

Energy Champions Fund

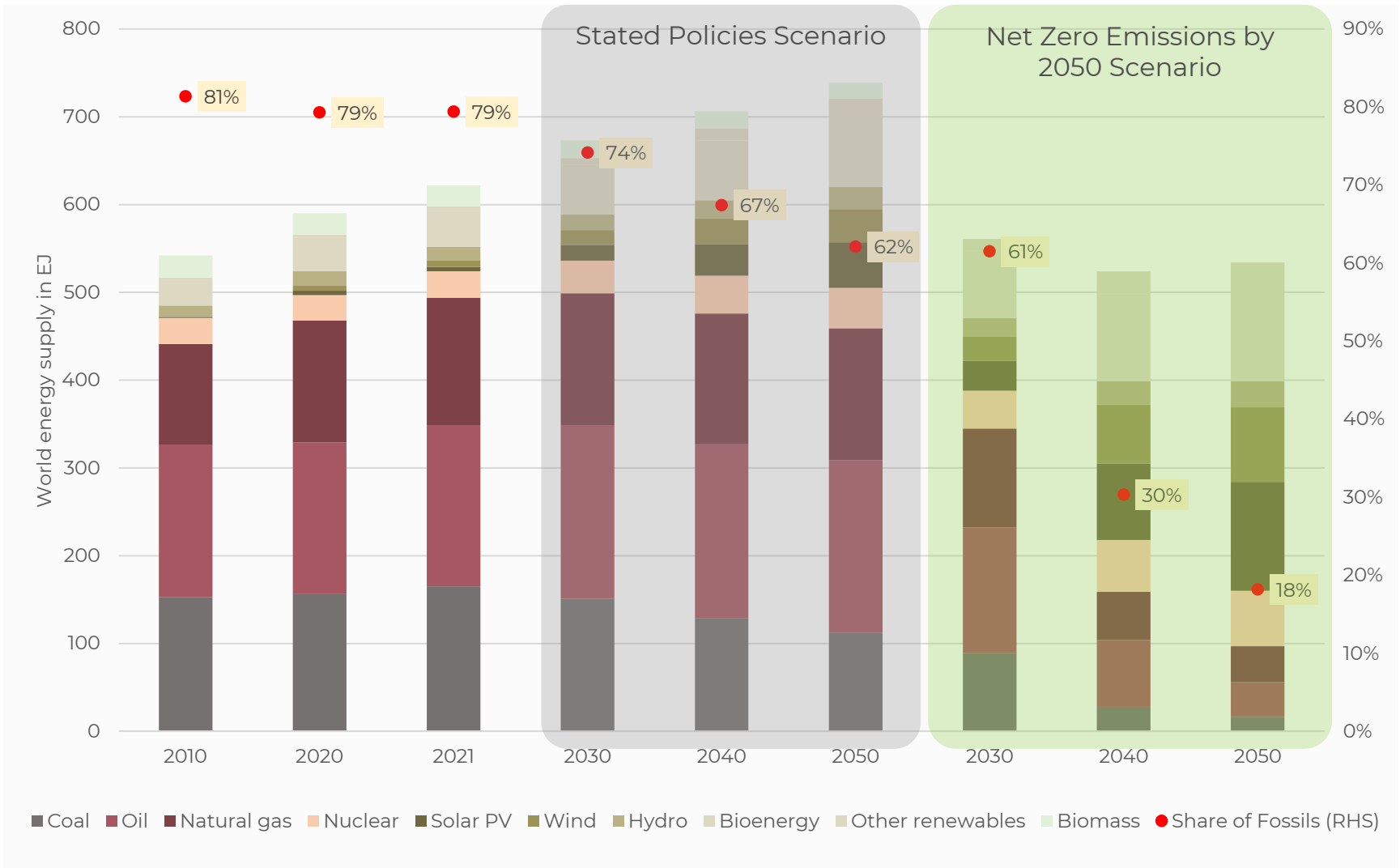
From overlooked to essential and attractive

April 2024

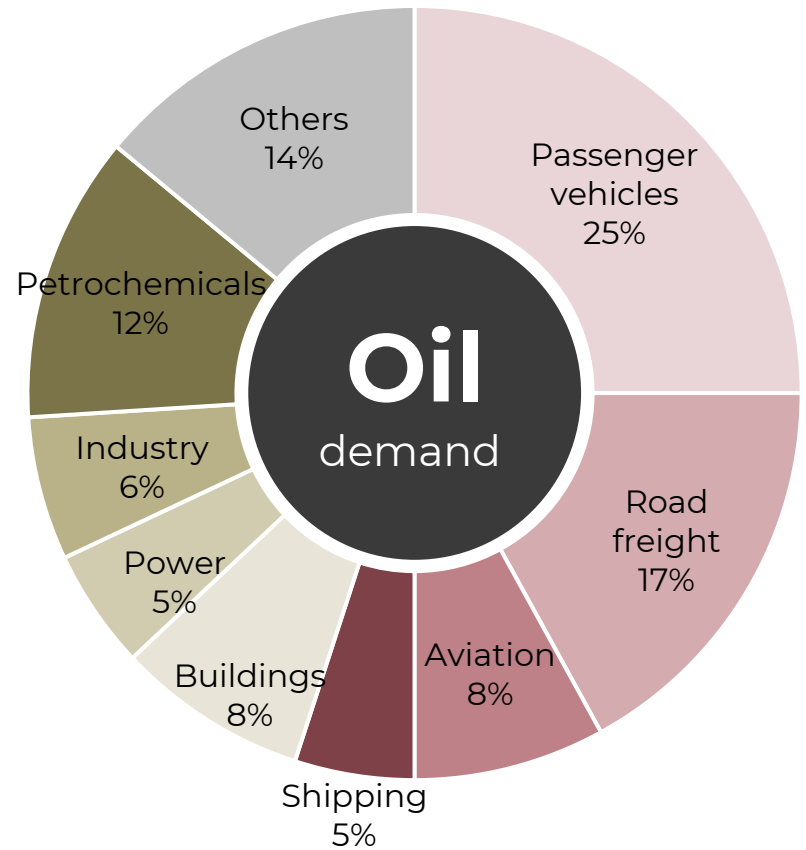
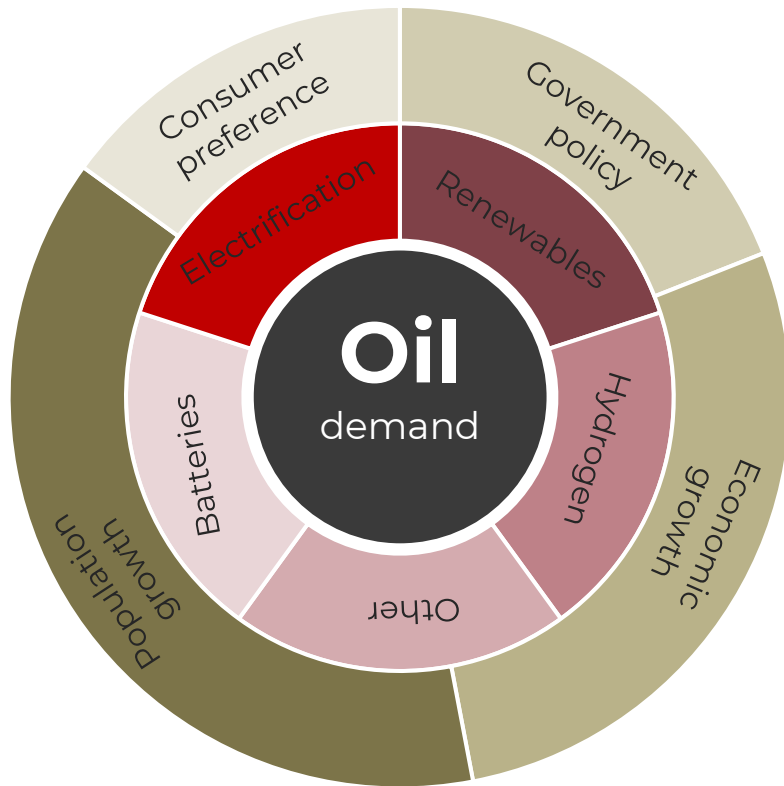
Executive summary

