

ALPINE SELECT

ANNUAL
REPORT
2021

Investors' Information

Board of Directors

Raymond J. Baer	Chairman
Thomas Amstutz	Member
Dieter Dubs	Member
Michel Vukotic	Member

Management

Claudia Habermacher	Chief Executive Officer
Lukas Hoppe	Chief Operating Officer
Michel Vukotic	Chief Investment Officer

Auditors

BDO AG
Schiffbaustrasse 2
8031 Zurich / Switzerland

Alpine Select Facts

Incorporation date	17 September 1997
Listing	SIX Swiss Exchange
Stock Exchange Symbol	ALPN
Swiss Security Number	1.919.955
ISIN Code	CH0019199550
Reuters	ALPN.S
Bloomberg	ALPN SW EQUITY
Type of Share	Registered share
Total Shares Issued	9,257,970
Custodian	Bank Julius Baer
Management Fees	None
Performance Fees	None
Distributions	Out of retained earnings

Corporate Calendar

<https://www.alpine-select.ch/en/investors#calendar>

Contact

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<https://www.alpine-select.ch/>

Contents

Key figures	4
Chairman's statement and review of operations	7
Corporate governance	11
Compensation report	27
<i>Report of the statutory auditor on the compensation report</i>	33
Consolidated financial statements	35
Notes to the Consolidated financial statements	41
<i>Report of the statutory auditor on the consolidated financial statements</i>	59
Statutory financial statements	63
Notes to the statutory financial statements	67
Proposed appropriation of available earnings	73
<i>Report of the statutory auditor on the financial statements</i>	75

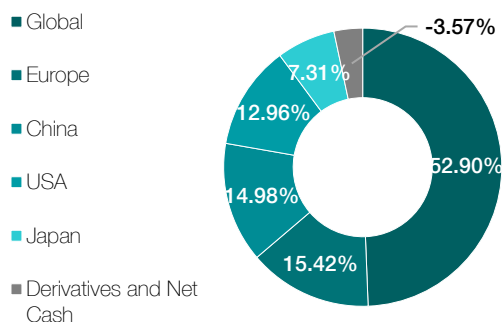
Key Figures

Performance Table ^{*1}

	Share price (CHF)	NAV (CHF)	Premium / Discount to NAV
31 Dec 2021	15.40	16.03	-3.93%
31 Dec 2020	12.80	13.05	-1.92%
High YTD 2021	15.50	16.03	
Low YTD 2021	12.80	12.83	

^{*1} All figures are adjusted for the dividend payment in May 2021 out of retained earnings.

Allocation by Region (in % of Total Assets ^{*3})

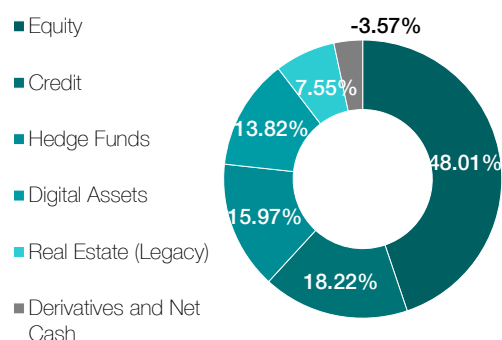


Selected Balance Sheet Items ^{*2}

In TCHF	31-Dec-21	31-Dec-20
Current assets	5 768	9 615
Non-current assets	154 720	125 151
Current liabilities	9 675	2 125
Non-current liabilities	1 578	134
Equity attributable to shareholders of Alpine Select	142 049	125 294
Non-controlling interests	7 186	7 213

^{*2} Information herein is presented in addition to the consolidated financial statements.

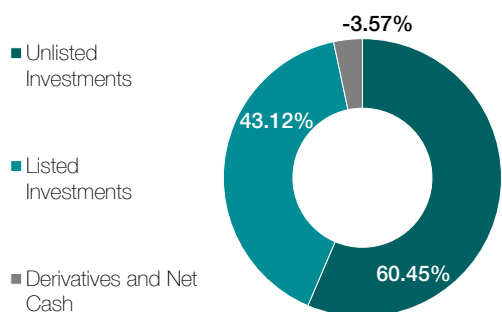
Allocation by Asset Class (in % of Total Assets ^{*3})



Top Positions of the Portfolio as per 31 December 2021 (in % of Total Assets ^{*3})

Fund name	Asset Class	Allocation
IP Group PLC	Equity	17.50%
Vifor Pharma Ltd.	Equity	11.11%
Cheyne New Europe Fund Inc.	Real Estate (Legacy)	7.55%
L1 Digital SICAV	Digital Assets	6.02%
Nishkama Capital Offshore Fund Ltd.	Hedge Funds	5.18%
Northwest Feilong Fund Ltd.	Equity	4.87%
Yuki Japan Repounding Growth Fund	Equity	4.32%
Rockaway Blockchain Fund	Digital Assets	4.03%

Allocation by Listed/Unlisted Investments and Cash and other Current Assets (in % of Total Assets ^{*3})



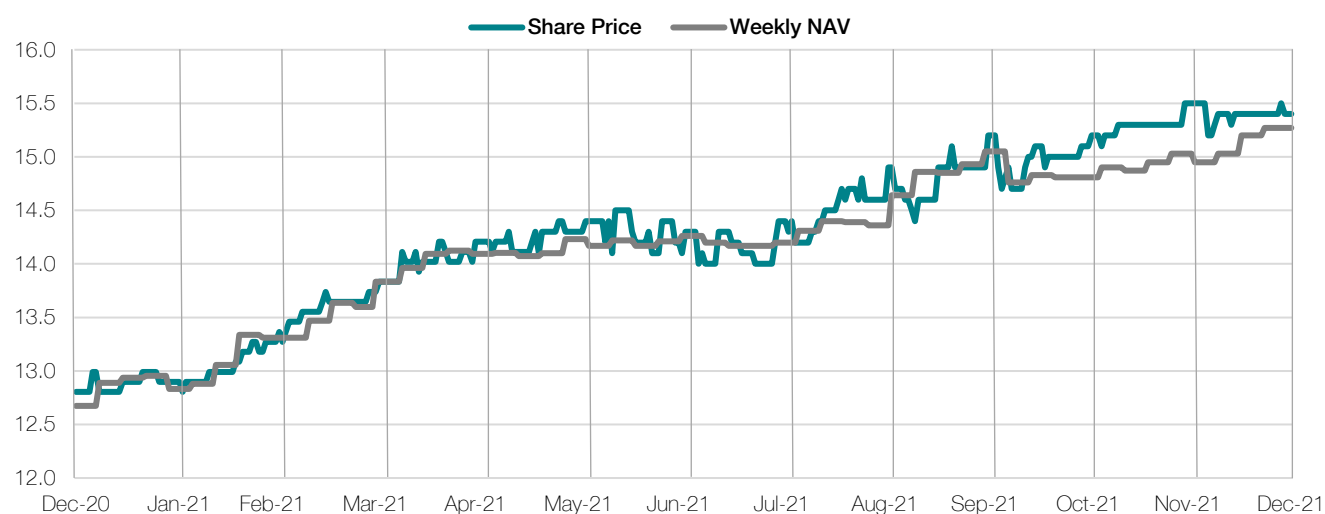
^{*3} Financial assets, derivatives and net cash

Net annualized return (30 September 2003 to 31 December 2021)

Share Price	6.93%
Monthly NAV ^{*4}	6.65%

12 Months Price-History in CHF for the Year 2021

Daily closing share price and weekly NAV



Monthly NAV Performance in % ^{*4 *5}

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Annual
2021	0.4	3.0	4.3	1.7	1.4	0.0	-0.6	1.3	4.9	-2.0	1.1	2.9	19.6
2020	-0.1	-1.6	-3.4	-4.6	2.4	0.6	2.6	0.9	1.4	-0.2	1.7	3.5	3.1
2019	0.5	1.1	1.8	0.9	0.5	-0.9	1.7	-1.3	0.4	0.1	2.7	0.5	9.5
2018	2.4	0.3	-0.2	-0.1	0.4	-1.5	0.9	-0.2	-0.1	-1.9	-4.7	-3.0	-9.9
2017	0.8	-3.0	0.3	1.8	4.2	2.5	1.3	0.4	1.6	3.2	0.2	4.6	22.0
2016	-1.3	-2.3	2.5	-3.0	1.2	-0.6	1.5	0.3	2.5	0.8	1.3	0.4	3.7

^{*4} The monthly NAV performance as disclosed is based on the estimated monthly NAV as published by the Company. Published NAVs are not adjusted except for the effect of dividend distributions and the issuance of tradeable put options of Alpine Select Ltd. Estimated and effective monthly NAVs may differ.

^{*5} Change to publication of formerly consolidated NAV in December 2017, following the merger of Altin Ltd. into Absolute Invest Ltd.

Monthly Share Price Performance in %

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Annual
2021	0.7	2.9	3.5	3.4	0.7	-0.7	1.4	1.4	2.1	1.3	2.6	-0.6	20.3
2020	0.0	-1.4	-7.8	2.3	0.1	1.6	0.8	0.8	1.6	0.8	2.3	3.0	3.7
2019	0.0	0.7	0.7	1.4	-1.4	0.0	1.2	0.7	0.0	0.7	1.4	0.7	6.4
2018	1.8	0.0	-0.6	0.0	0.5	-1.3	0.6	-0.7	0.0	-4.6	-1.4	-3.1	-8.3
2017	1.2	2.0	0.3	-0.3	2.1	1.4	1.7	0.0	1.6	5.8	-0.6	0.0	16.0
2016	-1.8	-1.2	0.0	1.8	3.0	0.0	0.0	0.9	0.9	0.6	1.8	0.6	6.8

Dear Shareholders

As I write these lines, tragically war has returned to Europe. It is impossible to predict a timing of an end of this warfare, the beginning of a diplomatic solution and the consequential impact on the world order.

Given this geopolitical crisis, our very solid business year 2021 has taken a back seat. Nonetheless, comments on our activities in 2021 and the results achieved is due and part of a good corporate governance.

Total return to shareholders during the year 2021 was +20.27% (increase of the share price from CHF 12.80 to CHF 15.40). This includes a dividend of CHF 1.00 per share (paid out to shareholders in May 2021). The Net Asset Value («NAV») recorded an increase of 22.86% for the same period (from CHF 13.05 to CHF 16.03). Throughout the year, the shares traded at or near the NAV thereby delivering on an important commitment of ours.

The board members again voluntarily decided to keep their compensation at the reduced level of -10%.

Portfolio Development and Investment Activities

The year 2021 has been another favorable year for equities and risk assets. The slow but steady rise in inflation and the debate on its durability have dominated much of the year's narrative following the global COVID pandemic response. Interestingly, even initial harsh remarks by the FED could not stop western indices to rally towards the end of the year.

Except for the Chinese Market, whose performance was negatively impacted by the Socialist Party's introducing of an inclusive growth economic policy, all major indices were up for the year: S&P 500 +27%, NASDAQ +21%, TOPIX Japan +10%, CSI 300 -5%.

We are satisfied with our overall development in 2021. Our listed portfolio contributed to the annual profit with a net gain of CHF 11.0 million. The contribution from our unlisted investments was a net gain of CHF 23.0 million.

Special Situations / Discounted Assets:

Our special situations portfolio, which includes core discounted assets and merger arbitrage opportunities, made a strong contribution to our overall result of CHF +9.7 million.

The largest position for a good part of 2021 was [Castle Alternative Invest Ltd.](#) (CASN). At their ordinary shareholders' meeting, the company's shareholders approved agenda item «dissolution and liquidation of the company» with 99.9% of all submitted votes. The main liquidity event occurred end of November 2021, when approximately 90% of CASN assets (all cash) were distributed to shareholders. We hold on to the position until the final liquidation as the remaining discount is still 10%.

Chairman's Statement and Review of Operations

In 2021 we have written extensively about our excitement for the [IP Group PLC](#) (IPO) portfolio, which has become our largest discounted asset. IPO's share price had a strong run, outperforming with +26% in 2021 and contributing CHF +4.9 million to our 2021 P&L. IP Group holds a well-diversified, future-oriented and Intellectual Property backed portfolio of operating companies. We remain convinced that the shift towards more inclusive solutions in the fields of technology, cleantech and life science will create corporate winners out of the IPO portfolio. As such, we were encouraged by the plentiful positive updates at sub-holding level with news of fair value gains, successful exits, milestones payments and the latest funding rounds. The portfolio of IP Group gained in NAV terms around +11%. However, the IPOs share price ended the year discounted by around 20% to its NAV. Given the stronger than ever cash situation and improved portfolio liquidity due to listing of Oxford Nanopore, we are confident that IP Group's management will take appropriate actions to reduce the discount to NAV.

In December, we invested in a new attractive merger arbitrage: Australian biopharmaceutical company [CSL Ltd.](#) submitted a public tender offer of USD 179.25 per share to [VIFOR Pharma Ltd.](#) The deal will close in the first half of 2022, and we estimate to realize an annualized return of around 11% in CHF. For the reporting period, this position contributed CHF +1.7 million to our annual result.

In another merger arbitrage opportunity, Pfizer announced the acquisition of [Trillium Therapeutics Inc.](#) This low-risk investment generated a profit of CHF 0.4 million, representing an annualized return of around 20%.

Digital Assets:

Our conscious investment decision to strategically allocate to digital assets and to endure the inherent volatility that such exposure bears, has paid off. 2021 was a year of further advances towards adoption of digital assets and businesses on the blockchain. We are witnessing a growing number of investment professionals committing to this young asset class as valuations continue to soar. Our digital asset portfolio, which is entirely managed by early identified, specialized fund managers, has delivered an impressive return of CHF +15.5 million.

We believe that the potential applications of blockchain-based businesses and their financialization offer multiple opportunities. Consequently, we decided to take a broader and deeper approach to this asset class and reallocated funds within the digital asset exposure. At the end of 2021, we mainly held funds with Layer 1 Digital, Rockaway Capital, SwissRex Funds and 162 Digital Asset Funds.

The [L1 Digital SICAV](#) (L1D) contributed CHF +6.3 million to the annual result. Its strategy follows a fundamental investment approach, capturing the key winners across the blockchain technology with a focus on infrastructure and real-world use cases within a longer-term timeframe. By combining different strategies, L1D's market exposure is typically between 30% and 60% of NAV.

