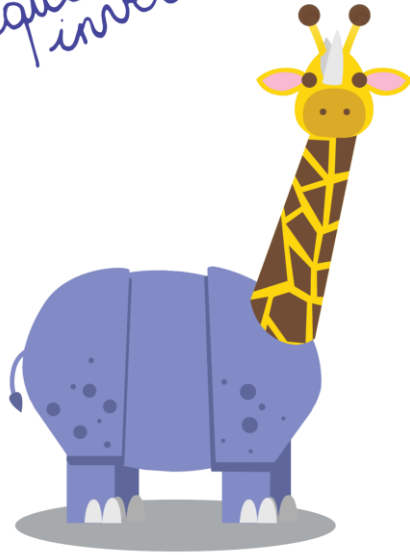


*unique  
investing*



NICHE  
JUNGLE

PROJECT  
NJ  
Korea Reunification SDG



## ***Bi-Weekly Risk Report***

*14 March 2023*

*Please refer to the UCITS fund prospectus and KIID before making any final investment decision*

# Summary

- [Project characteristics](#)
- [Portfolio: Valuation](#)
- [Portfolio: Holdings](#)
- [Portfolio: Allocation & performance](#)
- [Ex-ante analysis: VaR 1 month – 95%](#)

# NJ Korea Reunification SDG



## Project characteristics

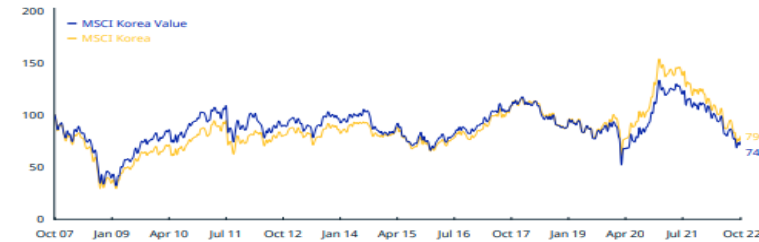
Instrument	UCITS Fund – Art.8 Plus SFDR
Project website	<a href="#">Link</a>
Supplement	<a href="#">Link</a>
ISIN	Class A – IE00007XSO15 Class I – IE0004F6ARY1 Class Q (listed class) - IE000ROCQO77
Project ICAV:	NicheJungle ICAV <a href="http://www.nichejungle.com">www.nichejungle.com</a>
Project Inception date:	17/10/2022
Project AUM:	10,77 mln € as of 14/03/2023
Project Max AUM:	25 mln
Project Liquidability at max. AUM	97% 5 day – 100% 20 days
Project liquidity :	Daily
Project # stocks	Min: 100 Max: 150
Project currency hedging policy	No hedging policy
Institutional and listed classes fees	0% management fees 20% performance fees (absolute with HWM – no reset)
Project Investment Manager:	Niche Asset Management Ltd – <a href="http://www.nicheam.com">www.nicheam.com</a>



The project invests in south Korean companies that are significantly exposed to the domestic market and are operating in infrastructure and consumption businesses. These are the areas that could benefit the most from a reconciliation between South Korea and North Korea. Korean domestic stocks are the most attractive worldwide from a valuation standpoint and the likely imminent inclusion of South Korea among MSCI developed markets could be the catalyst for a significative repricing. The event of reconciliation provides the project portfolio with a further powerful free option to which today Mr Market assigns zero probability. However, as we are used to learn, geopolitical events can hardly be anticipated...

# Korean equity: a significant opportunity...

CUMULATIVE INDEX PERFORMANCE – PRICE RETURNS (USD)  
(OCT 2007 – OCT 2022)

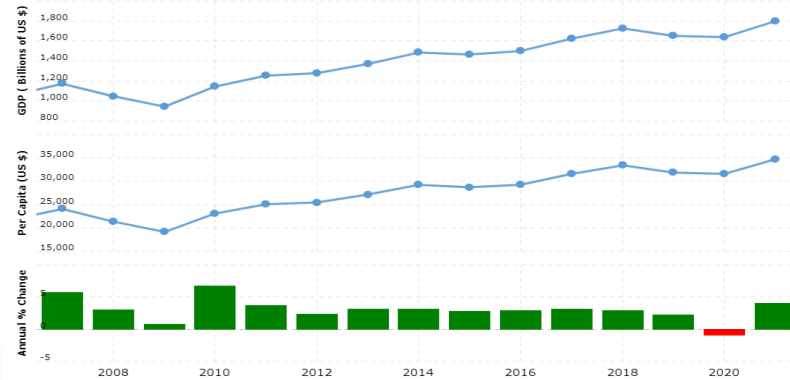


ANNUAL PERFORMANCE (%)

Year	MSCI Korea Value	MSCI Korea
2021	-6.26	-10.04
2020	28.35	42.63
2019	5.59	10.39
2018	-23.32	-22.60
2017	36.61	45.51
2016	11.79	6.98
2015	-8.41	-7.94
2014	-19.76	-12.61
2013	5.78	3.10
2012	11.55	20.16
2011	-13.39	-12.84
2010	25.44	25.29
2009	74.99	69.42
2008	-49.65	-55.87

Korean equity market (value and blended index) -25%/-21% (USD) since 2007

BUT



Korean GDP +54% (USD) since 2007!!!

