LTIF

Long Term Investment Fund

SIA Quarterly Update

November 2024

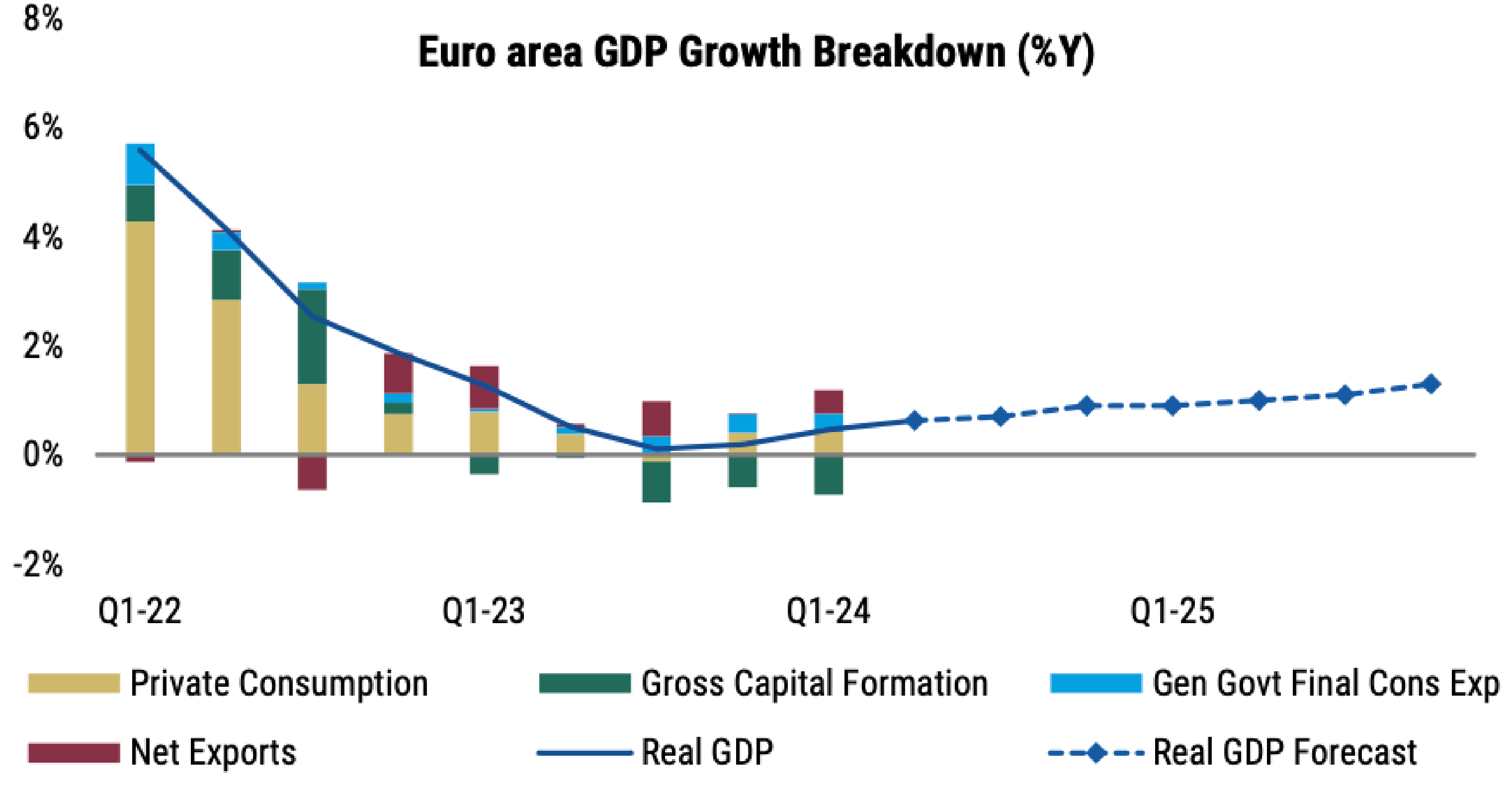
TEN VALUE

AAA Rated Fund Manager

Presentation Plan

- **Back to the upcycle… without recession**
- Checking valuation: Mr. Market remains inexpensive
- The LTIF Classic: +15% ytd, slightly above our target
- Quarterly investment case: Grifols. Letter to the Board and CNMV
- The LTIF NR: +12% ytd, fueled by mining, cement and cables
- A review of the oil market: OK for 2 years, challenging thereafter
- *Natural Resources - Thoughts* by Urs Marti
- *Why is not everyone a Value investor?* by Alex Rauchenstein

Where are we? New up-cycle & no recession



Source: Eurostat, Morgan Stanley Research forecasts as of September 06, 2024

- **2023-start 2024**: **signs of a possible recession. Nope.**
- **The economies of the US, China and Europe** are set to improve. Upside
- **Growth cannot be too strong**
- **Risks**: Inflation, Public deficits-debts and the geopolitical context

The macroeconomic environment has changed: the global economy is ready to accelerate. Usually a good context for equities, value and commodities

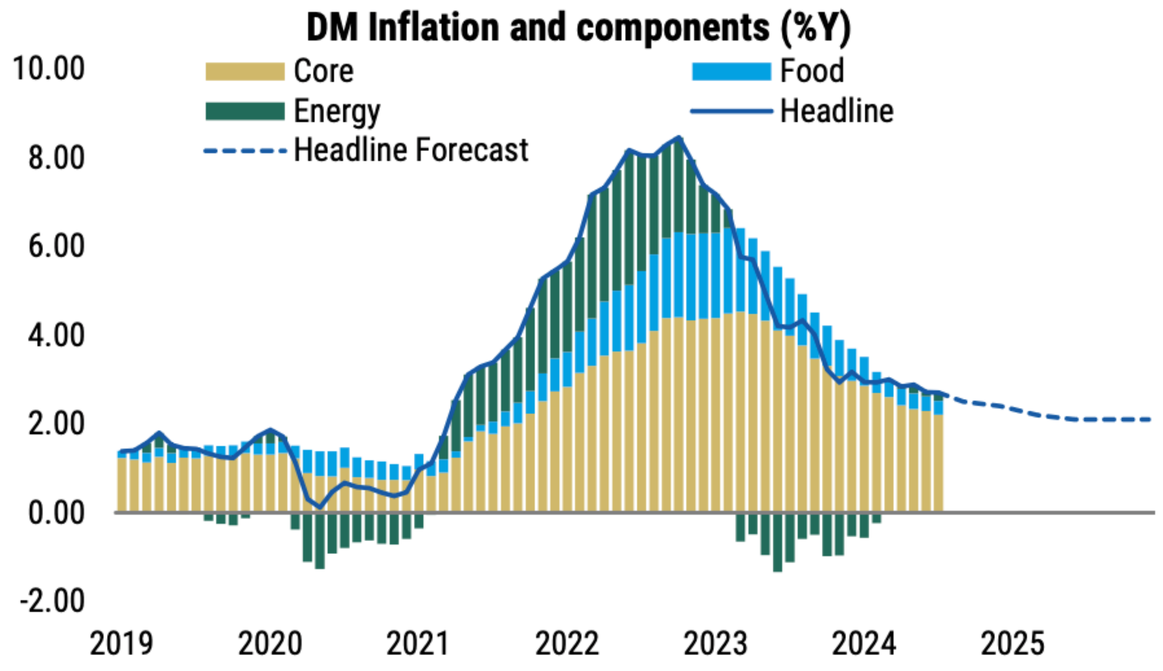
Industrial Production: bottoming out

Source: BMO Capital Markets, Haver, Bloomberg. EU industrial production is a BMOCM estimate.

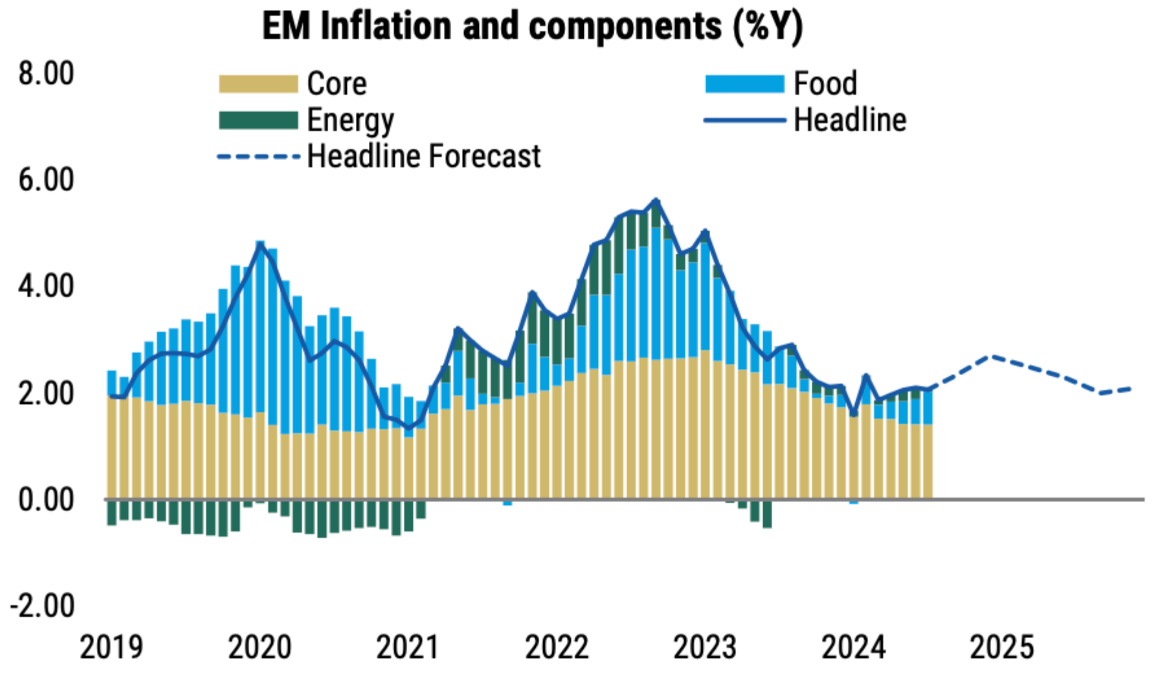
- **Global IP is bottoming out** and the destocking phase is over.
- **IP recovery in the US, Europe, and China** for the next two/three years.
- **Why?** Lower rates, higher public & private investment, energy transition, better residential and consumer confidence (wages, rates) should fuel the next upward move
- **Geopolitics and tariffs** as main risks

Following 2 years of weak IP and destocking, we enter in a new up-cycle.

