

Investment fund under Swiss law

Alpora Innovation Europe Fund

Unaudited semi-annual report as of June 30, 2021

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Facts and figures

Organization

Board of directors of the Fund Management Company

Natalie Flatz, President
Bruno Schranz, Vice President
Markus Fuchs

Management of the Fund Management Company

Dominik Rutishauser
Ferdinand Buholzer

Fund Management Company

LLB Swiss Investment AG
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CH-8002 Zurich
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Custodian Bank

Bank J. Safra Sarasin AG
Elisabethenstrasse 62
CH-4002 Basel
Phone +41 61 277 77 77
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Investment Manager of the Fund

AMG Fondsverwaltung AG
Bahnhofstrasse 29
CH-6300 Zug

Distribution channels

Investment Manager of the Fund

Auditors

PricewaterhouseCoopers AG
Birchstrasse 160
CH-8050 Zurich

Facts and figures

Fund characteristics

The investment objective of this investment fund is to attain an increase in value through investments in shares of innovative European companies (including in Switzerland) or in those, which exercise a predominant proportion of their economic activities in Europe. Companies, which have demonstrated innovation strength, qualify for the share selection. The following evaluation criteria shall be used for the share selection (not exhaustive):

- Investments in research and development
- Collaborative research
- Patent applications
- Innovation process management in the company

Alpora GmbH, Zug, Switzerland, provides the basic research for the asset manager of the investment fund and thus an investment universe. The companies included in the investment universe have a high level of innovation efficiency.

Key figures

	30.6.2021	31.12.2020	31.12.2019
Net fund assets in million EUR	273.37	242.82	174.35
Number of units Class EUR A	46 573	50 194	53 875
Number of units Class CHF hedged	31 490	31 308	25 454
Number of units Class EUR B	3 258	2 593	1 853
Number of units Class EUR D	11 085	11 072	936
Number of units Class EUR E	3 699	1 556	–
Asset value per unit Class EUR A in EUR	2 964.78	2 548.11	2 127.77
Asset value per unit Class CHF hedged in CHF	3 209.35	2 758.79	2 297.35
Asset value per unit Class EUR B in EUR	2 945.33	2 535.45	2 122.52
Asset value per unit Class EUR D in EUR	2 971.29	2 553.90	2 127.75
Asset value per unit Class EUR E in EUR	152.86	131.68	–
Performance Class EUR A	16.41%	20.02%	42.69%
Performance Class CHF hedged	16.39%	20.39%	42.18%
Performance Class EUR B	16.17%	19.45%	13.06% ²
Performance Class EUR D	16.42%	20.03%	14.14% ³
Performance Class EUR E	16.09%	31.68% ¹	–
TER Class EUR A	1.22%	1.20%	1.25%
TER Class CHF hedged	1.23%	1.21%	1.25%
TER Class EUR B	1.73%	1.71%	1.78%
TER Class EUR D	1.23%	1.21%	1.59%
TER Class EUR E	2.00%	1.99%	1.59%
PTR	0.12	1.45	0.89
Transaction costs in EUR ⁴	48 965	254 794	199 444

¹ 6.5.2020 – 31.12.2020

² 9.7.2019 – 31.12.2019

³ 6.9.2019 – 31.12.2019

⁴ The investment fund bears all incidental costs for the purchase and sale of investments.

Past performance is no guarantee for future results. The performance data do not take on the issue and redemption of units and costs incurred. No benchmark comparison is available for this fund.

Report of the Investment Manager

The unique analysis approach ICA – Innovation Capability Analytics – was developed by ALPORA and is based on scientific research. It provides a comprehensive, cross-industry picture of companies in terms of their innovative strength and innovation efficiency.

AMG Fondsverwaltung AG assesses the financial strength of the companies so that the existing potential can be realized, and selects the 30 invested companies out of the top 45 of Alpora.

Since the launch of the fund in October 2014, investors have seen an out-performance of around 130% compared to the benchmark iShare MSCI Europe ETF, or around 13.5% on an annualised basis (Fig. 1). However, the risk, measured in terms of volatility, remains comparable to market risk (Fig. 2).