The most undervalued market worldwide

INDEX PERFORMANCE – PRICE RETURNS (%) (JAN 31, 2023)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Dec 31, 1996
MSCI Korea Value	11.90	21.23	-12.53	11.90	1.79	-5.25	-0.41	4.99	
MSCI Korea	12.36	21.21	-13.45	12.36	1.74	-3.83	1.38	5.85	

FUNDAMENTALS (JAN 31, 2023)

	Div Yld (%)	P/E	P/E Fwd	P/BV
MSCI Korea Value	3.30	7.67	8.91	0.68
MSCI Korea	2.27	9.84	12.30	0.94

INDEX PERFORMANCE – GROSS RETURNS (%) (JAN 31, 2023)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Dec 31, 1974
MSCI World Value	4.71	9.67	-0.15	4.71	7.50	5.00	7.92	11.33	
MSCI World	7.10	9.78	-6.99	7.10	8.10	7.05	9.64	10.72	

FUNDAMENTALS (JAN 31, 2023)

	Div Yld (%)	P/E	P/E Fwd	P/BV
MSCI World Value	3.16	13.53	12.43	1.89
MSCI World	2.09	18.18	16.09	2.81

INDEX PERFORMANCE – GROSS RETURNS (%) (JAN 31, 2023)

	1 Mo	3 Mo	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Nov 25, 2008
MSCI China A	9.52	26.23	-10.83	9.52	7.09	1.12	5.95	7.27
MSCI ACWI	7.19	11.05	-7.54	7.19	7.33	6.06	8.80	10.93
MSCI Emerging Markets	7.91	22.25	-11.73	7.91	1.77	-1.11	2.45	8.14

FUNDAMENTALS (JAN 31, 2023)

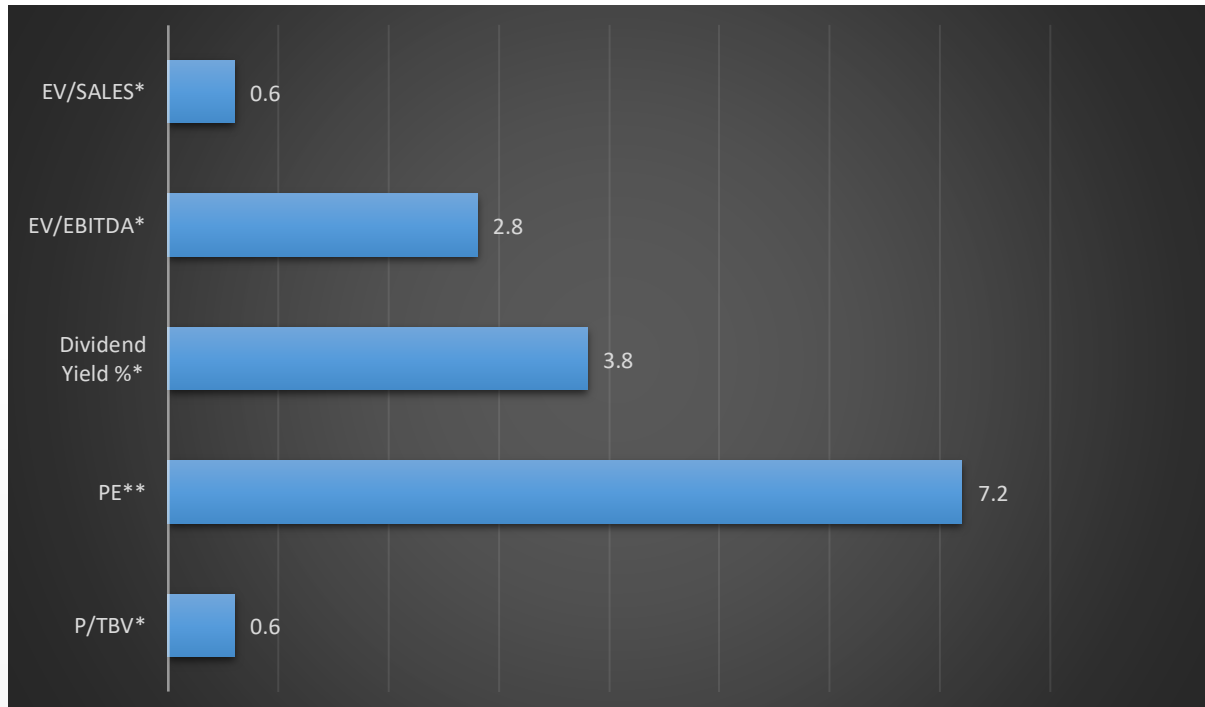
	Div Yld (%)	P/E	P/E Fwd	P/BV
MSCI China A	2.06	16.15	12.45	1.96
MSCI ACWI	2.21	17.37	15.52	2.61
MSCI Emerging Markets	3.17	12.83	12.10	1.66