In Q2-21, through our network, we came across [Rockaway Blockchain Fund](#) (RBF), a private equity venture fund by nature, investing 65% directly and discretionary into blockchain projects and 35% selectively via dedicated Venture Funds. The unrealized profit to Alpine shareholders for the period is CHF +5.1 million. Main winners in the RBF portfolio are Solana, Terra and a private fund investment.

The [Swissrex Crypto Fund Ltd.](#) (SwissRex) made a strong contribution to our financial result with CHF +3.6 million. SwissRex's investment decisions are based on fundamental analysis of listed and liquid crypto tokens. The actively managed strategy gives us access to a diversified basket of Bitcoin and Altcoins (alternative coins). Although we redeemed in summer 2021 the original invested CHF 1 million (November 2021), the position still has a fair value of CHF 3.9 million.

East Asia Exposure

We wrote before about our beliefs in a bipolar world in which the US and China are the economic heavyweights. Accordingly, we have established a diversified portfolio with experienced investors in Mainland and Greater China.

In 2021, after 40 years of allowing the market to play a growing role in promoting prosperity, China's leading party launched policies to balance social fairness and growth as China enters a next phase of economic growth, with GDP per capita exceeding USD 10,000. Rather than tolerating a disorderly expansion of capital, Chinese leaders intend to ensure that dominant companies comply with mainstream values and not abuse their market position. Since that policy announcement, the Chinese market (CSI 300) is down by around 20%.

Although the Chinese market significantly underperformed western indices (e.g. CSI 300 delivering -5% FY-21), our actively managed allocation to the local market gained +24%, contributing CHF +3.9 million to our overall result. Such a significant outperformance of active vs. passive investment management reassures our firm believe in the active investment style.

Our current Chinese exposure is covered by four local funds out of which, three, namely [GH China Century Offshore Feeder Fund](#) (+17%), [FengHe Asia Fund](#) (+27%), and [Value Multiplier Feeder Fund](#) (+24%) are equity long/short strategies that use a bottom-up driven stock picking approach based on own research.

[Northwest Feilong Fund Ltd.](#), an experienced investment management team dedicated to exploiting inefficiencies in China's convertible bond market posted an impressive +25% in 2021. This strategy provides the portfolio with a smart, liquid, and alternative access to the Chinese mainland A-share market.

In December 2021, we also made a new investment in an actively managed Chinese healthcare fund with [Bin Yuan Healthcare Fund](#). We believe that as Chinese GDP grows, spending on innovative and local healthcare will also increase.

True to our investment style, we continue to offer our shareholders access to the Chinese market with allocations to locally rooted, value oriented, like-minded managers who themselves advocate an active asset wealth management style.

Chairman's Statement and Review of Operations

Other positions

During the 2021 reporting period, our legacy position [Cheyne New Europe Fund Inc.](#) (CNEF) matured significantly. As a reminder, this is an illiquid property development fund holding assets in Eastern Europe, mainly in the Czech Republic. We have held this position since the merger with Absolute Invest and the fund is not making any new investments.

With CNEF's largest assets being a number of urban and suburban residential real estate projects in and around Prague, overall maturity has been boosted by the COVID flight-to-property phenomena. The construction and sale process of the projects in CZ is progressing well, and therefore we recorded in 2021 a cash distribution to fund holders of total CHF 4.9 million in addition to a pleasing annual performance of +15.3%. Due to the positive cash realization of the projects, we expect distributions to be the new normal and thus are optimistic to further reduce this illiquid position.

Annual Shareholders' Meeting

At the annual shareholders' meeting held on 17 May 2021, shareholders passed all agenda items and proposals submitted by the Board of Directors of Alpine Select Ltd. («BoD»). The distribution of a dividend of CHF 1.00 gross per registered share was paid to shareholders on 21 May 2021.

Outlook

The year 2022 got off to a rocky start. Even before the outbreak of the war in the Ukraine, inflation and growth data were pointing to an end of the low-yield regime. Wars are generally inflationary and soaring prices for soft commodities, energy and metals are evidence of a rather prolonged area of elevated inflation. All else being equal, inflation should eventually lead to higher yields although we believe real interest rates will remain negative.

We continue to closely monitor the impact of this geopolitical battleground in the Ukraine and its economic and financial consequences. Our overall asset allocation will be rigorously challenged along the way. However, we have not made any changes yet.

On behalf of the board of directors, I would like to thank you for your continued support and trust in our ongoing activities.

Raymond J. Baer
Chairman of the Board of Directors of Alpine Select Ltd.

Corporate Governance

1.	Group structure and shareholders	12
2.	Capital structure	13
3.	Board of directors	15
4.	Management	21
5.	Compensation, shareholdings and loans	22
6.	Shareholders' participation rights	22
7.	Changes in control and defense measures	24
8.	Auditors	24
9.	Information policy	24
10.	Blocking periods	25

Corporate Governance

Alpine Select Ltd. (the «Company», «Alpine Select») is committed to good corporate governance and transparency and accountability to its shareholders.

The following Corporate Governance report is structured in accordance with the Directive on Information relating to Corporate Governance (DCG) published by SIX Swiss Exchange. All information presented reflects the situation at 31 December 2021, unless otherwise stated.

1. Group structure and shareholders

1.1 Group structure

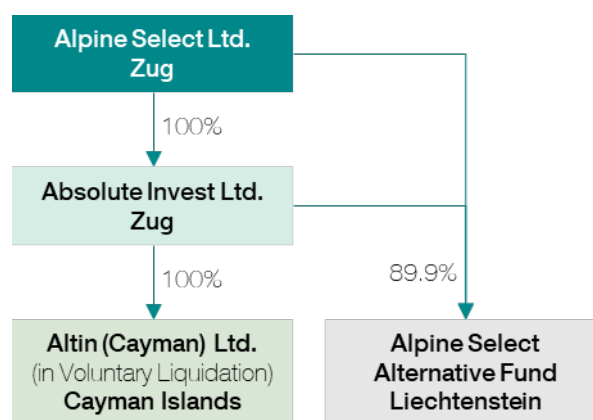
Alpine Select is a limited liability company incorporated on 17 September 1997 under the laws of Switzerland. The address of its registered office is Gotthardstrasse 31, 6300 Zug / Switzerland. The shares of Alpine Select are listed on the SIX Swiss Exchange under the Stock Exchange symbol ALPN, ISIN code: CH0019199550. At 31 December 2021, market capitalization stood at CHF 136.5 million (2020: CHF 122.9 million).

Alpine Select offers its shareholders the key benefit of investing into a diversified alternative investment portfolio with core investment strategies: discount-, risk-arbitrage, tactical exploitation of under-researched companies / situations, short-term opportunities, liquid hedge funds and digital assets.

Absolute Invest Ltd., c/o Alpine Select Ltd., Gotthardstrasse 31, Zug/Switzerland («Absolute Invest»), is a wholly owned subsidiary of Alpine Select. Together they form the Alpine Group.

Absolute Invest's subsidiary, Altin (Cayman) Ltd. voluntarily went into liquidation in December 2021 after its remaining assets had been transferred to the parent company. The company will be deemed to be dissolved on the 2 May 2022 and thereupon removed from the Companies Register, Cayman Island.

In addition, Alpine Select and Absolute Invest are invested in the Alpine Select Alternative Fund. At 31 December 2021 they hold a combined investment size of 89.9%.



1.2 Significant shareholders

As of 31 December 2021, Alpine Select had 9,257,970 shares issued and 436 registered shareholders. Shareholders are institutional and private investors.

For details of shareholders with equity holdings of three percent or more, see Note 18 of the Consolidated Financial Statements on page 56.

All changes in the Company's shareholder base that were reported and disclosed in accordance with Art. 120 of the Swiss Financial Market Infrastructure Act (FMIA) and the provisions of the Swiss Financial Market Infrastructure Ordinance (FMIO) can be obtained from the SIX Exchange Regulation website at: [Significant Shareholders \(ser-ag.com\)](https://www.six.ch/ser-ag.com).

1.3 Cross-shareholdings

As of 31 December 2021, there were no cross-shareholdings.

2. Capital structure

2.1 Capital

As of 31 December 2021, the Company's share capital amounts to CHF 185,159.40 and is divided into 9,257,970 registered shares with a par value of CHF 0.02.

2.2 Conditional share capital

The share capital may be increased by a maximum amount of CHF 121,779.54 by issuing a maximum of 6,088,977 registered shares with a nominal value of CHF 0.02 each to be fully paid-in, through the exercise of option and/or conversion rights granted in connection with bonds or similar debt instruments of the Company or its subsidiary, and/or through the exercise of option rights granted to the shareholders.

The respective owners of option and/or conversion rights are entitled to subscribe the new shares. The subscription right of the current shareholder is excluded for such new shares. The board of directors shall determine the option and/or conversion conditions.

For further details on the Company's conditional share capital, please refer to Art. 4b of the articles of association.

2.3 Changes in share capital

A review of the Company's changes in capital during the reporting period is provided in Note 10 of the Consolidated Financial Statements on page 52ff.

2.4 Shares and participation certificates

The shares are fully paid-in and listed in CHF on the SIX Swiss Exchange in Zurich under the Stock Exchange symbol ALPN or ISIN code CH0019199550, respectively. Each share entitles to one vote and all shares are equally entitled to dividends.

There are two share certificates outstanding for 525 shares in total.

The Company has not issued any participation certificates.

2.5 Treasury shares

For details on the development of treasury shares held by the Company, please refer to Note 10.5 of the Consolidated Financial Statements on page 53.

2.6 Dividend-right certificates

Alpine Select has not issued any dividend-right certificates.

2.7 Limitation on transferability and nominee registration

Registered shareholders are those recognized as such by a corresponding entry in the Company's share register. Acquirers of registered shares shall be registered in the share register as shareholders with voting rights upon request without limitation, provided they explicitly declare that they acquired these registered shares in their own name and on their own account (Art. 6 para. 1 and para. 2 of the articles of association).

Persons who do not confirm in their registration application to hold the shares for their own account (hereinafter «Nominees») shall be registered in the share register with voting rights up to a maximum of 9% of the share capital as registered in the commercial register. Nominees who are affiliated by capital or vote, through common management or otherwise, or who coordinate their actions through agreement, syndicate or otherwise in order to avoid the registration restrictions are to be considered as one Nominee. Beyond this limit, Nominees are only registered as shareholders with voting rights if the respective Nominee discloses the names, addresses, nationalities, and shareholdings of the persons for whose account the Nominee holds 1% or more of the share capital as registered in the commercial register (Art. 6 para. 3 and para. 4 of the articles of association).

After hearing the person affected, the board of directors may cancel entries in the share register, if these were based on wrong information provided by the acquirer. The acquirer shall immediately be informed about the cancellation. The board of directors shall take the measures necessary to ensure the compliance with the aforementioned provisions. It is authorized to conclude agreements with Nominees regarding their notification duties (Art. 6 para. 5 and para. 6 of the articles of association).

With the reservation of article 653c paragraph 3 of the Swiss Code of Obligations («CO»), these restrictions also apply in case of the acquisition of registered shares by exercising subscription, option, and conversion rights (Art. 6 para. 7 of the articles of association).

The alleviation or suspension of the restriction regarding the transfer of registered shares requires a resolution of the shareholders' meeting passed by at least two thirds of the voting shares represented and the absolute majority of the par values of the shares represented (Art. 12 of the articles of association).

2.8 Convertible bonds and/or warrants or options

The Company does not have convertible bonds and/or warrants or options outstanding.

3. Board of directors

3.1 Members of the board of directors

Raymond J. Baer, born 1959, Swiss citizen – Chairman and non-executive member

Raymond J. Baer holds a law degree (lic.iur. HSG) from the University of St. Gallen (1984) and a master's degree in law (LL.M.) from Columbia Law School, New York (1985).

From 1988 to 2003, he held various executive positions within the Julius Baer Group Ltd. abroad and in Switzerland, lastly as head of Private Banking Business Line and vice-president of the group executive board. From 2003 to 2012, he was the chairman of the Board of Directors of the Julius Baer Group and board member as well as member of the Committee of the Governing Board of the Swiss Bankers Association (1999 – 2012). Raymond J. Baer was the president of the Association of Swiss Commercial & Investment Banks (2003 – 2012) and a member of the Regulatory Board of SIX Swiss Exchange (1999 – 2010).

Since December 2013, Raymond J. Baer is also the chairman and non-executive member of the Board of Directors of Absolute Invest. He has no significant business relationship with Alpine Select or its subsidiary.

Thomas Amstutz, born 1962, Swiss citizen – non-executive member

Thomas Amstutz completed his bank apprenticeship at Credit Suisse and graduated from the Commercial School of Business Administration, Zurich in 1981.

Between 1981 and 2004, he held various management positions at different entities of the Credit Suisse Group, based in Geneva, Frankfurt, and Zurich. From 2005 to 2014, he acted as the chairman and chief executive officer of Absolute Investment Services Ltd., Zurich.

Since December 2013, Thomas Amstutz is also a non-executive member of the Board of Directors of Absolute Invest (between 2000 and 2013 he acted as the Chairman of the board).

Thomas Amstutz is also a member of the management of Lotus Peak, Singapore, that provides consultancy services to Alpine Select (for more see Note 19 of the consolidated financial statements on page 56ff).

Dieter Dubs, born 1965, Swiss citizen – non-executive member

Dieter Dubs holds a law degree (lic.iur.) from the University of St. Gallen (1993), one (Dr.iur.) from the University of St. Gallen (2000) and an LL.M. from the Harvard Law School (2002).

Dieter Dubs is a partner of Baer & Karrer Ltd, Zurich, since 2005. He has broad experience in M&A transactions with a focus on public tender offers, having represented several target companies in unfriendly takeover situations. In addition, Dieter Dubs advises listed companies on corporate and regulatory matters.

Corporate Governance

Since December 2013, he is a non-executive member of the Board of Directors of Absolute Invest. Baer & Karrer advises Alpine Select in legal matters (for more see Note 19 of the Consolidated Financial Statements on page 56ff).

