

PRECIOUS METALS CHAMPIONS FUND



PMC Factsheet

Fund objectives

The fund aims to generate long term capital growth by primarily investing in equities from companies offering exposure to the precious metals market.

Fund facts

Investment manager

Independent Capital Group AG

Fund name

ICG Umbrella Funds -
Precious Metals Champions Fund

Legal status

Liechtensteiner UCITS contractual fund

Base currency

USD

NAV calculation

Daily

Inception date

02. June 2020

Fund size

USD \$8.5m

Custodian

LLB Liechtensteinische Landesbank AG

Distribution

LI, CH, DE, AT

Fund administration

Accuro Fund Solutions AG

Codes

Share classes

A USD acc. F USD acc.

B USD acc.

D CHF (unhedged) acc.

Bloomberg ticker

A PRCMCF A LE F PRCMCF F LE

B PRCMCF B LE

D Pending

ISIN

A LI0445625085 F LI1205084919

B LI0445625093

D LI1121337961

Dealing & prices

Management fee p.a.

A 0.60% F 2.00%

B 1.20%

D 1.50%

Trading frequency

Daily

Minimum subscription

A USD \$5m F one share

B USD \$1m

D USD \$0.5m

September 2024

Performance since inception



Cumulative performance in USD

	NAV	September	YTD	1 Year	2 Years	3 Years	Since Inception
	30.09.2024	30.08.-30.09.2024					
Class A	184.2	6.7%	30.9%	49.9%	73.2%	39.7%	22.8%
Class B*	172.5	6.6%	30.3%	49.0%	71.0%	37.1%	15.0%
Class D*	Pending						
Class F*	221.7	6.5%	29.6%	47.8%			47.8%

*B-Class since 08. February 2021; D-Class Pending; F-Class since 22. February 2023

Monthly comment

The gold industry is experiencing a resurgence, buoyed by a increase in gold prices, which have reached all-time highs. At the recent Denver Gold Forum, executives discussed growth prospects and potential M&A - this marks a stark contrast to previous years when the industry faced high operating costs and a lack of investor interest. The current optimism stems from an almost 28% rise in gold prices since January, supported by aggressive central bank buying, geopolitical tensions, and a shift towards de-dollarization. These factors are creating a strong demand for gold, not only as a safe-haven asset but also as a strategic component in portfolios. The recent surge in gold prices has attracted significant attention from institutional investors, indicating a growing confidence in the long-term prospects of the sector. However, the industry is exercising caution, with leaders emphasizing discipline in spending and a focus on shareholder returns. Notably, companies like Newmont and Barrick Gold are now prioritizing responsible acquisitions and cash flow management to avoid the pitfalls of the past. Despite the positive market conditions, junior miners continue to face challenges, struggling with capital flows and discounted valuations. Nonetheless, there are signs of an emerging bull market with increased exploration spending and new discoveries, reflecting a healthy level of optimism across the sector. Central banks have continued their purchasing spree, with record demand expected to drive prices higher, while geopolitical conflicts in the Middle East and Eastern Europe maintain gold's status as a safe haven. Additionally, the potential for further Federal Reserve rate cuts could lead to more favorable conditions for gold investments in the near future. While gold stocks have lagged the metal's performance, analysts believe that the current environment may present a compelling buying opportunity as profit margins improve. The focus is now on operational efficiency and prudent capital management, which could enhance overall profitability across the sector. Companies are poised to capitalize on this favorable backdrop, making the gold sector an attractive space for investors seeking growth. The ongoing consolidation in the industry, marked by high-profile acquisitions, highlights the strategic shift toward acquiring quality assets. Overall, the gold mining sector is on an upward trajectory, and with disciplined strategies in place, it is well-positioned for a prosperous future.

PMC Factsheet

Exposure

Gold equities	82%
Metals physical	18%

Financial statistics*

Number of holdings	25
Market cap	\$9bn
P/B ratio	1.6x
P/cash flow	9.4x
EV/EBITDA 2025E	4.7x
FCF yield 2025E	11.6%
Dividend yield	1.6%
Net debt/equity	9.9%

Operating statistics in gold-eq.*

Production	1'213 koz
Reserve life (2P reserves)	18 years
Cash costs	\$1'126/oz
AISC**	\$1'269/oz
Reserve valuation (EV/2P)	\$446/oz

Market cap. segmentation*

Small	< \$3bn	48%
Mid	\$3 - 10bn	28%
Large	> \$10bn	24%

Top 5 commodity exposure*

Gold	80%
Silver	13%
Copper	5%
Molybdenum	1%
Zinc	1%

Top 5 country exposure (production)*

Canada	12%
Mexico	11%
Australia	10%
United States	6%
Burkina Faso	5%

Top 5 equity holdings

Gold Fields	3.6%
Orezone Gold	3.5%
Dundee Precious Metals	3.4%
Fresnillo	3.4%
Centerra Gold	3.4%