On top of this, a cheaper, safer and politically/ethically more acceptable indirect exposure to China

***...an even better opportunity if played through domestic exposed companies, those you cannot buy through funds or ETFs***



## ***PROJECT NJ KR EQUITY PORTFOLIO Valuation (as of 14 March '23 )***

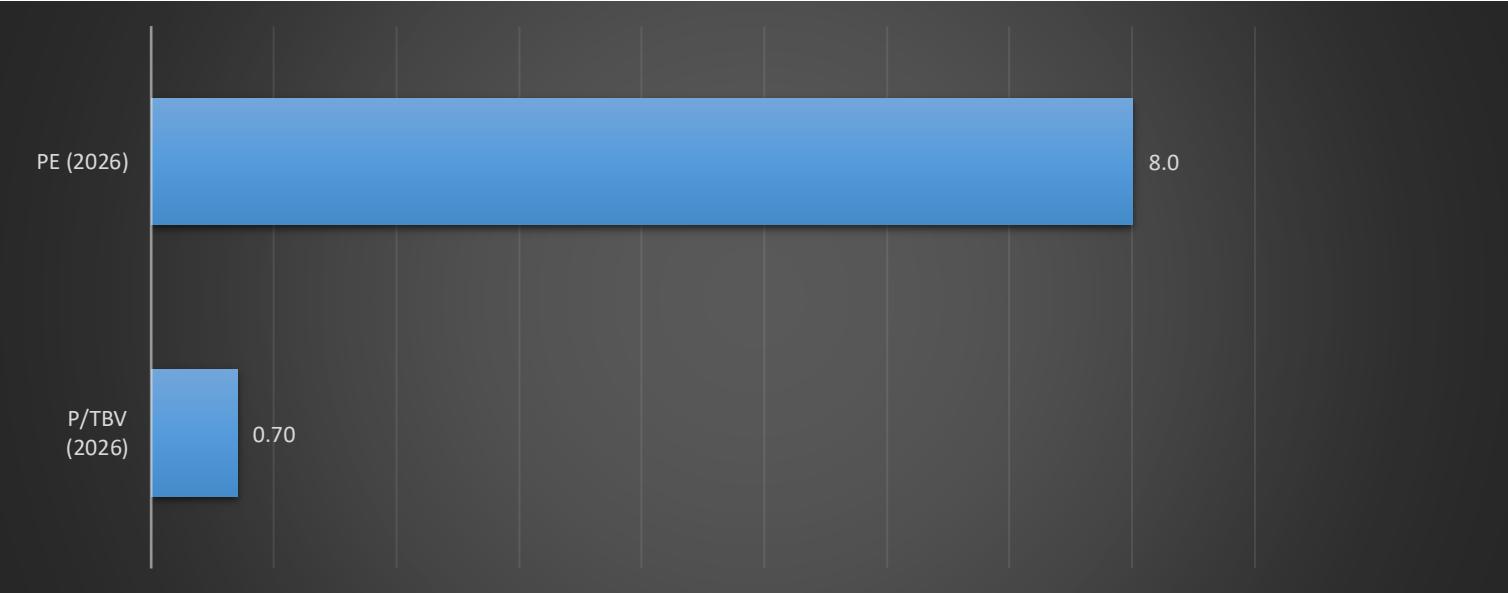


*\* Last available*

*\*\* Forward estimate, if available, otherwise the latest data*

*Source: NicheAM, Refinitiv*

# PROJECT NJ KR Portfolio Valuation at exit (as for valuation gap report) after rerating of 90% on cautious assumptions



Source: NicheAM

90% potential rerating on following assumptions:

