), mainly due to the weakness of Korean battery manufacturers LG Chem and Samsung SDI, which was not sufficiently offset by the positive performance of Panasonic.

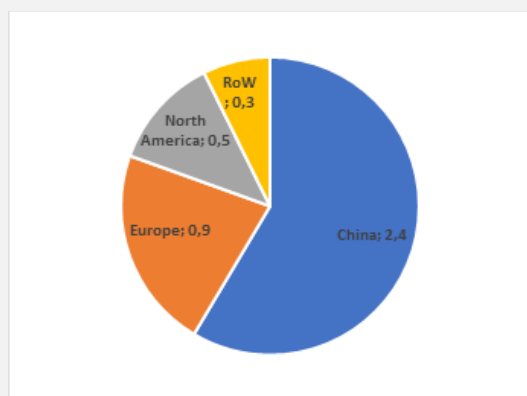
With reference to Korean players, it should be noted that Samsung SDI was penalised by the announcement of a capital increase aimed precisely at financing the creation of a new gigafactory in the US through the joint venture with General Motors and Stellantis. Samsung SDI was boosted on this weakness, partially using the cash from Panasonic's easing on the strength. The increase on this Korean group was made in view of both the modest valuation levels achieved (P/Tangible Book Value around 0.8x), and the important role it will play in the US auto electrification market, where it will reach over 100 GW of capacity in 2027 (compared to almost zero in 2024).

The significant exposure to Korean battery manufacturers, more than 17% of the portfolio, is linked to their important production know-how, coupled with very low valuations and the key role they play in the electrification of the US car market, the only geographical area in the world that will not be exposed to competition from Chinese players and which, despite announcements, will most likely not see significant changes in the major tax incentive plan supporting its development.

All the other niches concerning components used in battery manufacturing (*Cathodes, Anodes, Electrolytes & Electro foils, Separators*) also suffered during the quarter. On the other hand, the *Battery Commodities* niche stood out positively (+7.1%), which recovered thanks to the rebound from depressed levels of some players exposed to graphite and copper. The other two niches not directly related to the battery ecosystem, namely *Powertrains & Ultracapacitors* (+2.5%) and *Satellite Areas* (+1.7%), also closed positively, where we find a more heterogeneous set of players, active for instance in the manufacture of machinery used in battery assembly or testing.

Sentiment towards electric mobility remained cautious, despite the absence of substantial news. Electric car sales figures in the first quarter of the new year were comforting, especially in Europe, although partly helped by a favourable comparison basis.

Electric vehicle sales in Q1 2025 by region (mln units)



Source: NicheAM processing of RHO data

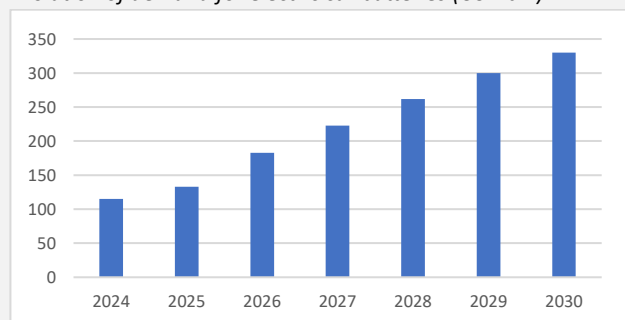
1Q '25 Vs 1Q '24

Europe	+22%
North America	+16%
China	+36%
RoW	+27%
Total	+29%

As far as the European market is concerned, in line with expectations, a less stringent regulation on CO2 emissions has been proposed, which in the short term has reduced the pressure for manufacturers to increase electric cars in the sales mix. But in fact, this measure does not seem likely to really change carmakers' plans. In the US, there has been no substantial change.

Although the rate of penetration of electric cars has undoubtedly slowed, it should be noted that, based on recent S&P estimates, the market for electric car batteries is expected to grow from \$115 billion in 2024 to \$330 billion in 2030, showing robust average annual growth of close to 20%. This growth does not incorporate the potential acceleration that could occur with the arrival of a significant number of models for the mass market segment.

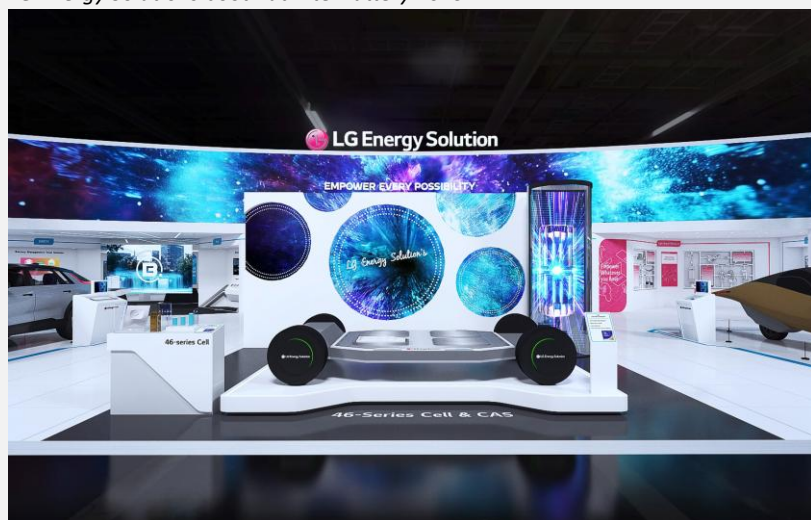
Evolution of demand for electric car batteries (USD bln)



Source: NicheAM processing of S&P forecasts

A further driver for the increased popularity of electric cars will come from significant improvements in battery performance. In this regard, at the recent *InterBattery 2025* event, all major Korean battery manufacturers in the portfolio presented their 46-series cylindrical batteries, which have significant advantages in terms of improved performance/price/safety. ([click here](#) for a short video of the LG Chemical group presenting their new products).