Inflation: moving to a bearish view



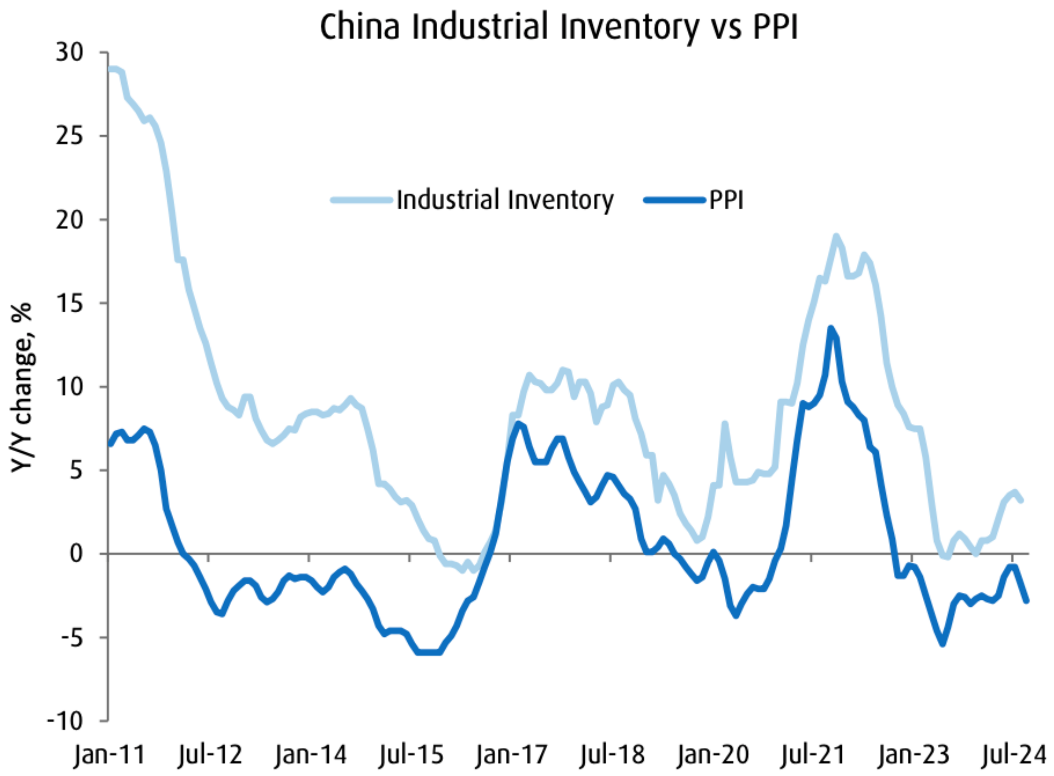
Source: Haver, Morgan Stanley Research forecasts as of September 06, 2024



Source: Haver, Morgan Stanley Research fas of September 06, 2024. EM inflation excludes Egypt, Turkey and Argentina. China's CPI weights are the ones inferred by Bloomberg

Following a period of normalization, we expect inflation pressures all over again. Labor, Housing, Energy, Food, Tariffs

China: set for a reacceleration



Source: National Bureau of Statistics, Bloomberg, CEIC, BMO Capital Markets

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Property and Inventories at their trough

Conclusion. Economic Acceleration

- End2023-Start2024: **fear of a possible recession**
- **Global slowdown milder than expected** and well managed by CB, ending in a **new cycle of interest rates' cuts.** Then came Trump
- **We expect a global economic acceleration throughout 2025:** the US to grow >2%, Europe >1.5%, and China >5% target.
- **Growth cannot be too strong** as there were no recession
- **And there are risks:** Inflation, Public deficits/debts, and the geopolitical context

Better economic prospects for 2025. Usually positive for cyclicals, value, commodities

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Factors: Value still depressed

Value trades below its historical average. We remain convinced that a new value cycle already started (2022).

MXWO Index	Value	Growth
Price	3.866	5.730
PER 2025	14,7x	27,3x
Historical PER	17,3x	23,6x

Source: SIA Funds, MSCI Index

Markets: only the US is somewhat expensive

The regional MSCI Indices are trading below their LT average P/E, excluding the US.
Global markets are not in a bubble. Europe, Japan and EM are trading at low multiples

Index	SPW*	SPX	NDX	SXXP	CHINA	BRASIL	TURKEY	RUSSIA	TOPIX
Price	7.416	5.973	21.100	510	4.104	129.680	9.100	3.123	2.742
PER 2025	17,4	21,9	26,3	13,1	13,3	7,5	4,0	2,5	14,7
Historical PER	18,5	17,5	25,0	19,0	17,0	16,0	10,5	8,0	18,0

Source: SIA Funds, MSCI Index
* Equal-weighted S&P500

Sectors: only Tech looks somewhat expensive

The only sector that trades above its historical levels is Technology/IT, at a PER25 of 29x. The rest are trading below their historical average.

MXWO Index	Industrial	Staples	Health	Materials	Energy	Tech	Financials	Insurance
Price	429	284	381	362	262	794	185	194
PER25	21,0	18,6	17,8	17,0	12,5	**29,1**	13,8	12,4
Historical PER	20,0	21,0	22,0	20,0	16,0	**24,3**	14,0	15,0

Source: SIA Funds, MSCI Index

Conclusion on valuation review

- Despite the strong performance of the past few years, **Markets are not expensive. Why?**
- **The Magnificent 7 (and their huge weightings) are driving global Indices and passive strategies.** 1/3 of the US index & US is 70% of global Index
- **Returns on capital are still moving up and at all-time high** (across companies, sectors and geographies)

- **The Magnificent 7 will become a burden for the Indices and passive strategies due to their massive size, demanding valuation and risks. Even Buffett is selling Apple**
- **High returns are usually eaten by a combination of regulation and competition, but this happens over the long term.**

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The LTIF Classic: +15% ytd. to € 710 per share

- **The LTIF Classic is up +15% to €710 per share,** slightly above our estimates of a NAV for 2024 of €690.
- **What has outperformed?** Cables, Cement, Copper, Aerospace, Defense, Services and Financials, where we have reduced exposure
- **Underperformers?** Energy/oil, salmon and health
- Best stocks: MTU Aeroengines, Raytheon, Heidelberg Cement, Prysmian, Nexans and First Quantum.
- Worst, by far, have been Grifols and Reckitt Beckinser.

Grifols, ISS, Reckitt, Energy and Salmon (50% of the Fund) are flat to down ytd. Plenty of value to unlock

Quality & Value

Top 10 Holdings LTIF Classic

Grifols SA	9%
ISS A/S	8%
Leroy Seafood ASA	5%
Reckitt Beckinser Plc.	4%
Unilever Plc.	4%
Medtronic Plc.	4%
Henkel AG	3%
Mowi ASA	3%
Grieg Seafood ASA	3%
First Quantum Ltd.	3%
Total	**45%**

The 4 G's and C&D

- **Good Business** (franchise, returns)
- **Good Management** (shareholder value)
- **Good Balance Sheets** (low leverage)
- **Good Price/Return** (discount)

Highlights

- **Largest holdings: Grifols & ISS**
- **15% in salmon and 10% in oil and in Cu**
- **Buffett: "Hit hard when the ball is straight"**

We are breaking our own concentration rules BUT Grifols and ISS are unique opportunities. Remember Pandora?

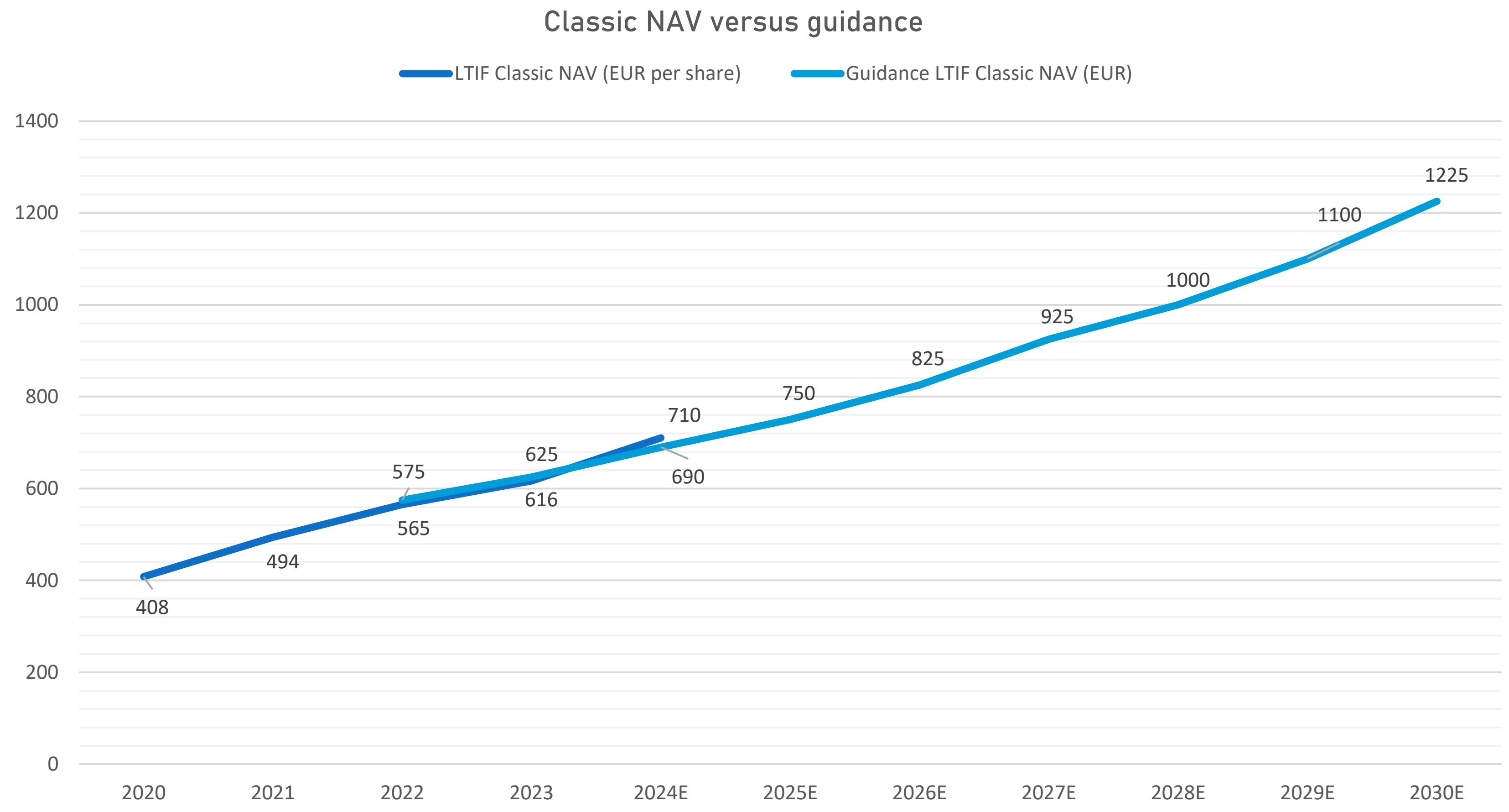
LTIF Classic (€710 p.s.). IRR@14.1%. IV@ € 1037 p.s.