Michel Vukotic, born 1958, Swiss citizen – executive member

Michel Vukotic completed the Wirtschaftsgymnasium, Freudenberg with certificate, Type E in 1978. Between 1978 and 1984 he studied at University of St. Gallen and graduated with a Business Management degree. Following this, he completed four post-graduate Seminars at University of Zurich.

During his studies he held an Internship at FIDES Revision, Zurich, before joining Etterlin, Klipstein & Partner AG, Zurich, as a tax advisor (1984 – 1987). Between 1987 and 2017, he held various positions at Bank Julius Baer, Zurich, starting in the Capital Market Department (1987 – 1992), then Derivatives Switzerland (1992) before being the sector head at Equity Trading (1993 – 1997). Following this he was the head of the Securities Department (1997 – 2001), key account manager at Special Client Services (2001 – 2004) and relationship manager in the Zurich Special Client Services department (2004 – 2017).

Since May 2017, Michel Vukotic is also a non-executive member of the Board of Directors of Absolute Invest and since September 2017, he acts as the head of the Investment Committee of Alpine Select Ltd.

3.2 Other current key activities and functions held by board members

In accordance with the Corporate Governance Directive and the corresponding commentary of the SIX Swiss Exchange, mandates, and interest ties of the members of the Board of Directors of Alpine Select with exchange-listed domestic and foreign companies as well as with domestic and foreign finance companies outside the Alpine Group are listed below and are in addition to those stated in Note 3.1 above.

Raymond J. Baer

- Honorary Chairman of the Julius Baer Group Ltd. and of Bank Julius Baer & Co. Ltd., Zurich
- President of the Board of Trustees of the Pension Fund of the Julius Baer Group, Zurich
- Chairman of the Board of Directors of Longbow Finance SA, Lutry and of Benecare Foundation, Vaduz
- Vice-chairman of the Foundation Board of the Asia Society Switzerland, Zurich
- Member of the Board of Directors of AMAG Group AG, Cham, and of Crypto Finance AG, Zug

Thomas Amstutz

- Owner of JAAM AG, Zurich
- Member of the Board of Directors of Castle Private Equity AG, Freienbach; Baloise Bank SoBa AG, Solothurn and Vicenda Group AG, Baar
- Member of the Asset Allocation Committee of Hesta AG, Zug
- Member of the management of Lotus Peak, Singapore

Michel Vukotic

- Member of the Board of Directors of richnerstutz ag, Villmergen and Trinsic AG, Zug
- Senior advisor for Bank Julius Baer & Co. AG, Zurich

3.3 Statutory clause regarding the number of allowed mandates

The members of the board of directors are not allowed to exercise more than seven additional mandates in companies listed on an official stock exchange and ten additional mandates in companies that are not listed on a stock exchange. Mandates in different legal entities, which are under common control, are to be considered as one mandate (Art. 13, para. 5 of the articles of association).

The following mandates do not fall under the aforementioned restrictions, provided that a member of the board of directors does not exercise more than ten such mandates:

- Mandates in enterprises controlled by the Company; and
- mandates in associations, foundations, non-profit organizations, trusts, employee benefit schemes and other comparable structures.

3.4 Elections and term of office

The board of directors consists of no less than three and no more than six members (Art. 13, para. 1 of the articles of association).

The chairman, the other members of the board of directors as well as the members of the compensation committee of the board of directors are elected by the shareholders' meeting on an individual basis for a term of office of one year. The term of one year is deemed to signify the period from one ordinary shareholders' meeting to, and including, the next. Members whose term of office expires are eligible for immediate re-election.

If the office of chairman becomes vacant, the board of directors shall appoint a new chairman for the remaining term of office. If vacancies arise in the compensation committee, the board of directors may, for the period until the next ordinary shareholders' meeting, either fill such vacancies with its members or leave them open.

Information concerning the term of office of the current members of the board of directors is listed in the following table:

Member	Function	1st time election	Elected until
Raymond J. Baer	Chairman and non-executive member BoD	25 April 2013	2022
	Chairman of the compensation committee	26 May 2014	2022
Thomas Amstutz	Non-executive member BoD	18 April 2012	2022
Dieter Dubs	Non-executive member BoD	25 April 2013	2022
	Member of the compensation committee	26 May 2014	2022
Michel Vukotic	Executive member BoD	22 May 2017	2022

3.5 Internal organization

3.5.1 Responsibilities and competencies

The board of director consists of no less than three and no more than six members. The board constitutes itself subject to legal and statutory provisions. It appoints a secretary who does not need to be a member of the board of directors.

The chairman, the other members of the board of directors as well as the members of the compensation committee are elected by the shareholders' meeting on an individual basis for a term of office of one year (from one ordinary shareholders' meeting to, and including, the next). Members whose term of office expires are eligible for immediate re-election. If the position of chairman becomes vacant, the board of directors shall appoint a new chairman for the remaining term of office.

The board of directors meets at the invitation of the president as often as business requires, but at least four times a year. During 2021, the board convened seven times.

The Board of Directors has a quorum if the majority of the members are present. The board passes its resolutions and carries out its elections with a majority of the votes of the members in attendance. In the event of a tie, the president's vote is decisive. No quorum is required for resolutions on statements about capital increases that have already taken place.

Resolutions may also be passed by way of a circular resolution in writing or by using electronic means or email respectively, unless a member requests an oral discussion within five days of receipt of the proposed resolution. Circular resolutions and resolutions taken by telephone conference require the approval of the majority of the members of the board of directors.

The board of directors operates according to the CO, the Company's articles of association and its organizational regulations. The board's non-transferable and inalienable tasks are outlined in the Company's organizational regulations (<https://www.alpine-select.ch/images/alpine/ALPN-Organizational-Regulations.pdf>).

3.5.2 Committees

The board of directors has formed a compensation and an investment committee.

The compensation committee of Alpine Select

The compensation committee consists of two to three members of the board of directors who are elected individually by the shareholders' meeting. The board of directors appoints one of the members as chairman and issues regulations for the compensation committee.

The compensation committee in principle has the following duties and responsibilities:

1. Proposal to the board of directors on the structure of the compensation policy and the compensation guidelines.
2. Proposal to the board of directors on the maximum total amount of compensation to the board of directors and the management in accordance with article 22 of the articles of association.
3. Proposal to the board of directors on the compensation for members of the board of directors.
4. Proposal to the board of directors on the compensation and conditions of employment of the members of the management, including compensation-relevant decisions in connection with the termination of the employment relationship.
5. Proposal of the compensation report to the board of directors.
6. Proposal to the board of directors for changes to the compensation rules.
7. Other duties and responsibilities entrusted to it by the articles of association or the board of directors.

In 2021, the compensation committee met once. As per 31 December 2021, the committee consists of Raymond J. Baer (chairman) and Dieter Dubs.

The investment committee of Alpine Select

The investment committee («IC») advises the board of directors extensively on investment issues. The committee consists of two to six members of the board of directors. The board of directors appoints the chairman from the members of the investment committee. Any board member who is not a member of the IC has the right to attend the meetings as a guest. The investment committee meets as often as business requires, but at least four times a year. The chairman of the committee is free to invite guests for special topics.

The investment committee has the following duties and responsibilities:

1. Proposal to the board of directors on the direction of the investment policy and the investment strategy in general, in line with the investment guidelines;
2. Proposal to the board of directors on investment allocations (geographical or by investment styles) and «exit scenarios», in line with the investment guidelines;
3. Proposal to the board of directors on specific investments and/or divestments, in line with the investment guidelines;
4. Recommendations to the board of directors on framework decisions in regard to investments in financial products;
5. Continuous monitoring and – if required – suggestions to the board of directors on changes to the investment guidelines;
6. Other duties and responsibilities entrusted to it by the articles of association or the board of directors.

The IC submits recommendations to the board of directors. The ultimate investment decision lies with the board of directors.

In 2021, the members of the investment committee met three times in person. Further IC meetings were integrated into the board meetings held in 2021. Discussions were also held on a bilateral level on the topics of investments and the Alpine Group portfolio. As per 31 December 2021, the committee consists of Michel Vukotic (head), Raymond J. Baer (member) and Thomas Amstutz (member).

3.6 Definition of areas of responsibility

The board of directors is entrusted with the ultimate direction of the Company as well as the supervision of the management. It represents the Company towards third parties and attends to all matters which are not delegated to or reserved for another corporate body of the Company by law, the articles of association or the regulations.

The board of directors may entrust the management, wholly or in part, and the representation of the Company to one or several individual persons, members of the board of directors or third parties. It may entrust the asset management, wholly or in part, to a legal person. The board of directors shall enact the organizational regulation and arrange for the appropriate contractual relationships or take the appropriate resolutions for the transfer of the management.

3.7 Information and control instruments vis-à-vis the management

Internal Control System («ICS»)

The board of directors ensures that the executive committee establishes and maintains an ICS, which is tailored to the dimensions of the Alpine Group and the risks involved in its business activities. The external auditors review the existence of the ICS as part of the annual audit and submit an annual report to the board of directors.

The members of the board of directors receive the NAV calculation and details for the valuation of specific assets on a weekly basis. In order to control and review the functioning of and the compliance with the ICS as well as the Company's general activities, the chairman of the board of directors regularly discusses with the chief executive officer issues at hand, identifies and discusses risks and possible remedies and works through a checklist to e.g. ensure processes are followed, payments are made, dividends are collected, risks are weighted.

Risk management

The board of directors conducts an annual risk assessment that is usually discussed and approved at the board's year-end meeting. Depending on the outcome, internal processes might be amended.

In 2020, the board of directors made the decision to invest for the first time in the asset class «digital assets». In the meantime, the initial investment has been further expanded and extended to other investment vehicles in this area. The board members are aware that this asset class can be subject to greater performance distortions than traditional asset classes.

4. Management

4.1 Members of management

The board of directors has delegated the operational management of the Company to the members of the management.

As of 31 December 2021, the members of the management are:

Claudia Habermacher, Swiss citizen, born 1969, joined the Company on 1 July 2013 and acts as the Company's chief executive officer since 1 January 2014. Before joining Alpine Select, Claudia Habermacher was a project manager at GAM Anlagefonds Ltd. («GAM») for more than seven years. Among others, at GAM she was in charge of the fund administration of a Swiss listed hedge fund. Prior to her engagement with GAM, she was at creInvest Ltd. responsible for heading the office and overall responsibility in the day-to-day work required to provide professional and administrative support to the CEO and the members of the board of directors. Claudia Habermacher completed her commercial apprenticeship in 1989. She has attended various professional training courses, lastly the certified Swiss Fund Officer FA/IAF (fund-academy AG, Zurich).

Since 23 December 2013, Claudia Habermacher also acts as the chief executive officer of Absolute Invest. In addition, she is a member of the managing board of the Swiss Association of Investment Companies («SAIC») since March 2014.

Lukas Hoppe, Swiss citizen, born 1983, joined the Company on 1 May 2018 and acts as the Company's chief operating officer. Before joining Alpine Select, Lukas Hoppe was with Bank Julius Baer in a Business Development role (2015-2018). Before that he held various business and risk management functions with Credit Suisse Group Ltd. as well as with UBS Ltd. (2009-2015). Lukas Hoppe holds a Bachelor's Degree in Business Management (Major in International Management) from Zurich University of Applied Sciences (2009).

Michel Vukotic, Swiss citizen, born 1958, is a member of the Board of Directors of Alpine Select since 1 May 2017 and acts as the Company's chief investment officer since 1 September 2017. For more on Michel Vukotic please see the respective section in Note 3.1 and 3.2.

4.2 Statutory clause regarding the number of allowed mandates

Members of the management may, subject to the approval of the board of directors, exercise a maximum of five mandates in listed or unlisted companies (Art. 13, para. 5 of the articles of association). Mandates in different legal entities, which are under common control, are to be considered as one mandate.

4.3 Management contracts

Neither management contracts nor agreements of a similar nature exist. Regarding advisory contracts see Note 19 of the Consolidated Financial Statements on page 56ff.

5. Compensation, shareholdings and loans

5.1 Compensation of the board of directors and the management

Details of the compensation to the members of the board of directors and the management, as well as how this is determined, can be found in the Compensation Report (Note 2 *Determination principles and authority of compensation*) on page 28ff.

5.2 Approval of the compensations by the shareholders' meeting

The shareholders' meeting approves the motions of the board of directors separately and annually with regard to (Art. 22 of the articles of association):

- a. The maximum total amount of the fixed compensation for the board of directors for the period until the next ordinary shareholders' meeting; and
- b. the maximum total amount of the fixed compensation and the variable compensation component for the management for the following business year.

If new members of the management are appointed after a resolution has been approved, a supplementary amount of a maximum of 100% of the total amount approved for the management for the year in question is available for their compensation and to offset any disadvantages in connection with the change of job. This does not require the approval of the shareholders' meeting.

5.3 Share ownership of members of the board of directors and management

The share ownership of members of the board of directors and management is disclosed in the statutory financial statements, see Note 10 on page 70.

6. Shareholders' participation rights

6.1 Voting-rights restrictions and representation

Each share entitles to one vote. There are no voting right restrictions, and each shareholder can exercise his voting rights at the annual shareholders' meeting.

Each shareholder may be represented at the shareholders' meeting only by his legal representative or, by virtue of a written proxy, by another shareholder entitled to vote, or by the independent proxy. Members of the board of directors and the management may represent other shareholders provided that this is not an institutionalized practice.

The board of directors may establish procedural rules for the participation in and the representation at the shareholders' meeting and in particular rules on issuing instructions to the independent proxy. The board of directors ensures that shareholders may submit electronic proxies and instructions to the independent proxy, by which he/she is authorized to wholly or partially waive the requirement for a qualified electronic signature.

6.2 Quorums

A resolution of the shareholders' meeting passed by at least two thirds of the voting shares represented and the absolute majority of the par values of the shares represented is required for:

1. The cases listed in article 704 paragraph 1 CO.
2. The alleviation or suspension of the restriction regarding the transfer of registered shares.
3. The conversion of registered shares into bearer shares.
4. The dissolution of the Company by way of liquidation.
5. The dismissal of the board of directors according to article 705 paragraph 1 CO.
6. The amendment of article 13 of the articles of association regarding election and term of office of the board of directors.
7. The removal of restrictions contained in the articles of association regarding the adoption of resolutions in the shareholders' meeting, in particular those of article 12.