Transparency	PMC	Universe
Methan % Scope 1	0.2%	3.6%
Renewable Energy Cons.	12.1%	6.1%
GHG Intensity	323	2'319
Women on Board	37%	27%
Independent Board	77%	54%

more information and details see ESG Quarterly Report

Contact

Independent Capital Group AG

Waldmannstrasse 8

8001 Zurich

+41 44 256 16 16

<http://www.independent-capital.com>

*Equity portfolio based on weighted average and/or weighted average gold-equivalent numbers; **All-in sustaining cost

Disclaimer: The state of the origin of the Fund is Liechtenstein. In Switzerland, the Representative is OpenFunds Investment Services AG, Seefeldstrasse 35, 8008 Zurich, whilst the Paying agent is Helvetische Bank AG, Seefeldstrasse 215, 8008 Zurich. The Basic documents of the Fund such as the prospectus, the key investor information document (KIID), the articles of association as well as the semi-annual and annual reports may be obtained free of charge at the office of the Swiss Representative. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares. Past performance may not be reliable guide to future performance. This material has been prepared by Independent Capital Group AG, none of the administrator or the custodian and transfer agent of the Fund has independently verified any information contained herein and no party makes any representation or warranty as to the accuracy, completeness, or reliability of such information.

September 2024

Why commodities

Commodities have been key in the economic development of the world. Urban population is expected to grow globally from 52% to 66% by 2050. Urbanisation drives per capita wealth increase and with it the demand for natural resources. Middle class expands on a global basis, more than doubling by 2030 to reach >5 billion people. India and China show the largest increases with each reaching more than 1 billion middle-class citizens, China alone has the potential for 250 million people to urbanise in the next 10 years. By 2030, global middle-class consumption is expected to be more than \$63 trillion vs \$35 trillion in 2015. Demand for commodities remains continual, while they are becoming scarcer.

Why natural resource equities and the Precious Metals Champions Fund

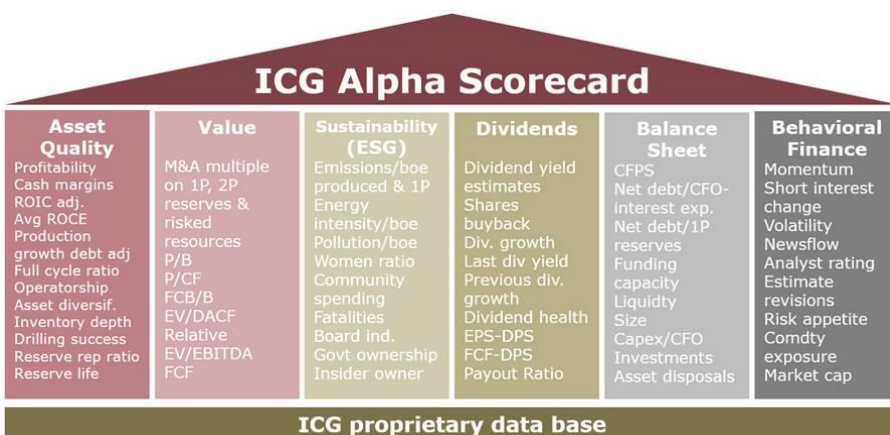
Natural resource companies are entering a phase of improving margins and the valuation is very low on a relative basis compared to the global equity markets. A portfolio of natural resource equities reduces firm specific risks while it increases the commodity exposure. The Precious Metals Champions Fund offers the investor the opportunity to participate in an actively managed portfolio of natural resources companies active in the attractive precious metals sector and this in a pragmatic sustainable way.

ICG Investment Process

Our investment process is based on a quantitative approach to find the best-in-class companies. The consistent methodological process is non-predictive with >90% of the analysis based on historical data. Our process has a portfolio view and helps to create a balanced portfolio instead of single stock bets. We developed a proprietary data base to better analyse financial and operating figures. Extensive data is used (>170'000 data points) to analyse trends across the industry and pinpoint sector champions.

ICG Alpha Scorecard

The ICG Alpha Scorecard is a quantitative and qualitative screening scorecard that pinpoints sector champions with strong economic «moat» based on different variables. The approach helps to identify companies with a relative good track record in different key financial and operational variables. The majority of variables are dynamic and based on historical figures from the last fiscal year or on a 3 year average. All 25 positions are equally weighted, however we may reduce the weight or even exclude a company on exceptionally events (e.g. oil spill, political risk). The Precious Metals Champions Fund consists of a unique combination of investments in the best gold companies but has a minimum gold investment strategy to protect the gold equity downside. The Investment Management team will apply a rule based systematic approach with a gold risk factor that helps to define the current gold environment and according to that adjust the gold equities vs. gold allocation target.



Investment Manager

The Precious Metals Champions Fund is managed by Independent Capital Group AG, an independent asset management and investment advisory firm based in Zurich and Basel. Independent Capital Group AG has taken over the team of the commodities and energy investment boutique Gateway Capital Group in Basel in 2014.