- Energy is the bedrock of modern civilization and fossils are still too important to be ignored
- Significant debate on the future of oil but is still indispensable for many applications
- Leading research institutes offer varied outlooks on future oil demand
- Despite higher prices, the oil and gas industry has not significantly increased capital expenditures
- Oil and gas companies exhibit strong free cash flow generation, heightened profitability, and minimal debt
- Oil and gas companies present significant attractiveness compared to other markets
- The energy sector is currently undervalued and overlooked in investment circles
- Commodities are poised to enter a new supercycle driven by the ongoing energy transition

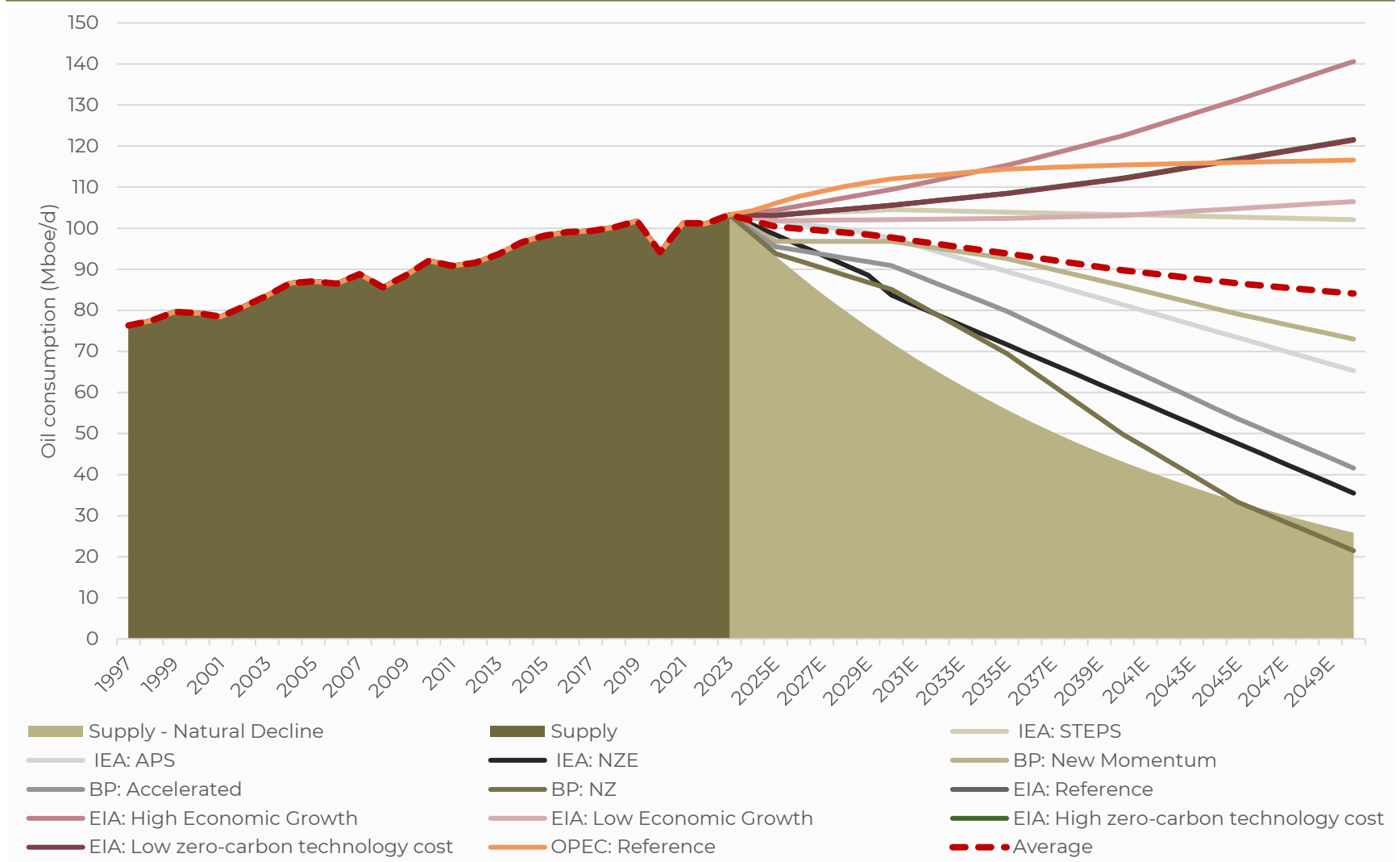
Fossils make up 80% of our primary energy consumption today