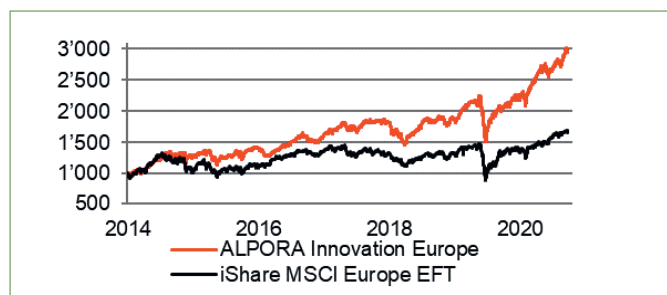


Fig. 1: Performance since launch

Source: AMG, Bloomberg

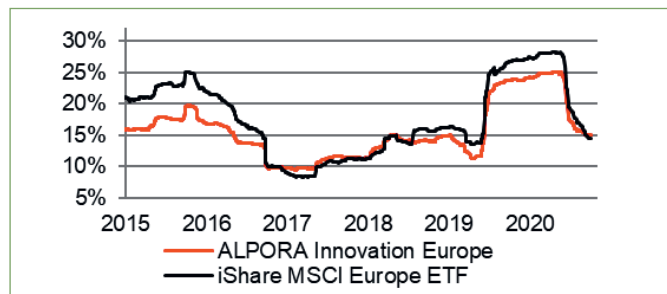


Fig. 2: Volatility (1 year)

Source: AMG, Bloomberg

At the beginning of 2021, investors focused on financials and cyclical stocks. The ALPORA Innovation Europa fund does not invest in financials and was unable to keep pace with the overall market for a short period (Fig. 3).

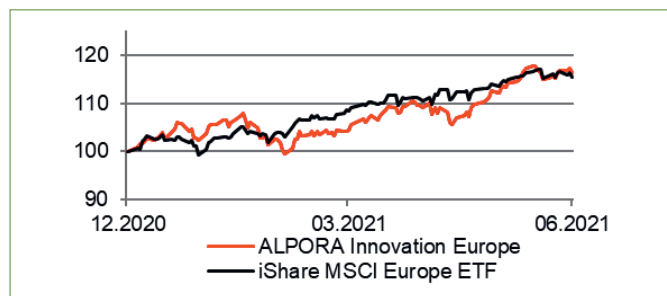


Fig. 3: Performance 2021

Source: AMG, Bloomberg

The innovative healthcare and technology sectors recovered strongly in the second quarter thanks to a strong economic upturn in Europe and good quarterly results. The energy sector, which is overweighted too, also contributed to new highs of the fund (Fig. 4).

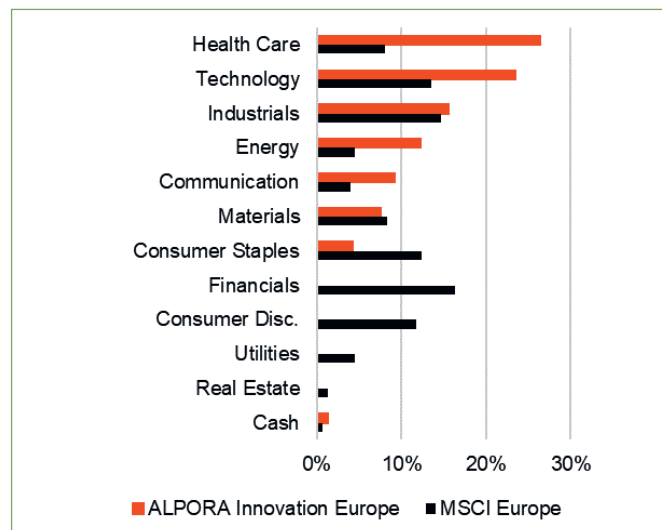


Fig. 4: Breakdown by Sectors

Source: AMG

The fund enjoys a loyal investor base; redemptions due to rebalancing were offset by new money (Fig. 5).

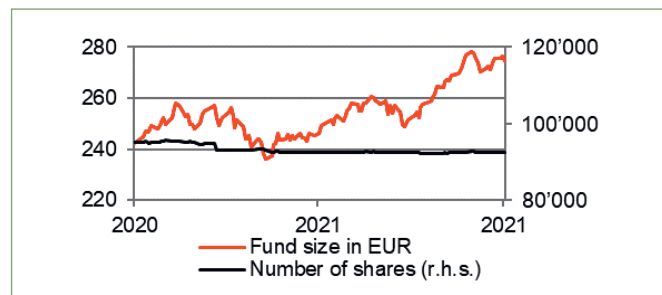


Fig. 5: Fund volume in EUR (million)

Source: AMG

Outlook

By mid-2021, the innovation efficiency of the companies in the defined universe will be reassessed and implemented with the 30 best stocks.

