

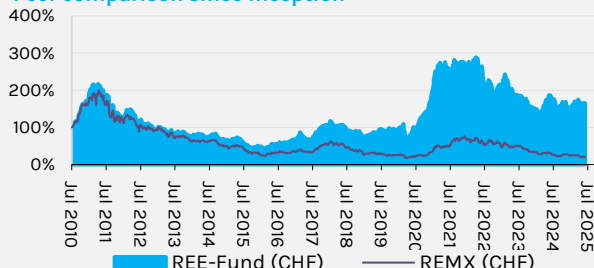
May 2025

Rare Earth Elements Fund (CHF)

Long-only equity fund investing along the Critical Raw Materials industry.

This document is a marketing support. Investors should read the PRIIPS KID documents & prospectus before investing.

Peer comparison since inception



Top 10

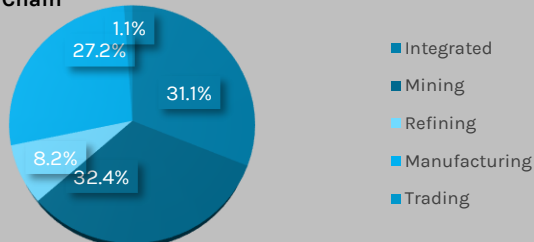
Sylvania Platinum	13.3%
Almonty Industries	12.1%
Lynas Rare Earth	7.1%
Neo Performance Materials	6.3%
China Rare Earth	5.6%
OPMobility	5.6%
Eramet	5.4%
Xiamen Tungsten	3.7%
CMOC	3.6%
Arafura Resources	3.6%

Performance History

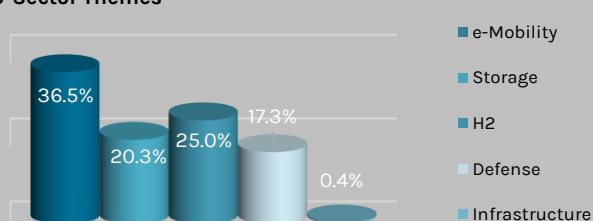
In %	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
2025	6.82	1.94	4.67	-4.16	1.23								10.58
2024	-7.36	3.75	13.01	7.94	6.05	-9.41	-16.33	11.14	3.45	0.68	-6.01	-2.48	0.00
2023	17.64	-8.24	-9.83	-4.18	-5.67	-2.42	3.50	-7.20	-0.18	-8.54	-1.16	-2.61	-27.53
2022	-7.94	4.85	10.13	10.00	-1.12	-18.45	5.26	-6.09	-10.07	1.61	13.77	-3.96	-23.85
2021	10.19	13.78	-1.40	1.89	-2.80	-1.32	5.75	2.20	-7.80	9.33	-5.64	3.83	28.94
2020	-1.54	-4.70	-27.82	22.31	14.76	4.76	13.21	14.31	3.27	4.02	26.65	23.15	115.93
2019	6.71	4.11	2.47	0.60	10.53	2.38	-6.03	-2.02	10.10	-1.88	-4.68	8.47	33.29
2018	-4.14	-6.30	-0.50	4.13	-3.10	-8.69	-3.83	-0.68	0.11	0.57	-5.80	11.84	-34.23
2017	18.88	6.43	-9.62	-7.09	-2.06	5.85	16.86	8.61	8.82	5.23	-0.10	8.29	73.17
02.07.2010 – 31.12.2016													-35.90

NAV as of 02.06.2025	CHF 164.00	Number of holding	40
Fund since inception (02.07.2010)	65.32%	Fund manager	Active Niche Funds SA, CH
MSCI-World in CHF since inception	206.16%	Custodian	Banque Cantonale Vaudoise, CH
MSCI-World in CHF (ytd)	-7.55%	Mgt & Administrative Agent	Caceis (Switzerland) SA, CH
Units in circulation	109'733	Liquidity: Sub. weekly	cut-off Wednesday 5 PM
Assets under management	CHF 17'999'525	Red. weekly	cut-off Wednesday 5 PM + 1 week

Value Chain



Sub-Sector Themes



ISIN	CH0111943673	Performance fees	20% outperformance above HR with principle of High Watermark
Domicile	Switzerland	Max. Admin. fees	0.45% p.a.
Legal structure	CH contractual umbrella fund classified as "other traditional investment fund"	Load-up fees	Maximum 2%
Investor profile	Public	Redemption fees	0.50% (goes to the Fund)
Auditor	KPMG, CH	TER	2.0% p.a. (2024)
Taxtransparency	Germany & Austria	Dividends	Paid to investors
PRIIPS KID	Risk category 6	Security lending	None
Management fees	1.50% p.a.	Initial NAV. 02.07.2010	CHF 100
Hurdle rate (HR)	10% p.a. cumulative	Prospectus & legal	www.caceis.ch www.swissfunddata.ch

Forex Exposure (rounded, net in %)

AUD 28.9	CAD 15.9	CNY 5.0	DKK 0.0	EUR 13.2	GBP 18.5	HKD 11.6	JPY 4.7	NOK 1.6	CHF 0.6
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Outlook

Investing in Critical Raw Materials – is it that easy?

Among the most prominent themes in geopolitics and, likewise in financial markets, is without any doubt the discussion about critical raw materials (CRM).

It must therefore be very puzzling for most investors that the largest investment vehicle in this realm (VanEck sponsored ETF “REMX”) is down year to date (-15.2% versus +10.6% of our REE-Fund, both in CHF).

As often discussed, CRMs play a crucial role in renewable energies, electric mobility and defense:

Within the renewable energy industry, we should list the so-called *rare earth elements* like NdPr (Neodymium, Praseodymium), dysprosium, terbium, cerium, lanthanum and others.

In the electrification of modern mobility (electric vehicles of all sorts, ranging from cars, to bikes and e-rollers), again rare earth elements are used in e-motors, whereas other CRMs are key in state-of-the-art battery technologies (e.g., for the cathode mainly nickel-cobalt-manganese, or graphite for the anode, and not to forget lithium).

However, what seems to be largely neglected by asset managers and investors are those CRMs linked to the defense industry. We started to instruct ourselves last year already as some of those materials like tungsten (W) were catching our attention.

It quickly became obvious to us that the *aerospace and defense* industry is 100% reliant on tungsten.

In the following months, and especially with the entrance of the new US administration and its new role within NATO, all other members had to rethink their respective national defense strategy. Therein, we learned for example that inventory levels of their ammunition are on historic low levels that needed to be built-up, rapidly! Here just two recent examples:

- BBC reported that the UK will commit £1.5bn to build six new factories to make munitions.
- US Tsy Secretary Scott Bessent said China is holding back “**products**” essential to industrial supply chain (very likely materials for defense)

Why tungsten is the center-piece in ammunition can best be explained by its highest melting-point of all metals (3,410 °C), especially important when it comes to **hypersonic** missiles that travel at a speed of **3km per second!**

Tungsten’s unique properties needed in the defense industry are likewise indispensable in the aerospace industry – civil and military.

The example with tungsten is just to remind our investors that CRM-investing goes well beyond buying, e.g., an ETF on lithium. It covers a much larger range of materials and industries, with each following its own cyclical path.

In our opinion, equity prices of tungsten mining and processing companies are still under-owned and undervalued.

That may change in the near future as investors start realizing that tungsten oxide and metal prices are likely to climb higher, probably much higher for the reasons discussed above.

Therefore, we maintain our allocation (17.2%) to those equities.

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