Exit 2026

- No reunification/reconciliation (rapprochement)
- No inclusion of SKorea in the MSCI Developed Countries
- Nominal EPS growth '22-'26E of just 8%
- Modest market rerating of 20% (still >30% upside to MSCI World Value despite better growth outlook)

+ FREE OPTION

In case of reconciliation (rapprochement) between North and South Korea the upside could be above 150% for the portfolio (see presentation for further details). In fact it is composed by companies that would benefit from the massive investments in infrastructure and the increase in consumptions related to the North Korea opening of the economy (as it was the case decades ago for countries like China and Vietnam)

# EQUITY PORTFOLIO: Holdings (as of 14 March '23)



Holding	Portfolio Weight	Holding	Portfolio Weight
KB Financial Group Inc	1.61%	G2R Incorp	0.94%
Indust Bk Of Korea	1.39%	Hwa Sung Industrial	0.94%
Samsung Securities Co Ltd	1.37%	Seegene Inc	0.93%
Hyundai Fire Marine Insurance Co Ltd	1.37%	Hyundai Department Store Shs	0.93%
KT Corporation	1.33%	Korean Reinsurance Co	0.93%
Dongwon Industries Co Ltd	1.32%	Hyosung Corp	0.93%
Inbody Co Ltd	1.22%	Cuckoo Electronics Co Ltd	0.90%
LG Uplus Corp	1.21%	Sd Biosensor Inc	0.89%
Hwacheon Machine	1.18%	Kt Skylife	0.88%
DI E And C - Registered Shs	1.16%	Posco Holdings Inc.	0.88%
Korea Gas Corp	1.16%	Woori Financial Group	0.87%
Samsung Fire And Marine Insurance Pref.	1.16%	Yesco Shs	0.83%
Kyungdong City G	1.13%	Gs Engineering & Construction	0.83%
SK Telekom	1.11%	Db Financial Inv	0.82%
Hana Financial Group Inc	1.11%	Tongyang Life	0.79%
Daishin Securities Pref.Non.Voting	1.10%	Geumhwa Psc Co Ltd	0.78%
Bnk Financial Group Inc	1.10%	Sk Square Co., Ltd.	0.78%
Wimco Registered	1.09%	Whan In Pharmaceutic	0.75%
Lotte Rental Co Ltd	1.09%	Shin Heung Energy And Electronics Co Ltd	0.74%
Shinsegae Information & Comm	1.07%	Hyundai Steel Co	0.72%
Hyundai Home Shopping	1.07%	Shinhan Financial Group	0.72%
Sam Jung Pulp	1.06%	Cj Cheiljedang Corp	0.72%
Maeil Dairies Co Ltd	1.06%	Hyundai Elevator	0.71%
Korean Air	1.01%	Korea Electric Power Corp	0.71%
Pharmgen Science Inc	1.01%	Samsung Life Insurance Co Ltd	0.70%
Vieworks	0.97%	Lock & Lock	0.68%
Daesang Corp	0.97%	Yuhwa Securities Co Ltd	0.67%
Gwangjushinsegae Co Ltd	0.96%	Value Added Technology Co Ltd	0.66%
Imarketkorea Inc	0.96%	Megastudy	0.66%
Bookook Secs Co	0.94%	Woori Investment & Securities Pfd N.Vot	0.65%

Equity Exposure: 89%  
No of holdings: 132  
Average Weight: 0.68%  
Median Weight: 0.63%