- **After the fund's strong performance ytd., the updated IRR stands at 14%** (before fees and expenses). The net IRR would be 12.5%, in line with the annual return we achieved in the past 5 years.
- **This 12%+ could be representative of our real potential** as 1) matches with our estimated IRR and 2) it includes a major crisis (Covid19) and no buble
- **Then we should double the invested capital every 6 years: €1** million invested in 2024 would be **€2** million in 2030 and **€4** million in 2036. The power of time and compounding in a rush society
- **Far too many investors/professionals focus on the short term and speculation**, with obviously very frustrating results and *post-speculation stress*.

Target: €1000 for 2027/28. The magic of compounding and long term

The Classic: the 7-year cycle moving to 6-year?

LTIF Classic NAV*(10%) 2020-2030E*



* NAV to November 2024

- First time we are slightly **above target** ☺
- Target: **>10% return per year**
- **Beta 5Y: down to 0.9x** vs. MSCI World EUR
- > €1000 per share by 2027/2028 on normal markets

PER 25 of 13x. Well below the MSCI World at 18x

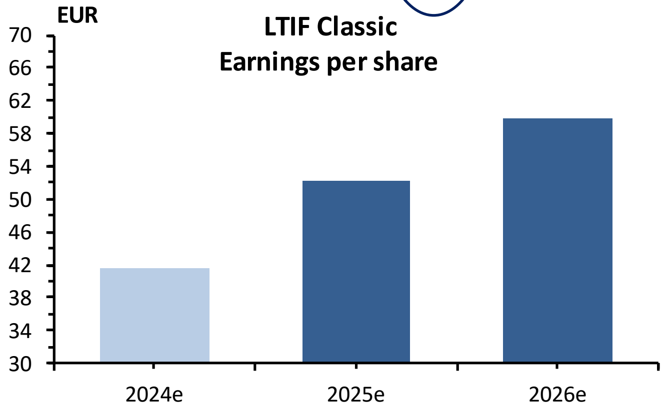
Reporting LTIF Classic as of 30.10.2024 (aggregated data in EUR)

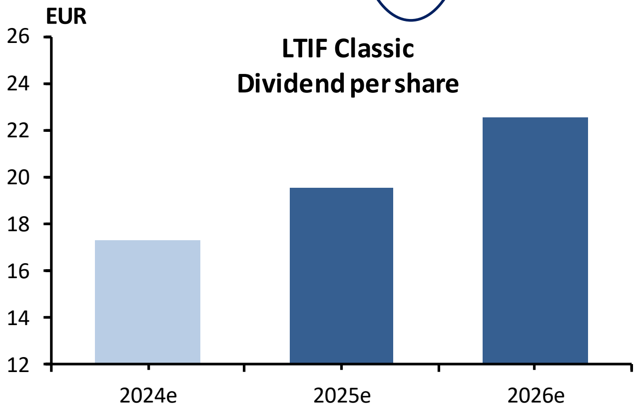
Date	NAV	%
31.12.2020	407.9	
31.12.2021	494.3	21.2%
31.12.2022	565.3	14.4%
31.12.2023	616.7	9.1%

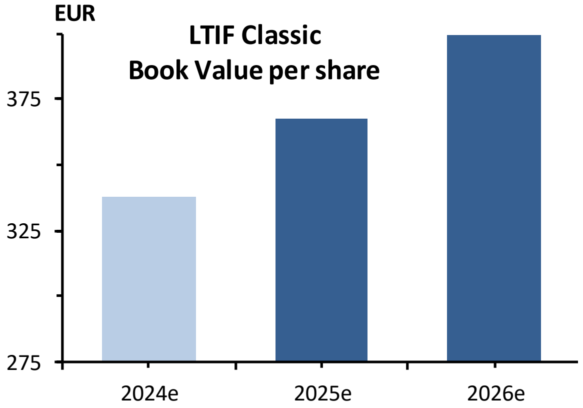
Year	EPS	%	P/E	EPS yield	MSCI World P/E	MSCI World EPS yield
2024e	41.6		16.7	6.0%	21.4	4.7%
2025e	52.1	25%	13.3	7.5%	17.9	5.6%
2026e	59.8	15%	11.6	8.6%	16.6	6.0%

Year	DPS	%	Div. Yield	MSCI World Div. Yield
2024e	17.3		2.5%	1.7%
2025e	19.5	13%	2.8%	2.0%
2026e	22.5	15%	3.2%	2.4%

Year	BPS	%	P/B	MSCI World P/B
2024e	337.8		2.1	3.7
2025e	367.1	9%	1.9	3.0
2026e	399.6	9%	1.7	2.2







- **Strategic value:** quality at a discount
- Classic PER25 of **13.3x**
- Classic **RoE >15%**

Source: SIA Group / Bloomberg

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Grifols. Letter to the Board (I)

1. ***We have 9% of our Classic Fund in Grifols preferred shares. We have known GRF for a decade and have been shareholders at various stages****. We gradually built our position since 2020 and stepped-up purchases following the Gotham report in early 2024.*

2. ***We have always been aware of Grifols' historical issues*** *(communication, governance, accounting, treatment of minority shareholders, acquisitions, debt, and the effect of COVID-19 on the company's earnings).* ***Despite this, we found the restructuring plan coherent. We believe that Mr. Nacho Abia's leadership and the new strategy will bear fruit in the medium term.***

3. ***We were surprised and disappointed by the announcement by Brookfield and the Grifols family to launch a takeover bid for the company,*** *given that, after much effort, the restructuring and changes are beginning to bear fruit. We are concerned about the* ***obvious CONFLICT OF INTEREST between the family and the company in the bid****. It seems that the Grifols family is not aligned with minority investors who will be disadvantaged by an offer perceived to be very low to the company's intrinsic value. We do not fully understand the benefit of the Grifols family presenting a joint offer with Brookfield that is well below the company's fundamental value, in which they will not buy shares. This is also a concern for us.*

4. ***We have read with discouragement the valuations leaked to the press*** *(around 12 euros p.s.)* ***which seems ridiculous.*** *We have a detailed discounted cash flow model for Grifols, which, leads us to a valuation of the ordinary shares of* **€29** *per share (the same as the preferred shares in the event of a takeover bid).*

Grifols. Letter to the Board (II)

5. *As stated in the bylaws, in the event of a takeover bid, the offer for common shares must be the same as the offer for preferred shares. Leaks in the press suggest that the offer will be lower for preferred shares.* ***We urge you to enforce these bylaws and to discourage offers that would need to change these bylaws.***
6. *Some Grifols documents refer to a multiple of 13x EV/EBITDA as representative of the group's historical average. Transactions in plasma-related businesses (donation centers) have been carried out around that figure. But considering the EBITDA multiple that Grifols paid for Biotest (over 20x, adjusted), the historical CSL multiple (20x between 1994-2024) and Grifols' historical averages (16x), it is easy to see that even 13x is too low.* ***The historical median (from IPO to the end of August 2024) EV/EBITDA of Grifols is 16.3x, more representative of the company's fundamental value****.*
7. ***We do not want to sell.*** *We seek to invest in and support Grifols on its path to normality after four years of distress (from 2020 but especially 2024) that should give way to a stage of improvement and normalization of results, cash flows, and balance sheet.*
8. ***We ask you to defend the minority shareholders and not to accept a price too far from 30 euros per share, which Grifols is fundamentally worth****. The company's share price was at these levels in early 2020, before the impact of COVID-19 on the group.*
9. ***The average analyst valuation*** *(source: Bloomberg)* ***is €17 per share, but several (more educated) are at €25. We are sure that many analysts are still too influenced by Gotham Research*** *and the current negativity around the company, as well as some incompetence*
10. *We are also convinced that* ***an offer below the share price prior to Gotham's report,*** *in the company's (and our) view, totally unjustified,* ***would be acknowledging that they are taking advantage of the downturn to buy.***

How Much is Grifols worth? No rocket science

- *EBITDA 2024E 1,825 million x 16.3x =29,748 million euros*
- *Less debt: €9.1 billion after the sale of Shanghai Raas, including leasing. In line with analysts' consensus for year-end 2024.*
- *Equity value: EUR 20,648 million or EUR 30.0 per share (using 687.5 million shares, including preferred shares).*

(*) We have made the same calculations, adjusting EBITDA and net financial debt for minority shareholdings (GDS, Biotest, BPC and HAEMA) and obtained 25.2 euros per share for 2024 and 29.7 euros using 2025 estimates.

(**) Our DCF (discounted cash flows) sets the value of Grifols at 29 euros per share using a WACC of 10% and terminal growth of 6% (23 euros using 5% terminal growth).

(***) Using these and other methodologies, our estimated valuation range is between 23 and 30 euros, with an average of 27 euros per share.

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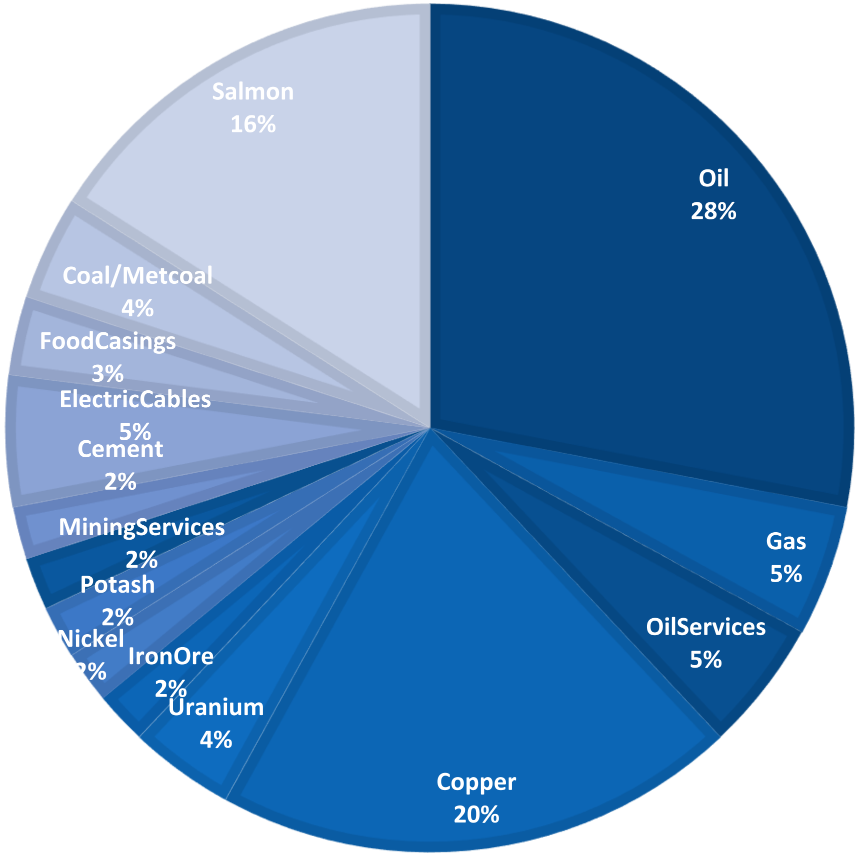
The LTIF Natural Resources Fund: +12% ytd.