We would like to thank our valued investors for the trust they have placed in us.

AMG Fondsverwaltung AG

Statement of Assets

	30.6.2021 EUR	31.12.2020 EUR			
Bank Balances	3 814 435	4 431 836			
Debtors	326 680	78 689			
Equities	269 489 584	238 663 031			
Derivatives	-176 392	-308 521			
Total Fund Assets	273 454 307	242 865 035			
Bank liabilities	-17	-75			
Liabilities	-85 018	-49 385			
Net Fund Assets	273 369 272	242 815 574			
Outstanding units	units	units			
Number of units outstanding at the beginning of the reporting period Class EUR A	50 194	53 875			
New Issued Units	4 123	15 877			
Redeemed Units	-7 744	-19 558			
Number of units outstanding at the end of the reporting period Class EUR A	46 573	50 194			
Number of units outstanding at the beginning of the reporting period Class CHF hedged	31 308	25 454			
New Issued Units	3 163	13 325			
Redeemed Units	-2 981	-7 471			
Number of units outstanding at the end of the reporting period Class CHF hedged	31 490	31 308			
Number of units outstanding at the beginning of the reporting period Class EUR B	2 593	1 853			
New Issued Units	819	1 409			
Redeemed Units	-154	-669			
Number of units outstanding at the end of the reporting period Class EUR B	3 258	2 593			
Number of units outstanding at the beginning of the reporting period Class EUR D	11 072	936			
New Issued Units	617	11 791			
Redeemed Units	-604	-1 655			
Number of units outstanding at the end of the reporting period Class EUR D	11 085	11 072			
Number of units outstanding at the beginning of the reporting period Class EUR E	1 556	-			
New Issued Units	2 190	1 879			
Redeemed Units	-47	-323			
Number of units outstanding at the end of the reporting period Class EUR E	3 699	1 556			
Net asset value per unit	Class EUR A in EUR	Class CHF hedged in CHF	Class EUR B in EUR	Class EUR D in EUR	Class EUR E in EUR
30.6.2021	2 964.78	3 209.35	2 945.33	2 971.29	152.86
Change in net assets	EUR				
Net fund assets at the beginning of the reporting period	242 815 574				
Balance from unit trade	-6 880 155				
Distribution	-98 678				
Total result of the financial year	37 528 263				
Net fund assets at the end of the reporting period	273 369 272				

Statement of Income Class EUR A

	1.1. – 30.6.2021 EUR	1.1. – 31.12.2020 EUR
Income bank deposits	–	–
Income on shares (dividends)	1 016 356	1 465 524
Equalisation income on subscriptions	6 989	94 119
Total income	1 023 345	1 559 643
less:		
Bank charges and debit interest	5 479	9 927
Auditor fees	2 196	5 428
Management fees (1.14%)	740 096	1 200 252
Custodian fees (0.05%)	31 578	52 704
Other expenses	12 304	14 816
Equalisation income on redemptions	-225	79 472
Total expenses	791 428	1 362 599
Net income	231 917	197 044
Realized capital gains and losses	6 379 767	6 547 400
Net realized gain	6 611 684	6 744 444
Unrealized capital gains and losses	13 094 317	12 154 070
Total result	19 706 001	18 898 514

Statement of Income Class CHF hedged

	1.1. – 30.6.2021 CHF	1.1. – 31.12.2020 CHF
Income bank deposits	–	31
Income on shares (dividends)	752 954	803 055
Equalisation income on subscriptions	4 043	86 071
Total income	756 997	889 157
less:		
Bank charges and debit interest	4 008	5 648
Auditor fees	1 600	3 047
Management fees (1.14%)	534 513	687 095
Custodian fees (0.05%)	23 017	29 982
Other expenses	9 042	8 496
Equalisation income on redemptions	4 123	25 338
Total expenses	576 303	759 606
Net income	180 694	129 551
Realized capital gains and losses	3 203 003	5 548 760
Net realized gain	3 383 697	5 678 311
Unrealized capital gains and losses	9 586 690	8 622 672
Total result	12 970 387	14 300 983