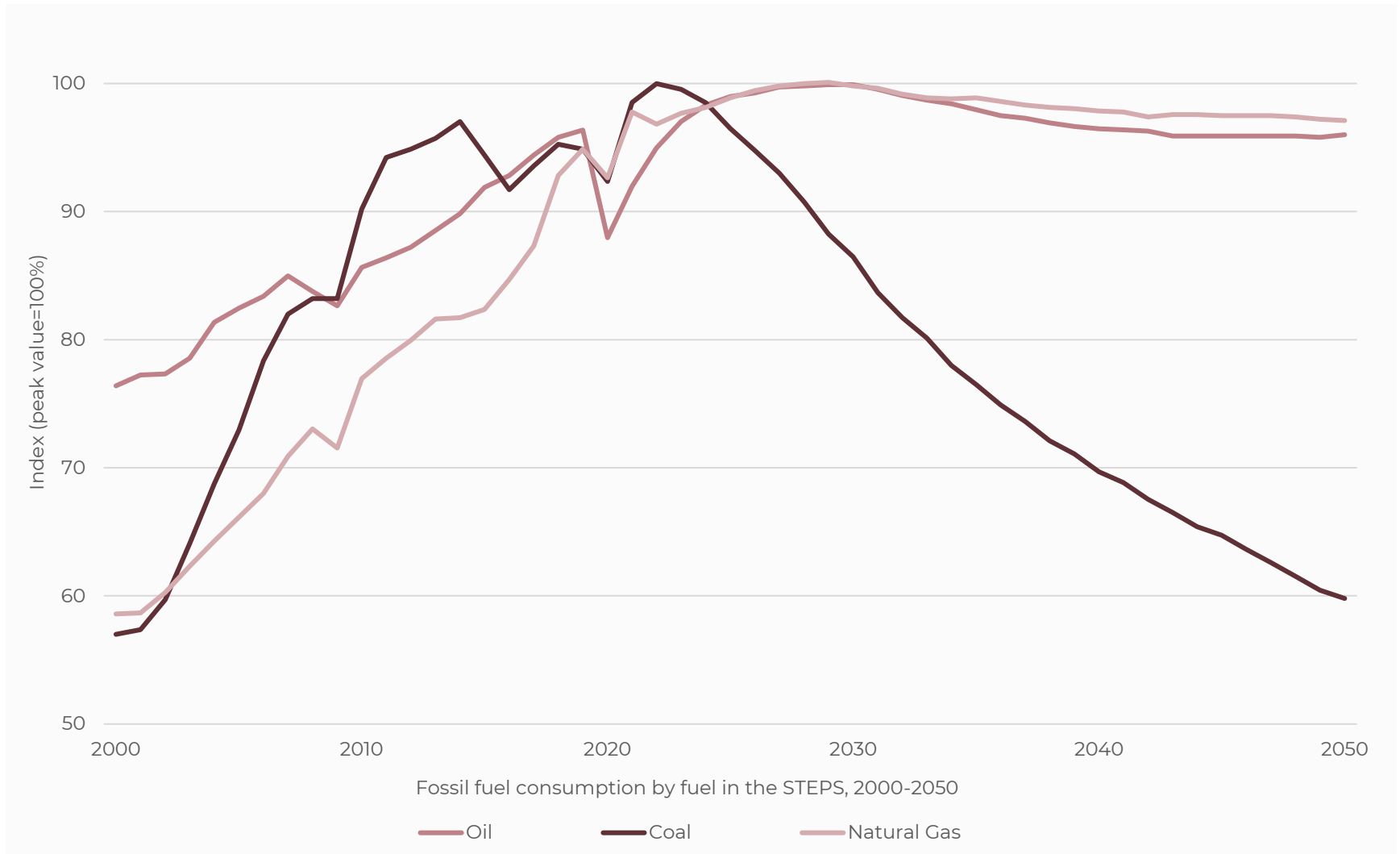
Considerable debate on the future of oil, yet is still indispensable for many applications



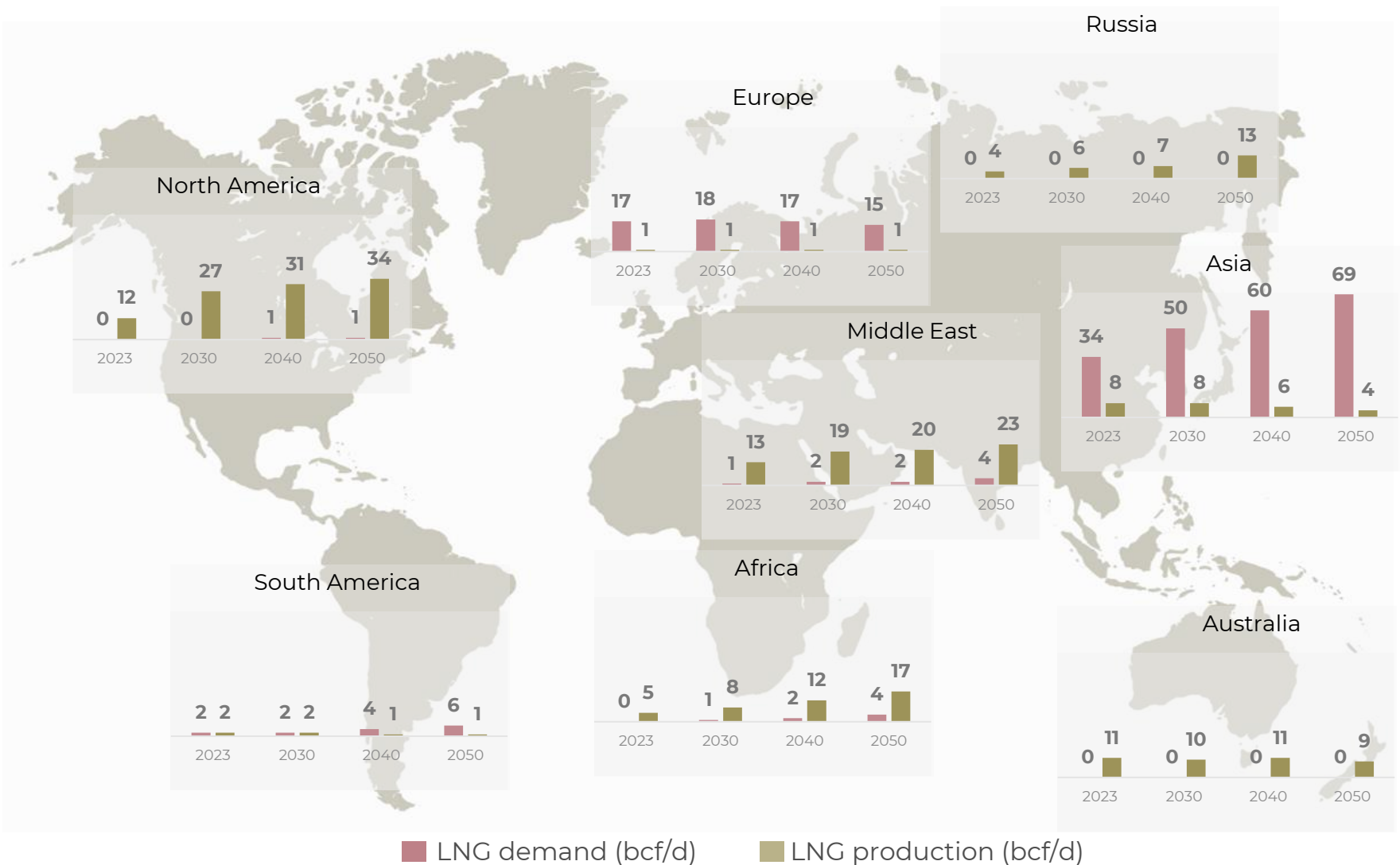
Oil forecasts have significant disparities among leading research institutes