LG Energy Solutions booth at InterBattery 2025



Source: LG Energy Solutions

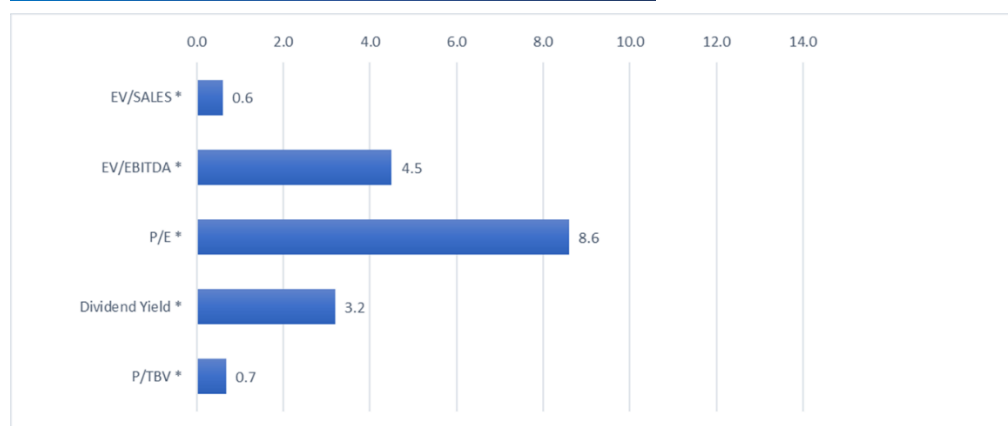
In the medium term, from a technological point of view, further significant acceleration is expected: also at *Interbattery 2025*, Samsung SDI announced that it has made progress in the development of solid-state batteries (energy density of 900Wh/L, the highest in the industry), which it expects to be able to industrialise on a large scale from the second half of 2027.

At a time of extreme pessimism about electric mobility, the fund's deep value approach (average PE of less than 9 times and capitalisation on tangible equity of less than 1 times) offers an opportunity to gain exposure to the inevitable mass adoption of this technology with modest risk.

Performance by niche – Q1 2025

NICHE	Performance
Lithium Cells	-5.34%
Cathodes	-4.18%
Anodes	-13.36%
Electrolytes & Elecfoils	-12.71%
Separators	-0.79%
Commodities	7.09%
Powertrains & Ultracapacitors	2.45%
Satellite Areas	1.67%

Portfolio valuation



Source: Niche AM, Refinitiv, MSCI

Top holdings

SECURITY	%	NICHE	SUB-NICHE
Panasonic Holdings	7.11%	Lithium Cells (LC)	NCA
* LG Chem	6.61%	Lithium Cells (LC)	NMC
*Samsung SDI	5.82%	Lithium Cells (LC)	NMC
*SK Innovation	5.29%	Lithium Cells (LC)	NMC
Teijin	4.22%	Separators (SM)	WET
Sumitomo Metal Mining	3.87%	Cathodes (CM)	NCA
Volkswagen Pref Shs	3.66%	Satellite Areas (SA)	CARS
Continental	3.36%	Power Trains & Ultracapacitors (PTU)	POWER TRAINS
Ayvens	3.16%	Satellite Areas (SA)	CARS
Hyundai Mobis	2.92%	Power Trains & Ultracapacitors (PTU)	POWER TRAINS

Main increases in the quarter

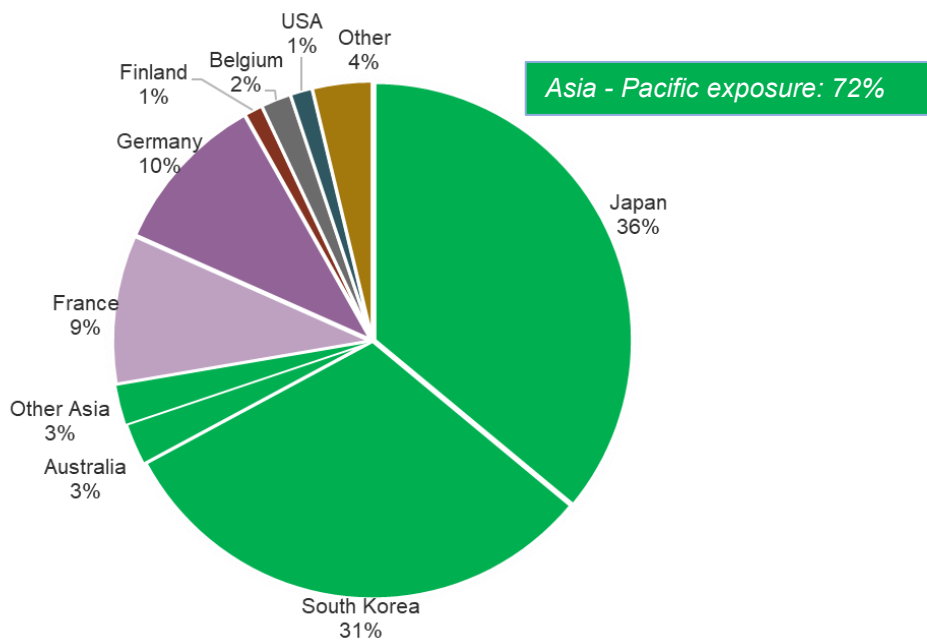
Holdings	Weight at 31/12/24	Weight at 31/03/25
*Samsung SDI	1.8%	5.8%
Umicore	1.3%	1.8%
Lg Electronics Pref Shs	0.0%	0.6%
Toyo Engineering	0.0%	0.6%
SFA Engineering	1.6%	2.1%

* Includes all share classes of the issuer.