Statement of Income Class EUR B

	1.1. – 30.6.2021 EUR	9.7. – 31.12.2020 EUR
Income bank deposits	–	5
Income on shares (dividends)	70 315	62 737
Equalisation income on subscriptions	-2 322	2 192
Total income	67 993	64 934
less:		
Bank charges and debit interest	362	449
Auditor fees	142	240
Management fees (1.63%)	68 236	77 916
Custodian fees (0.05%)	2 044	2 370
Other expenses	838	693
Partial transfer of expenses to realized capital gains and losses ¹	–	-9 540
Equalisation income on redemptions	188	-960
Total expenses	71 810	71 168
Net income	-3 817	-6 234
Realized capital gains and losses	444 335	337 486
Partial transfer of expenses to realized capital gains and losses ¹	–	-9 540
Total realized capital gains and losses	444 335	327 946
Net realized gain	440 518	321 712
Unrealized capital gains and losses	843 913	466 940
Total result	1 284 431	788 652

¹ According to circular no. 24 of the ESTV

Statement of Income Class EUR D

	1.1. – 30.6.2021 EUR	6.9. – 31.12.2020 EUR
Income bank deposits	–	18
Income on shares (dividends)	242 438	125 455
Equalisation income on subscriptions	1 031	72 055
Total income	243 469	197 528
less:		
Bank charges and debit interest	1 291	1 060
Auditor fees	515	523
Management fees (1.14%)	173 548	125 401
Custodian fees (0.05%)	7 406	5 532
Other expenses	2 925	1 322
Equalisation income on redemptions	906	8 758
Total expenses	186 591	142 596
Net income	56 878	54 932
Total realized capital gains and losses	1 521 943	1 445 934
Net realized gain	1 578 821	1 500 866
Unrealized capital gains and losses	3 055 018	4 349 205
Total result	4 633 839	5 850 071

Statement of Income Class EUR E

	1.1. – 30.6.2021 EUR	6.5. – 31.12.2020 EUR
Income bank deposits	–	–
Income on shares (dividends)	3 600	353
Equalisation income on subscriptions	-272	-535
Total income	3 328	-182
less:		
Bank charges and debit interest	18	5
Auditor fees	7	2
Management fees (1.88%)	3 864	896
Custodian fees (0.05%)	101	24
Other expenses	43	6
Equalisation income on redemptions	-6	-29
Total expenses	4 027	904
Net income	-699	-1 086
Realized capital gains and losses	26 214	5 012
Net realized gain	25 515	3 926
Unrealized capital gains and losses	46 341	22 327
Total result	71 856	26 253