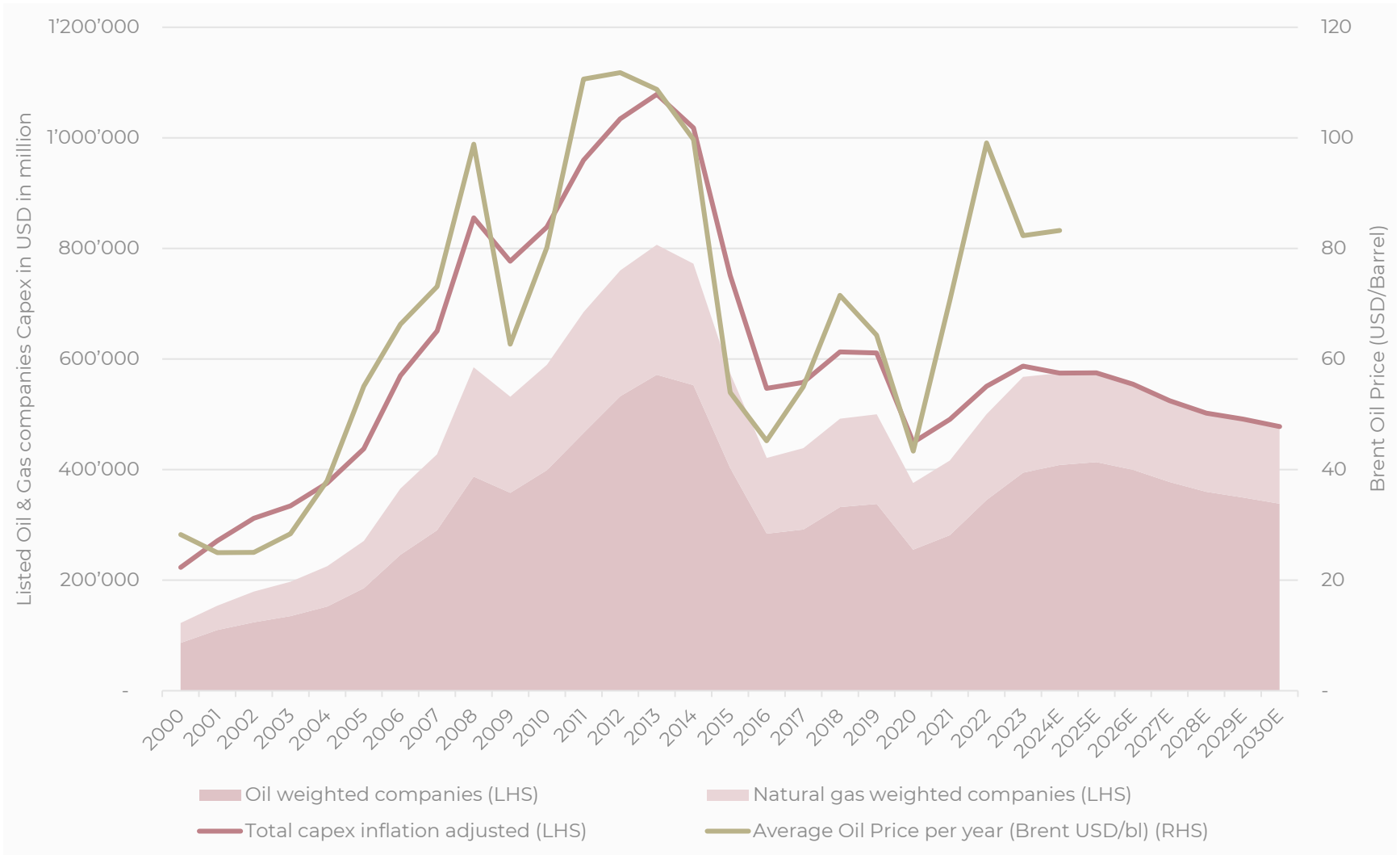
After the “Oil Peak” anticipating an extended era of very slow decline



Natural gas, specifically LNG, is crucial for the energy transition



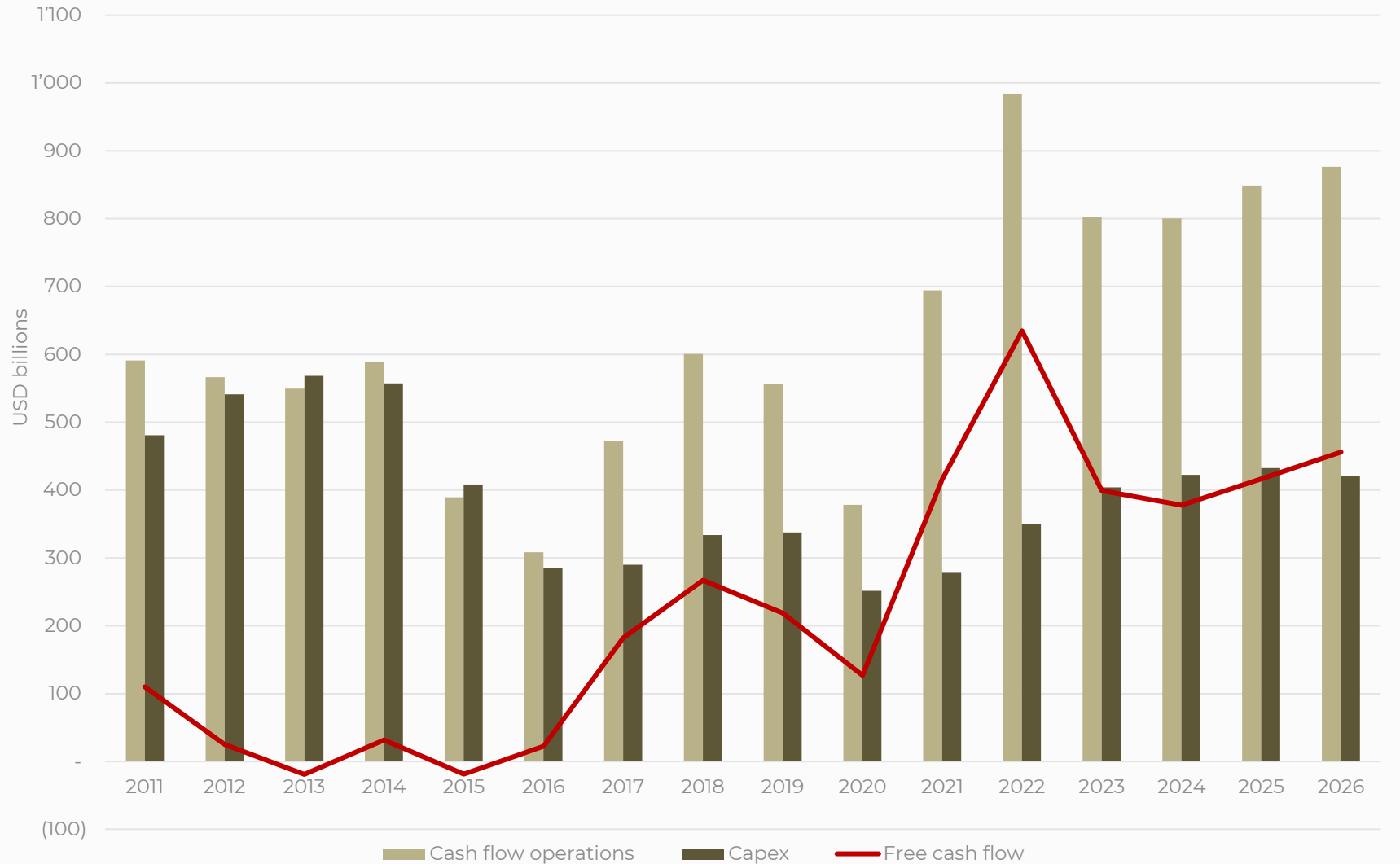
Despite higher prices no CAPEX response by the industry