6.3 Convocation of the shareholders' meetings

The shareholders' meetings shall be convened by the board of directors and, if needed, by the auditors. The liquidators are also entitled to convene a shareholders' meeting. The shareholder's meeting shall be convened by letter to the shareholders and usufructuaries at least 20 days prior to the meeting. The convocation letter must include the date, time and place of the meeting, the agenda items as well as the motions of the board of directors and of the shareholders who have requested that a shareholders' meeting be called or that an item be placed on the agenda (Art. 9 para. 1 and para. 2 of the articles of association).

Extraordinary shareholders' meetings shall be convened by the board of directors within 60 days if shareholders representing at least ten percent of the share capital request such meeting in writing, setting forth the agenda items and the motions (Art. 8 para. 3 of the articles of association).

6.4 Inclusion of items on the agenda

Shareholders representing at least ten percent of the share capital may request items to be placed on the agenda. Such request must be filed at least 45 days prior to the respective shareholders' meeting in writing, setting forth the agenda items and the motions (Art. 8 para. 4 of the articles of association).

6.5 Entries in the share register

The board of directors maintains a share register for registered shares in which owners and benefactors are listed with name and address. Only those persons who are registered in the share register are recognized as shareholders or benefactors. No entries are made in the share register between the cut-off date determined by the board of directors and the day following the shareholders' meeting. The board of directors announces the cut-off date in the invitations to the shareholder's meeting. No exception was granted in the reporting year.

7. Changes in control and defense measures

7.1 Duty to make an offer

No rules regarding change of control and defensive measures have been made in the Company's articles of association.

7.2 Clauses on change-of-control

No agreements or statutory requirements which could affect or influence a change in control of the Company do exist. In particular, no member of the board of directors nor of the management benefits from a contractual clause on change-of-control situations.

8. Auditors

8.1 Duration of the mandate and term of office of the lead auditor

The external auditors are elected by the shareholders' meeting each year, and have the rights and obligations, assigned to them by law (Art. 18 of the articles of association). The lead auditor may hold his engagement for a maximum of seven consecutive years but may resume the engagement after a break of three years. BDO Ltd. («BDO») has been the Company's statutory external auditor since 20 May 2020, and Franco A. Straub the lead auditor.

8.2 Audit fees

BDO's fees for auditing the 2021 annual report and the 2021 compensation report are CHF 71,500 (2020: CHF 71,500).

8.3 Additional fees

An amount of CHF 18,000 was paid to BDO in connection with their interim review as of 30 June 2021.

8.4 Informational instruments pertaining to the external audit

The work of external auditors and their independence is assessed and examined by members of the board of directors and the chief executive officer in a post audit meeting. The quality, the know-how and the timely reports are major factors in assessing the work of the auditors. Their written reports, findings and suggestions are discussed regularly at meetings of the board of directors. Meetings between members of the board of directors and/or the management as well as the auditors are held whenever deemed necessary. In 2021, three such meetings took place.

9. Information policy

The Company maintains a transparent and pertinent information policy and complies with the ad-hoc publicity guidelines. Shareholders and any other stakeholders are regularly and timely informed through weekly NAV estimates, monthly reports, half-year and annual reports as well as at the annual shareholders' meeting. In addition, the NAV is also published in the Swiss newspaper 'Finanz und Wirtschaft' and is available at various data providers.

In accordance with legal requirements, the annual report is published no later than 20 days prior to the annual shareholders' meeting. A copy of the report is downloadable from the Company's website and is emailed to all shareholders and interested parties that have subscribed the specific service. In addition, investors receive a print copy of the annual report by mail upon their respective request.

Additional information which could affect the share price is published in accordance with SIX Exchange Regulation, Directive on Ad hoc Publicity.

News releases (including ad-hoc news, estimated NAV, monthly reports) can be downloaded from the Company website <https://www.alpine-select.ch/en/news>. Investors are invited to join the email distribution by subscribing to the respective service at [Register for Email Alerts \(alpine-select.ch\)](#).

The corporate calendar is published on the Company's website at [Investors \(alpine-select.ch\)](#).

9.1 Contact address

Alpine Select AG
Gotthardstrasse 31
CH-6300 Zug
Telephone: +41 41 720 4411
E-mail: investorrelations@alpine-select.ch
Website: <https://www.alpine-select.ch>

10. Blocking periods

10.1 Regular blocking periods

The preparation and communication of the full-year and interim financial statements of Alpine Select may provide certain categories of individuals on a regular basis with access to privileged and confidential information which is potentially insider information. For this reason, the members of the board of directors as well as the management are regarded as possessing insider information per se and are therefore considered insiders during the following *regular blocking periods*:

- a. for interim financial statements starting fourteen (14) calendar days before the half year report is intended to be published, and
- b. for the yearly closing starting from the last calendar day of the first month of the subsequent fiscal year of the Company, and

both ending on the day of the public release of the Company's earnings data.

10.2 Ad hoc blocking periods

The CEO in consultation with the Chairman of the board of directors may determine additional *ad hoc blocking periods*, especially when Alpine Select plans to undertake a public offer for, to subscribe for securities of or any sort of significant commercial transaction with any other company.

10.3 Determination of blocking periods

The CEO internally communicates the blocking periods. However, the notice on regular blocking periods has only informative character and people involved in the regular closing process must decide individually from when on they have access to insider information. The adherence to the regular blocking periods may not be sufficient and relieving in cases the respective individual, prior to the start of the regular blocking period, is in possession of material non-public information with a potential to significantly impact the price of such securities.

Compensation Report

1.	Introductory note	28
2.	Determination principles and authority of compensation	28
3.	Compensation of as well as loans and credits to the board of directors, the management, and related parties	30

Compensation Report

The compensation report contains information about the compensation system, establishment procedures and compensation components for the members of the Board of Directors and the members of the Management of Alpine Select Ltd. (the «Company», «Alpine Select»). It also details, the compensation awarded in the last two financial years.

The content and scope of the disclosures comply with the transparency requirements set out in articles 13 – 16 of the Swiss Ordinance against Excessive Compensation in Listed Stock Companies («OaEC»), the SIX Swiss Exchange Directive on Information relating to Corporate Governance and article 663b^{bis} of the Swiss Code of Obligations («CO»), and the Company's articles of association.

1. Introductory note

Alpine Select is an investment company with the objective to obtain capital appreciation from investments in core investment strategies: discount-, risk-arbitrage, tactical exploitation of under-researched companies / situations, short term opportunities, liquid hedge funds and digital assets.

Pursuant to article 716b CO and article 14, paragraph 2 of the articles of association, the board of directors may entrust the management, wholly or in part, and the representation of the Company to one or several individual persons, members of the board of directors or third parties. It may entrust the asset management, wholly or in part, to a legal person. The board of directors has exercised this authority in accordance with article 716b CO and has delegated the responsibility for running the Company to the management.

The board of directors established a compensation committee in year 2014.

2. Determination principles and authority of compensation

2.1 Compensation of the members of the board of directors

The individual members of the board of directors receive a function and task-related fixed compensation of which the majority is paid in cash, and may receive other benefits and services, which also qualify as compensation. In addition, the members of the board of directors are entitled to reimbursement of the expenditures incurred by them in the interest of the Company. The board of directors regulates the details of the compensation of its members in the compensation rules (Art. 19 of the articles of association).

2.2 Compensation of the members of the management

The members of the management receive a fixed compensation as well as, if applicable, a variable compensation.

The fixed compensation consists of basic compensation or the basic salary including fringe benefits plus employer contributions to social security and, if applicable, contributions to occupational provisions. The variable compensation for the management is paid as a short-term variable compensation component in cash, plus employer contributions to social security and, if applicable, contributions to occupational provisions. If members of the management receive a variable compensation, the following principles apply:

1. The short-term variable compensation component is determined by the board of directors at the request of the compensation committee.

2. The variable compensation component is linked to the success of the investments made by the Company and the therewith associated financial targets, to possible special projects as well as to the personal goals of the individual members of the management. The board of directors determines the variable compensation for the members of the management on this basis and in accordance with the corresponding regulations, taking into account the Company's success and the achievement of personal goals.
3. The variable compensation principles are implemented by the board of directors in regulations and explained in the annual compensation report.

2.3 Common provisions for the compensation of the board of directors and the management

Members of the board of directors and the management receive neither credits nor loans from the Company and do not participate in any share or option-based profit and/or participation plans of the Company.

The compensations may be paid by the Company or its group companies.

Compensations to members of the board of directors or the management for activities in companies which are directly or indirectly controlled by Alpine Select are admissible. These compensations are included in the amount of the total compensation to the board of directors and the management, which the shareholders' meeting needs to approve according to article 22 of the articles of association.

The Company may compensate and pay appropriate advance payments to the members of the board of directors and the management for any disadvantages incurred in relation to proceedings, litigations, or settlements in connection with their activities for the Company or one of its participations and may conclude insurances.

Further details on the compensation of the board of directors and the management are determined by the board of directors in the compensation rules. The document can be downloaded from the Company's website, in German only <https://www.alpine-select.ch/images/downloads/ALPN-Compensation-Rules.pdf>.

Employment contracts with the members of the management and possible contracts with members of the board of directors, which form the basis of the compensation of the respective members, are concluded for a fix period of a maximum of one year or for an indefinite period of time with a cancellation period of a maximum of twelve months at the end of a calendar month.

2.4 Authority and determination of compensation

Alpine Select's compensation committee acts as the relevant body in accordance with the OaEC and the articles of association, subject to revision in accordance with the OaEC.

The compensation committee consists of two to three members. The shareholders' meeting elects the members of the compensation committee on an individual basis for a term of office of one year. The term of one year is deemed to signify the period from one ordinary shareholders' meeting to, and including, the next. Members whose term of office expires are eligible for immediate re-election.

Compensation Report

The board of directors appoints the chairman from the members of the compensation committee and issues regulations that define the responsibilities of this committee, taking into account Swiss law and the Company's articles of association. If vacancies arise in the compensation committee, the board of directors may, for the period until the next ordinary shareholders' meeting, either fill such vacancies with its members or leave them open.

The compensation committee in principle has the following tasks and responsibilities:

1. Proposal to the board of directors on the structure of the compensation policy and the compensation guidelines.
2. Proposal to the board of directors for the maximum total amount of compensation to the board of directors and the management in accordance with article 22 of the articles of association.
3. Proposal to the board of directors on the compensation for members of the board of directors.
4. Proposal to the board of directors on the compensation and conditions of employment of the members of the management, including compensation-relevant decisions in connection with the termination of the employment relationship.
5. Proposal of the compensation report to the board of directors.
6. Proposal to the board of directors for changes to the compensation rules.
7. Other duties and responsibilities entrusted to it by the articles of association or the board of directors.

The compensation of the board of directors and the management according to article 22 of the articles of association are subject to authorization by the annual shareholders' meeting.

3. Compensation of as well as loans and credits to the board of directors, the management, and related parties

3.1 Compensation of the board of directors and the management in 2021 (audited)

in CHF	Gross salary	Variable compensation	Social security contributions	Pension fund contributions	Total compensation
Name/Function					
Raymond J. Baer <i>Chairman and non-executive member BoD</i>	135 000		11 064	14 407	160 471
Thomas Amstutz ¹⁾ <i>Non-executive member BoD</i>	40 000				40 000
Dieter Dubs <i>Non-executive member BoD</i>	40 000		3 278		43 278
Michel Vukotic <i>Executive member BoD</i>	40 000		3 278		43 278
<i>Head of the investment committee</i>	180 000		14 320	16 500	210 820
Claudia Habermacher <i>Chief executive officer</i>	150 000	30 000	14 561	13 938	208 499
Lukas Hoppe <i>Chief operating officer</i>	200 000	30 000	18 358	15 603	263 961

¹⁾ The fee for the board of directors' compensation is billed by LotusPeak with the additional services provided by the company (see Note 3.6 below).

Additionally, and in accordance to the Company's compensation rules as approved by the Cantonal Tax Administration of the Canton of Zug on 15 May 2006, a flat-rate allowance was paid out as follows:

- Raymond J. Baer CHF 15,000
- Claudia Habermacher CHF 10,000
- Michel Vukotic CHF 15,000
- Lukas Hoppe CHF 15,000

For further compensation paid in 2021 to the members of the board of directors and the management, see Note 3.6 below.

3.2 Compensation of the board of directors and the management in 2020 (audited)

in CHF	Gross salary	Variable compensation	Social security contributions	Pension fund contributions	Total compensation
Name/Function					
Raymond J. Baer <i>Chairman and non-executive member BoD</i>	135 000		11 029	14 415	160 444
Thomas Amstutz ¹⁾ <i>Non-executive member BoD</i>	40 000				40 000
Dieter Dubs <i>Non-executive member BoD</i>	40 000		3 268		43 268
Michel Vukotic <i>Executive member BoD</i>	40 000		3 268		43 268
<i>Head of the investment committee</i>	180 000		14 275	16 670	210 945
Claudia Habermacher <i>Chief executive officer</i>	150 000		12 244	13 939	176 183
Lukas Hoppe <i>Chief operating officer</i>	200 000	20 000	17 543	15 565	253 108

¹⁾ The fee for the board of directors' compensation is billed by LotusPeak with the additional services provided by the company (see Note 3.6 below).

Additionally, and in accordance to the Company's compensation rules as approved by the Cantonal Tax Administration of the Canton of Zug on 15 May 2006, a flat-rate allowance was paid out as follows:

- Raymond J. Baer CHF 15,000
- Claudia Habermacher CHF 10,000
- Michel Vukotic CHF 15,000
- Lukas Hoppe CHF 15,000

3.3 Loans and credits to the board of directors and the management

For the year 2021, no loans or credits by the Company or its subsidiary have been granted to members of the board of directors or the management, and there were none outstanding at year-end (year 2020: None).

3.4 Compensation, loans and credits to related parties

No compensation was paid, nor were loans or credits granted to related parties at non-market conditions in 2021, and there were none outstanding at year-end 2021 (2020: None).

Compensation Report

3.5 Compensation to former members of the board of directors and management

No payments were made to former members of the board of directors or management during the year 2021 (2020: None).