Main decreases in the quarter

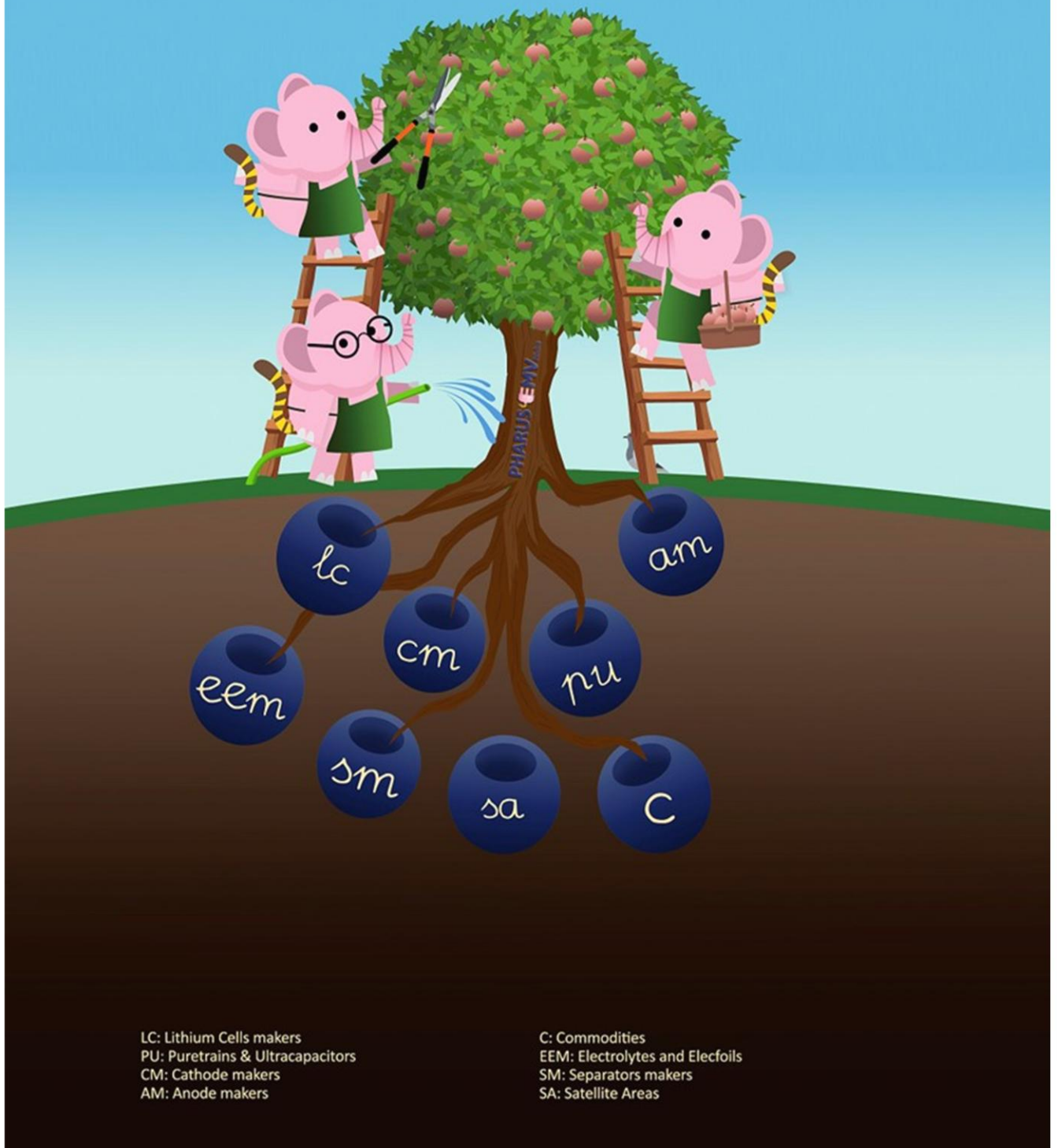
Holdings	Weight at 31/12/24	Weight at 31/03/25	Total Return
Panasonic Holdings	8.2%	7.1%	+40.1%
Thyssenkrupp	0.9%	0.0%	+36.8%
Renault	1.8%	1.1%	+75.4%
Aurubis	1.0%	0.6%	+28.7%
Nittetsu Mining	0.8%	0.5%	+77.4%

Geographical Composition



Source: Niche AM

ELECTRIC MOBILITY VALUE Niche



Lithium cells



stocks: 8

Average Market Cap (mln €) 14.606

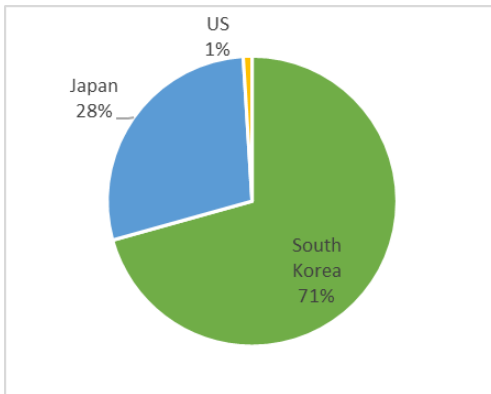
Median Market Cap (mln €): 10.719

Lithium cells – segment breakdown

		EM Fund	Lithium Niche
Lithium Cells	LC	25.1%	100.0%
Nickel Manganese & Cobalt	NMC	16.1%	64.3%
Nickel Cobalt & Aluminium	NCA	6.5%	25.8%
Lithium iron phosphate	LFP	2.3%	9.0%
Solid State	SS	0.2%	0.9%