TOP 5 : 7.07%  
TOP 10: 13.16%  
TOP 25: 29.49%  
TOP 50: 51.35%

# EQUITY PORTFOLIO: Holdings (as of 14 March '23)



Holding	Portfolio Weight	Holding	Portfolio Weight
Suheung Capsule Co Ltd	0.65%	Cell Biotech Co Ltd	0.48%
Korea Electric Terminal	0.64%	Dongbu Engineering Construction	0.48%
Asia Cement Co Ltd	0.64%	Bgf Rg Registered Shs	0.47%
Dgb Financial Group Ltd	0.64%	Sindoricom	0.46%
Skchem --- Non-Cum Pfd	0.63%	Korea Polyol Co Ltd	0.46%
Kuhmo Industrial Co Ltd	0.63%	Sk Rent A Car Shares	0.43%
Ottogi Corporation	0.63%	Dongwon F And B	0.43%
Hyundai Department Store H And S	0.62%	Daihan Pharmaceutical Co Ltd	0.41%
Tae Kwang Industrial Co Ltd	0.61%	Kt Adr	0.41%
E-Mart	0.61%	Dongkook Pharmaceutical Co Ltd	0.41%
Incheon City Gas Co Ltd	0.60%	Shinhan Financial Group Co Ltd Repr.2Shs	0.40%
Daehan Flour Mills	0.59%	Jls Co Ltd	0.40%
Megastudyedu Co Ltd	0.58%	Hyundai Engineering Construction	0.40%
Cs Holdings Co Ltd	0.58%	Kwang Dong Pharmaceutical Co Ltd	0.40%
Kyobo Securities	0.57%	Daelim Industrial Pref/Non-Voting	0.39%
Mirae Asset Life	0.57%	Sk Telecom Co Ltd-Spon Adr	0.39%
Kctech --- Registered Shs	0.57%	Namhae Chemical Corp	0.39%
Hyundai Electric & Energy Systems Co Ltd	0.57%	Asia Paper Manufacturing Co	0.38%
Handsome	0.57%	Saraminhr Co Ltd	0.37%
Ilshin Spinning Co Ltd	0.56%	Kpc Holdings Corp	0.37%
Coway Co Ltd	0.55%	Kisco Holdings	0.36%
Hecto Innovation Co Ltd	0.54%	Oyang Corp	0.35%
Nong Shim Holdings Co Ltd	0.54%	Gabia Inc	0.34%
Kyeryong Construction Industrial Co Ltd	0.53%	Lotte Chilsung Beverage Co Pfd Shs N.Vtg	0.32%
Seoul Securities Co Ltd	0.53%	Ezwe Co Ltd	0.31%
Kisco Corp Tentative	0.52%	Charm Engineering	0.31%
Ace Bed Co Ltd	0.52%	Youngone Corporation	0.30%
Soulbrain Holdings Co., Ltd.	0.50%	Daewoo Securities - Pfd Shs Non Voting	0.29%
Huons Co Ltd	0.50%	Korea Life Insurance Co Ltd	0.28%
Ssangyong Fire Marine Insurance	0.49%	Woongjin Thinkbig Co	0.27%



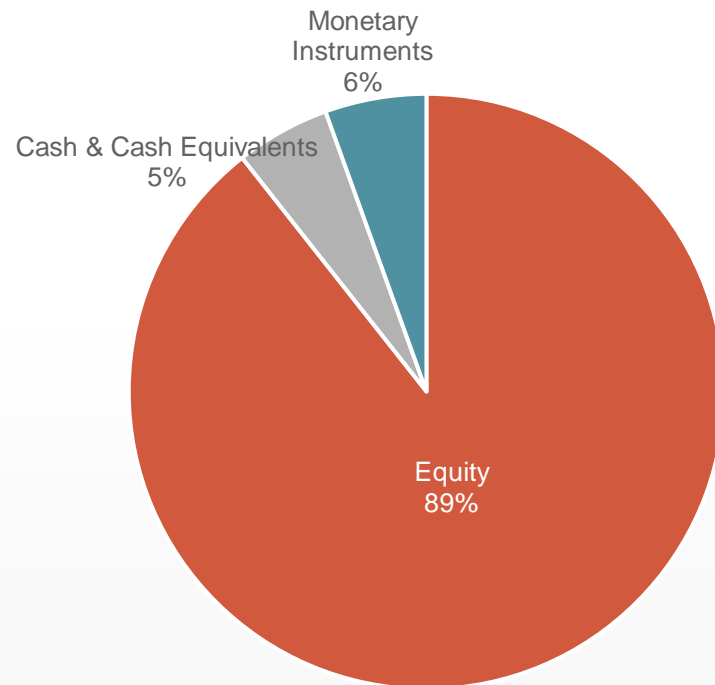
## EQUITY PORTFOLIO: Holdings (as of 14 March '23)



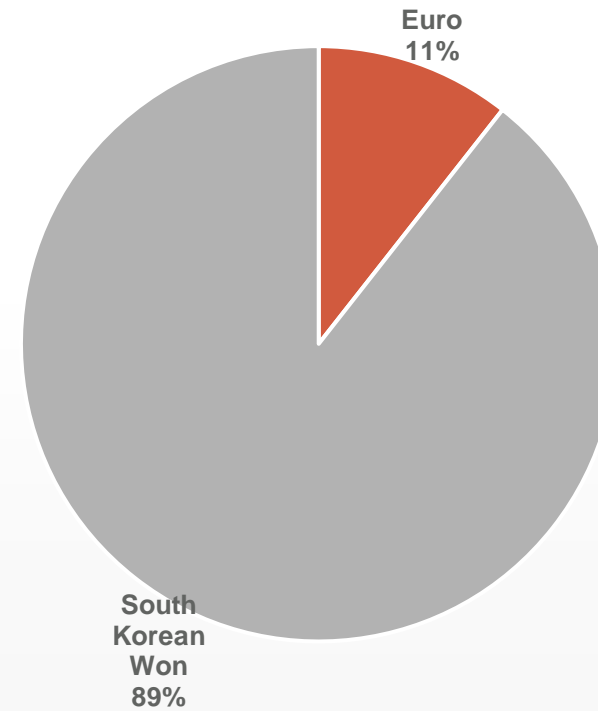
Holding	Portfolio Weight	Holding	Portfolio Weight
Korea Circuit Co Ltd-Pref	0.27%	Huons Global Co Ltd	0.21%
Interflex Co Ltd	0.26%	Daehan Synthetic	0.17%
Fursys Inc	0.25%	Chinyang Holdings Co	0.17%
Lg Haussys Prf Shs N.Vtg	0.24%	Multicampus	0.17%
Lg Haussys	0.24%	Rifa Co.Ltd.	0.14%
Digital Daesung Co Ltd	0.22%	Hyundai Livart	0.09%