3.6 Advisory agreements

Effective 1 January 2020 a consulting and service agreement exists between Alpine Select and Lotus Peak Capital Pte Ltd («Lotus Peak») for a total amount of TCHF 148 per year (of which TCHF 40 pertain the board fee of Thomas Amstutz). Thomas Amstutz, member of the Board of Directors of Alpine Select, is a member of the management of Lotus Peak.

Dieter Dubs is a partner of Baer & Karrer Ltd., Zurich. During the year to 31 December 2021, TCHF 39 were booked in connection with legal services rendered by Baer & Karrer of which TCHF 15 were not yet paid at 31 December 2021 (2020: TCHF 50 / TCHF 0).

**Report of the
Statutory Auditor on the
Compensation Report**

Report of the Statutory Auditor on the Compensation Report to the Annual Shareholders' Meeting of Alpine Select Ltd., Zug



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8031 Zurich

REPORT OF THE STATUTORY AUDITOR

To the General Meeting of
Alpine Select Ltd., Zug

We have audited the accompanying remuneration report of Alpine Select AG for the year ended 31 December 2021. The audit was limited to the information according to articles 14 - 16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the notes 3.1 to 3.6 on pages 28 to 32 of the compensation report.

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibility

Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14 - 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14 - 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the remuneration report for the year ended 31 December 2021 of Alpine Select Ltd. complies with Swiss law and articles 14 - 16 of the Ordinance.

Zurich, 30 March 2022

BDO Ltd

Franco A. Straub
Auditor in Charge
Licensed Audit Expert

Eva Maranta
Auditor in Charge
Licensed Audit Expert

Enclosure

Remuneration report

**Consolidated
Financial Statements**

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET

in TCHF	Note	31-Dec-21	31-Dec-20
Cash at banks		1 099	6 425
Derivatives	5	1 312	1 150
Other receivables	6	3 260	1 921
Prepayments and accrued income		97	119
Total current assets		5 768	9 615
Financial assets	7	154 720	125 151
Total non-current assets		154 720	125 151
TOTAL ASSETS		160 488	134 766
Bank overdrafts		7 579	0
Derivatives	5	167	85
Other short-term liabilities		222	448
Accrued liabilities and deferred income		1 707	1 592
Total current liabilities		9 675	2 125
Deferred tax liabilities	9	1 578	134
Total non-current liabilities		1 578	134
Share capital	10.1	185	185
Capital reserves		15 388	15 388
Treasury shares	10.5	-5 268	-3 712
Cumulative translation adjustments	10.4	0	-4 121
Retained earnings		131 744	117 554
Equity attributable to shareholders of Alpine Select		142 049	125 294
Non-controlling interests		7 186	7 213
Total equity		149 235	132 507
TOTAL LIABILITIES AND EQUITY		160 488	134 766
Net asset value (NAV) per share in CHF	16	16.03	13.96

The consolidated financial statements 2021 have been prepared in accordance with Swiss GAAP FER. The enclosed notes form an integral part of the consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

in TCHF	Note	2021	2020
Net investment gain	11	30 943	8 495
Dividend income		659	473
Interest income		359	136
Other income		79	97
Operating income		32 040	9 201
Administrative expenses	12	-2 418	-2 592
Net foreign exchange losses	10.4	-3 646	-25
Interest expenses		-98	-112
Operating expense		-6 162	-2 729
Profit before income tax		25 878	6 472
Income tax expense	14	-1 830	-633
PROFIT FOR THE YEAR		24 048	5 839
<ul style="list-style-type: none"> • Of which attributable to shareholders of Alpine Select • Of which attributable to non-controlling interests 		23 120	6 128
		928	-289
Earnings per share in CHF (basic and diluted)	15	2.60	0.67

The consolidated financial statements 2021 have been prepared in accordance with Swiss GAAP FER. The enclosed notes form an integral part of the consolidated financial statements.

Consolidated Financial Statements

CONSOLIDATED CASH FLOW STATEMENT

in TCHF	Note	2021	2020
Profit for the period		24 048	5 839
Adjustments for:			
• Net investment gain	11	-30 943	-8 495
• Dividend income		-659	-473
• Interest income		-359	-136
• Interest expenses		98	112
• Income tax		1 830	633
• Recycled currency translation adjustments	10.4	3 580	0
• Other non-cash items		41	88
Decrease in other receivables, prepayments, and accrued income		1 691	9
Increase in other short-term liabilities, accrued liabilities, and deferred income		156	109
Withholding taxes received		1	2 886
Dividends received		659	466
Interest paid		-98	-112
Interest received		365	70
Income tax paid, net		-1 129	-721
CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES		-719	275
Purchase of		0	
• Financial assets (long positions)	7	-75 102	-63 230
• Financial assets previously sold short	7	0	-2 979
Proceeds from		0	
• Sale of financial assets (long positions)	7/8	77 540	64 812
• Short sale of derivatives (trading options sold short)	7	0	2 621
Net cash (outflow) / inflow from currency forwards		-3 106	6 282
CASH (OUTFLOW) / INFLOW FROM INVESTING ACTIVITIES		-668	7 506

The consolidated financial statements 2021 have been prepared in accordance with Swiss GAAP FER. The enclosed notes form an integral part of the consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT (continued)

in TCHF	Note	2021	2020
Acquisition of treasury shares	10.5	-1 556	-4 677
Outflows for shares from non-controlling interests		-955	-7 740
Dividend paid to shareholders of Alpine Select		-8 930	-9 258
CASH OUTFLOW FROM FINANCING ACTIVITIES		-11 441	-21 675
Translation adjustment on net cash		-77	-14
Net decrease in cash		-12 905	-13 908
Net cash at 1 January		6 425	20 333
NET CASH AT 31 DECEMBER		-6 480	6 425
Net cash at 31 December consists of:			
• Current accounts at banks		1 099	6 425
• Less bank overdrafts		-7 579	0
NET CASH AS DEFINED FOR THE CONSOLIDATED CASH FLOW STATEMENT		-6 480	6 425

The consolidated financial statements 2021 have been prepared in accordance with Swiss GAAP FER. The enclosed notes form an integral part of the consolidated financial statements.

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in TCHF	Note	Share capital	Capital reserves	Treasury shares	Cumulative translation adj.	Retained earnings	Equity attributable to shareholders of Alpine Select Ltd.	Non-controlling interests	Total equity
Balance at 1 January 2020		206	15 388	-14 975	-2 413	136 598	134 804	15 242	150 046
Profit / (loss) for the year						6 128	6 128	-289	5 839
Currency translation adj. recognized in the year					-1 708		-1 708		-1 708
Dividend paid to shareholders of Alpine Select						-9 258	-9 258		-9 258
Acquisition of shares from non-controlling interests							0	-7 740	-7 740
Acquisition of treasury shares, net of income tax	10.5			-4 672			-4 672		-4 672
Cancellation of treasury shares	10.5	-21		15 935		-15 914	0		0
Balance at 31 December 2020		185	15 388	-3 712	-4 121	117 554	125 294	7 213	132 507
Profit for the year						23 120	23 120	928	24 048
Currency translation adj. recognized in the year					541		541		541
Currency translation adj. recycled through profit and loss	10.4				3 580		3 580		3 580
Dividend paid to shareholders of Alpine Select						-8 930	-8 930		-8 930
Acquisition of shares from non-controlling interests							0	-955	-955
Acquisition of treasury shares	10.5			-1 556			-1 556		-1 556
Balance at 31 December 2021		185	15 388	-5 268	0	131 744	142 049	7 186	149 235

The consolidated financial statements 2021 have been prepared in accordance with Swiss GAAP FER. The enclosed notes form an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

1.	General information	42
2.	Significant accounting policies	42
3.	Basis of consolidation	43
4.	Segment information	46
5.	Other receivables	46
6.	Derivatives	46
7.	Financial assets	47
8.	Cash flows from disposal of financial assets	51
9.	Deferred tax assets and deferred tax liabilities	51
10.	Share capital, treasury shares and capital reserves	52
11.	Net investment gain	54
12.	Administrative expenses	54
13.	Pension plans	54
14.	Income tax expense	55
15.	Earnings per share	55
16.	Net asset value (NAV) per share	55
17.	Contingencies, commitments, and pledged assets	55
18.	Significant shareholders	56
19.	Related party transactions	56
20.	Events after the balance sheet date	57

1. General information

Alpine Select Ltd. (the «Company», «Alpine Select») is a limited liability company incorporated on 17 September 1997 under the laws of Switzerland. Its registered shares are listed on the SIX Swiss Exchange since 1998. The address of its registered office is Gotthardstrasse 31, 6300 Zug / Switzerland.

The Company offers institutional and individual investors the key benefit of investing into a diversified alternative investment portfolio with core investment strategies: discount-, risk-arbitrage, tactical exploitation of under-researched companies / situations, short-term opportunities, liquid hedge funds and digital assets.

As of 31 December 2021, the Company has three employees.

2. Significant accounting policies

2.1 Statement of compliance

The consolidated financial statements of Alpine Select are based on uniform accounting and valuation principles applicable to all subsidiaries of Alpine Select («Alpine Group») and have been prepared in accordance with Swiss GAAP FER 31 «Additional recommendations for listed companies» and the requirements of the Swiss Code of obligations (CO).

The consolidated financial statements were approved by the Board of Directors of Alpine Select on 30 March 2022 and released for publication on 7 April 2022. They are also subject to approval by the shareholders' meeting on 18 May 2022.

2.2 Basis of preparation

The consolidated financial statements were prepared in Swiss Francs («CHF») or thousands of Swiss Francs («TCHF»). In some cases, the sum of the figures given in this report may not precisely equal the stated totals, and percentages may not be exact due to rounding.

Financial reporting in compliance with Swiss GAAP FER requires management to make estimates and assumptions as well as to exercise its judgment in applying the accounting principles. This can affect the reported amounts of income, expense, assets, liabilities, and contingent liabilities as at the reporting date. If, at a later date, estimates and assumptions of this kind, which were made by management at the reporting date to the best of its knowledge, should deviate from the actual situation, the original estimate and assumptions will be adjusted in the reporting year in which the conditions have changed.

The consolidated financial statements have been prepared under the historical cost principle except for financial assets and derivatives which are recorded at fair value (see also Note 3.5).

3. Basis of consolidation

3.1 Scope and principles of consolidation

The consolidated financial statements comprise the financial statements of Alpine Select («parent company») and the subsidiaries which the parent company, directly or indirectly, controls either by holding more than 50% of the voting rights or by otherwise having the power to govern their operating and financial policies. These subsidiaries are fully consolidated. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The following table shows the companies that are included in the consolidation:

Company	Country	Currency	Share capital in TLC	31-Dec-21	31-Dec-20
Alpine Select Ltd.	Switzerland	CHF	185	100.00%	100.00%
Absolute Invest Ltd.	Switzerland	CHF	600	100.00%	100.00%
Altin (Cayman) Ltd. in Liq.	Cayman Islands	USD	n/a	100.00%	100.00%
Alpine Select Alternative Fund	Liechtenstein	CHF	n/a	89.87%	88.61%

Intercompany balances and transactions are eliminated during consolidation. Gains arising from intercompany transactions would be eliminated if such occur. Non-controlling interests are presented as component of equity in the consolidated balance sheet and of the profit / (loss) for the year in the consolidated income statement.

Acquisitions of subsidiaries and business are accounted for using the purchase method. The consideration paid plus directly attributable transactions costs for each acquisition are eliminated at the date of acquisition against the fair value of the net assets acquired, determined based on uniform accounting policies. Any excess of the consideration transferred over the net assets acquired would be recognized as goodwill.

For investments in which Alpine Group holds an interest of 20% to 50% and over which Alpine Group exercises significant influence but neither controls nor manages them («associated companies»), the equity method is applied to include such investments in the consolidated financial statements. Associated companies would be included in the balance sheet under the caption «Financial assets». Investments in which Alpine Group holds an interest of 20% to 50% but neither exercises significant influence nor controls or manages them are recognized in the consolidated financial statement at fair value in the income statement and are reported in the balance sheet under the caption «Financial assets».

Investments in which Alpine Group holds less than 20% voting rights are accounted for at fair value and presented under «Financial assets».

All companies within the scope of consolidation have a 31 December year-end.

The above-described scope of consolidation applies to the years ended 31 December 2021 and 2020.

Notes to the Consolidated Financial Statements

3.2 Critical accounting estimates and judgment

The most critical judgments and estimates relate to the valuation of Alpine Group's unlisted investments valued at fair value. Unlisted investments are recorded at the (adjusted) net asset value as reported by the managers or administrators of such investments. This value is considered fair value as this amount is estimated to represent the amount at which the unlisted investment funds could be exchanged in an arm's length transaction. Fair value estimates are made at a specific point in time and are subjective in nature. Fair values can therefore not be determined with precision. The fair values might be impacted by changes in factors such as the nature of the business, the industry and economic outlook (local as well as global) and earnings capacity of the fund.

Alpine Group holds multiple investments and ownership interests in the form of redeemable shares.

3.3 Foreign currency conversion

Transactions in foreign currencies are converted at the rate of exchange as of the transaction date. Gains and losses from foreign currency transactions and from converting year-end foreign currency balances are recognized in the income statement.

The financial statements of subsidiaries that report in foreign currencies are translated into Swiss Francs as follows:

- Balance sheet items: at year-end exchange rates
- Income statement and cash flow statement items: at average exchange rates for the year
- Equity: at historical rates

The translation differences resulting from the conversion of financial statements denominated in foreign currencies are directly charged to equity.

		31-Dec-21	31-Dec-20
USD / CHF			
Balance sheet	End of December	0.91114	0.88394
Items of income statement and cash flow	Average rate for the year	0.91427	0.93861

3.4 Cash at banks

Cash is stated at nominal value and includes bank accounts at sight.

3.5 Derivates (current)

Derivates may include trading options, currency forwards and short positions.

3.6 Other receivables

Other receivables are stated at nominal values and result from withholding taxes, receivables from investments sold, subscriptions or other miscellaneous events. Value adjustments for doubtful positions are recognized if needed.