- **Even though commodities tend to do poorly in economic slowdowns, the fund is up 12% ytd.**, ahead of most commodity indices.
- **Best sectors:** Infrastructures (+30%) and Mining (+14%), with Agri-Food up 5%. **Negative:** Energy/Oil (-9%).
- **Stocks with gains above 20%** were Suncor, Cameco, First Quantum, Hudbay Minerals, Ivanhoe, Lundin Mining, Southern Copper, Heidelberg Materials, Bureau Veritas, Prysmian and Nexans.
- **Negative:** Woodside Petroleum, AkerBP, TGS, Occidental and Petrobras.
- Satisfied with the fund's performance this year, **and that makes 5 good years. We should be higher: commodities cycle has been affected by the Covid19 downturn & we still own 3 Russian stocks valued at zero**

2025 should accelerate and we are not even at mid-cycle valuation

The LTIF NR Current Positioning



Top 10 Holdings	Weight	PER26
First Quantum	5%	9,9
Teck Resources	5%	22 (*)
Leroy Seafood	5%	8,7
Harbour Energy	5%	7,2
TGS	5%	6,3
Atalaya Mining	4%	5,1
Kazatomprom	4%	7,9
EOG Resources	4%	11,3
Occidental Petroleum	4%	11,9
Grieg Seafood	3%	8,8
Total	**44%**	**8,6**

(*) Sold Met Coal Assets to Glencore

- **Good assets**
- Good **management**
- Good **Balance Sheet**
- **Good price (cheap)**

- **Scarce** commodities
- **“Safer” geographies**
- **In/near production**
- **No start ups**
- **No majors**

- **Energy**
- **Metals**
- **Infrastructures**
- **Agrifood**

The NR Fund (€170 p.s.): IV of € 241. IRR: 14%

- **The updated IRR of the fund is 14% and the IV €241 per share**, with a two to three-year appreciation potential of 40% at mid-cycle valuations
- **No major changes in 2024.** We reduced copper, raised oil and salmon. Several newcomers such as BHP, RIO, Nutrien and Barry Callebaut at great prices
- **We insist that the potential of this fund is way higher than its Intrinsic Value** given that commodity cycles, once visible, carry very high valuations showing how difficult is to bring new supply.

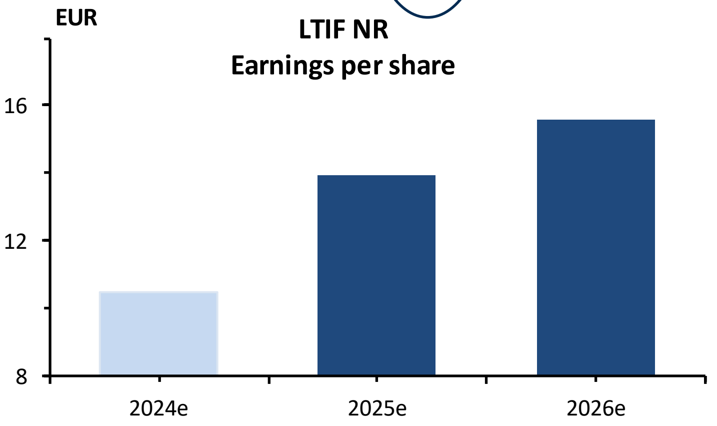
The NR Fund has a long term up-cycle ahead. We expect average double-digit return per year and > EUR 300 p.s. in 5/6 years

12x earnings & 1,5x book 2025. Below mid-cycle

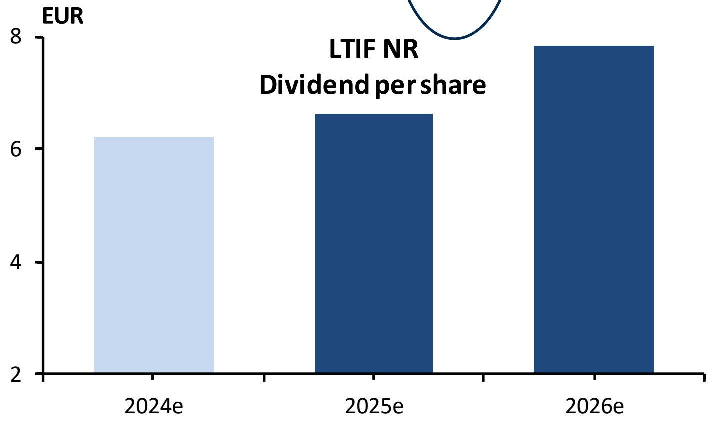
Reporting LTIF NR as of 30.10.224 (aggregated data in EUR)

Date	NAV	%
31.12.2020	87.1	
31.12.2021	122.5	40.7%
31.12.2022	138.4	12.9%
31.12.2023	150.3	8.6%

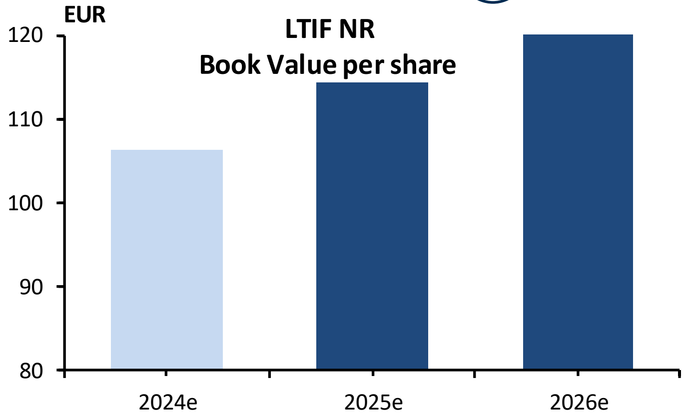
Year	EPS	%	P/E	EPS yield	S&P NR P/E	S&P NR EPS yield
2024e	10.5		15.9	6.3%	12.8	7.8%
2025e	13.9	33%	12.0	8.4%	11.1	9.0%
2026e	15.6	12%	10.7	9.4%	10.7	9.3%



Year	DPS	%	Div. Yield	S&P NR Div. Yield
2024e	6.2		3.7%	3.8%
2025e	6.6	7%	4.0%	4.0%
2026e	7.8	18%	4.7%	4.0%



Year	BPS	%	P/B	S&P NR P/B
2024e	106.3		1.6	1.5
2025e	114.2	7%	1.5	1.2
2026e	121.3	6%	1.4	1.1



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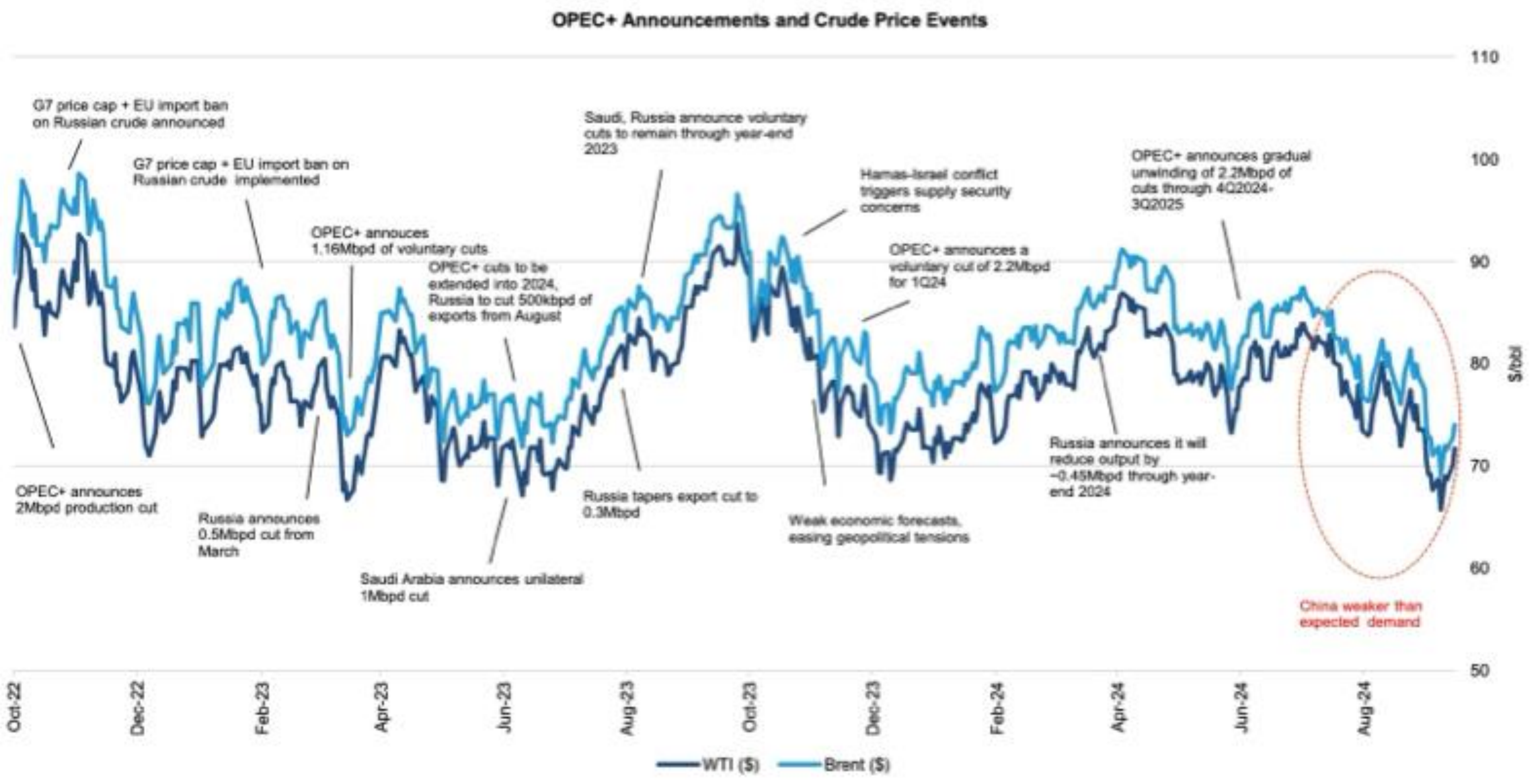
OPEC+: managing oil prices around 80$ bbl.