Statement of investments as of June 30, 2021

Description	Currency	Balance at (in 1'000 resp. piece) 30.6.2021	Purchases	Sales	Price at 30.6.2021	Valuation EUR	as % of total assets
Securities							
Equities (traded on an exchange)						269 489 584	98.55
BACHEM NA -B-	CHF	23 469	3 434	619	548.000	11 732 359	4.29
Belimo NA	CHF	29 340	29 340		423.000	11 321 675	4.14
Inficon NA	CHF	6 894	441	673	1 070.000	6 729 228	2.46
Lem NA	CHF	3 628	601	102	1 940.000	6 420 653	2.35
Lindt & Spruengli NA	CHF	130	16	3	96 900.000	11 491 516	4.20
Roche GS	CHF	23 264	5 679	716	348.550	7 397 069	2.71
Schweiter Technologies I	CHF	7 224	241	236	1 356.000	8 936 092	3.27
VAT Group NA	CHF	37 192		9 603	307.600	10 436 288	3.82
Genmab	DKK	37 631	10 269	996	2 566.000	12 985 194	4.75
Aixtron	EUR	414 008		233 144	22.850	9 460 083	3.46
Atoss Software -I-	EUR	21 559	1 109	2 159	186.400	4 018 598	1.47
Basler AG	EUR	24 995		9 469	104.400	2 609 478	0.95
Deutsche Telekom	EUR	512 871	66 880	41 823	17.812	9 135 258	3.34
Eckert & Ziegler	EUR	122 454	21 512	58 738	96.350	11 798 443	4.31
Eni	EUR	650 762		207 937	10.270	6 683 326	2.44
Esker	EUR	25 447		4 663	246.000	6 259 962	2.29
Galapagos	EUR	96 805	54 566	2 092	58.480	5 661 156	2.07
Interpump Group	EUR	147 283		22 047	49.940	7 355 313	2.69
LPKF Laser & Electronics	EUR	330 061	57 253	37 655	24.560	8 106 298	2.96
Neste	EUR	228 914	60 113	22 942	51.640	11 821 119	4.32
SAES Getters NA	EUR	272 189	59 563	6 846	21.900	5 960 939	2.18
STRATEC NA	EUR	47 480	11 306	1 436	117.800	5 593 144	2.05
Stroeer Inh.	EUR	136 880	19 868	3 945	67.550	9 246 244	3.38
verbio Vereinigte BioEnergie	EUR	89 119		67 311	42.720	3 807 164	1.39
Advanced Medical Solutions	GBP	1 767 985	122 596	57 282	2.840	5 848 992	2.14
Gamma Communications	GBP	267 666	35 720	21 673	19.900	6 204 837	2.27
Kainos Group	GBP	338 601		151 806	14.750	5 817 875	2.13
Rio Tinto Plc	GBP	165 816	7 585	12 255	59.490	11 490 912	4.20
Equinor NA	NOK	622 550	19 097	127 296	182.180	11 113 893	4.06
Nordic Semiconducto	NOK	423 963		232 556	218.200	9 065 129	3.32
Beijer Alma -B-	SEK	270 595	5 399	44 398	170.400	4 546 380	1.66
SCA -B-	SEK	689 271		64 076	140.250	9 531 676	3.49
Sectra -B- Reg.	SEK	166 915	42 476	18 103	662.500	10 903 292	3.99
Total securities						269 489 584	98.55
Total derivatives (as per separate list)						-176 392	-0.06
Cash and other assets						4 141 115	1.51
Total fund assets						273 454 307	100.00
Bank liabilities						-17	
Liabilities						-85 018	
Total net assets						273 369 272	
Exchange rates:							
EUR 1.0000 = CHF 1.0962	EUR 1.0000 = GBP 0.858452						
EUR 1.0000 = SEK 10.142	EUR 1.0000 = NOK 10.2049						
EUR 1.0000 = DKK 7.43625							

Divergences in the totals may be attributed to rounding differences.

Statement of investments as of June 30, 2021

Breakdown

Shares, PS, GS by countries	Valuation EUR	as % of total assets
Belgium	5 661 156	2.07
Denmark	12 985 194	4.75
Germany	63 774 709	23.32
Finland	11 821 119	4.32
France	6 259 962	2.29
Italy	19 999 578	7.31
Norway	20 179 021	7.38
Sweden	24 981 348	9.14
Switzerland	74 464 881	27.23
United Kingdom	29 362 615	10.74
Total	269 489 584	98.55

Fair value hierarchy

The following table shows the fair value hierarchy of the investments. Fair value is the price, that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Investment type	Total amount	Valuation		
		Valuated at prices quoted on an active market	Valuation based on obser- vable market parameters	Valuation method not based on market data (valuation models)
Equities	269 489 584	269 489 584	–	–
Bonds	–	–	–	–
Investments in other collective investment schemes	–	–	–	–
Derivatives	-176 392	–	-176 392	–
Total	269 313 192	269 489 584	-176 392	–

Divergences in the totals may be attributed to rounding differences.

Transactions during the reporting period

(If they no longer appear in the statement of net assets)

Currency	Description	Purchases	Sales
Securities			
Equities			
CHF	Belimo NA	88	1 415

Description	Currency	Stock at the end of the previous period	Purchases	Sales	Stock on 30.6.2021
Forward exchange transactions Class CHF hedged					
Forward currency contract EUR CHF 15.09.21	CHF	–	35 000 000	-1 500 000	33 500 000
Forward currency contract EUR CHF 15.12.21	CHF	–	66 000 000	–	66 000 000
Forward currency contract EUR CHF 17.03.21	CHF	30 650 000	–	-30 650 000	–
Forward currency contract EUR CHF 18.06.21	CHF	54 200 000	13 800 000	-68 000 000	–

Incl. merger, split, reorganisation, redemption etc. Bonds in thousand.