3.7 Financial assets

Financial assets may include equity investments, bonds, collective investment schemes, hedge funds, digital assets or futures. They are recorded at fair value, which for listed investments is determined by reference to the quoted market price at the balance sheet date. Changes in fair value are recorded in the consolidated income statement in the line *net investment gain / (loss)*. Transactions are recognized on the trade date. The valuation method used for unlisted funds and equities is the «adjusted net asset value method». In determining the fair value of investments for which quotations are not readily available, the valuation is generally based on the latest available net asset value («NAV») of the fund reported by the corresponding fund manager provided the NAV has been appropriately determined by using proper fair value principles. The Company reviews and approves the NAV provided by the investment manager unless it is aware of reasons that such a valuation may not be the best approximation of fair value (for example if there is evidence that the investment cannot be redeemed at the net asset value or if other restrictions for example capital commitments exist).

The adjusted net asset value method is the single technique used across all fund investment types. The NAV would also be adjusted if the Company becomes aware of significant market changes or events that have a significant impact on the value of the underlying investments and that are not yet included in the NAV as reported by the fund manager.

3.8 Bank overdrafts

Bank overdrafts reflect the negative balance of the Company's bank accounts at the balance sheet date. Due to the short-term nature of this position, the carrying amount of the bank overdraft approximates the nominal value.

3.9 Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are classified as short-term liabilities since they are expected to be settled within twelve months after the reporting period. Accounts payable and accrued liabilities are stated at nominal values.

3.10 Deferred tax assets and deferred tax liabilities

Deferred taxes are calculated by applying the balance sheet liability method for any temporary difference between the carrying amount according to Swiss GAAP FER and the tax basis of assets and liabilities. *Deferred tax assets* are recognized for tax loss carryforwards only to the extent that it is probable that future taxable profits or deferred tax liabilities will be available against which they can be offset. *Deferred tax assets* and *deferred tax liabilities* are disclosed net in case there is a legally and enforceable right. Deferred taxes are calculated based on tax rates that are applied or enacted at the balance sheet date.

Notes to the Consolidated Financial Statements

3.11 Dividend income

Dividend income is recognized in profit or loss on the date the Company's right to receive payments is established. For listed equity securities, the date usually equals to the ex-dividend date.

3.12 Income Tax

Income tax includes current and deferred taxes. Alpine Select has the status of a holding company in the Canton of Zug and as such benefits from the participation exemption at federal level on income from dividends, stock dividends and capital gains. Current income taxes are calculated on the taxable profit.

4. Segment information

The Company invests in listed or unlisted securities of Swiss and foreign companies and uses significant transaction events such as spin-offs, acquisitions, mergers, carve-outs and recapitalizations. The Company operates in only one segment.

5. Derivatives

Derivatives consist of currency forwards as follows:

in TCHF	Fair value at 1-Jan-20	Gains / (losses)	Fair value at 31-Dec-20	Gains / (losses)	Fair value at 31-Dec-21
CURRENCY FORWARDS					
CHF/EUR; EUR/CHF	94	5	-6	536	120
CHF/GBP; GBP/CHF	0	-125	-55	-555	-167
CHF/JPY; JPY/CHF	211	285	-11	252	133
CHF/USD; USD/CHF	1 325	5 552	1 137	-3 259	1 059
Total	1 630	5 717	1 065	-3 026	1 145
of which gains		19 617		788	
of which losses		-13 900		-3 814	
of which assets	1 652		1 150		1 312
of which liabilities	-22		-85		-167

6. Other receivables

in TCHF	31-Dec-21	31-Dec-20
Withholding tax	2 614	100
Other receivables	646	1 821
Total	3 260	1 921

7. Financial assets

7.1 Listed and unlisted financial assets

Alpine Group holds investments in listed and unlisted *financial assets* as disclosed in the following table:

in TCHF	31-Dec-21	31-Dec-20
Fair value of listed financial assets	64 419	45 280
Fair value of unlisted financial assets		
Long positions	84 096	79 871
Blockchain private equity	6 205	0
Total	154 720	125 151

7.2 Blockchain private equity at 31 December 2021

	Fair value at 1-Jan-21	Additions	Reductions	Gains / (losses)	Fair value at 31-Dec-21	Total commitment	Cumulative capital calls at 31-Dec-21	Cumulative repayments at 31-Dec-21
	TCHF	TCHF	TCHF	TCHF	TCHF	TUSD	TUSD	TUSD
BLOCKCHAIN PRIVATE EQUITY								
L1D Blockchain Venture II SLP	0	183		-1	182	1 000	200	0
Rockaway Blockchain Fund	0	904		5 119	6 023	2 000	1 000	0
Total blockchain private equity	0	1 087	0	5 118	6 205			
of which gains				5 119				
of which losses				-1				

Notes to the Consolidated Financial Statements

7.3 Long positions at 31 December 2021

in TCHF	Fair value at 1-Jan-21	Additions	Reductions ¹⁾	Gains / (losses)	Currency translation adjustments	Fair value at 31-Dec-21	Number of shares at 31-Dec-21
LONG POSITIONS							
162 Digital Asset Quantamental Fund SP	0	667		264		931	7 500
162 Digital Asset QuantAdvantage Fund SP ²⁾	0	222		71		293	2 500
162 Digital Asset Systematic Return Fund SP	0	224		43		267	2 500
Acoro Global Ltd.	1 036		-1 081	45		0	
Alegra ABSI (Euro) Fund	2 144			241		2 385	469
Aleutian Fund ³⁾	4 073			584		4 657	16 184
Alibaba Group Holding Ltd.	1 543		-1 568	25		0	
Arcus Genseki Fund	4 791			786		5 577	40 000
Arnott Opportunities (Cayman) Fund Ltd.	0	924		31		955	615
Bin Yuan Healthcare Fund	0	1 852		-10		1 842	20 000
BKW AG	0	2 695		243		2 938	24 773
Castle Alternative Invest Ltd.	19 535	7 711	-26 479	2 735		3 502	2 059 762
Cheyne New Europe Fund Inc.	14 762		-4 900	959	464	11 285	706 730
Cheyne Total Return Credit Fund	4 715		-2 134	272		2 853	163 489
CQS Directional Opp. Feeder Fund Ltd.	4 383		-4 371	-12		0	
Fenghe Asia (USTE) Fund Ltd.	4 391			1 379		5 770	3 336
GH China Century Offshore Feeder Fund	3 535			728		4 263	21 459
IP Group PLC ⁴⁾	9 202	14 923	-2 866	4 881		26 140	17 110 672
L1 Digital SICAV	0	2 727		6 266		8 993	30 000
LafargeHolcim Ltd.	1 167		-1 369	202		0	
MCH Group Ltd.	2 619	372	-678	49		2 362	2 440 000
New Carpathian Fund	1 573		-912	-138		523	500
Nishkama Capital Offshore Fund Ltd.	5 911			1 833		7 744	4 992
Northwest Feilong Fund Ltd.	5 639			1 634		7 273	3 090
Novartis Ltd.	2 425		-2 350	-75		0	
Orchard Liquid Credit Fund	5 661			-4		5 657	50 000
SBI Holdings Inc.	419	1 245	-1 788	124		0	
Swissrex Crypto Fund Ltd.	1 316		-1 000	3 641		3 957	644
Systematic DLT Fund	4 001		-3 603	-398		0	
Tekmerion Capital Offshore Fund	2 421		-2 439	18		0	
Thalos Invest – Bridge Note (30-May-2022)	2 163		-2 183	20		0	
Thalos Invest – Tulip Note (15-Jun-2024)	0	2 609		-19		2 590	2 500 000
Thalos Invest – XXV SG Note (30-Apr-2024)	0	2 000				2 000	2 000 000
The Snowball Offshore Fund, Ltd.	1 105	891		-275		1 721	1 315
Three Court Fund Offshore, LP	2 916			524		3 440	3 347
Topix Index Futures	0	9 599	-9 645	46		0	
	113 446	48 661	-69 366	26 713	464	119 918	

¹⁾ Reductions may include capital repayments | ²⁾ Previously: 162 Digital Asset QuantEdge Fund SP | ³⁾ Change in number of shares due to title exchange | ⁴⁾ Change in number of shares in the reporting period additionally due to the allocation of a stock dividend

Long positions at 31 December 2021 (continued)

in TCHF	Fair value at 1-Jan-21	Additions	Reductions ¹⁾	Gains / (losses)	Currency translation adjustments	Fair value at 31-Dec-21	Number of shares at 31-Dec-21
LONG POSITIONS (continued)	113 446	48 661	-69 366	26 713	464	119 918	
Tracker on Bitcoin by Wisdomtree	0	1 200	-1 558	358		0	
Tracker on Ethereum by Leonteq	0	513	-545	32		0	
Trillium Therapeutics Inc.	0	4 801	-5 176	375		0	
Valens Offshore Fund	2 310			-672	73	1 711	3 495
Value Multiplier Feeder Fund	580	1 359		167		2 106	1 971
Venture XIX CLO, Ltd.	1 740			-474		1 266	4 500 000
Vifor Pharma Ltd.	0	17 481	-2 634	1 743		16 590	102 247
Yuki Japan Rebounding Growth Fund	6 207			248		6 455	20 679
Others ²⁾	868		-776	361	16	469	n/a
Total long positions	125 151	74 015	-80 055	28 851	553	148 515	
of which gains				33 169			
of which losses				-4 318			

¹⁾ Reductions may include capital repayments | ²⁾ The position «Others» includes legacy investments, which individually amount to less than TCHF 500

Notes to the Consolidated Financial Statements

7.4 Long positions at 31 December 2020

in TCHF	Fair value at 1-Jan-20	Additions	Reductions ¹⁾	Gains / (losses)	Currency translation adjustments	Fair value at 31-Dec-20	Number of shares at 31-Dec-20
LONG POSITIONS							
Acoro Global Ltd.	1 018			18		1 036	9 256
Akamatsu Bonsai Fund	5 714		-5 181	-533		0	
Alegra ABSI (Euro) Fund	2 361			-217		2 144	469
Aleutian Fund	3 115			958		4 073	16 476
Alibaba Group Holding Ltd.	0	4 234	-2 960	269		1 543	7 500
Arcus Genseki Fund	5 810			-1 019		4 791	40 000
Castle Alternative Invest Ltd.	18 482	3 004	-642	-1 309		19 535	1 502 725
Cheyne New Europe Fund Limited	15 939			223	-1 400	14 762	990 343
Cheyne Total Return Credit Fund	4 740	7 652	-7 461	-216		4 715	47 438
CQS Directional Opp. Feeder Fund Ltd.	7 352			-2 969		4 383	1 149
Fenghe Asia (USTE) Fund Ltd.	2 087	1 952		352		4 391	3 453
GH China Century Offshore Feeder Fund	2 946			589		3 535	21 459
HBM Healthcare Investments Ltd.	8 900	11 724	-23 201	2 577		0	
Immunomedics Inc.	0	3 120	-3 202	82		0	
IP Group PLC	0	7 486	-255	1 971		9 202	7 700 000
iShares VI PLC MSCI Japan	0	4 137	-4 035	-102		0	
LafargeHolcim Ltd.	0	1 023		144		1 167	24 000
MCH Group Ltd.	266	2 227		126		2 619	2 735 000
Nasdaq Biotechnology	0	421	-435	14		0	
New Carpathian Fund	1 601			-28		1 573	1 241
Nishkama Capital Offshore Fund Ltd.	5 032			879		5 911	4 992
Northwest Feilong Fund Ltd.	5 929			-290		5 639	3 090
Novartis Ltd.	0	2 289		136		2 425	29 000
Orchard Liquid Credit Fund	5 466			195		5 661	50 000
SBI Holdings Inc.	0	514		-95		419	20 000
Schroder International Select. Fund SICAV	963		-1 252	289		0	
SFP Value Realization Fund Ltd.	5 477		-4 209	-1 101	-167	0	
SPDR S&P Biotech	0	412	-427	15		0	
SUN Corporation	0	47	-60	13		0	
Swissrex Crypto Fund Ltd.	0	1 000		316		1 316	1 000
Systematic DLT Fund	0	2 636		1 365		4 001	23 000
Tekmerion Capital Offshore Fund	2 865			-444		2 421	3 000
Thalos Invest	0	2 143		20		2 163	2 000 000
The Snowball Offshore Fund, Ltd.	911			194		1 105	1 000
Three Court Fund Offshore, LP	2 100	891		-75		2 916	3 347
Titan Emerging Managers Off. Fund, Ltd.	1 956		-1 662	-231		63	2 000
	111 030	56 912	-54 982	2 116	-1 567	113 509	

¹⁾ Reductions may include capital repayments

Long positions at 31 December 2020 (continued)

in TCHF	Fair value at 1-Jan-20	Additions	Reductions ¹⁾	Gains / (losses)	Currency translation adjustments	Fair value at 31-Dec-20	Number of shares at 31-Dec-20
LONG POSITIONS (continued)	111 030	56 912	-54 982	2 116	-1 567	113 509	
Tracker Certificate BTC	0	1 234	-1 432	198		0	
UMJ Kotoshiro Feeder Fund	2 223		-2 195	-28		0	
Valens Offshore Fund	2 604		-179	106	-221	2 310	3 495
Value Multiplier Feeder Fund	0	457		123		580	468
Venture XIX CLO, Ltd.	2 786			-1 046		1 740	4 500 000
Vifor Pharma Ltd.	0	3 407	-3 457	50		0	
Xbiotech Inc.	1 937	751	-3 455	767		0	
Y-Mabs Therapeutics Inc.	0	469	-605	136		0	
Yuki Japan Rebounding Growth Fund	5 467			740		6 207	20 679
Others ²⁾	1 103		-250	-26	-22	805	n/a
Total long positions	127 150	63 230	-66 555	3 136	-1 810	125 151	
of which gains				12 865			
of which losses				-9 729			

¹⁾ Reductions may include capital repayments | ²⁾ The position «Others» includes legacy investments, which individually amount to less than TCHF 500

7.5 Short positions at 31 December 2020

in TCHF	Fair value at 1-Jan-20	Additions	Reductions ¹⁾	Gains / (losses)	Currency translation adjustments	Fair value at 31-Dec-20	Number of shares at 31-Dec-20
SHORT POSITIONS							
BB Biotech Inc.	0	-2 621	2 979	-358		0	
Total short positions	0	-2 621	2 979	-358	0	0	
of which gains				18			
of which losses				-376			

8. Cash flows from disposal of financial assets

in TCHF	Note	2021	2020
Disposal of financial assets (reductions total long positions)	6.3	80 055	66 555
Receivable from sale of securities		0	-1 651
Withholding tax on sale of securities		-2 515	-92
Effective cash inflow from disposal		77 540	64 812

9. Deferred tax assets and deferred tax liabilities

The movements of deferred tax assets and liabilities are as follows:

Notes to the Consolidated Financial Statements

in TCHF	Deferred tax liabilities on financial assets and derivatives with positive or negative replacement values	Deferred tax assets from capitalized tax loss carryforwards	Deferred tax (liabilities) / assets, net
Balance at 1 January 2020	-877	0	-877
Deferred tax income	587	156	743
Balance at 31 December 2020	-290	156	-134
Deferred tax expense	-1 313	-131	-1 444
Balance at 31 December 2021	-1 603	25	-1 578

Deferred tax assets and deferred tax liabilities are netted in case there is a legally enforceable right. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse.

