



Hornet Infrastructure - Water Fund (EUR)

29th April 2021

Investment style

The investment aim of the Hornet Infrastructure - Water Fund is to **achieve long-term capital appreciation** with lower volatility compared to equity markets.

The investment strategy pursues an active, **value-oriented investment style** without tracking a benchmark. The fund invests **worldwide in infrastructure** companies with stable cashflows and **sustainable impact**.

The fund is a "long only" structure and continually realizes and secures capital gains. The currency exposure is actively managed.

Fund details

NAV / Nettoinventarwert	EUR 978.82
Fondsvolumen / Anteile	EUR 32'423'413 / 33'125
Security number / ISIN	3.405.337 / LI0034053376
Fund domicile	Liechtenstein
Asset manager	GN Invest AG, FL-9490 Vaduz
Investment advisor	AC Partners AG, CH-6330 Cham
Depository bank	LLB Liechtensteinische Landesbank AG, FL-Vaduz
Administration	IFM Independent Fund Management AG, FL-Vaduz
Revision	Ernst & Young AG, CH-3001 Bern
Launch / Start	11th October 2007
Fund structure / Sales	OGAW / UCITS V
Management fee	1.5% p.a.
Depository bank / Admin.fee	0.11% p.a. / 0.175 % p.a.
Use of proceeds	EUR 17.50 as of 05/03/2021 (ex. 29.4.)
Subscriptions / Redemptions	weekly, each Thursday (16:00 CET)
Issue / Redemption price	Asset value per share (NAV + / - any commissions)

Performance in %

	YTD 2021	1 year	3 years	5 years	8 years
Hornet Infrastructure Water	-4.17%	-7.37%	3.90%	9.82%	37.51%
Net annual average performance			1.28%	1.89%	3.79%

Source: IFM (fund performance cum. & p.a. incl. distribution and net of fees)

Risk figures

	YTD 2021	1 year	3 years	5 years	8 years
Volatility p.a.	12.18%	10.17%	11.88%	10.63%	10.33%

Portfolio Beta versus MSCI World	0.10	0.30	0.30	0.35
Alpha p.a. vs. MSCI World	-12.34%	-4.64%	-3.74%	-2.68%
Treynor-Ratio Portfolio	-0.89	-0.04	-0.02	0.01

Source: IFM Vaduz AG / Bloomberg data / Alpha = risk-adjusted outperformance

Risk profile

	Recommended investment horizon		
moderate	medium	high	
			3 years 5 years 7 years

Price performance in EUR / NAV



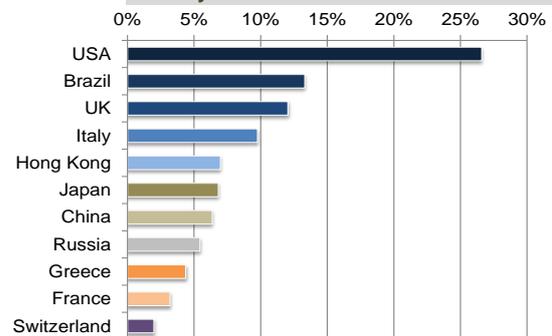
— H Infrastructure - Water Fund (EUR) / Total return

Investment focus

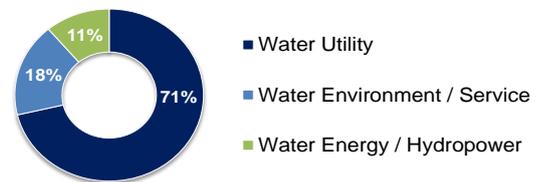
The fund invests its assets solely in **equity** of companies which are **active in the infrastructure sector**, such as water utilities, transportation, communication and social infrastructure facilities. and includes ESG-criterias in the research process.

The **focus is on operational, regulated water utilities**, which run the infrastructure facilities and for example treat and distribute drinking water regionally or being active in **energy production (hydro power) or water technology** as well as in **water environment & services**.