## PORTFOLIO: Allocation summary

**Breakdown by Asset Class  
as of 14 March '23**



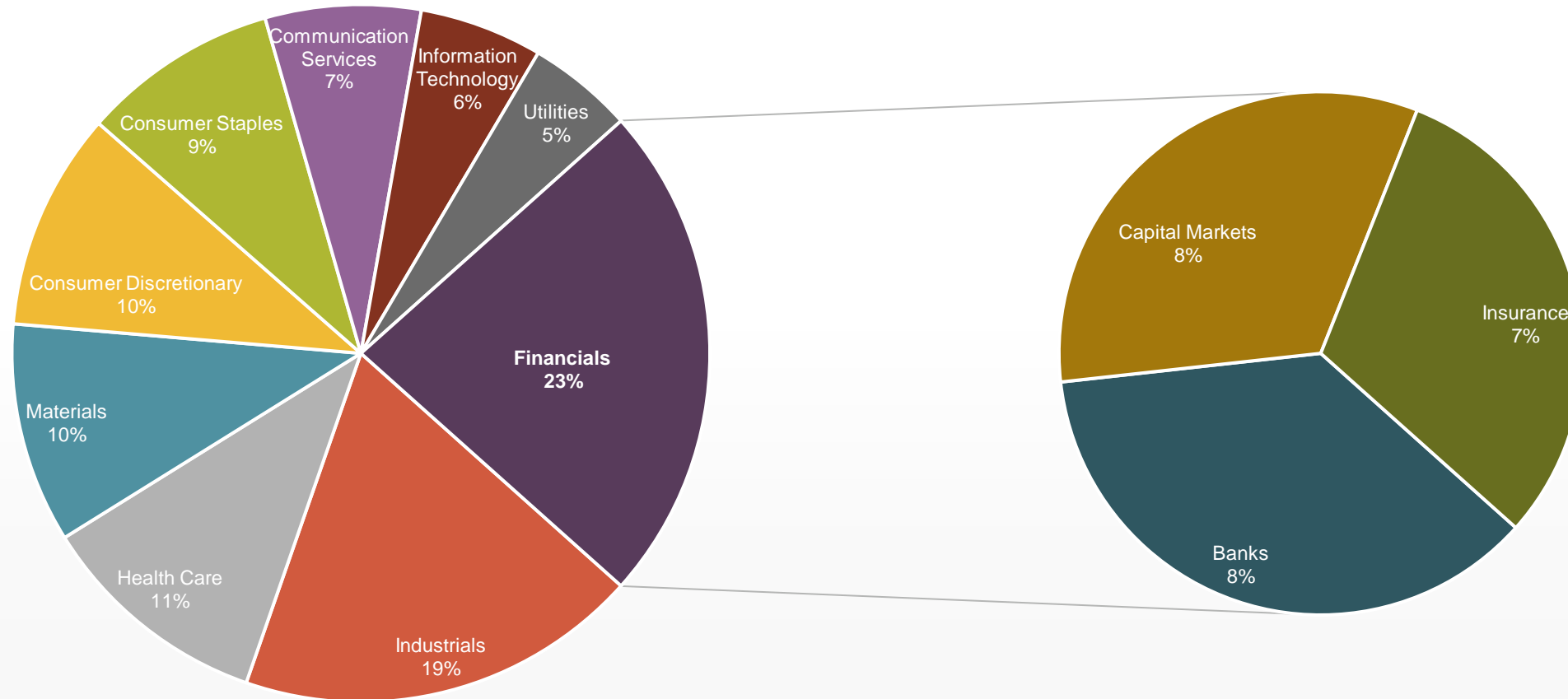
**Breakdown by Currency  
as of 14 March '23**