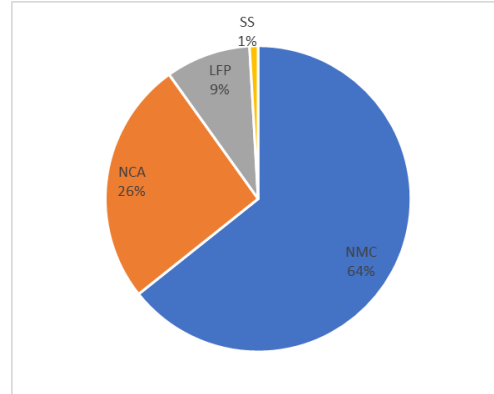
Source: Niche AM

Geographical breakdown

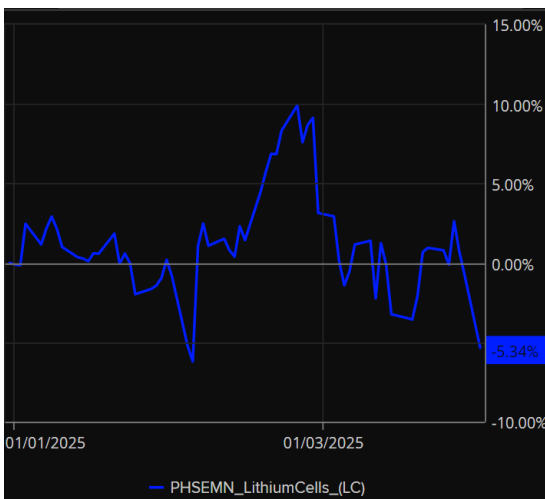


Source: Niche AM

Segment breakdown



Performance Q1 2025 (31/12/24-31/03/25)



Source: Niche AM, Refinitiv

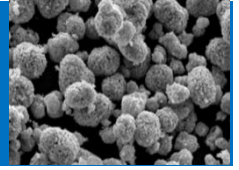
Performance since inception (10/06/19 – 31/03/25)



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: 8

Average Market Cap (mln €): 2.195

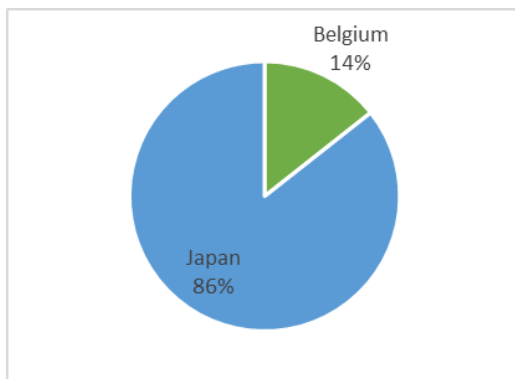
Median Market Cap (mln €): 215

Cathodes – segment breakdown

		EM Fund	Cathodes Niche
Cathodes		12.8%	100.0%
Nickel Manganese & Cobalt	NMC	3.4%	26.2%
Nickel Cobalt & Aluminium	NCA	6.6%	51.2%
Cathodes Material	CM	2.9%	22.6%

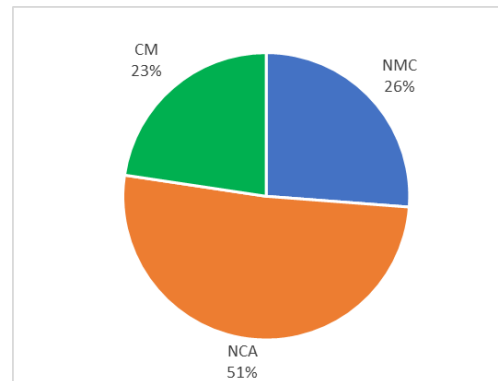
Source: Niche AM

Geographical breakdown

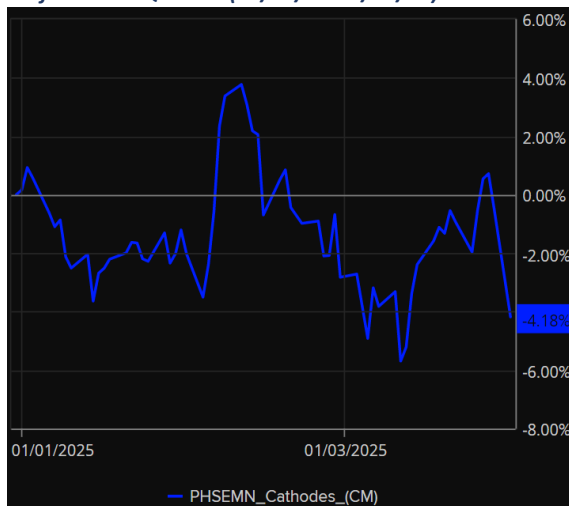


Source: Niche AM

Segment breakdown



Performance Q1 2025 (31/12/24-31/03/25)



Performance since inception (10/06/19 – 31/03/25)