Source: Bloomberg, Bernstein analysis

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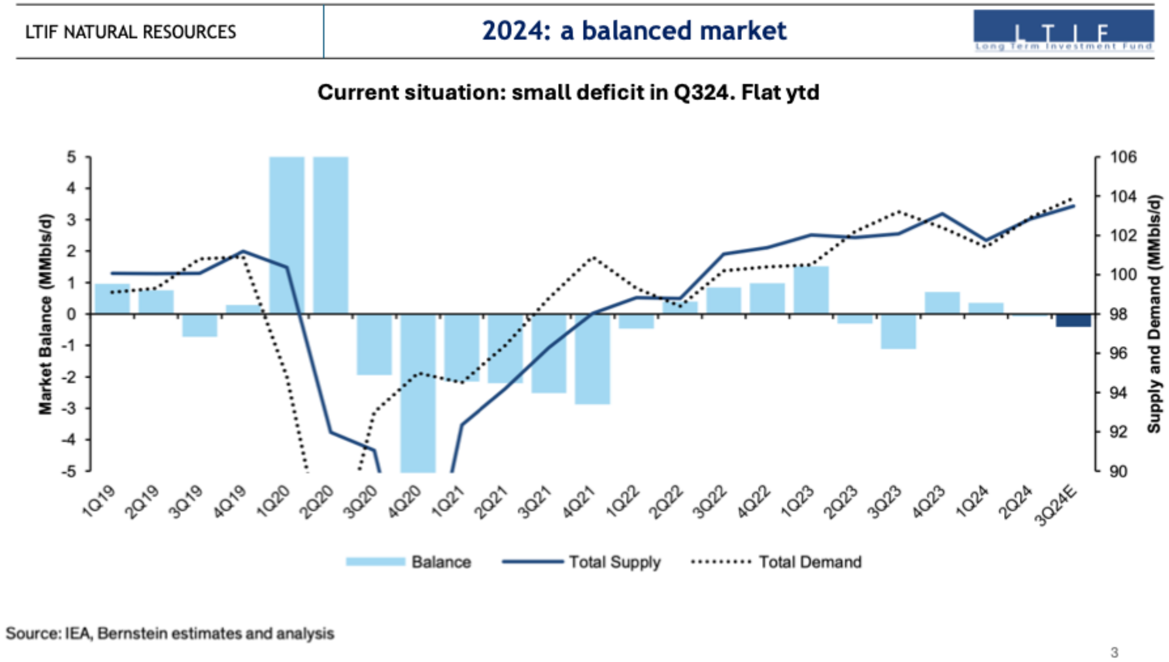
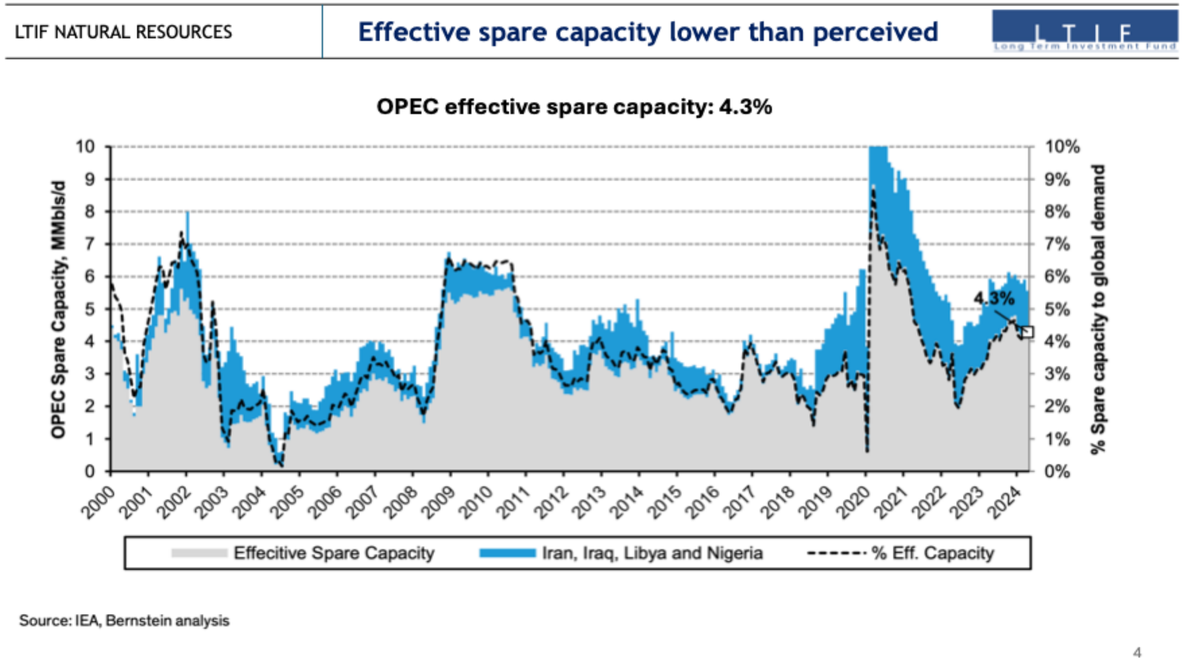
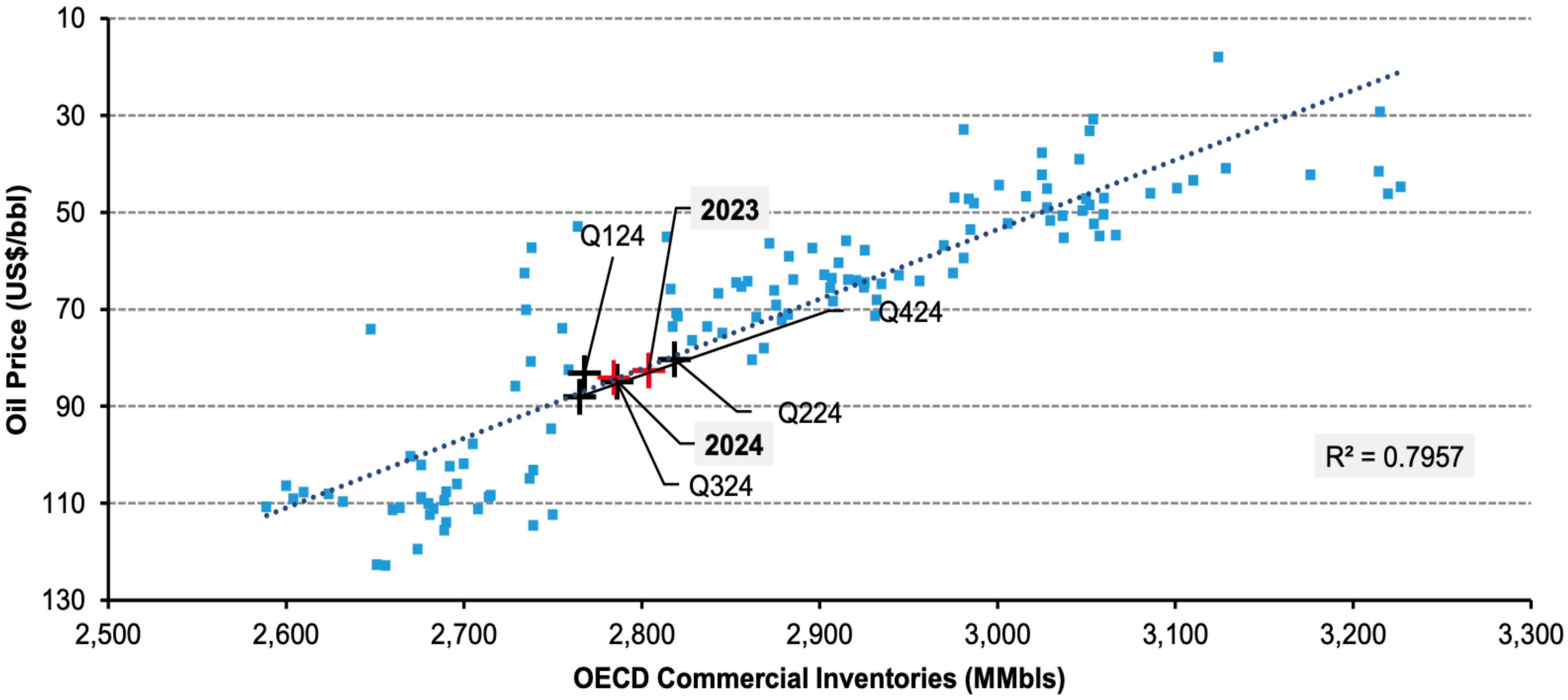
2024 has been a balance market





