AMG Schweizer Perlen Fund

Small & Mid Caps with high quality

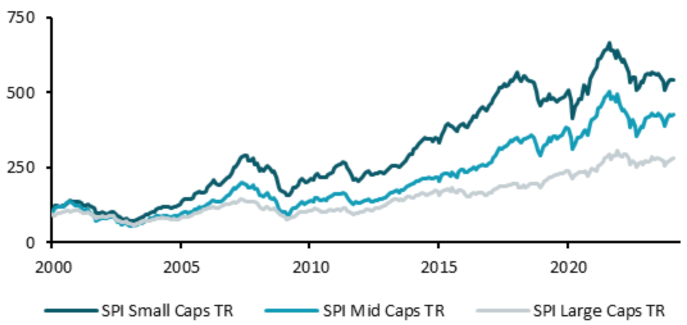
Key messages

- The valuation of Swiss equities is moderate.
- Small and mid-cap stocks show strong recovery potential.
- Growth stocks show strong recovery potential.
- We have further optimized the orientation of our portfolio to benefit as much as possible from the next upward movement in the market.
- In the bull market and over the cycles, the fund outperformed the benchmark index in a long-term comparison.

Small and mid-cap stocks show strong recovery potential

Small and medium-sized companies tend to perform better on the stock market in the long term compared to large companies; a phenomenon known as the "small-cap effect". This effect is because smaller companies are often more innovative and agile than large companies, especially if they are managed by their owners. These companies are also often characterized by their market leadership in niche markets. In addition, smaller companies offer greater growth and therefore performance potential due to their lower market capitalization. Medium-sized and small companies are also frequently taken over by larger companies, with a premium being paid for the takeover.

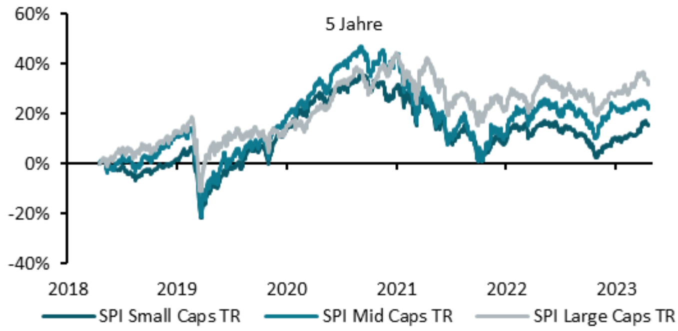
Small-capitalized Swiss companies historically with attractive returns



Source: Bloomberg (monthly data, total return), Chart: Serafin,
Note: Figures in Swiss francs (CHF)

Over the past 48 months, Swiss small and mid-cap shares have lost considerable ground compared to large caps. There is great potential to catch up.

Small and mid-capitalized Swiss companies with catch-up potential in the medium term

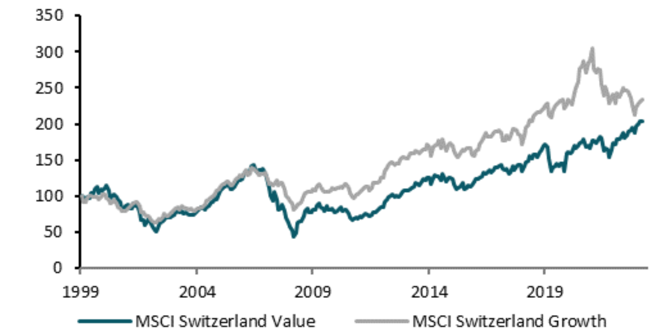


Source: Bloomberg (monthly data, total return), Chart: Serafin,
Note: Figures in Swiss francs (CHF)

Growth stocks show strong recovery potential

Since the start of the interest rate turnaround in Q4/2021, growth stocks have performed significantly worse than value stocks. Rising interest rates mean that future free cash flows will lose value, which is why growth stocks have been "punished" by the market. Many high-quality growth stocks in the Swiss small-cap segment were also adversely affected, which in our opinion created investment opportunities.

