

Market commentary

The soft-landing economic path in which the Federal Reserve manages to curb inflation without causing output to contract has gained more consensus in recent weeks, prompting some investors to take on more risk. The tail risk of a hard landing is being priced out, which doesn't equal bullishness on the economy.

An illustrative example of such are the two events which took place on 24 August: Nvidia earnings and the Jackson Hole Meeting. Despite blowout earnings, the Nasdaq composite fell 2% because bond yields started dominating the narrative. Mr. Powell has insisted the Fed's inflation fight has a long way to go, but markets have been more of the view that the battle is nearly won. Yet in the last week of August, Nasdaq composite climbed 4% to regain and add to the temporary loss. Overall, the markets were down for the month: S&P 500 -1.8%, Nasdaq -2.2% and the SMI detracted 1.6%.

Recession or no recession, we think the probability of higher-for-longer interest rates is far greater than the likelihood of near-term cuts. We maintain a rather defensive allocation.

Portfolio comments

IP Group delivered solid progress during H1-23. Despite the mediocre performance of the listed companies, IP Group's private portfolio of Life Sciences, CleanTech and DeepTech holdings have made impressive clinical, technical and/or commercial progress. The private portfolio secured financings at largely up/flat valuation rounds during the first six months with strong participation from strategic investors addressing large markets with respective disruptive technologies.

IP Group's discount to NAV is incomprehensible. Currently trading at roughly 55% discount to its NAV (132p per share), IP Group's market capitalisation (£600m) roughly equals the value of its current net cash (£120m) plus its top 4 portfolio holdings.

This valuation gap does not imply about £0.7bn worth of IP Group's holdings in about 75 'smaller companies' which is essentially valued at zero, but it also notably undervalues key catalysts for their top holdings which are expected in the coming 12-18 months to materialize.

We remain patient and constructive on this core holding of ours.

Top Positions of the Portfolio (in % of Total Assets)

Cash (net)	Net Cash	23.9%
IP Group PLC	Equity – Long Only	12.0%
Cheyne Total Return Credit Fund	Credit Opportunities	10.9%
Cheyne New Europe Fund Inc.	Real Estate	9.8%
Nishkama Capital Offshore	Equity – Long/Short	5.2%

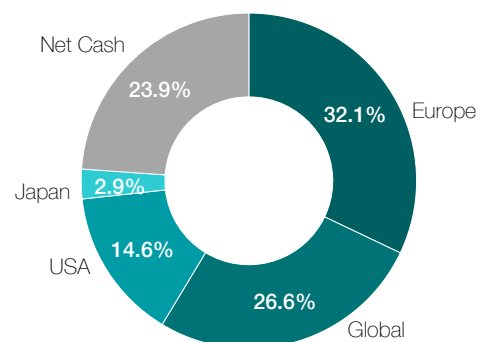
in CHF	31-Aug-23	MTD	YTD
Share price ALPN	10.40	-4.59%	-6.24%
Latest NAV (net, est.)	10.81	-0.48%	0.77%
HFRX Global HF Index	1,139.78	-0.02%	-1.16%

Net annualized return (30 Sept 2003 to 31 August 2023)

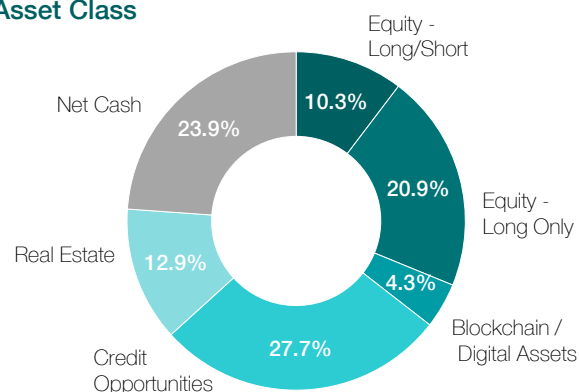
Share price ALPN	5.12%
Monthly NAV (net, est.)	5.09%