Balanced 2024. There is spare capacity for the next 2-3 years

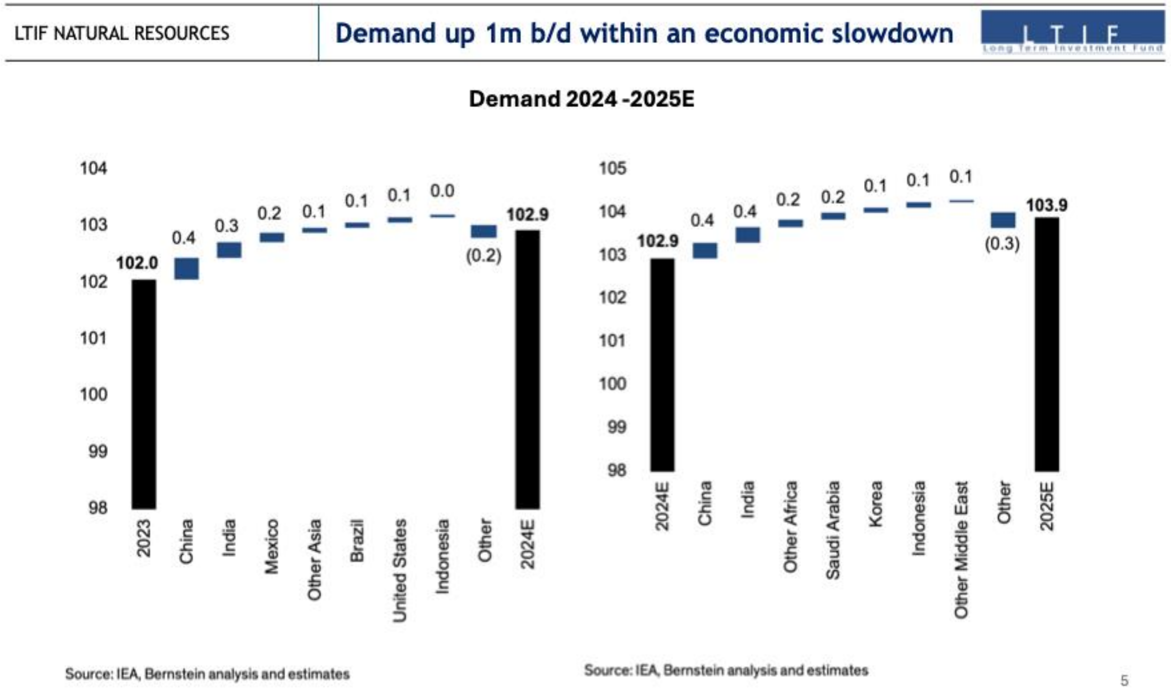
Prices where (statistically) they should be

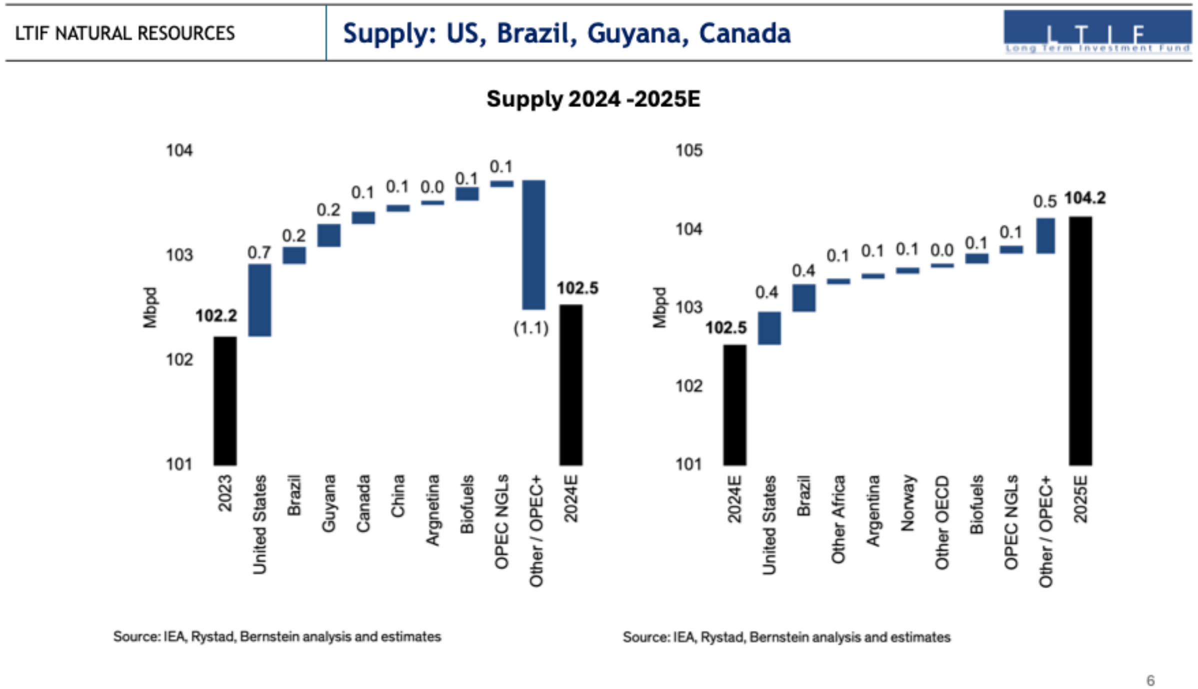


Source: Bloomberg, IEA, Bernstein analysis

Oil prices have behaved as expected on flat OECD inventories

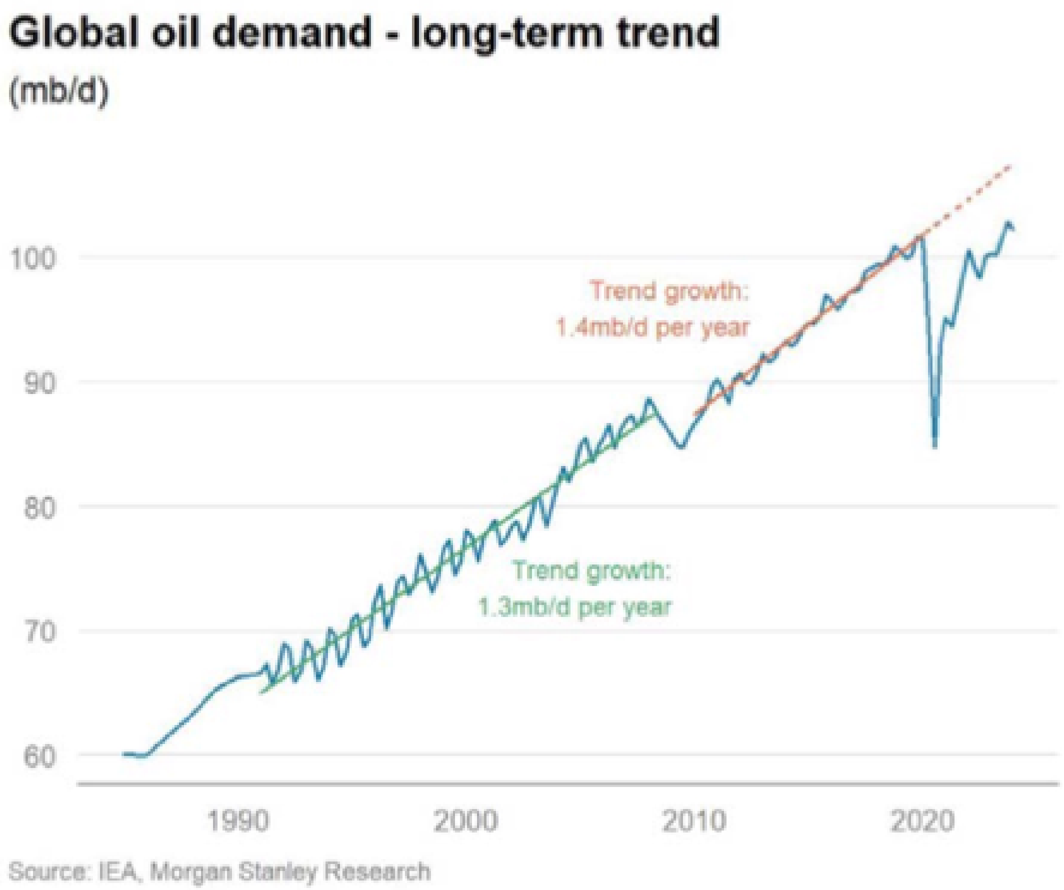
Expect similar trends in 2025





We are less confident on supply growth in 2025. Watch the US

Fear of Peak Demand: baseless for 15 years



Demand will continue to grow by 1m b/d in the mid term:

- Of the 5 parts of the world with around 1.5 billion people, 4 will continue to grow.
- Of the 4 end-demand sectors, 3 will continue to grow: Jet Fuel, Chems & Diesel.
- Our EV penetration model: peak demand for gasoline will not occur until 2035.