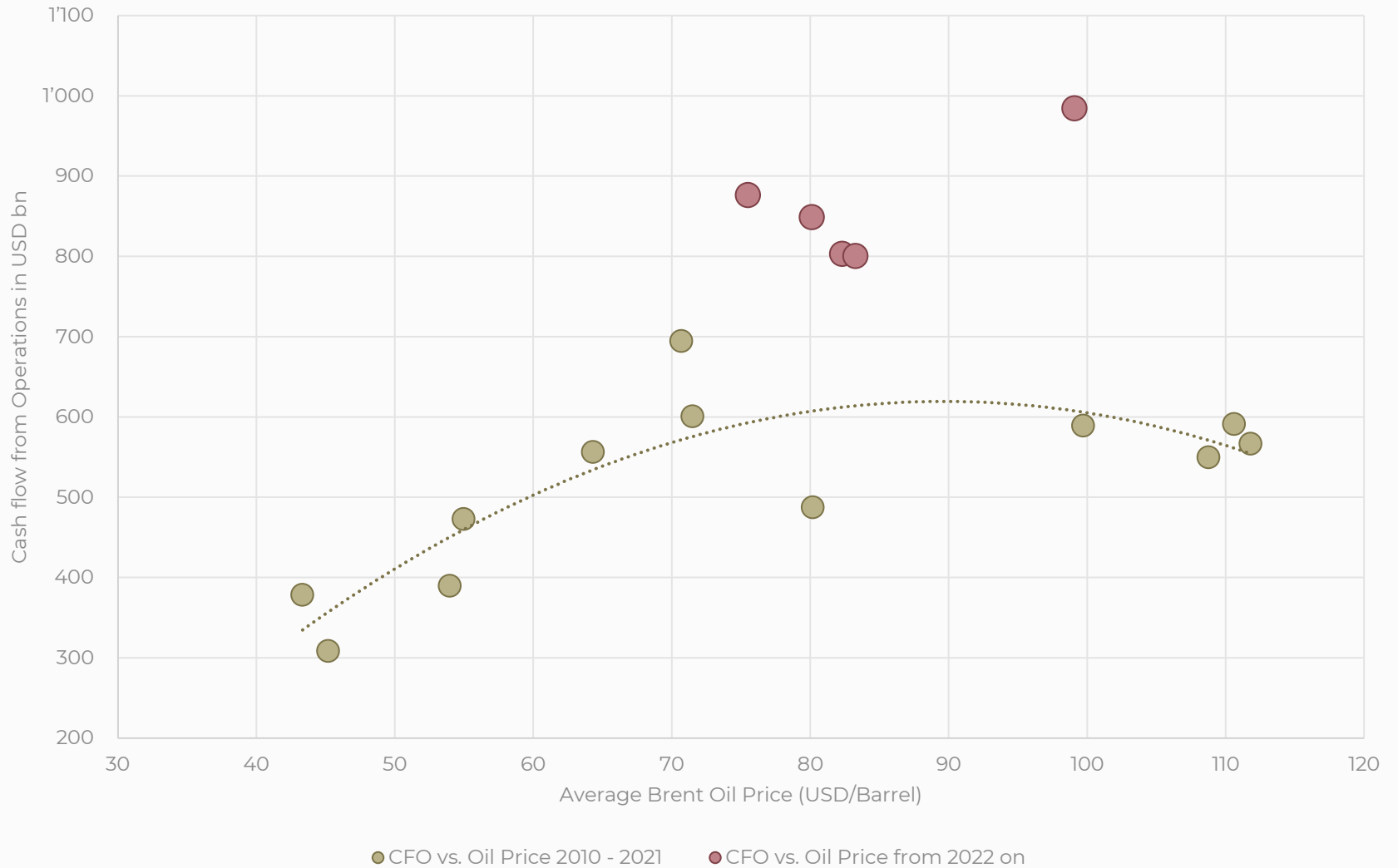
Why oil & natural gas equities?

Cash cows, profitable and attractive

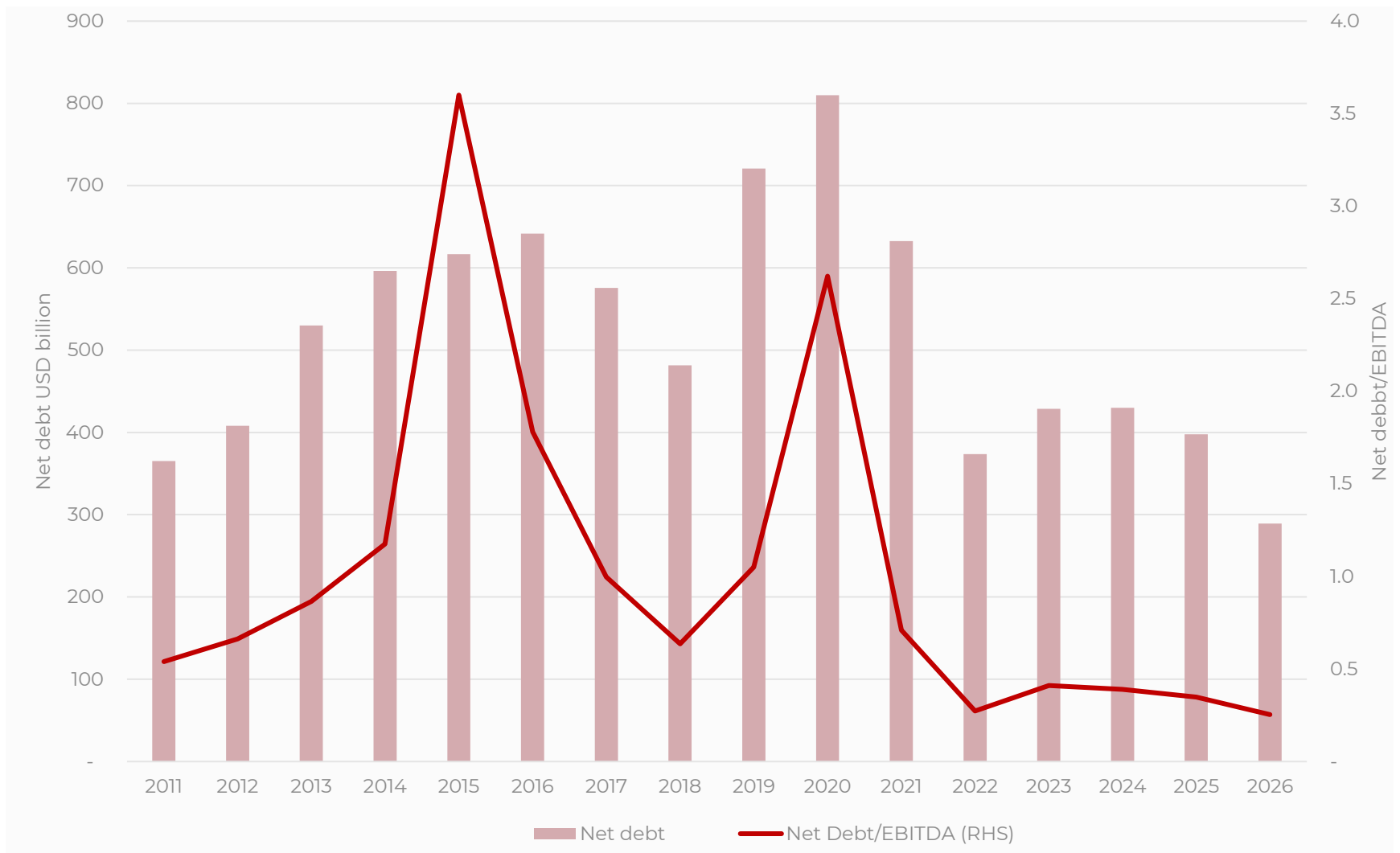
Cash Cows – big free cash flow generators