Derivatives using the commitment approach I

Total exposure from derivatives, which are booked in the CHF hedged class

	in amount in CHF	as % of net assets class CHF hedged
engagement increasing positions	–	0.00
engagement reducing positions	99 693 361	98.65

Currency forward exchange transactions | Safeguarding Class CHF hedged

Currency	Expiry	Amount of foreign currency	Equivalent value purchase CHF	Value at 30.6.2021 CHF	Income CHF	Income EUR
EUR/CHF	15.09.2021	-30 352 757	33 500 000	-33 257 121	242 879	221 565
EUR/CHF	15.12.2021	-60 666 603	66 000 000	-66 436 240	-436 240	-397 956
(Unrealized) result from currency forward exchange transactions					-193 361	-176 392

Identity of the contracting parties in OTC derivative transactions:

Currency forward exchange transactions: Bank J. Safra Sarasin AG, Basel (Custodian Bank).

Supplementary information to the semi-annual report as of June 30, 2021

1. Fund Performance

No benchmark comparison is available for this fund. Past performance is no indicator for current or future results. Performance figures do not take into account any commissions charged on issue or redemption of units.

2. Soft commission agreements

For the period from January 1 to June 30, 2021 no "soft commission agreements" in the name of LLB Swiss Investment AG were applied and no soft commissions were received.

3. Principles for the valuation and the calculation of the net asset value

The valuation is effected as per §17 of the fund contract

§17 Calculation of the Net Asset Value

1. The net asset value of the investment fund and the share of assets attributable to the individual classes (prorated shares) are calculated in CHF at their market value as of the end of the financial year and for each day on which units are issued or redeemed. The fund assets will not be calculated on days when the stock exchanges/markets in the investment fund's main investment countries are closed (e.g., bank and stock exchange holidays).
2. Securities traded on a stock exchange or another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current market value is available shall be valued at the price which would probably be obtained upon a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price / net asset value. If they are regularly traded on a stock exchange or another regulated market open to the public, the fund management company may value such funds in accordance with sec. 2.
4. The value of money market instruments that are not traded on a stock exchange or another regulated market open to the public is determined as follows: the valuation price of such investments is successively adjusted in line with the redemption price, taking the net purchase price as the basis and ensuring that the investment returns calculated in this manner are kept constant. If there are significant changes in the market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns. If there is no current market price in such instances, the calculations are as a rule based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).
5. Bank credit balances are valued on the basis of the amount due plus accrued interest. If there are significant changes in the market conditions, the valuation principles for time deposits will be adjusted in line with the new circumstances.
6. The net asset value of units of a given class is determined by the proportion of the fund's assets as valued at the market value attributable to the given unit class, minus any of the investment fund's liabilities that are attributed to the given unit class, divided by the number of units of the given class in circulation. It will be rounded to one centime.
7. The percentages of the market value of the Fund's net assets (fund assets less liabilities) attributable to the individual unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the Fund for each unit class. The percentage is recalculated when one of the following events occurs:
 - a) when units are issued and redeemed;
 - b) on the relevant date for distributions, provided that (i) such distributions are only made for individual unit classes (distribution classes); (ii) the distributions of the various unit classes differ when expressed as a percentage of the respective net asset values; or (iii) different commission or expenses are charged on the distributions of the various unit classes when expressed as a percentage of the distribution;
 - c) when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued expenses and commissions) to the various unit classes, provided that the liabilities of the various unit classes are different when expressed as a percentage of the respective net asset value, especially if (i) different commission rates are applied for the various unit classes or (ii) class-specific expenses are charged;
 - d) when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided the income or capital gains stem from transactions made solely in the interests of one unit class or several unit classes but disproportionately to their share of the net fund assets.

Additional information for the distribution of Shares in Germany

The following information is directed at potential buyers in the Federal Republic of Germany, in that it more precisely lays out and expands the prospectus with regard to sales in the Federal Republic of Germany:

Information Office

The information office in the Federal Republic of Germany is the
ODDO BHF Aktiengesellschaft
Bockenheimer Landstraße 10
D - 60323 Frankfurt am Main

Redemption and Exchange Orders, Payments

Investors in Germany can submit their redemption and exchange orders at their institution maintaining the custody account in Germany. This institution will forward the orders to be handled at the custodian bank of the fund or request the redemption in its own name to be credited to the account of the investor.

Fund distributions, redemption revenues and other payments to the investor in Germany also go through the institution maintaining the custody account in Germany. It will credit the payments to the account of the investor.

Information

Copies of the sales prospectus, key investor information document (KIID), fund contract, annual and semi-annual report, issuing and redemption prices (as well as possible exchange prices) are available at not charge from the information office.

Price Publications and Other Notifications

The issuing and redemption prices as well as all other legally required notifications to the investor are published in the Internet at www.swiss-funddata.ch.