

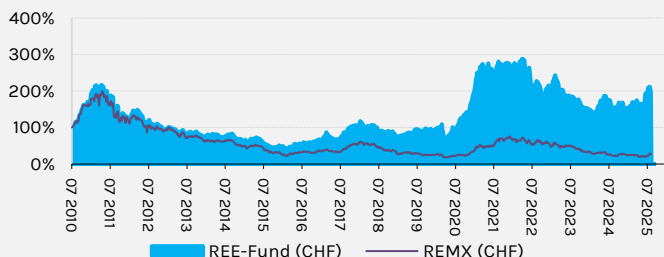
July 2025

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

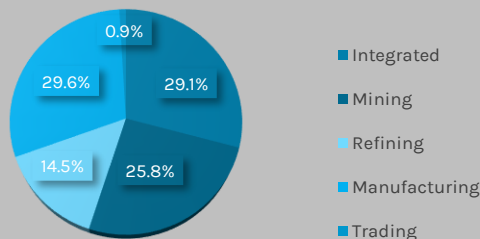
Almonty Industries	9.2%
Neo Performance Materials	8.4%
Sylvania Platinum	8.3%
Lynas Rare Earth	8.1%
CMOC	7.3%
OPMobility	5.6%
Xiamen Tungsten	5.4%
Eramet	4.0%
Largo	3.3%
Arafura Resources	3.2%

Performance History

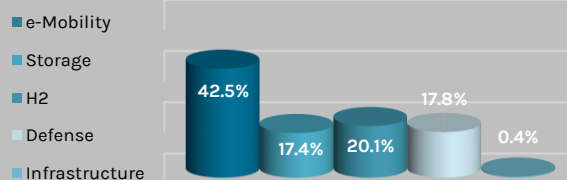
In %	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
2025	6.82	1.94	4.67	-4.16	1.23	19.57	-0.31						31.82
2024	-7.36	3.75	13.01	7.94	6.05	-9.41	-16.33	11.14	3.45	0.68	-6.01	-2.48	0.00
2023	17.64	-8.24	-9.83	-4.18	-5.67	-2.42	3.50	-7.20	-0.18	-8.54	-1.16	-2.61	-27.53
2022	-7.94	4.85	10.13	10.00	-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 04.08.2025	CHF 195.50	Number of holding	40
Fund since inception (02.07.2010)	97.07%	Fund manager	Active Niche Funds SA, CH
MSCI-World in CHF since inception	212.90%	Custodian	Banque Cantonale Vaudoise, CH
MSCI-World in CHF (ytd)	-5.52%	Mgt & Administrative Agent	Caceis (Switzerland) SA, CH
Units in circulation	111'948	Liquidity: Sub. weekly	cut-off Wednesday 5 PM
Assets under management	CHF 21'849'952	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

Forex Exposure (rounded, net in %)

AUD 26.5	CAD 21.8	CNY 10.2	DKK 0.0	EUR 11.9	GBP 10.3	HKD 13.5	JPY 4.2	NOK 1.5	CHF 0.1
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Outlook

Weaponizing CRMs in Weaponry

Tensions between the United States and China, alongside other nations in the Global South, are escalating over the supply of Critical Raw Materials (CRMs), which are essential for both civilian and military technology programs.

The U.S. relies heavily on these materials to advance its strategic and economic objectives, particularly in the semiconductor and defence sectors. Below are four major investment pledges in the U.S. tech industry, driven by President Donald Trump's economic policies, that underscore the crucial need for CRMs:

- NVIDIA: A \$500 billion commitment over four years to develop AI supercomputers and Blackwell chips in Arizona and Texas.
- Apple: A \$500 billion investment over four years to expand U.S.-based manufacturing, including a new Texas factory and advancements in AI and silicon engineering.
- TSMC: A \$165 billion pledge, including \$100 billion in new capital, for chip fabrication plants, advanced packaging facilities, and a research center in Arizona.
- IBM: A \$150 billion investment over five years to enhance U.S.-based manufacturing and technology operations.

These ambitious projects hinge on a secure supply of CRMs, such as silicon, gallium, germanium, rare earth elements (REEs), tungsten, tantalum, and cobalt, which are indispensable for chip production, AI hardware, and advanced electronics.

Industry leaders likely emphasized to the Trump administration that reliable access to these materials is a prerequisite for their investments, given their critical role in manufacturing processes.

China, as the dominant supplier of many CRMs, holds significant leverage in this dynamic. Beijing's control over materials like gallium (over 90% of global supply), germanium, and REEs (over 80% of global production) allows it to dictate export terms, including quantities, prices, and end-use restrictions.

A Wall Street Journal article from August 4, 2025, titled "Beijing Restricts Critical Defense Minerals," highlights this issue:

China is restricting the flow of critical minerals to Western defense manufacturers, causing delays and forcing companies to seek alternative sources for materials needed to produce everything from munitions to jet fighters. For example, a U.S. military drone-parts supplier faced delays of up to two months while sourcing non-Chinese rare earth magnets.

This strategic squeeze underscores the U.S. military's dependence on China for key components in microelectronics, drone motors, night-vision goggles, missile guidance systems, and defense satellites, amplifying vulnerabilities amid rising U.S.-China tensions and trade disputes.

Beijing's export controls are perceived as a response to U.S. tariffs and trade policies, which may be seen as provocative by Chinese leadership.

Despite growing awareness of CRMs' strategic importance over the past year, their investment potential remains underexplored by many investors. Companies involved in CRM mining, processing, and supply chains present significant growth opportunities, driven by increasing demand and geopolitical supply constraints.

We believe the share prices of these firms offer substantial upside potential, making them an attractive yet overlooked investment theme in the context of U.S. technological and defence advancements.

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