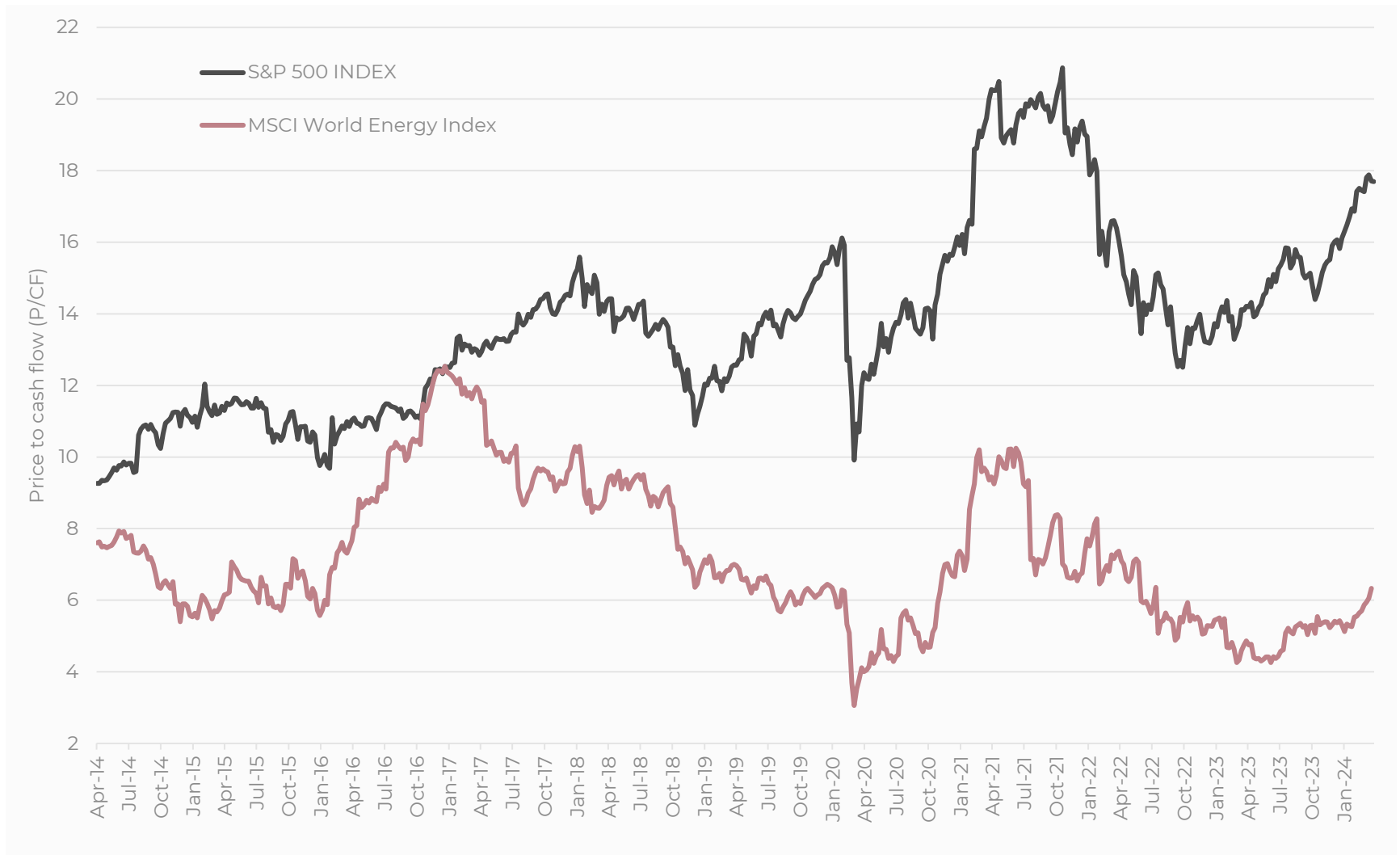
Efficiency - much higher profitability



Healthy - nearly debt free



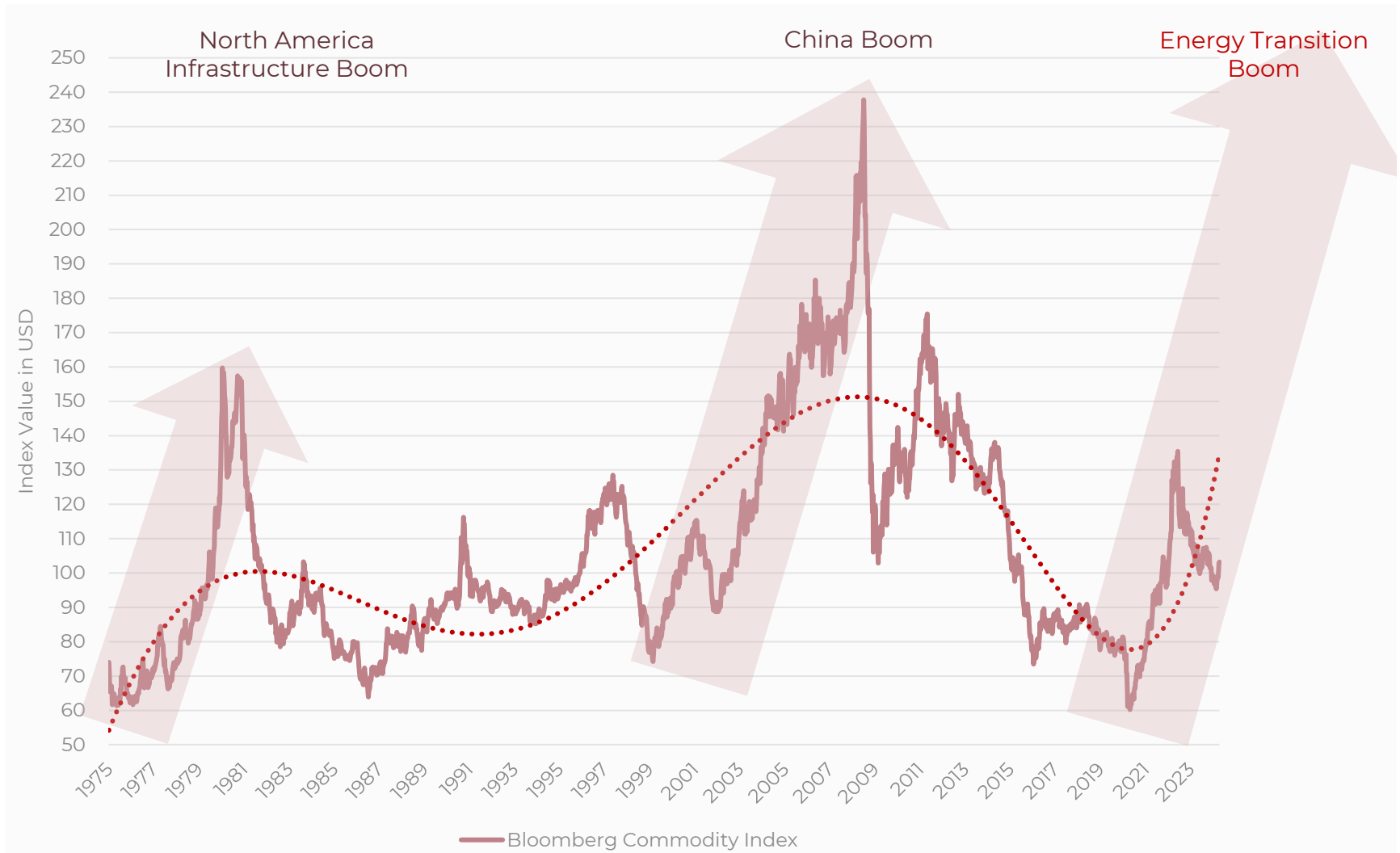
Valuation – big gap and very attractive



