

ALPINE SELECT

Press Release

Zug, 7 September 2020

Alpine Select Ltd.: Half-year results and information on the course of business in the first half of 2020

- Alpine Select Ltd. («Alpine Select», the «Company») ended the financial reporting period (1 January to 30 June 2020) with a loss of CHF 9.7 million. In the comparative period (as per 30 June 2019) a profit of CHF 9.3 million was reported.
- The share recorded a negative performance of 5.45% over the first six months of 2020, after paying a dividend of CHF 1.00 per registered share in May 2020. The Net Asset Value («NAV») lost 5.93% over the same period.

Market Development

The first six months of 2020 were dominated by the global impact of the COVID-19 pandemic, which brought an unprecedented emergency interruption of the 'courant normal' and a significant drop in global GDP at an unprecedented scale. Global policy makers reacted to this new situation with supporting measures and economic stimulus on a scale and speed not seen before.

As valuations on the financial markets swiftly indicated a full recovery to 2019 levels, the economy itself lags the proof of sustainable betterment. Uncertainty remains elevated in a globalized world where each country adjusts the COVID-19 restrictions individually. As we look forward, we do not believe the economic recovery will be as straightforward as what the market appears to be pricing in and thus maintain our cautious investment exposure.

Portfolio Development

Our listed equity portfolio contributed a net gain of CHF 0.8 million. Significant contributions came from HBM Healthcare Investments Ltd. (CHF 1.3 million) and a special situation investment in Xbio-tech Inc. (CHF 0.8 million). Our largest listed position Castle Alternative Invest Ltd. could not elude the market turmoil contributing net losses of CHF 1.3 million.

Our Chinese equity managers added positively CHF 0.1 million for the first half of 2020. As we further strategically seek Chinese exposure, this proofed our optimism to have selected solid and promising managers on the ground. Our Japanese managers delivered CHF 3 million net losses throughout the first six months. The strategy exposure to *Global Macro* and *Credit* was responsible for CHF 6 million net losses. The credit positions were lagging the global market recovery as of 30 June 2020.

Investment Activity

Selectively credit and digital asset exposure were added during the first half of 2020: CHF 2.8 million were invested to Cheyne Total Credit Fund which has seen discounted valuation levels in the Investment Grade Credit space in April 2020. A position in Alibaba Group Holding Ltd. has been started in June 2020 and to further diversify the portfolio to the digital space an allocation to Cryptocurrency has been initiated with Crypto Fund AG, a Swiss-based fund manager.

We actively traded in our core holding HBM Healthcare Investments Ltd. and slightly increased the holding to CHF 10.5 million by end of the second quarter. The strategic reduction of the Japan market exposure was completed in February with the full redemption of Akamatsu Bonsai Fund, SFP Value Realization Fund and UMJ Kotoshiro Feeder Fund.

We ended the First Half 2020 with 11.1% in cash which puts us in a position to capture opportunities for our shareholders and further add on selective opportunities.

Annual Shareholders' Meeting / Corporate Actions

At the annual shareholders' meeting held on 20 May 2020, shareholders passed all agenda items and proposals submitted by the Board of Directors of Alpine Select Ltd. The distribution of a dividend of CHF 1.00 gross per registered share was paid to shareholders on 27 May 2020.

Furthermore, shareholders approved the reduction of the share capital to CHF 185,159.40 by cancelling 1,025,135 registered shares that the Company had repurchased under a previous share buyback program. The implementation of the capital reduction was entered in the commercial register on 27 July 2020.

The shareholders also authorized the board to repurchase up to 10% of the share capital in the period up to the ordinary shareholders' meeting in 2022 for the subsequent definitive cancellation of the shares through a capital reduction. Based on this authorization the board has decided to launch a new share buyback program on a second trading line at SIX Swiss Exchange. Starting 26 June 2020 (first trading day) a maximum of 925,797 registered shares will be repurchased. To view the status of the share buyback program, please refer to our website: <https://www.alpine-select.ch/en/investors#action>.

Outlook

Looking forward, we remain cautious on the outlook for the global economy and position our portfolio accordingly to deal with the uncertainty ahead. Global Market valuations are heightened, and our experience recalls moments from the past to stay invested selectively with a cautious approach during these times.

Alpine Select will publish the semi-annual report 2020 on 15 September 2020.

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 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 its shareholders. Alpine Select does not charge any management or performance fees.