Allocations in % of Total Assets

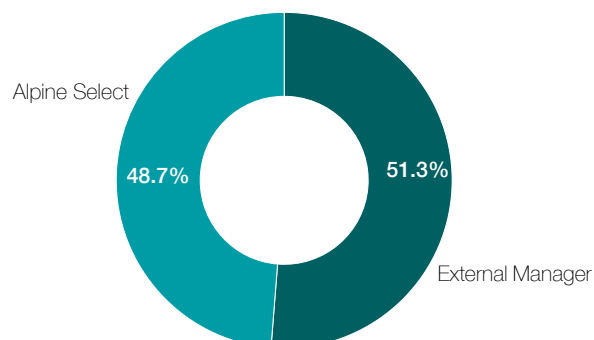
Region



Asset Class



Investment Manager



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 shareholders the key benefit of investing into a global diversified and CHF hedged alternative investment portfolio.

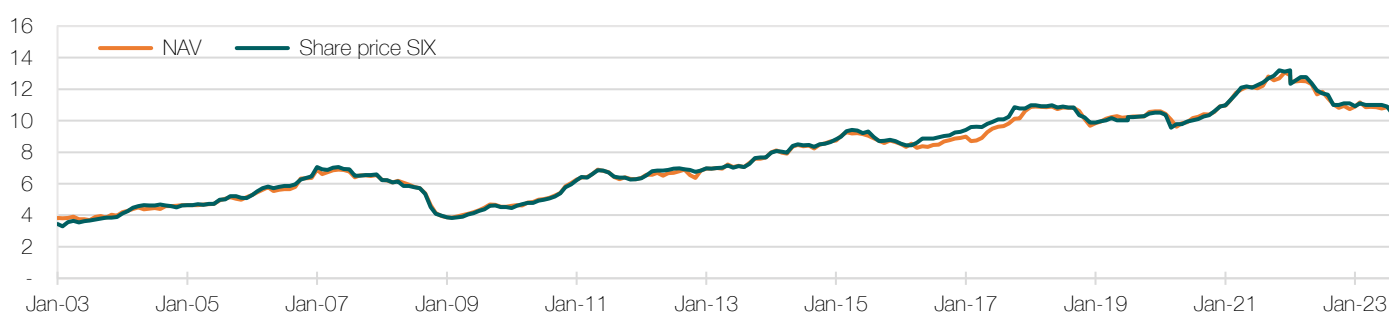
The portfolio exposure is actively being risk adjusted to current market sentiment and outlook. The investment style is value-oriented, and the investments are selected based on the Company's target return of 6-8% p.a. above CHF risk free rate.

Alpine Select maintains an active and constructive dialogue with management and board of directors of its portfolio companies in the best interest of our shareholders. Alpine Select does not charge any management or performance fees.

Price-History in CHF for the Period

30 September 2003 to 31 August 2023

(Share price: net annualized return 5.12% | NAV: Net annualized return 5.09%)



NAV Performance (in %)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	YTD
2023	1.5	2.5	-2.8	0.3	-0.3	-0.7	0.9	-0.5					0.8
2022	-1.4	-3.2	0.4	-0.1	-1.5	-5.3	1.5	-3.5	-3.3	-2.0	1.2	-2.0	-18.2
2021	0.3	3.0	4.2	1.7	1.4	0.0	-0.6	1.2	4.9	-2.0	1.0	2.9	19.6
2020	-0.1	-1.6	-3.4	-4.6	2.4	0.6	2.6	0.9	1.4	-0.2	1.7	3.5	3.1
2019	0.5	1.1	1.8	0.9	0.5	-0.9	1.7	-1.3	0.4	0.1	2.7	0.5	9.5

Alpine Facts

Incorporation date	18.09.1997	ISIN	CH0019199550	Management fees	None
Listing	SIX Swiss Exchange	Outstanding shares	8,709,900	Performance fees	None
Stock Exchange Symbol	ALPN	Custodian	Bank Julius Baer	Advisory fees	TCHF 108/annually

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