Relevance – the energy sector has never been so much overlooked



Commodities – start of a new supercycle



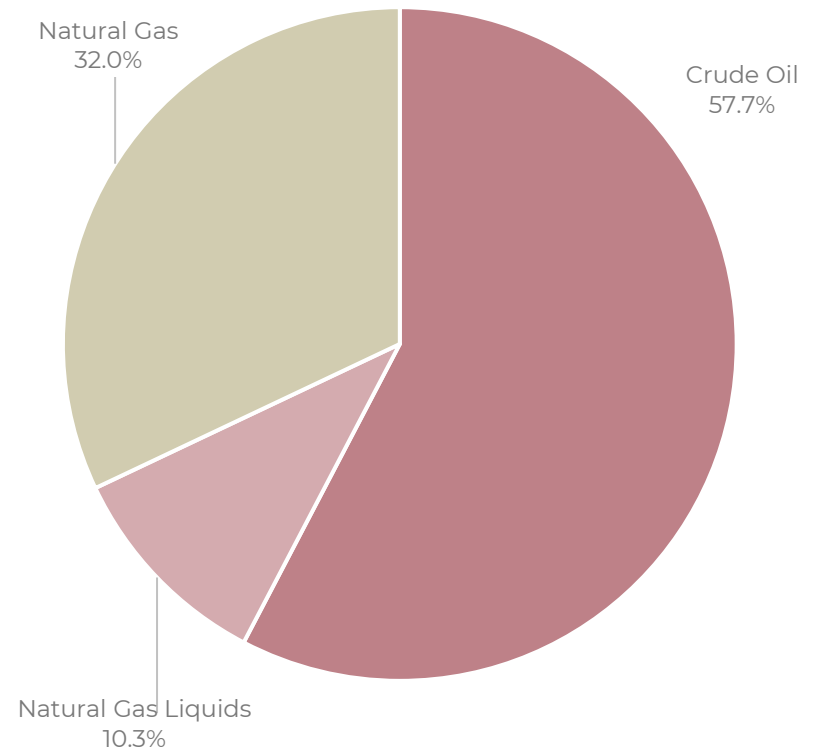
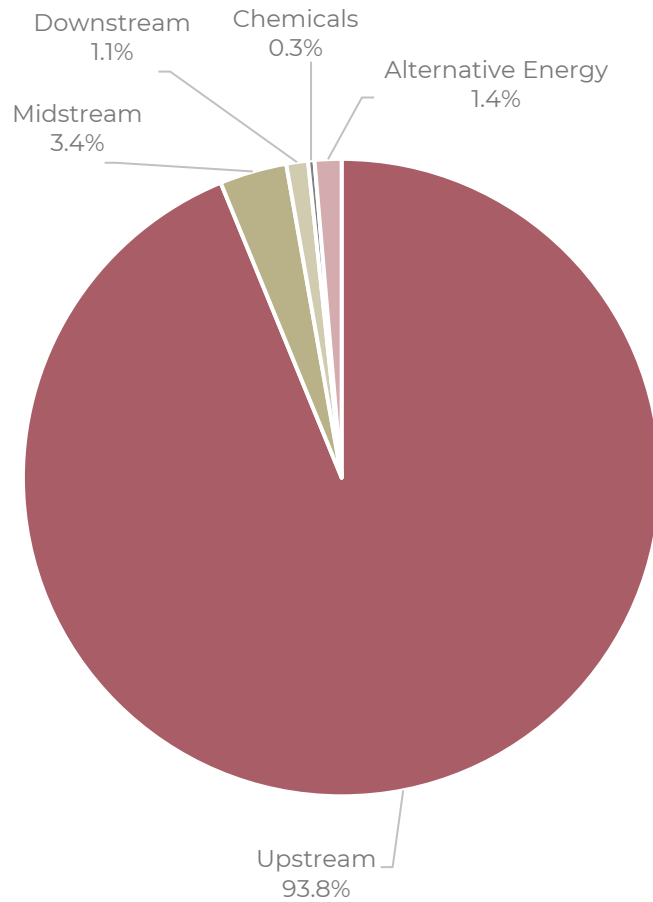
Diversification is key