Growth stocks versus value stocks



Source: Bloomberg (monthly data), Chart: Serafin,
Note: Figures in Swiss francs (CHF)

Recovery potential will materialize

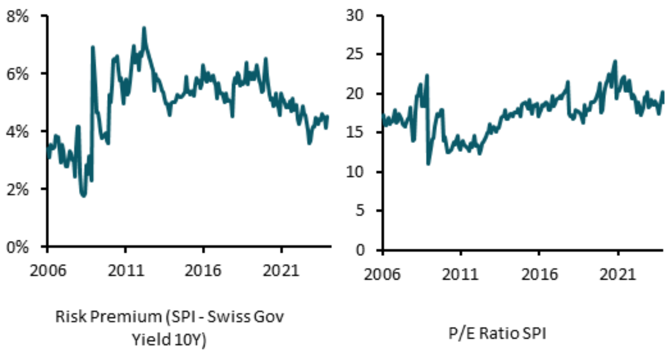
We believe that the (too) strong correction in growth stocks harbors considerable recovery potential in many high-quality Swiss small and mid-caps. The headwind from the relatively sharp rise in interest rates should ease as interest rates reach their peak in the current cycle with the potential for lower interest rates.

It should also be noted that the current higher interest rate level in Switzerland is significantly lower in absolute terms than in the USA and Europe. This fact alone increases the attractiveness of Swiss small & mid caps compared to foreign companies in this segment. Easing geopolitical tensions and the avoidance of a further significant slowdown in economic activity worldwide are further factors that could positively support the recovery potential of the equity market in general and small and mid-cap companies in particular.

The valuation of Swiss equities remains moderate

The valuation of Swiss equities currently corresponds to the historical average, which means that they are neither overvalued nor undervalued. An entry at these levels is recommended.

Swiss equity market: risk premium and P/E ratio



Source: Bloomberg (monthly data), Chart: Serafin,
Index: Swiss Performance Index (SPI)

Alignment of the portfolio further optimized

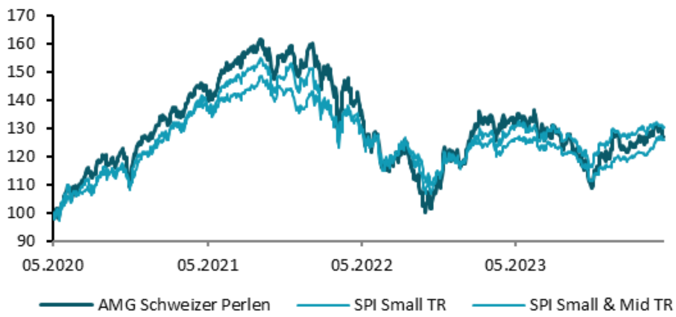
We further optimized the portfolio over the year and focused even more strongly on high-quality growth stocks. New companies such as Chocoladefabriken Lindt & Sprüngli AG, DKSH Holding AG, Medacta Group SA, Siegfried Holding AG and SKAN Group AG were added to the portfolio. We sold shares in Arbonia AG, Barry Callebaut AG, Daetwyler Holding AG, Mobilezone Holding AG and Zehnder Group AG. We have thus further sharpened our profile and increased our performance potential in line with our strategy.

Outperformance in the bull market and over the cycles

The fund aims to outperform the benchmark SPI Small & Mid Cap TR Index over the long term in bull markets and over cycles. This is based on the following factors:

- Schweizer Perlen: Focus on high-quality growth stocks in the small-cap segment that have a strong market position or are market leaders in a niche.
- High weighting in small-cap stocks below the SMIM segment.
- Greater flexibility and agility due to fund size.

Performance since the acquisition of the fund by Serafin Asset Management AG in 2020



Source: Bloomberg (monthly data), Chart: Serafin,
Index: SPI Small & Mid TR,
Note: Past performance is not a reliable indicator of future performance. Please note that the aforementioned performance is shown in the fund currency Swiss franc (CHF) and therefore currency effects in investment currencies (like Euro) other than the fund currency are not taken into account in the performance shown.