As of 31 December 2021, Alpine Group has tax loss carryforwards of approximately TCHF 200 which will expire in the year 2027 and which are capitalized as deferred tax assets at 31 December 2021, applying a tax rate of 11.91%.

10. Share capital, treasury shares and capital reserves

10.1 Share capital

As of 31 December 2021, and unchanged to prior year, the Company's share capital amounts to CHF 185,159.40 and is divided into 9,257,970 registered shares with a nominal value of CHF 0.02. The shares are fully paid in and listed in CHF at the SIX Swiss Exchange. No preferential or similar rights exist. Each share has one vote, and all shares are equally entitled to dividends. There are no voting right restrictions. There are two share certificates outstanding for 525 shares in total. The Company does not have participation certificates.

10.2 Conditional share capital

According to article 4b of the Company's articles of association, the Company's share capital may be increased by a maximum amount of CHF 121,779.54 by issuing a maximum of 6,088,977 registered shares with a nominal value of CHF 0.02 each to be fully paid-in, through the exercise of option and/or conversion rights to be granted in connection with bonds or similar debt instruments of the Company or its subsidiary, and/or through the exercise of option rights to be granted to the shareholders. No such rights existed at 31 December 2021 and 2020, respectively.

10.3 Legal reserves

As at 31 December 2021 and unchanged to prior year, retained earnings contain legal reserves of CHF 37,031.88 which are not distributable to the shareholders' pursuant to Swiss law.

10.4 Currency translation adjustments

During the year to 31 December 2021, Altin (Cayman) Ltd. in Liquidation, a subsidiary with USD as functional currency, was liquidated and therefore, currency translation adjustments in the amount of TCHF 3,580 are recycled through profit and loss in the year under review (included in the caption *Net foreign exchange losses* in the consolidated income statement).

10.5 Treasury shares

	Quantity	Transaction price (Ø) in CHF	Purchase cost in TCHF
At 1 January 2020	954 840	15.68	14 975
Purchases (including transaction costs)	355 934	13.13	4 672
Cancellation	-1 025 135	15.54	-15 935
At 31 December 2020	285 639	13.00	3 712
Purchases	108 965	14.28	1 556
At 31 December 2021	394 604	13.35	5 268

Treasury shares are valued at acquisition cost and reported in shareholders' equity as a debit item.

At 31 December 2020 the Company held 285,639 treasury shares (3.09% of the issued share capital) in the amount of TCHF 3,712. During the year 2021, Alpine Select repurchased a further 108,965 own shares for a total of TCHF 1,556. At 31 December 2021 the Company therefore held 394,604 treasury shares (4.26% of the share capital).

Notes to the Consolidated Financial Statements

11. Net investment gain

in TCHF	2021	2020
Long positions		
Gains	33 169	12 865
Losses	-4 318	-9 729
Blockchain private equity		
Gains	5 119	0
Losses	-1	0
Currency forwards		
Gains	788	19 617
Losses	-3 814	-13 900
Short positions		
Gains	0	18
Losses	0	-376
Net investment gain	30 943	8 495

12. Administrative expenses

in TCHF	2021	2020
Personnel expenses, board of directors' fees incl. social costs	-1 039	-1 048
Legal, consulting, accounting, and auditing fees	-271	-405
Commissions and other bank fees	-495	-527
Advisory fees	-108	-108
Other office expenses	-505	-504
Total	-2 418	-2 592

13. Pension plans

in TCHF	Surplus / (deficit)	Economical part of Alpine Group		Change to prior year or recognized in the year	Contributions concerning the reporting period	Pension benefit expenses within personnel costs	
	31-Dec-21	31-Dec-21	31-Dec-20	2021	2021	2021	2020
Pension plans with surplus	11	0	0	0	0	60	61
Pension plans with deficit	0	0	0	0	0	0	0
Total	11	0	0	0	0	60	61

Alpine Select operates independent pension plans, which conform to the legal regulations and provisions in force in Switzerland. An economic obligation is recognized as a liability if the requirements for the recognition of a provision according to Swiss GAAP FER 16.7 are met. An economic benefit is capitalized if it is permitted and intended to be used for future Alpine Group pension contributions.

No employer contribution reserves were held in either the reporting year or in the previous year.

14. Income tax expense

in TCHF	2021	2020
Current tax expense	-386	-1 376
Deferred tax (expense) / income ¹⁾	-1 444	743
Total	-1 830	-633

¹⁾ Deferred tax income and expense is presented on a net basis.

15. Earnings per share

	2021	2020
Profit for the year in TCHF attributable to the shareholders of Alpine Select as per the consolidated income statement	23 120	6 128
Weighted average number of outstanding shares	8 907 062	9 185 989
Earnings per share in CHF (basic and diluted)	2.60	0.67

16. Net asset value (NAV) per share

	31-Dec-21	31-Dec-20
Equity attributable to the shareholders of Alpine Select as per the consolidated balance sheet (in TCHF)	142 049	125 294
Total number of shares outstanding	8 863 366	8 972 331
Net asset value per share (in CHF)	16.03	13.96
Adjusting factor		0.93464
Net asset value per share (in CHF) when adjusted for the distribution out of retained earnings in May 2021	–	13.05

17. Contingencies, commitments, and pledged assets

17.1 Pledged assets

Alpine Select, Absolute Invest and Absolute Invest's wholly owned subsidiary Altin (Cayman) Ltd. in Liq. entered into standard pledge agreements with Bank Julius Baer & Co. Ltd. («BJB»), Zurich under which their cash and portfolios at BJB are pledged as security for any amounts due to BJB.

Notes to the Consolidated Financial Statements

in TCHF	2021	2020
Alpine Group ¹⁾ , approximately	138 177	122 116
Part relating only to Alpine Select	39 126	32 041
Amount due to Bank Julius Baer	7 579	0

¹⁾ Alpine Group: In 2020 including Absolute Invest's subsidiary Altin (Cayman) Ltd., that went into voluntary liquidation in December 2021 after its remaining assets had been transferred to the parent company.

17.2 Operating lease

In 2020 Alpine Select made use of its option to extend its lease by five years. The non-cancellable term of the lease thus runs until for 31 March 2026.

The future minimum lease payments were payable as follows:

in TCHF	31-Dec-21	31-Dec-20
Within one year	48	48
Between one and five years	156	192
More than five years	0	12
Total	204	252

18. Significant shareholders

Based on the information available to the Company, the following shareholders are exceeding a threshold of 3% of voting rights:

	31-Dec-21	31-Dec-20
Trinsic Ltd., Zug ¹⁾	18.79%	17.48%
Raymond J. Baer, Maur	11.42%	11.42%
Hans Müller, Hergiswil	11.34%	11.34%
Stefan Rihs, Hong Kong	5.08%	6.48%
Thomas Amstutz, Singapore ²⁾	4.13%	4.12%
Walter Berchtold, Uitikon-Waldegg	3.24%	3.24%
Alpine Select ³⁾	4.26%	3.09%

¹⁾ Number of shares, including 77,760 shares directly held by the beneficial owners of Trinsic Ltd. as per 31 December 2021 (2020: 77,760 shares). Beneficial owners of Trinsic Ltd. comprise Daniel Sauter, Zug; Regina Barbara Young, Walchwil; Viktoria Louise Sauter, Zug; Florian Sauter, Unterägeri, Michel Vukotic, Meilen; Corinne Vukotic, Meilen; Aline Vukotic, Bever and Fabienne Vukotic, Faro/Portugal (since 8 January 2022). Joint holding in Trinsic Ltd., Zug (partially indirectly through Talpas Ltd., Bever)

²⁾ Number of shares, including 65,000 shares held through JAAM AG (2020: 65,000 shares)

³⁾ Treasury shares, see also Note 10.5

19. Related party transactions

Baer & Karrer Ltd., Zurich («Baer & Karrer») is the legal advisor of Alpine Select and of Absolute Invest. Dr. Dieter Dubs, partner of Baer & Karrer is a member of the board of directors of Alpine Select and of Absolute Invest. During the year to 31 December 2021, TCHF 39 (2020: TCHF 50) were booked in connection with legal services rendered by Baer & Karrer of which TCHF 15 were not yet paid at 31 December 2021 (2020: TCHF 0).

According to the service agreement between Alpine Select and Lotus Peak Ltd. («Lotus Peak»), dated 1 July 2016 and amended in terms of services rendered, remuneration and fee structure as per 1 January 2020, the latter received a total compensation of TCHF 148 for 2021 (including TCHF 40 board member fees for Thomas Amstutz). (Total remuneration to Lotus Peak Ltd. in 2020: TCHF 148.)

in TCHF		2021	2020
Baer & Karrer, Zurich	Legal advice	39	50
Lotus Peak, Singapore	Investment advice	108	108

Furthermore, the following table provides information on the remuneration of and – if any – other significant transactions with members of the board of directors during the years 2021 and 2020:

in TCHF		2021	2020
Remuneration of the Board of Directors of Alpine Select			
Raymond J. Baer	Chairman and non-executive member	160	160
Dieter Dubs	Non-executive member	40	40
Thomas Amstutz	Non-executive member	43	43
Michel Vukotic	Executive member	43	43
	Head of the investment committee	211	211
Total		497	497

20. Events after the balance sheet date

There have been no material events subsequent to 31 December 2021, which would affect the 2021 consolidated financial statements.

Since the balance sheet date 31 December 2021, Alpine Select continued the share buyback program (please refer to Note 10.5 of the Consolidated Financial Statements on page 53) and bought back additional treasury shares. As per 30 March 2022 the Company held in total 397,202 own shares. The board of directors will propose the cancellation of all repurchased shares to the next shareholders' meeting, which will take place on 18 May 2022.

**Report of the
Statutory Auditor on the
Consolidated Financial Statements**

Report of the Statutory Auditor on the Consolidated Financial Statements to the Annual Shareholders' Meeting of Alpine Select Ltd., Zug



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STATUTORY AUDITOR'S REPORT

To the General Meeting of Alpine Select Ltd., Zug

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Alpine Select Ltd. and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2021 and the consolidated statement of income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements (pages 36 to 57) give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Report of the Statutory Auditor on the Consolidated Financial Statements to the Annual Shareholders' Meeting of Alpine Select Ltd., Zug



Key Audit Matter

How our audit addressed the key audit matter

Valuation of unlisted financial assets

The investment portfolio of Alpine Select Ltd. and its subsidiaries (the Group) comprises several unlisted financial assets. These financial assets are presented as part of the caption financial assets presenting TCHF 154'720. Thereof, TCHF 90'301 is the amount of the unlisted financial assets. Unlisted investments consist of investments in hedge funds, direct investments and Collateralized Loan Obligations (CLOs).

Owing to the unlisted nature of these investments, the assessment of the fair value can be subjective and sometimes requires a number of significant judgements and estimates to be made by management.

The Group recognizes, based on bank statements, such unlisted investments at the latest available net asset value (NAV) reported by the investment manager or the broker of the fund as reference to the fair value.

Due to the inherent uncertainty related to the valuation of such unlisted investments and due to the absence of a liquid market and the involved judgement, we consider the valuation of unlisted financial assets a key audit matter.

For further information on the valuation of unlisted financial assets refer to note 7 of the consolidated financial statements.

Our procedures included, amongst others, obtaining an understanding of management's processes and controls around the valuation of unlisted financial assets by performing walkthrough procedures and reviewing the valuation governance structure.

We tested the valuation of the unlisted investments by reconciling the portfolio to bank confirmations. For a sample of the unlisted financial assets, we challenged the prices of the assets with the latest NAV reported by investment manager, broker of the fund or received audited annual report of the funds.

For a sample of investments, we challenged the prices from the corresponding investments with the data from an independent data provider.

We also considered the appropriateness of disclosures in relation to the valuation of unlisted investments in the consolidated financial statements.

Responsibility of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Report of the Statutory Auditor on the Consolidated Financial Statements to the Annual Shareholders' Meeting of Alpine Select Ltd., Zug



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Zurich, 30 March 2022

BDO Ltd

A blue ink signature of Franco A. Straub on a white background with a faint grid pattern. A small red circular logo is visible in the top right corner of the signature area.

Franco A. Straub

Auditor in Charge
Licensed Audit Expert

A blue ink signature of Eva Maranta on a white background with a faint grid pattern. A small red circular logo is visible in the top right corner of the signature area.