EXXON: more than 100m/d by 2050

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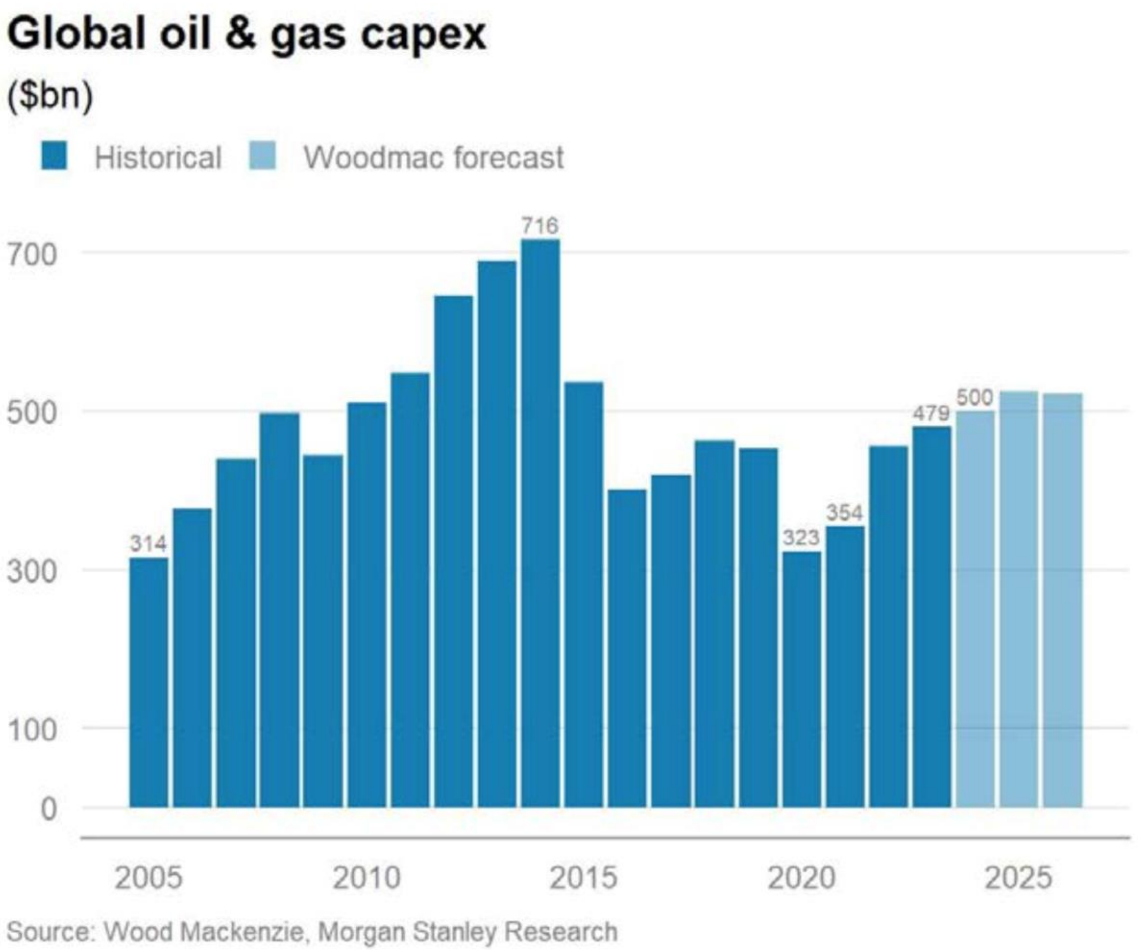
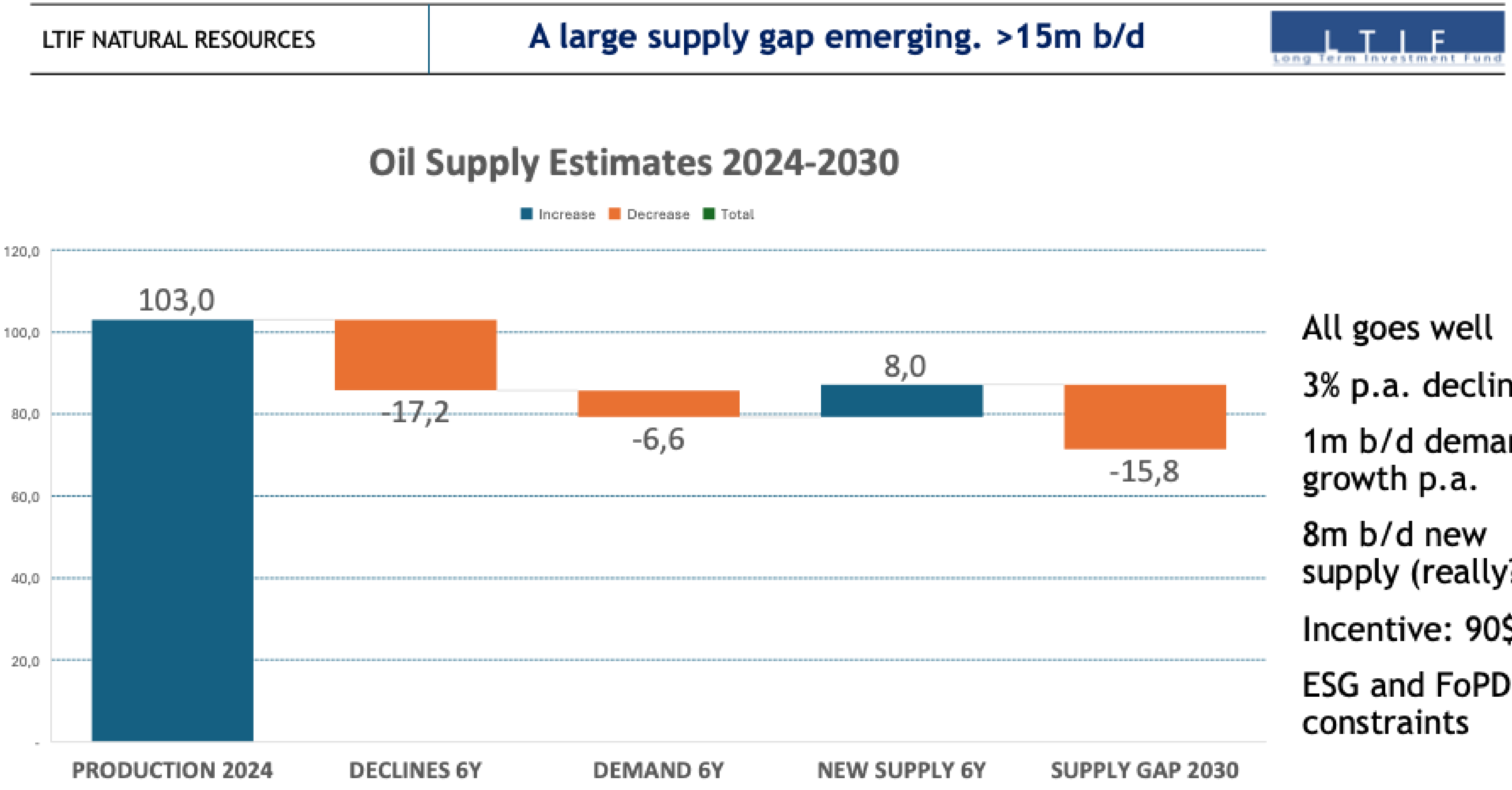
Oil Market: depressed spending since 2013



- Fundamental issue: **lack of upstream capex since 2013**
- **Oil market well supplied thanks to shale oil,** which was 0% of the global supply in 2013 and 10% by 2023**. Shale oil is now mature**
- We need to find a new resource, a new shale, a new Alaska, or a new North Sea... and about $ 300bn.
- **We are unable to identify such new oil resources,** and little is invested in exploration and development.

Where do we get the next 8-10 million b/d? at what price?

17m b/d deficit by 2030. 4m b/d with 1% decline



All goes well

3% p.a. decline

1m b/d demand growth p.a.

8m b/d new supply (really?)

Incentive: 90$

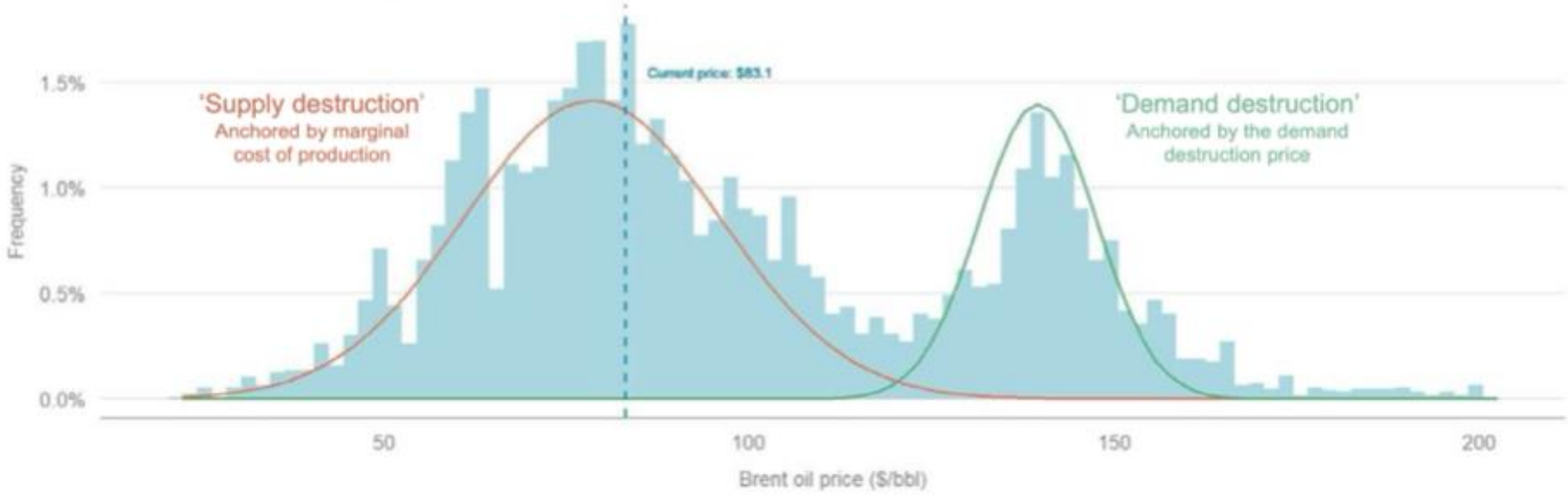
ESG and FoPD as constraints

10

Statistical (and real) view on oil prices

Distribution of inflation-adjusted oil prices

Based on Brent crude oil since 2007 (in 2024 US$/bbl)



Source: Platts, Bloomberg, Morgan Stanley Research

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Presentation Plan

- Back to the upcycle… without a recession
- Checking valuation: Mr. Market remains inexpensive
- The LTIF Classic: +15% ytd, slightly above our target
- Quarterly investment case: Grifols. Letter to the Board and the CNMV
- The LTIF NR: +12% ytd, fueled by mining, cement and cables
- A review of the oil market: OK for 2 years, challenging thereafter
- ***Natural Resources - Thoughts* by Urs Marti**
- *Why is not everyone a Value investor?* by Alex Rauchenstein

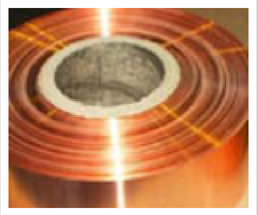
Copper concentration shortage has arrived

Copper – Smelters set to cut utilisation to 70% on short supply

Bloomberg reports global copper smelters are expected to cut capacity utilisation to 70% next year, from 75%, due to severe concentrate deficits in the next three years,

Copper TC/RCs benchmark next year seen at 15-year low, survey shows

in Commodity News 11/11/2024



Copper concentrate processing fees are expected to be set at a 15-year-low in 2025 because of increasing tightness in raw material supply from mine disruptions and an expansion in smelting capacity, a survey of industry participants found.

As copper sector participants met for their annual Shanghai gathering next week, attention will be on negotiations between global miners and smelters in China, the world's dominant processor, to set the global benchmark for next year's fees.

Treatment and refining charges (TC/RCs), a key source of revenue for smelters, are paid by miners when they sell concentrate, or semi-processed ore, to be refined into metal.

The charges tend to fall when ore supply declines and rise when more concentrate is available.

Zinc concentration shortage has arrived

Refined markets have a time lag

Concentrates squeeze
World zinc mine production fell by 3.4% year-on-year in the first half of 2024, according to the International Lead and Zinc Study Group's (ILZSG) mid-term report.
Global output fell by 2.4% in 2022 and by another 2.0% in 2023 and this year is shaping up to be the third consecutive year of decline.
China is the world's largest refined zinc producer, meaning it is particularly exposed to the shortfall in raw materials.
The squeeze on mined concentrates is clear to see in the Chinese spot market, where treatment charges for imported concentrates have sunk to a multi-year low of $10 per ton, according to local data provider Shanghai Metal Market

Everywhere the same

A crisis is brewing in the aluminium supply chain as shortages drive the price of the metal's critical ingredient, alumina, to an all-time high of $645 a ton, close to double the $330/t at the end of last year. Chinese aluminium producers, which are increasingly reliant on imported raw materials, are facing the tightest squeeze with the short-term alumina price rocketing up in the past week.