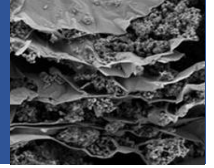


Source: Niche AM, Refinitiv

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: 5

Average Market Cap (mln €) 4.424

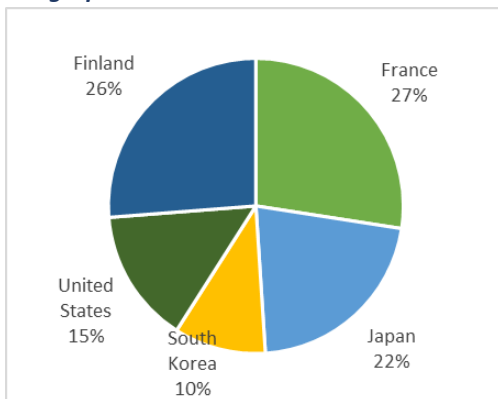
Median Market Cap (mln €): 2.545

Anodes – segment breakdown

	EM Fund	Anodes Niche
Anodes	4.3%	100.0%
Coating	1.2%	27.4%
Artificial Graphite	1.3%	31.6%
Needle Coke	1.7%	41.0%

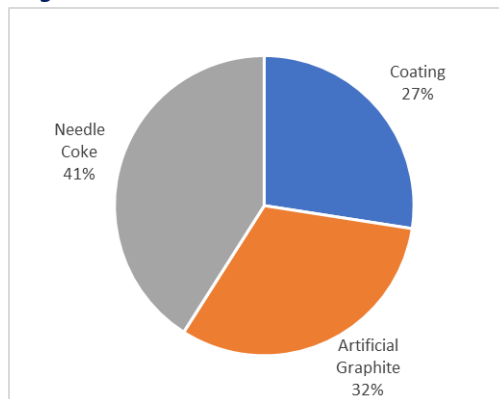
Source: Niche AM

Geographical breakdown



Source: Niche AM

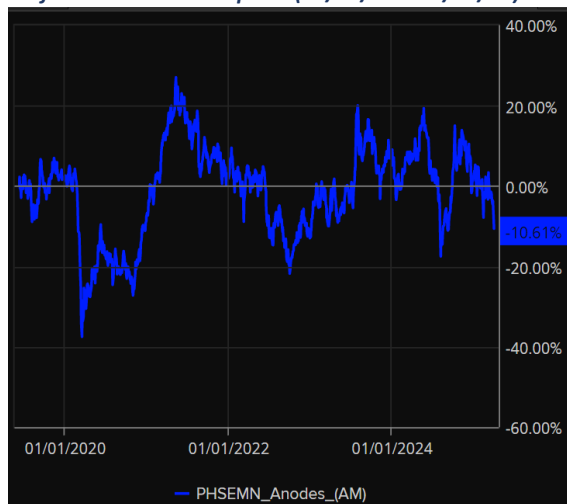
Segment breakdown



Performance Q1 2025 (31/12/24-31/03/25)



Performance since inception (10/06/19 – 31/03/25)

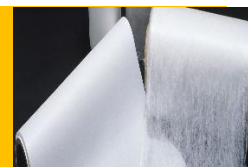


Source: Niche AM, Refinitiv

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 €): 2.339

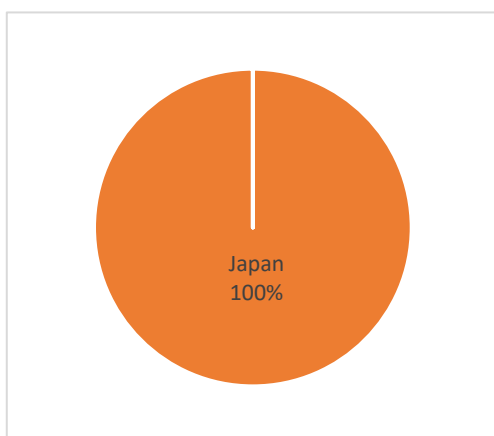
Median Market Cap (mln €): 1.600

Separators – segment breakdown

	EM Fund	Separators
Separator Maker	6.0%	100.0%
Wet Separators	4.9%	82.3%
Dry Separators	1.1%	17.7%