Eva Maranta

Licensed Audit Expert

Enclosures

Consolidated Financial statements

**Statutory
Financial Statements**

Statutory Financial Statements

BALANCE SHEET

in CHF	Note	31-Dec-21	31-Dec-20
ASSETS			
Current assets			
Cash at banks		68 740	578 772
Unrealized gains from currency forward contracts, net		322 096	0
Other short-term receivables and prepaid expenses	3	3 525 772	1 972 661
Total current assets		3 916 608	2 551 433
Non-current assets			
Securities	4	31 284 297	31 755 942
Investment in Absolute Invest	5	78 000 000	78 000 000
Total non-current assets		109 284 297	109 755 942
TOTAL ASSETS		113 200 905	112 307 375

BALANCE SHEET

in CHF	Note	31-Dec-21	31-Dec-20
LIABILITIES AND EQUITY			
Current liabilities			
Bank overdrafts		7 402 319	0
Accounts payable	6	137 004	403 353
Short-term interest-bearing loan payable to Absolute Invest		16 413 113	13 539 197
Unrealized losses from currency forward contracts, net		0	8 227
Accrued expenses		308 384	176 763
Total current liabilities		24 260 820	14 127 540
Equity			
Share capital	7	185 159	185 159
Legal capital reserves		0	0
• Reserves from capital contributions – not yet approved	8	8 196 358	8 196 358
• Other capital reserves		6 769 759	6 769 759
Voluntary retained earnings		0	0
• Accumulated profit brought forward		77 774 373	88 164 933
• Profit / (loss) for the year		1 246 243	-1 460 752
Treasury shares	9	-5 231 807	-3 675 622
Total equity		88 940 085	98 179 835
TOTAL LIABILITIES AND EQUITY		113 200 905	112 307 375

Statutory Financial Statements

INCOME STATEMENT

in CHF	2021	2020
INCOME		
Gain on securities, net	1 751 555	0
Gain on derivative financial instruments, net	673 743	28 120
Dividend income	26 535	14 000
Foreign exchange gains, net	0	24 758
Interest income	66 589	35 438
Other income	482 304	443 981
TOTAL INCOME	3 000 726	546 297
EXPENSES		
Loss on securities, net	0	-153 673
Dividend expense on securities sold short	0	-68 000
Personnel expenses	-683 280	-640 236
General and administrative expenses	-737 079	-909 130
Commissions and other bank fees	-140 630	-138 286
Foreign exchange losses, net	-70 504	0
Interest expenses	-115 083	-89 716
TOTAL EXPENSES	-1 746 576	-1 999 041
Profit / (loss) before taxes	1 254 150	-1 452 744
Tax expense	-7 907	-8 008
PROFIT / (LOSS) FOR THE YEAR	1 246 243	-1 460 752

Notes to the Statutory Financial Statements

1.	Organization and business activity	68
2.	Principles	68
3.	Other short-term receivables and prepaid expenses	68
4.	Securities	68
5.	Investment in Absolute Invest	69
6.	Accounts payable	69
7.	Share capital	69
8.	Reserves from capital contributions – not yet approved	69
9.	Treasury shares	69
10.	Share ownership	70
11.	Significant shareholders	70
12.	Pledged assets	71
13.	Employees (full-time equivalents)	71
14.	Residual amount of leasing obligations	71
15.	Events after the balance sheet date	71

Notes to the Statutory Financial Statements

1. Organization and business activity

Alpine Select Ltd. (the «Company», «Alpine Select») is a limited liability company incorporated on 17 September 1997 under the laws of Switzerland. The address of its registered office is Gotthardstrasse 31, Zug / Switzerland.

The Company offers institutional and individual investors the key benefit of investing into a diversified alternative investment portfolio with core investment strategies: discount-, risk-arbitrage, tactical exploitation of under-researched companies / situations, short-term opportunities, liquid hedge funds and digital assets.

The shares of the Company are listed on the SIX Swiss Exchange and are traded in Swiss Francs (Stock Exchange symbol: ALPN; Swiss Security number: 1.919.955; ISIN code: CH 0019199550).

2. Principles

2.1 General aspects

The financial statements of Alpine Select are prepared in accordance with the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

2.2 Unrealized gains / (losses) from currency forward contract, net

Open currency forward contracts are valued at market prices.

3. Other short-term receivables and prepaid expenses

in CHF	31-Dec-21	31-Dec-20
Withholding tax	2 614 880	99 462
Income tax receivables	613 918	0
Prepaid expenses	162 241	158 953
Receivables from Absolute Invest	64 638	0
Receivables from sale of securities	0	1 650 878
Other	70 095	63 368
Total	3 525 772	1 972 661

4. Securities

The Company holds investments in listed and unlisted securities as disclosed in the following table. They are valued at the lower of cost or market.

in CHF	31-Dec-21	31-Dec-20
Carrying amount of listed securities	20 202 883	22 856 515
Carrying amount of unlisted securities	11 081 414	8 899 427
Total	31 284 297	31 755 942

5. Investment in Absolute Invest

Absolute Invest Ltd. («Absolute Invest»), domiciled in Zug, Switzerland with a nominal share capital of CHF 599,555.20 is a wholly owned subsidiary of the Company. The investment in Absolute Invest is stated at acquisition costs less value adjustment. Absolute Invest invests in listed and unlisted securities and hedge funds.

6. Accounts payable

As of 31 December 2021, this position includes a payable to the pension fund of CHF 51,361, which was fully paid during January 2022.

7. Share capital

As of 31 December 2021, and unchanged to prior year, the Company's share capital amounts to CHF 185,159.40 and is divided into 9,257,970 registered shares with a nominal value of CHF 0.02. The shares are fully paid-in and listed in CHF on the SIX Swiss Exchange. No preferential or similar rights exist. Each share has one vote, and all shares are equally entitled to dividends. There are no voting right restrictions. There are two share certificates outstanding for 525 shares in total. The Company does not have participation certificates.

7.1 Conditional share capital

The Company's articles of association (Art. 4b) provide that the Company's share capital can be increased by a maximum amount of CHF 121,779.54 by issuing a maximum of 6,088,977 registered shares with a nominal value of CHF 0.02 each to be fully paid-in, through the exercise of option and/or conversion rights granted in connection with bonds or similar debt instruments of the Company or its subsidiary, and/or through the exercise of option rights granted to the shareholders. No such rights existed at 31 December 2021 and 2020, respectively.

8. Reserves from capital contributions – not yet approved

Reserves from capital contributions of CHF 8,196,358 were applied by the Company but not (yet) approved by the Swiss Federal Tax Authorities.

9. Treasury shares

The annual shareholders' meeting held on 20 May 2020 authorized the Company's board of directors to repurchase up to 10% of the total share capital in the period up to the ordinary shareholders' meeting in 2022 – should such need arise.

- At 31 December 2020, the Company held 285,639 treasury shares (3.09% of the issued share capital) in the amount of CHF 3,675,622.
- During the year 2021, Alpine Select repurchased a further 108,965 treasury shares for a total amount of CHF 1,556,185.

Notes to the Statutory Financial Statements

At 31 December 2021, the Company holds 394,604 treasury shares (4.26% of the share capital) for a total of CHF 5,231,807. It is planned to reduce the share capital at the next ordinary shareholders' meeting in May 2022 by cancelling the acquired treasury shares.

10. Share ownership

Members of the Board of Directors and the management of Alpine Select owned shares of the Company as set out in the following table:

		31-Dec-21	31-Dec-20
Raymond J. Baer	Chairman and non-executive member of the board of directors	1 057 708	1 057 708
Michel Vukotic ¹⁾	Executive member of the board of director	830 856	770 309
Thomas Amstutz ²⁾	Non-executive member of the board of director	382 000	381 000
Lukas Hoppe	Member of the management	8 000	8 000
Dieter Dubs	Non-executive member of the board of director	7 500	7 500
Claudia Habermacher	Member of the management	725	n/a
Total		2 286 789	2 224 517

¹⁾ Michel Vukotic is a beneficial owner of Trinsic Ltd, indirectly through Talpas Ltd., Bever (see Note 11). | ²⁾ 65,000 shares are held directly through JAAM AG (2020: 65,000 shares)

11. Significant shareholders

According to the information available to the Company, the following shareholders are exceeding a threshold of 3% of voting rights:

	31-Dec-21	31-Dec-20
Trinsic Ltd., Zug ¹⁾	18.79%	17.48%
Raymond J. Baer, Maur	11.42%	11.42%
Hans Müller, Hergiswil	11.34%	11.34%
Stefan Rihs, Hong Kong	5.08%	6.48%
Thomas Amstutz, Singapore ²⁾	4.13%	4.12%
Walter Berchtold, Uitikon-Waldegg	3.24%	3.24%
Alpine Select Ltd. ³⁾	4.26%	3.09%

¹⁾ Number of shares, including 77,760 shares directly held by the beneficial owners of Trinsic Ltd. as per 31 December 2021 (2020: 77,760 shares). Beneficial owners of Trinsic Ltd. comprise Daniel Sauter, Zug; Regina Barbara Young, Walchwil; Viktoria Louise Sauter, Zug; Florian Sauter, Unterägeri, Michel Vukotic, Meilen; Corinne Vukotic, Meilen; Aline Vukotic, Bever and Fabienne Vukotic, Faro / Portugal (since 8 January 2022). Joint holding in Trinsic Ltd., Zug (partially indirectly through Talpas Ltd., Bever)

²⁾ Number of shares, including 65,000 shares held through JAAM AG (2020: 65,000 shares)

³⁾ Treasury shares, see also Note 9

12. Pledged assets

Alpine Select has a standard pledge agreement with Bank Julius Baer & Co. Ltd. («BJB»), Zurich under which the Company's portfolio (measured at market value) of approximately CHF 39.1 million at 31 December 2021 (2020: CHF 32.0 million) is pledged as security for any amounts due to BJB. At 31 December 2021, the amount due to BJB was CHF 7.4 million (2020: zero).

13. Employees (full-time equivalents)

The annual average number of full-time equivalents for the reporting year is three (2020: three).

14. Residual amount of leasing obligations

The residual amount of leasing obligations (under a rent agreement for the Company's offices) with a remaining term of more than twelve months or that cannot be terminated within the next twelve months is as follows:

in CHF	31-Dec-21	31-Dec-20
Within one year	48 000	48 000
Between one and five years	156 000	192 000
More than five years	n/a	12 000
Total	204 000	252 000

The above amounts correspond to payments in connection with a rental agreement up to its provisional end of the contract.

15. Events after the balance sheet date

There have been no material events subsequent to 31 December 2021, which would affect the 2021 statutory financial statements.

Since the balance sheet date 31 December 2021, Alpine Select continued the share buyback program (please refer to Note 10.5 of the Consolidated Financial Statements on page 53) and bought back additional treasury shares. As per 30 March 2022 the Company held in total 397,202 own shares. The board of directors will propose the cancellation of all repurchased shares to the next shareholders' meeting, which will take place on 18 May 2022.

The statutory financial statements for the year ended 31 December 2021 were approved by the Board of Directors of Alpine Select on 30 March 2022 and released for publication on 6 April 2022. They are subject to the approval of the shareholders at the Alpine Select ordinary shareholders' meeting on 18 May 2022.

**Proposed Appropriation of
Available Earnings
(Proposal of the Board of Directors)**

Proposed appropriation of available earnings (Proposal of the board of directors)

in CHF	2021	2020
Accumulated profit brought forward at 1 January	77 774 373	103 585 686
Net profit / (loss) for the year	1 246 243	-1 460 752
Accumulated profit at 31 December	79 020 616	102 124 934
Decisions of the annual shareholders' meeting, dated 20 May 2020		
Capital reduction	0	-15 420 753
Available for distribution at 31 December	79 020 616	86 704 181
Proposal of the board of directors for appropriation of available earnings		
Dividend ¹⁾	8 860 768	8 929 808
To be carried forward	70 159 848	77 774 373
Available for distribution at 31 December	79 020 616	86 704 181
Dividend distribution out of accumulated profits	8 860 768	8 929 808

¹⁾ The proposed dividend for the year 2021 is calculated based on all outstanding registered shares less those shares held by the Company (treasury shares) – if any – as they are not entitled to a dividend. At the date of declaration of the dividend, the number of shares held by the Company could be different from the amount reported here and therefore the reported dividend sum may differ as well.

**Report of the
Statutory Auditor on the
Financial Statements**

Report of the Statutory Auditor on the Financial Statements to the Annual Shareholders' Meeting of Alpine Select Ltd., Zug



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STATUTORY AUDITOR'S REPORT

To the General Meeting of Alpine Select Ltd., Zug

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alpine Select Ltd., which comprise the balance sheet as at 31 December 2021, the income statement and notes for the year then ended, including a summary of significant accounting policies.

In our opinion the accompanying financial statements (pages 64 to 74) as at 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How our audit addressed the key audit matter
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Valuation of unlisted securities and Investment in Absolute Invest AG

As of 31 December 2021, the balance sheet of Alpine Select AG is presenting investments in non-current assets of CHF 109'284'297. The position securities of CHF 31'284'297 contains unlisted securities of a carrying amount of CHF 11'081'414.

Further the balance sheet is presenting investment in Absolute Invest AG of CHF 78'000'000. The balance sheet of Absolute Invest AG contains investments in non-current assets with a significant amount of unlisted securities.

Absolute Invest AG pursues the same investment strategy as Alpine Select Ltd. The unlisted investment portfolios of the Companies consist of investments in hedge funds, digital assets or futures and alternative investment funds, direct investments and Collateralized Loan Obligations (CLOs).

The Company recognizes, based on bank statements, such investments at the lower of historical cost or fair value. Management uses the latest available net asset value (NAV) reported by the investment manager or the broker of the fund as reference to the fair value.

Due to the inherent uncertainty related to the valuation of such unlisted investments and due to the absence of a liquid market and the involved judgement, we consider the valuation of unlisted investments a key audit matter.

For further information on the valuation of unlisted securities refer to note 4 of the financial statements.

Our procedures included, amongst others, obtaining an understanding of management's processes and controls around the valuation of unlisted investments by performing walkthrough procedures and reviewing the valuation governance structure.

For each unlisted investment, we compared historical cost to the latest available net asset value as reported by the bank and tested whether the lower amount was used.

For a significant amount of unlisted investment, we compared the values of the portfolio with the valuation of an external bank confirmation. For a substantial part of the unlisted investments, we challenged the prices of the assets with the latest NAV reported by investment manager, broker of the fund or received audited annual report of the funds.

For a sample of investments, we challenged the prices from the corresponding investments with the data from an independent provider.

We also considered the appropriateness of disclosures in relation to the valuation of unlisted investments in the financial statements.

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Responsibility of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Zurich, 30 March 2021

BDO Ltd

Franco A. Straub

Auditor in Charge
Licensed Audit Expert

Eva Maranta

Licensed Audit Expert

Enclosures

Financial statements (balance sheet, income statement and notes)
Proposed appropriation of available earnings

ALPINE SELECT

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