Source: Niche AM, Thomson Reuters

# **EQUITY PORTFOLIO: Allocation summary: Breakdown by Sector**

**as 14 March '23**



## ***EQUITY PORTFOLIO: Change in holdings (28 February'23 - 14 March '23)***

Holding	Trade	End Portfolio Weight	Change in Weight*	Total Return on sold positions
HD Home Shopping	ADD	1.07%	0.50%	
KB Financial Group	ADD	1.61%	0.30%	
Bank Financial Group	ADD	1.10%	0.22%	
Eugene Investment & Securities	ADD	0.53%	0.22%	
DL E&C	ADD	1.16%	0.21%	
Woori Financial Group	ADD	0.87%	0.18%	
Korea Gas	ADD	1.16%	0.16%	

*\*Not adjusted for subscriptions/redemptions and changes in market value*

*Source: NicheAM, Refinitiv*



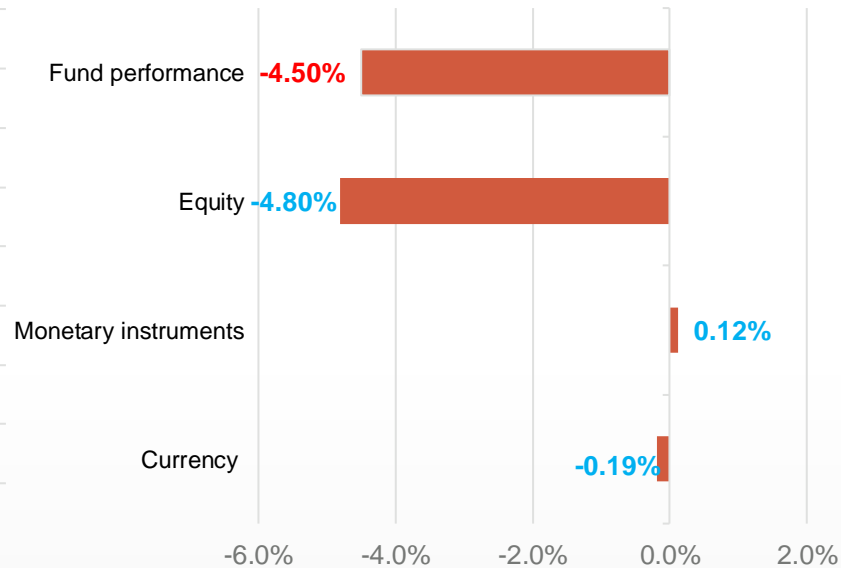
# PORTFOLIO: Allocation & Performance summary

Fund Performance	Price as of 14/03/2023	2 weeks	YTD	Since Inception**
NicheJungle Korea Reunification SDG*	974.53	-4.50%	-4.92%	-2.55%

Fund Chart (28 February '23- 14 March '23)



Performance by Asset Class  
(28 February '23- 14 March '23)



Performance contribution by Asset Class and Sector  
(28 February '23- 14 March '23)

	Avg Weight (a)	2 weeks Return (b)	Contribution (c = a*b)
<u>Contribution by asset class</u>			
Equity*	90.4%	-4.80%	-4.34%
Cash & monetary instruments	9.6%	0.12%	0.01%
Currency		-0.19%	-0.17%
<b>Total performance</b>			<b>-4.50%</b>
<u>Equity Contribution by sector</u>			
Communication Services	6.5%	-1.9%	-0.13%
Utilities	4.4%	-5.0%	-0.22%
Consumer Staples	8.2%	-3.3%	-0.27%
Information Technology	5.2%	-7.0%	-0.37%
Consumer Discretionary	9.2%	-4.9%	-0.45%
Materials	9.2%	-6.0%	-0.55%
Industrials	16.9%	-3.7%	-0.62%
Health Care	9.8%	-6.5%	-0.64%
Financials	20.9%	-5.3%	-1.10%

	2 weeks Return	Since Inception**
Korea KOSPI 200 (.KS200) Local Ccy	-2.93%	+5.53%
Korea KOSPI 200 (.KS200) EUR	-2.99%	+6.09%

AUM: 10,77 mln €  
Project closure at 25 mln €

\*class I. Performance is net of fees

\*\* Inception date: 17/10/2022

Past performance is not indicative or a guarantee of future returns. The currency component may increase or decrease returns. The investment involves taking a risk and possible loss of capital.