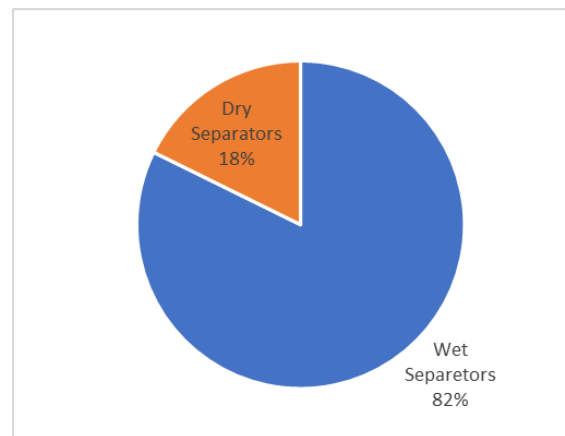
Source: Niche AM

Geographical breakdown

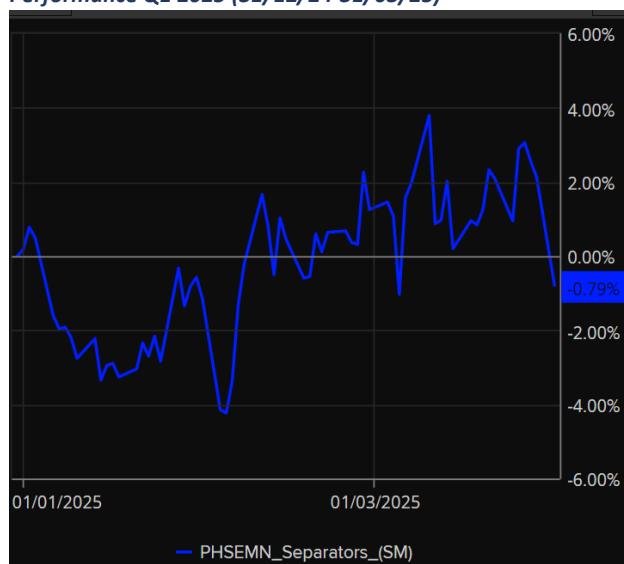


Source: Niche AM

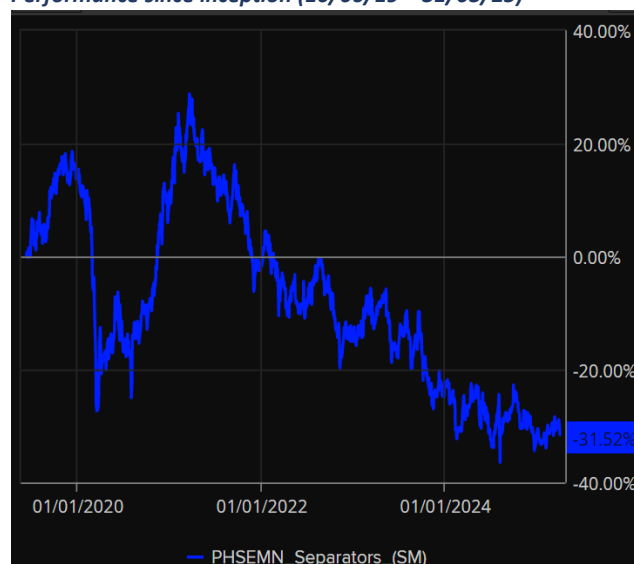
Segment breakdown



Performance Q1 2025 (31/12/24-31/03/25)



Performance since inception (10/06/19 – 31/03/25)



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 €): 324

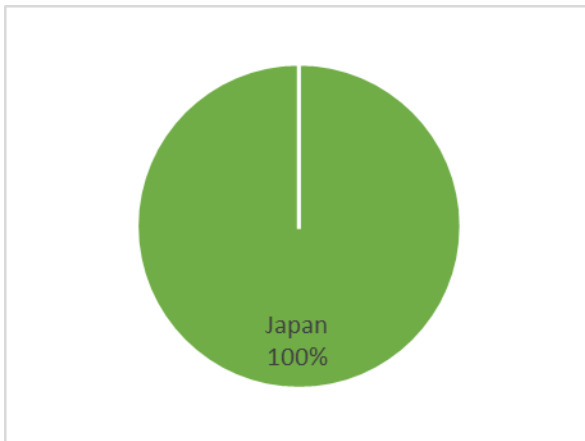
Median Market Cap (mln €): 309

Electrolytes & Elecfoils – segment breakdown

	EM Fund	Electrolytes Niche
Electrolytes & Electrofoils	1.5%	100.0%
Electrofoils	0.0%	0.0%
Electrolytes	1.5%	100.0%

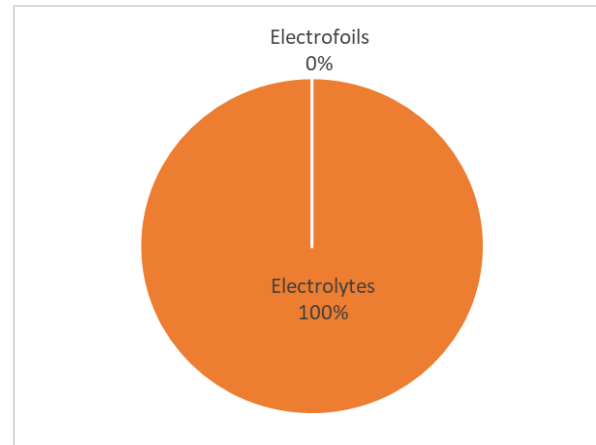
Source: Niche AM

Geographical breakdown

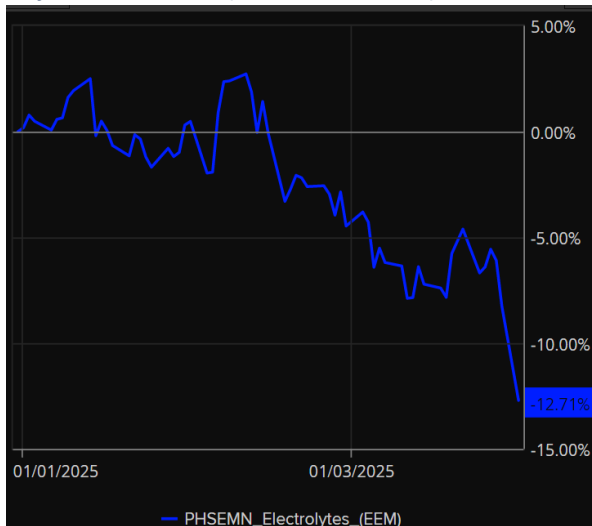


Source: Niche AM

Segment breakdown

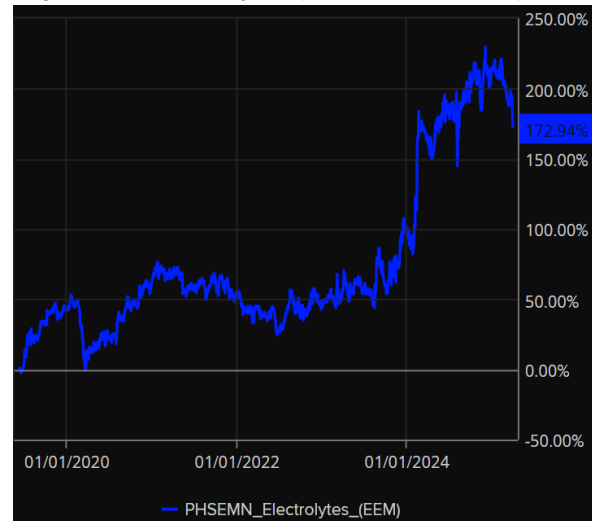


Performance Q1 2025 (31/12/24-31/03/25)



