

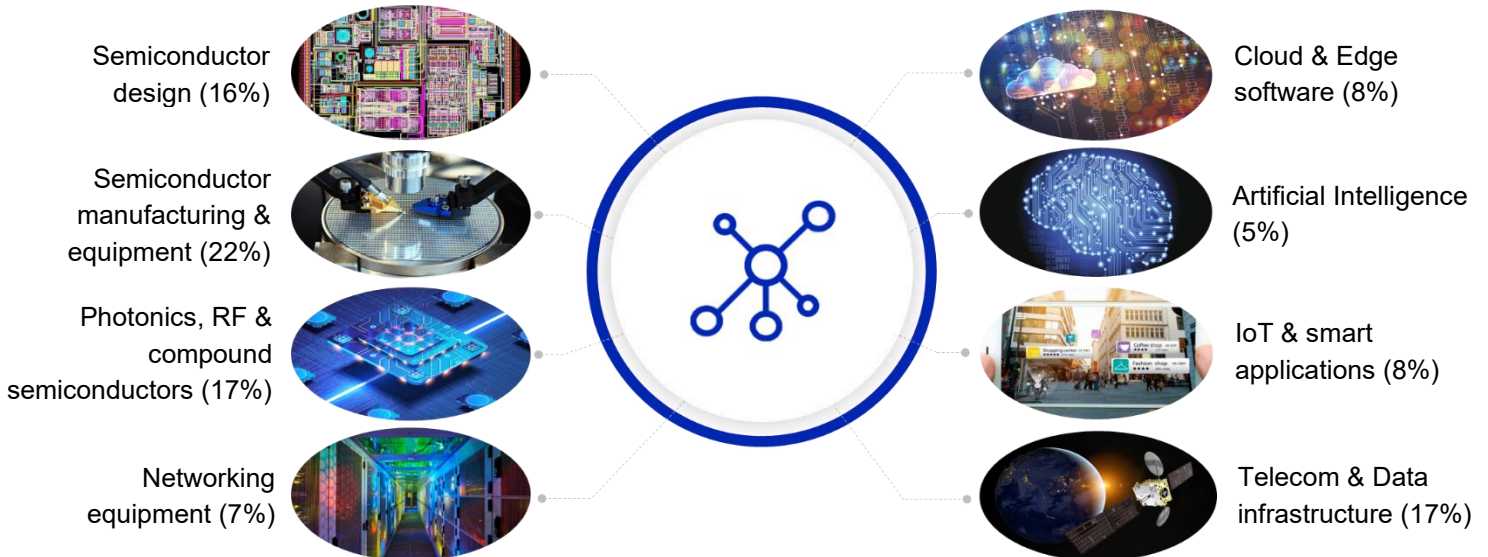


Investment Rationale

- The global technology infrastructure has been under strain due to the increasing digitization of the economy and the emergence of several powerful innovations such as smart cars, the Internet of Things and the Metaverse should only exacerbate latency and bottleneck issues.
- To support the artificial intelligence, real-time and 3D requirements of this new generation of applications, a multi-year investment cycle in 5G, cloud and edge computing is on its way.
- Longer term, space-based connectivity should be another major driver and bring ubiquitous high-speed data in regions where connectivity has been limited.

ISIN	CH0473585260	XS2168938913
NAV	USD 121.8	USD 74.4
Inception Date	04.11.2019	03.03.2021
Issuer Rating	Kepler - UBS S&P A+	Kepler - JPM S&P A+
Number of Holdings	34	
Liquidity	Daily	
Management fees	1.6% (incl. Issuer fees)	
Performance fees	15% (HWM)	