\*Equity Performance is net of fees

Source: NicheAM, Refinitiv

# EQUITY PORTFOLIO: Performance (28 February '23 - 14 March '23)

## Top performers\*

	Avg Weight	Return	Contribution
Daishin Sec Preferred Stock	1.1%	9.9%	0.11%
Bookook Securities	0.9%	5.8%	0.05%
Nh Investment & Securities	0.6%	7.8%	0.05%
Sk Telecom	1.1%	3.8%	0.04%
Shin Heung	0.8%	4.0%	0.03%
Geumhwa Psc	0.8%	2.9%	0.02%
SK Telecom ADR	0.4%	5.1%	0.02%
Soulbrain Holdings	0.5%	3.9%	0.02%
Maeil Dairies	1.0%	0.8%	0.01%
Seegene	0.9%	0.6%	0.01%
SK RENT A CAR	0.4%	1.0%	0.00%
Ottogi	0.6%	0.2%	0.00%
Youngone Holdings	0.3%	-0.1%	0.00%
Hyundaigreenfood	0.6%	-0.2%	0.00%
Daesang	1.0%	-0.3%	0.00%

## Bottom performers

	Avg Weight	Return	Contribution
Wonik Materials	1.2%	-17.2%	-0.22%
SD Biosensor	1.0%	-12.6%	-0.12%
Hana Financial Group	1.2%	-9.8%	-0.11%
Korea Gas	1.1%	-9.3%	-0.11%
Industrial Bank Of Korea	1.4%	-7.8%	-0.11%
Samsung Securities	1.4%	-7.6%	-0.11%
Dongwon Industries	1.3%	-7.6%	-0.10%
KB Financial Group	1.5%	-5.8%	-0.09%
Bnk Financial Group	1.0%	-7.5%	-0.08%
Woori Financial Group	0.8%	-9.9%	-0.08%
Korean Reinsurance	1.0%	-8.0%	-0.08%
Shinhan Financial Group	0.7%	-9.8%	-0.08%
PharmGen Science	1.1%	-7.2%	-0.07%
Tong Yang Life Insurance	0.8%	-9.0%	-0.07%
Inbody	1.3%	-5.2%	-0.06%

\*Sorted from highest to lowest by Contribution

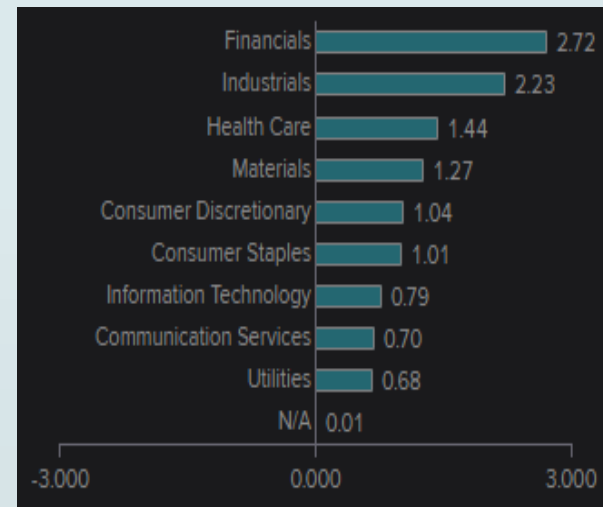
Source: NicheAM, Refinitiv

# Ex-ante analysis: VaR 1 month 95% as of 14/03/2023

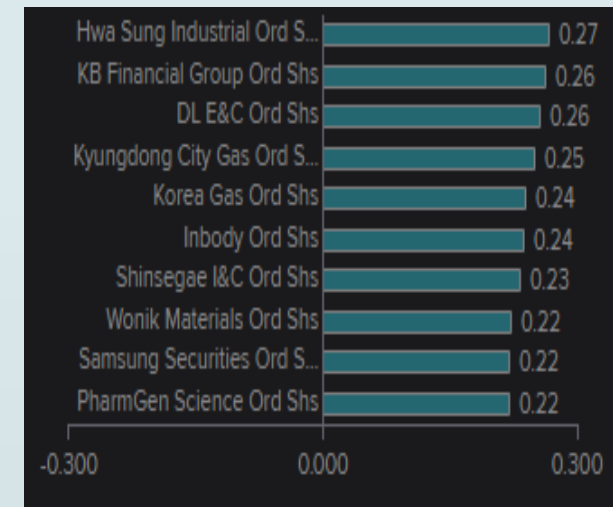
## Portfolio VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-2,38%	-3,51%
Historical 1W	-5,32%	-7,85%
Historical 1M	-11,16%	-16,47%

## VAR 1M – 95% BY SECTOR AS OF 14/03/2023



## VAR 1M-95% TOP 10 SECURITIES AS OF 14/03/2023



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