Source: Niche AM, Refinitiv

Performance since inception (10/06/19 – 31/03/25)



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: 15

Average Market Cap (mln €): 6.925

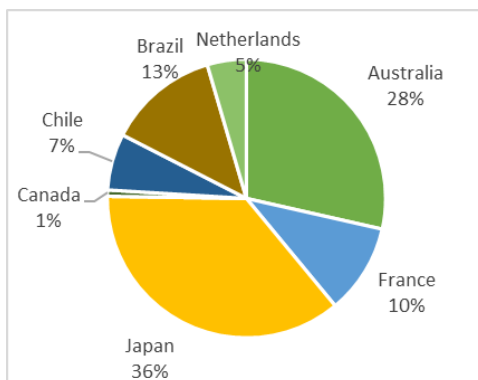
Median Market Cap (mln €): 1.433

Commodities – segment breakdown

	EM Fund	Commodities Niche
Commodities	9.7%	100.0%
Natural Graphite	2.2%	22.7%
Cobalt	1.2%	12.6%
Nickel Sulphate	3.4%	34.7%
Lithium	2.3%	24.0%
Copper	0.6%	5.8%
Vanadium	0.0%	0.1%

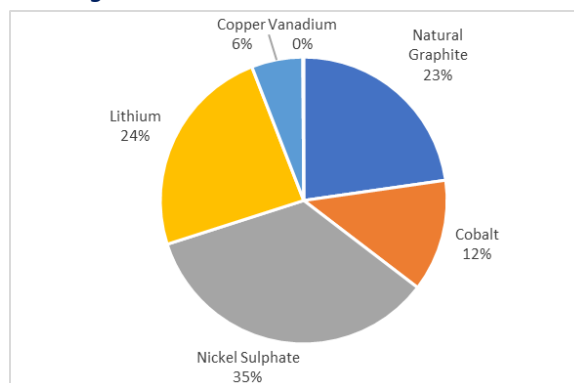
Source: Niche AM

Geographical breakdown



Source: Niche AM

Segment breakdown

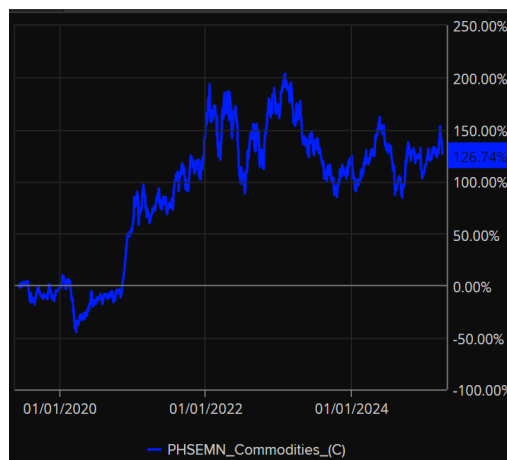


Performance Q1 2025 (31/12/24-31/03/25)



Source: Niche AM, Refinitiv

Performance since inception (10/06/19 – 31/03/25)



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: 8

Average Market Cap (mln €): 8.060

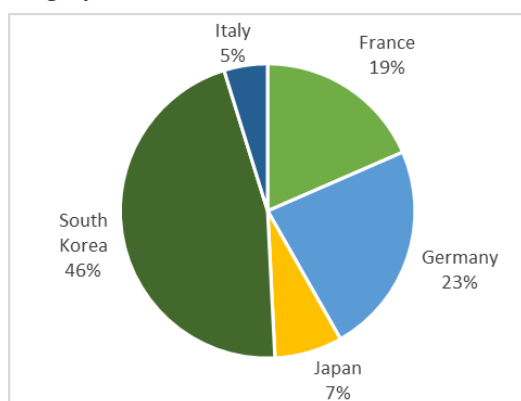
Median Market Cap (mln €): 5.227

PTs & UTs – segment breakdown

	EM Fund	Powertrains & UT
Powertrains & UTs	14.4%	100.0%
Power Trains	13.3%	92.6%
Ultra Capacitors	1.1%	7.4%

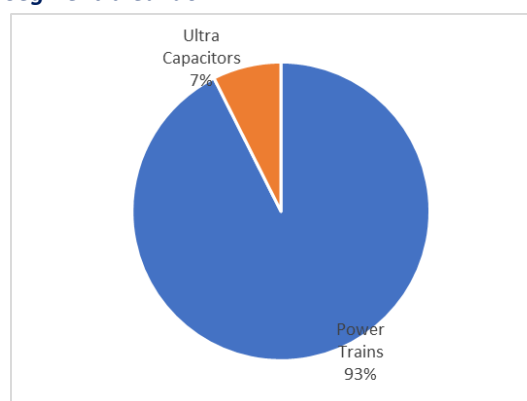
Source: Niche AM

Geographical breakdown



Source: Niche AM

Segment breakdown



Performance Q1 2025 (31/12/24-31/03/25)



Performance since inception (10/06/19 – 31/03/25)