Country allocation



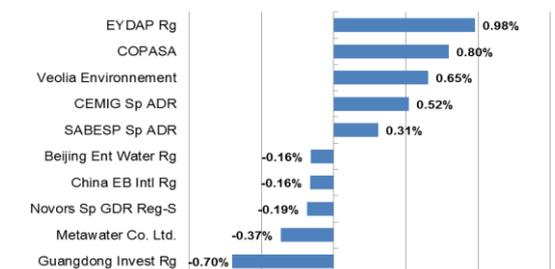
Sector allocation



The 10 largest equity positions

York Water Rg	6.3%
ACEA N	5.7%
RusHydro Sp ADR	5.4%
Middlesex Water	5.1%
SJW Group	4.9%
COPASA	4.8%
SABESP Sp ADR	4.4%
EYDAP Rg	4.4%
Pennon Grp Rg	4.2%
Severn Trent Rg	4.2%

Performance driver April 2021 (in EUR)



General market review

In April, the performances of global stock markets show regionally differences and are currently heavily dependent on monetary measures and driven by political actions to combat COVID-19. The USD is weakening by -3% against the EUR, which also meant, that markets in the USA were able to appreciate by approx. +0.4% (Dow Jones) and +2.2% (S&P 500 Index), whereas Europe improved by +0.7%, measured by the Eurostoxx 50. At the same time, markets in Asia with Japan and Hong Kong decreased by -3.8% resp. -4.7% and so did China with -1.3% (CSI 300). In the USA, market prices are also fueled by the fiscal policy measures, such as the USD 1,800bn "Family Aid Plan" or the planned "Infrastructure Investment Plan" of USD 2,250bn, which financing should involve increased income and wealth taxes. The market environment is currently characterized by the fact, that most of the news is interpreted positively. In the US, however, the producer price index (PPI) grows with over +4% p.a., which was last achieved in 2011.

Investment portfolio

The NAV of the Hornet Infrastructure - Water Fund (EUR) decreased in April on the one hand due to the distribution of EUR 17.50 as of April 29 with value date May 3 and on the other hand due to the market hedging strategy, which has an above-average effect on short-term performance in the current market environment. However, since most of the portfolio positions performed well in April, we note that the risk-adjusted performance has improved further - especially over a comparative horizon of one year. In Europe, the water utility EYDAP made a performance contribution of +1% thanks to regulatory clarity in Greece and Veolia thanks to the approved takeover of Suez Environment. We also used April to further increase the ESG rating and sold Novorossiysk (corporate governance) in Russia and CK Infrastructure in Hong Kong due to environmental criteria. We will continue to increase the positive impact of the fund and measure it more concretely in the future and communicate accordingly within the framework of the new EU Regulation 2019/2088.

Market review Infrastructure

The infrastructure sector is generally favored by the political discussions in the USA, but mainly indirectly, since the financing is to be provided in particular by the state and mostly through bonds, which in the end is likely to lead to higher costs for the taxpayer than to self-sustaining and sustainable investments. Consolidated across the individual subsectors, the broad infrastructure sector has posted a performance of -6.9% since the outbreak of the pandemic, although the sector was able to recover by +2.2% in April. The sector is currently supported by the infrastructure-transport and infrastructure-communication subsectors. In contrast, the infrastructure-energy subsector is undergoing consolidation in the area of sustainable companies, as is the infrastructure-utility subsector, which the market classifies as particularly sensitive to changes in interest rates. Valuations in the sector look attractive from a relative perspective.

Impact & UN SDGs (Sustainable Development Goals)

With the Hornet Infrastructure - Water Fund (EUR), we have been intuitively pursuing a proactive and exclusive investment strategy that fulfills a large part of the SDGs of the UN Principles. In the area of water utility, we aim by definition at SDG No. 6 "Clean Water and Sanitation" and can specifically measure the impact with the volume of fresh water or the number of people supplied in the individual regions. Water and sanitation, resp. their availability and sustainable management is crucial for life and health. In the area of sewage water and treatment, two more goals could be added: No. 12 "Responsible Consumption and Production" and No. 13 "Climate Action". If you look at the topic of infrastructure holistically on a macro level (listed or with public-private partnerships), especially with regard to helping to reduce government debt thanks to direct investments, social fairness with regard to taxes, inflation and education as well as the currently dominant factor environment and ecology, there are more SDGs covered. The ESG reporting of our portfolio positions is constantly increasing, so that in the future we will use key criteria (key performance indicators) that can specifically measure the improvements and our impact.

GN Invest AG

Asset Manager
Tel. +423 239 32 33

**AC Partners AG**

Investment Advisor
Tel. +41 41 711 10 20