AMG Schweizer Perlen Fund

Small & Mid Caps with high quality

Portfolio Management

Ronald Wildmann

Patrick Hofer

For more information about the AMG Schweizer Perlen Fund please visit our website:

www.serafin-am.com

Contact us for further information:

Distribution Switzerland:
Serafin Asset Management AG
Bahnhofstrasse 29
CH-6300 Zug
T +41 41 726 71 71
******

Distribution Germany:
Serafin Asset Management GmbH
Börsenstrasse 13-15
DE-60313 Frankfurt am Main
T +49 69 950 647 140
******

AMG Schweizer Perlen Fund

Small & Mid Caps with high quality

Important information

This document is a marketing communication prepared for information purposes only. It constitutes neither an offer nor a recommendation to buy or sell shares of investment funds. This advertising communication is also not a personal recommendation or investment advice and cannot replace such.

The information, analyses, opinions, and forecasts contained herein are based on our knowledge and market assessment at the time of preparation – subject to change and amendment. Some of this information is based on data we have obtained from external sources and is considered reliable. However, Serafin Asset Management does not guarantee the accuracy or completeness of this information; furthermore, Serafin Asset Management and its affiliates and their respective directors, officers, and employees assume no responsibility or liability for any errors or misrepresentations made by any third party in the data. Serafin Asset Management assumes no liability for the content's accuracy, timeliness, and completeness or the occurrence of forecasts. Forecasts and historical performance are no guarantee of actual future performance. The price of a fund share can go down as well as up. It is possible that investors may not get back the amount originally invested. The performance data does not consider the commissions and costs charged on the issue and redemption of units. Trading in financial instruments is associated with risks.

The Fund referred to in this document may only be offered for sale or sold in jurisdictions or to persons in which or to whom such an offer or sale is permitted. The fund may only be advertised if such advertising complies with the applicable legal provisions and regulations. The fund is authorized for distribution to private clients in Germany and Switzerland within the meaning of Section 67 (3) WpHG and Article 4 (2) FinSA. For further country authorizations, please contact Serafin Asset Management GmbH in Frankfurt am Main/Germany or Serafin Asset Management AG in Zug/Switzerland or visit www.serafin-am.com.

For investors in Switzerland, the legal fund documents (prospectus, key investor information document (PRIIP-KID), annual and semi-annual reports) are available free of charge from Serafin Asset Management AG, Bahnhofstrasse 29, CH-6300 Zug and at www.serafin-am.com or from the fund management company and the Swiss representative LLB Swiss Investment AG, Claridenstrasse 20, CH-8002 Zurich. For German investors, the relevant documents are available from Serafin Asset Management GmbH, Börsenstrasse 13-15, D-60313 Frankfurt am Main and at www.serafin-am.com and from the respective information agent in Germany for the following funds: ODDO BHF Aktiengesellschaft, Bockenheimer Landstr. 10, D-60323 Frankfurt am Main in the case of AMG Gold - Mines & Metals Fund and DONNER & REUSCHEL Aktiengesellschaft, Ballindamm 27, D-20095 Hamburg in the case of AMG Schweizer Perlen Fund, in each case in paper form, or electronically at www.fundinfo.com.

Subscriptions for fund shares can only be accepted based on the relevant fund documents. The fund documents contain detailed risk information. Please read the relevant fund documents before making a final investment decision.

Shares of this investment fund may not be offered, sold, or delivered in the USA or to US persons (as defined under Regulation S of the US Securities Act of 1933 and/or Rule 4.7 of the US Commodity Futures Trading Commission, in the respective valid versions).

Serafin Asset Management AG, Zug/Switzerland, is prudentially regulated and supervised as a "manager of collective assets" by the Swiss Financial Market Supervisory Authority FINMA.

Serafin Asset Management GmbH, Frankfurt am Main/Germany, is an asset management company regulated by the German Federal Financial Supervisory Authority (BaFin) and is subject to its supervision.