Investment Universe



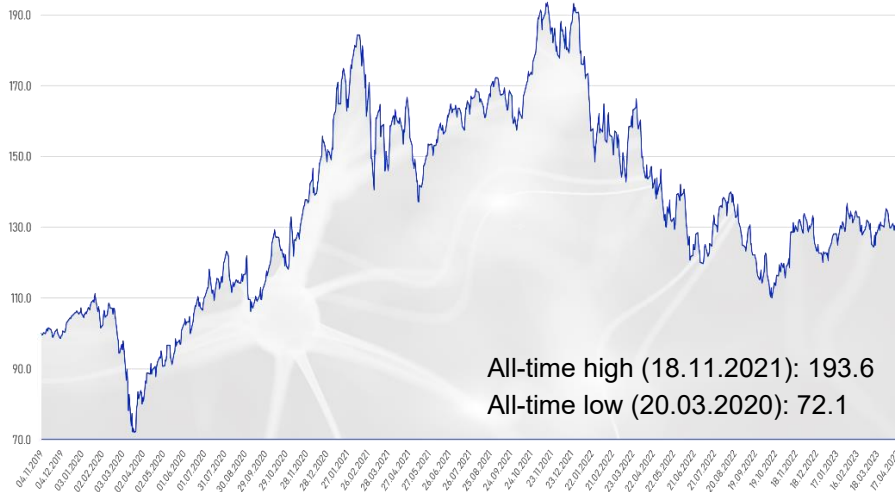
April Report

- The Smart Connectivity certificate fell 9.9% in April, underperforming the MSCI AC World by 11.5%.
- The underwhelming Q1 results of the world's largest semiconductor manufacturers - TSMC, Samsung and Intel - are nevertheless all pointing towards a constructive outlook: the industry's trough is near, the second half should see some demand acceleration and the capex intensity will remain elevated, albeit a tad lower than previously planned. This outlook is confirmed by many other (Taiwanese) semis companies seeing inventories gradually returning to normal levels as well as Chinese demand slowly picking up.
- AI, IT industry's current hot topic, seems to be the new silver bullet against the ongoing economic slowdown as

- demonstrated by Microsoft and Meta's latest results.
- During their respective earnings calls, both companies heavily emphasized the positive impact that AI is having on their revenues, either from the platform monetization side (Meta) or from the increased adoption rates of AI-featured products/services (Microsoft).
- And amid general spending scrutiny, both companies, which had somewhat paused their cloud capex in recent quarters, are reaccelerating spending. Azure capex was up \$1 billion or 15% over the previous quarter (and up 24% year-on-year) and should again "materially increase" in the June quarter. And Google, now expects its 2023 capex to be "modestly higher", driven by a "meaningful increase" in cloud/AI infrastructure (offset by a decline in office facilities).



Performance



	2020	2021	2022	2023
Jan	-3.9%	8.3%	-16.8%	6.0%
Feb	-7.1%	-0.4%	-1.3%	-0.5%
Mar	-11.8%	-5.9%	1.7%	4.5%
Apr	12.8%	1.2%	-12.4%	-9.9%
May	7.4%	-1.2%	-0.8%	
Jun	7.7%	6.6%	-10.9%	
Jul	10.9%	1.7%	10.2%	
Aug	-3.0%	2.1%	-6.1%	
Sep	-1.3%	-6.0%	-10.5%	
Oct	3.4%	11.3%	3.9%	
Nov	15.5%	3.0%	12.2%	
Dec	9.9%	4.3%	-7.9%	
Annual	42.9%	26.0%	-35.7%	-0.7%

Top Performers

Meta Platforms (META US)
Microsoft (MSFT US)
NAURA Tech (002371 C2)

Worst Performers

Lattice (LSCC US)
Baidu (BIDU US)
Macom (MTSI US)

Risk

Beta vs. MSCI AC World	1.1
Correlation vs. MSCI AC World	0.8
Realized Volatility (Annualized)	32%
Cash Allocation	0%

Portfolio Structure

Top Holdings

Nvidia (NVDA US)
Lattice (LSCC US)
Microsoft (MSFT US)

Top 5 Currencies

USD	85%
EUR	9%
KRW	3%
TWD	3%

Market Cap Breakdown [USD]

Mega (> 200bn)	26%
Large (10bn to 200bn)	42%
Medium (2bn to 10bn)	32%
Small (300mln to 2bn)	0%
Micro (50mln to 300mln)	0%

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