A bit on „dealmaking and buying cents to $“

The world’s biggest oilfield service company doubles down in Russia with young recruits, tech patents – **and a new government contract**

Top US oil group expands in Russia as rivals pull out

[Trump Raises Alarm Over De-Dollarisation Push; ‘Will Be Like Losing A War…’ | US Elections]()

A Miami Financier Is Quietly Trying to Buy Nord Stream 2 Gas Pipeline
Stephen P. Lynch, who prefers to stay under the radar, says a deal for the Russian pipeline would serve long-term U.S. interests

Wer wir sind

Die Nord Stream AG, mit Firmenhauptsitz in Zug in der Schweiz, ist ein internationales Konsortium fünf großer Energieunternehmen. Es wurde 2005 zur Planung, zum Bau und zum anschließenden Betrieb der durch die Ostsee führenden Gas-Pipeline Nord Stream, bestehend aus zwei jeweils 1.224 Kilometer langen Pipeline-Strängen, gegründet.

Die fünf Anteilseigner der Nord Stream AG sind Gazprom international projects North 1 LLC (ein Unternehmen der Gazprom-Gruppe), Wintershall Dea AG, PEG Infrastruktur AG (E.ON), N.V. Nederlandse Gasunie und ENGIE.

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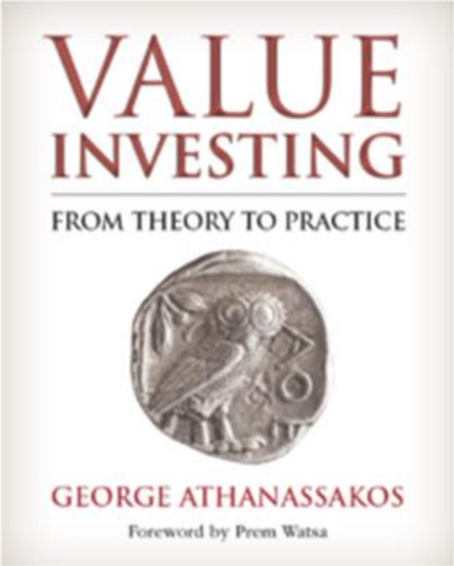
Ben Graham Centre's 4th European Value Investing Conference

Prof. Dr. George Athanassakos

Founder & Managing Director, Ben Graham Centre for Value Investing, Ivey Business School

A fascinating book to read

"Value Investing from Theory to Practice"



George in 1.7 explains, why not all investors adopt value investing strategies.

Which is very surprising, knowing the superiority of returns over the long term.

- **Market Efficiency Belief:** Some investors adhere to the Efficient Market Hypothesis, believing that all available information is already reflected in stock prices, making it futile to seek undervalued stocks.
- **Performance Pressure:** Institutional investors, in particular, may face pressure to deliver short-term results, which can deter them from the long-term focus required in value investing.
- **Lack of Patience:** Value investing often necessitates a patient approach, as it may take a long time for the market to recognize a stock's intrinsic value. Many investors lack the patience to wait for these opportunities to materialize..
- **A lack of understanding:** Not knowing about value investing principles can lead investors to overlook this strategy in favor of more familiar or seemingly straightforward approaches.

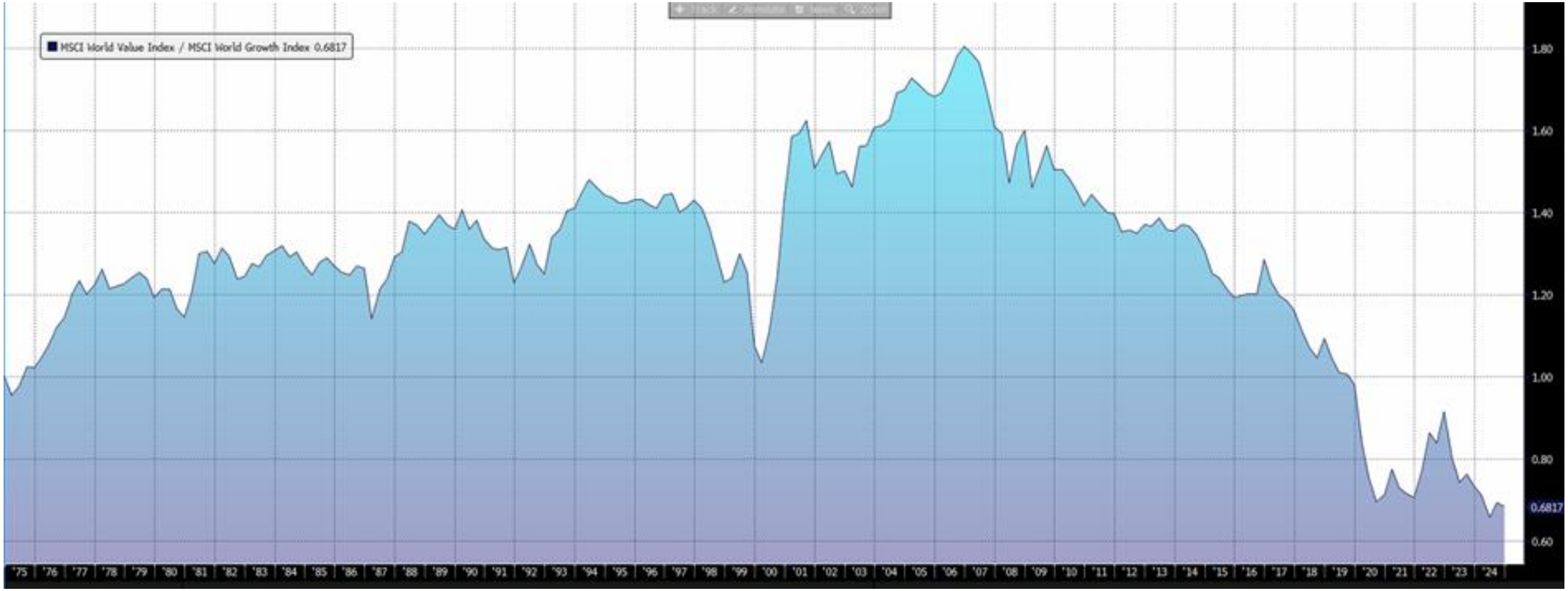
Why is not everyone a Value investor?

George main Conclusion:

- While value investing has **consistently proven its worth**, it remains underutilized due to a **combination of psychological, institutional, and educational factors**. **Behavioral biases**, faith in **market efficiency**, **short-term** performance **pressures**, **impatience**, and a lack of knowledge all contribute to its relative unknown.
- However, for those willing to overcome these barriers, value investing offers a powerful framework for **building long-term wealth**. By focusing on **intrinsic value** and adopting a **disciplined, patient approach**, investors can navigate market fluctuations and capitalize on opportunities that others might overlook.
- In the end, **value investing is not just a strategy; it's a mindset**—one that requires resilience, independence, and a long-term perspective. For those who can master these qualities, the **rewards can be immense**.

Why is not everyone a Value investor?

MSCI Value / MSCI Growth (since 1974)



Investors should diversify and should put some money at work with some Value managers.

Long Term Investment Fund (SIA) Structure

Compartments	LTIF Classic Series			
Investment style	Long-only			
Management fee	1.5% pa			
Performance fee	15% (HWM and Hurdle Rate)			
Currency	EUR	CHF	USD	EUR
ISIN number	LU0244071956	LU0301246772	LU0301247077	LU1449969846
Telekurs valor	2'432'569	3'101'817	3'101'820	33'180'015
Bloomberg ticker	LTIFCLA LX	LTIFCLC LX	LTIFCLU LX	LTIFCLD LX
Distribution	reinvested	reinvested	reinvested	distributed

Compartments	LTIF Natural Resources		
Investment style			
Management fee	1.5% pa		
Performance fee	15% (HWM)		
Currency	EUR	CHF	USD
ISIN number	LU0244072335	LU0301246939	LU0301247234
Telekurs valor	2'432'575	3'101'836	3'101'839
Bloomberg ticker	LTIFGEV LX	LTIFGEC LX	LTIFGEU LX
Distribution	reinvested	reinvested	reinvested

- **Daily liquidity,** cut-off time previous day at 4:00 pm CET
- **Performance fees are assessed and paid yearly**

SIA Funds AG is an authorized Asset Manager of collective investment schemes, regulated by the Swiss Financial Market Supervisory Authority FINMA.

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DISCLAIMER: LTIF (SIA) Classic and Natural Resources

Performance up to 31.05.06 is that of the BVI-based LTIF, of which the LTIF Luxembourg is an identical successor. Previous performance is audited by Ernst & Young. Past performance is neither a guarantee nor a reliable indicator of future results. Performance data does not include the commissions and fees charged at the time of subscribing for or redeeming shares. This information has been furnished to you upon request and solely for your information and may not be reproduced or redistributed to any other person. It is not intended as an offer or solicitation with respect to the purchase or sale of shares of the Sicav. Neither the Central Administration Agent nor the Investment Manager assume any liability in the case of incorrectly reported or incomplete information. Please be aware that investment funds involve investment risks, including the possible loss of the principal amount invested. For a detailed description of the risks in relation to each share in the investment fund, please see the latest version of the prospectus, simplified prospectus, annual and semi-annual reports, which may solely be relied upon as the basis for investment decisions; these documents are available on www.s-i-a.ch or from the Central Administration Agent FundPartner Solutions (Europe) SA, 15A, avenue J.F. Kennedy, L - 1855 Luxembourg. LTIF Classic and Natural Resources (previously Global Energy Value) were approved for distribution in and from Switzerland by the Swiss Financial Market Supervisory Authority (FINMA) according to Art. 19 al. 1 of the Collective Investment Schemes Act, paying agent is Banque Pictet & Cie SA, Route des Acacias 60, 1211 Geneva 73, Switzerland. Legal representative in Switzerland is FundPartner Solutions (Suisse) SA, Route des Acacias 60, 1211 Geneva 73, Switzerland; notified to the Austrian Finanzmarktaufsicht according to §36 of the Investment Funds Act; authorised in France by the Autorité des Marchés Financiers (AMF) pursuant to Art. 411-58 of the AMF General Regulation; authorised by the German Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) according to §132 of the Investment Act; authorised in Italy by the Bank of Italy and the CONSOB according to Article 42 of Legislative Decree no. 58 of 24 February 1998; registered in the register of foreign collective investment schemes commercialized in Spain by the Comisión Nacional del Mercado de Valores (CNMV) pursuant to Art. 15 of the Law on Collective Investment Vehicles; recognised in the United Kingdom by the Financial Services Authority (FSA) as a recognised scheme within the meaning of Section 264 of the Financial Services and Markets Act 2000.