



Press Release

Zug, 7 April 2021

Alpine Select AG: investment activity and annual result 2020, corporate actions

Annual Result 2020

Despite the significant global economic downturn caused by the COVID pandemic and the sharp decline in equity markets in Q1 2020, Alpine Select posted another solid result for the financial year 2020: Total return to shareholders was +3.7% (adjusted for dividends increase of the share price from CHF 13.22 to CHF 13.70). The dividend of CHF 1.00 per share was paid out to shareholders in May 2020. The Net Asset Value («NAV») recorded an increase of 4.5% for the same period (from CHF 13.36 to CHF 13.96).

In the FER-financial reporting 2020, a profit for the year of CHF 5.8 million was disclosed. In the comparative period (year 2019) a profit of CHF 13.7 million was reported.

Due to the reduced total assets (following the share buyback programs), the members of the Board of Directors of Alpine Select Ltd. («Alpine Select») continue waiving 10% of their compensation, which is granted in addition to their ordinary board of directors' fee.

Portfolio development in 2020

The global sharp drop in asset prices in the first quarter of 2020 due to the COVID shock was followed by unprecedented economic and fiscal stimuli that resulted in a remarkable market recovery for the remainder of the year. We recognize the need for coordinated measures (by the central banks). But we are also convinced that only solid and future-oriented business models will prevail in the long term. More than ever, we remain passionate advocates of active asset management and compose our portfolio with these beliefs.

Our **quoted portfolio** contributed a net gain of CHF 4.63 million to the annual result. Main contributors came through our investment in HBM Healthcare Investments Ltd. (realized profit of CHF 2.58 million) and from the new position in IP Group PLC («IP Group», net profit of CHF 1.97 million). Such transactions underpin the benefits of Alpine Select as an agile investment organization with short decision-making processes. Further contributions were made by Castle Alternative Invest Ltd. («Castle»), which recorded an unrealized loss contribution of CHF 1.36 million despite a solid NAV performance, and by XBiotech Inc., which contributed a realized gain of CHF 0.77 million.

Our **unquoted investments** contributed a net loss of CHF 2.04 million to the annual result. The main drawdown came from our Global Macro strategies, which were redeemed consequently with realized losses of CHF 3.4 million. Our Chinese exposure posted an unrealized gain of CHF 0.65 million.

During 2020 Alpine Select started building initial positions in the Crypto Market. Our investment with Systematic DLT Fund, SwissRex Crypto Fund and a Bitcoin Tracker Certificate resulted in net profits of CHF 1.88 million.

Investment Activity in 2020

We started 2020 with a cash quota of 16.8% which enabled us to trade actively throughout the year.

In early Summer of 2020, we started building an exposure to the London based Investment Company IP Group. We are very pleased with the well-diversified IP Group portfolio and are convinced that this investment will continue to contribute positively.

We added to our Castle allocation at an attractive discount of 8%. Castle manages a defensive and well-diversified alternative investment portfolio with remarkable stability. We maintain this position as a stability component to our overall portfolio going into 2021.

In 2020 we made our first experiences with investments in the relatively new asset class of cryptocurrencies. We seek to identify suitable manager and investment styles to give our shareholders a balanced exposure to this new asset class. Bitcoin is obviously still the industry's most important cryptocurrency. However, we see significant potential in Ethereum, currently the most widely used smart-contract platform within the crypto industry. This ecosystem of decentralized applications, which is built on the Ethereum blockchain, already enables the basics of a decentralized financial system. Consequently, we have built an initial crypto exposure of 3.95% by the end of 2020. We continue to look for suitable crypto managers for our contemporary and diversified investment portfolio.

Further information on Alpine Select's investment activities can be found in the 2020 annual report and on current focus topics in the monthly reports.

Corporate Actions – Proposed dividend distribution

The board of directors will propose to the ordinary shareholders' meeting 2021 to distribute a dividend of CHF 1.00 gross per outstanding share.

Annual report 2020

The annual report 2020 of Alpine Select can be viewed and downloaded online from 16 April 2021 at <https://www.alpine-select.ch/en/investors#downloads>.

For further information, please contact Claudia Habermacher (chabermacher@alpine-select.ch) or visit our website www.alpine-select.ch.

About Alpine Select

Alpine Select Ltd is an investment company domiciled in Zug and has been listed on the SIX Swiss Exchange since 1998. The Company offers its shareholders the key benefit of investing into a diversified alternative investment portfolio. Alpine Select maintains an active and constructive dialogue with management and board of directors of its portfolio companies in the best interest of its shareholders. Alpine Select does not charge any management or performance fees.