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 €): 11.038

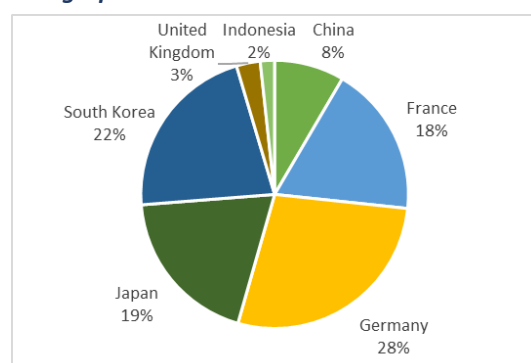
Median Market Cap (mln €): 416

Satellite Areas – segment breakdown

	EM Fund	Satellite Areas Niche
Satellite Areas	23.6%	100.0%
Sensors	2.1%	8.9%
Cars	10.0%	42.2%
Assembly Lines	4.1%	17.3%
Electrodes Cutting Equipment	0.8%	3.5%
Charging Stations	1.2%	5.1%
New Materials For Mobility	2.3%	9.9%
Lithium Batteries Assembly Machinery	0.2%	0.9%
Thermal Management Systems	0.8%	3.5%
Electric Bus	0.7%	2.9%
Electric Scooters	0.4%	1.7%
Recharging	1.0%	4.1%

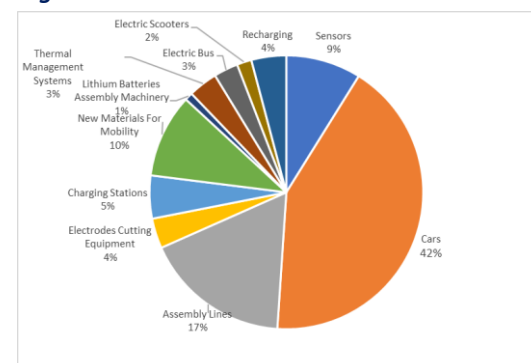
Source: Niche AM

Geographical breakdown

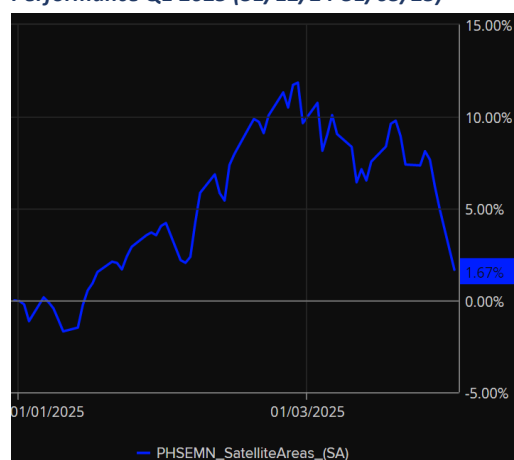


Source: Niche AM

Segment breakdown

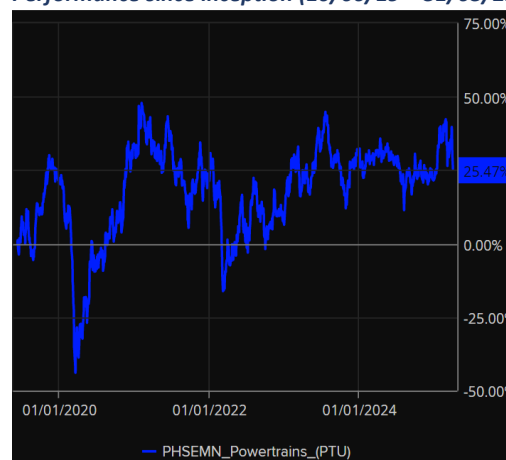


Performance Q1 2025 (31/12/24-31/03/25)



Source: Niche AM, Refinitiv

Performance since inception (10/06/19 – 31/03/25)



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.

This document, along with any related presentations and materials, is intended for marketing and informational purposes only. It is not a legally binding document, does not contain any representations, and does not constitute an offer or invitation to invest in any of Niche Asset Management Ltd's funds (referred to as the "Fund"). Additionally, it does not serve as a solicitation for any such offer or invitation, nor can any part of it or its distribution be relied upon in relation to any contract regarding the Fund. The information contained in this document has been compiled exclusively by Niche Asset Management Ltd (referred to as "Niche AM") which is authorized and regulated by the Financial Conduct Authority (RN783048) and is registered in England & Wales 10805355. The information and views contained in this document are not intended to be complete and may be subject to change at any time.

Past performance is not indicative of future results. Investments in funds are subject to market risks, including the potential loss of principal. **The distribution of this document and the offering of the Fund's shares may be subject to legal restrictions in certain jurisdictions. Therefore, any person who comes into possession of this document, should be aware of and comply with any applicable laws or regulations.** Niche AM's funds are not yet available for distribution in all countries. Potential investors are invited to contact Niche AM to check registration countries. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction. Any reproduction of this information, in whole or in part, without the prior consent of Niche AM is also prohibited. This document may only be communicated or passed to persons to whom Niche AM is permitted to communicate financial promotions pursuant to an exemption available in Chapter 4.12 of the Financial Conduct Authority's Conduct of Business Sourcebook ("COBS") ("Permitted Recipients").

This document is a marketing communication intended for professional investors only. Potential investors are recommended to carefully read Prospectuses and Key Investor Information Documents (KIIDs) for full details, including risk factors and charges, before making any final investment decision. Prospectuses, supplements, KIIDs and a Summary of Investor Rights, are available free of charge at nicheam.com/legal.