Portfolio approach

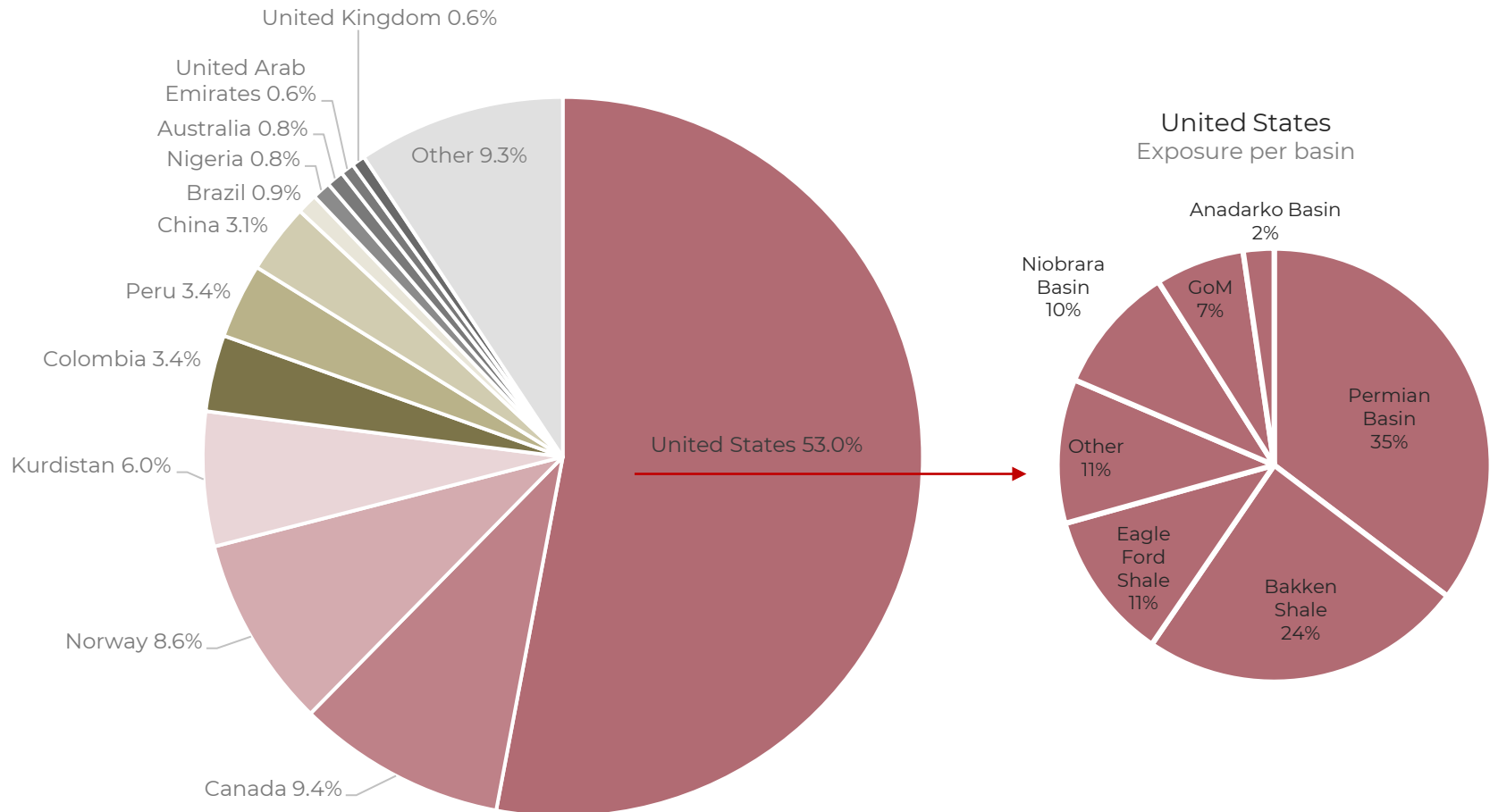
Transparency

All 25 holdings	ECF	Financials	ECF	Operating	ECF
AKER BP ASA	4.5%	Number of holdings	25	Upstream in %	94%
DEVON ENERGY	4.5%	Market cap	\$34.7bn	Production in kboe/d	206.3
SHELL	4.5%	P/B	1.4	Share of oil in production	68%
DIAMONDBACK ENERGY	4.5%	P/Cash flow	4.0	Production growth CAGR 2023-2027E	3.7%
CHORD ENERGY	4.5%	EV/EBITDA 2024E	3.6	Cash costs \$/boe	17.9
NORTHERN OIL AND GAS	4.4%	EV/EBITDA 2025E	3.2	F&D costs organic \$/boe	12.4
OVINTIV	4.4%	P/E 2024E	8.8	Reserve valuation EV/1P (Proven Reserves) \$/boe	14.0
EQUINOR	4.4%	P/E 2025E	10.6	Reserve valuation EV/2P Reserves \$/boe	9.1
TOTALENERGIES	4.4%	EBITDA margin 2024E	57%	Resource valuation EV/ Resources \$/boe	5.8
SM ENERGY	4.4%	FCF yield 2024E	11.3%	1P Reserve Life in years	10.6
CHESAPEAKE ENERGY	4.4%	FCF yield 2025E	13.6%	Reserve replacement ratio (RRR Index)	103%
CIVITAS RESOURCES	4.4%	ROE	20.1%	Operated assets	76%
CNOOC	4.4%	ROIC	20.2%	Drilling success rate 3 years avg	43%
MURPHY OIL	4.3%	Dividend yield	4.9%		
CRESCENT POINT ENERGY	4.3%	Net debt to equity	25%		
BAYTEX ENERGY	4.3%	Insider ownership	13.4%		
RILEY EXPLORATION PERMIAN	3.6%				
DNO	3.5%				
PAREX RESOURCES	3.5%				
VITAL ENERGY	3.5%				
PETROTAL	3.4%				
SERICA ENERGY	3.3%				
BERRY	3.3%				
GENEL ENERGY	3.2%				
GULFPORT ENERGY	2.1%				

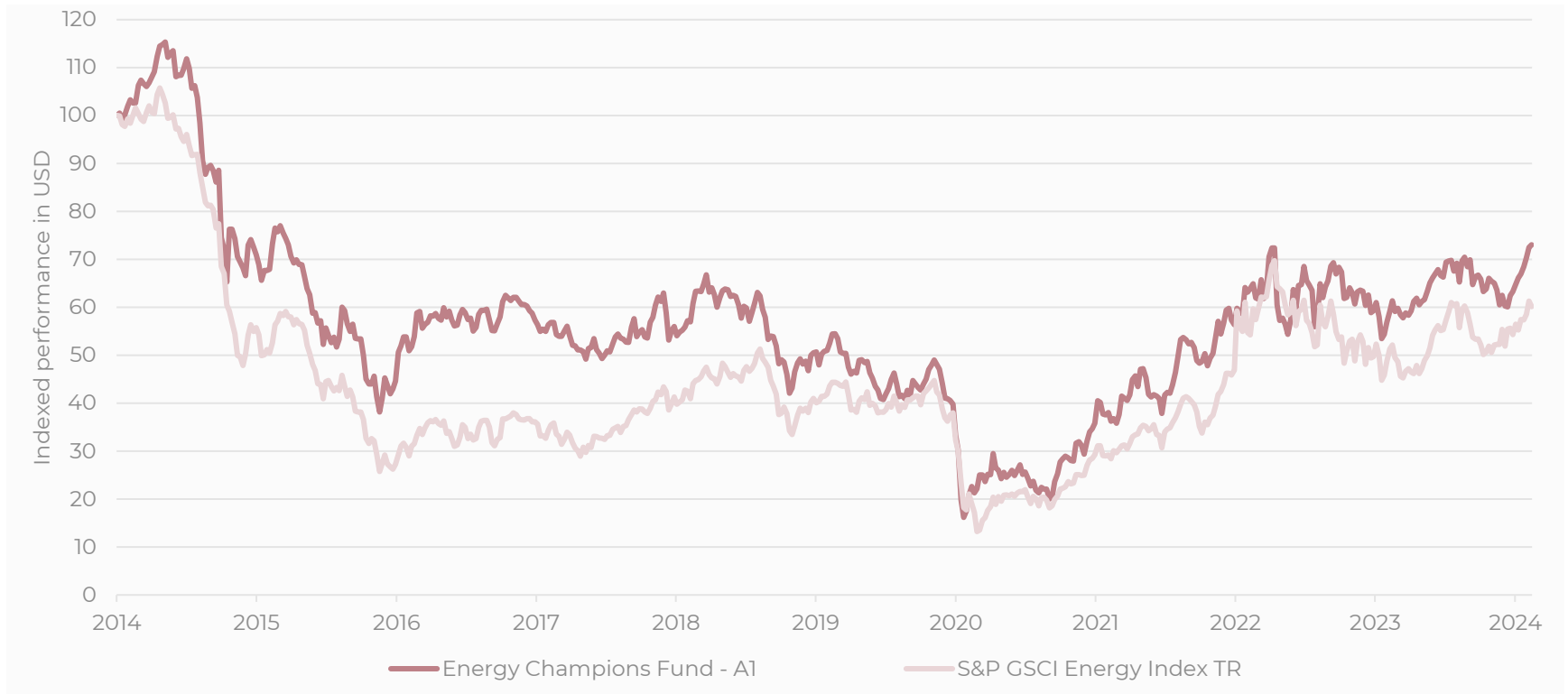
Segment and Commodity Mix



Geographical Mix



Performance – long track record and high upside Beta



Share classes	MTD April	YTD	1 Year	2 Years	3 Years	5 Years	10 Years	CY2023	CY2022	CY2021	Inception*
Institutional (I2)	2.2%	11.8%	21.5%	16.7%	107.7%	38.6%		9.4%	26.0%	81.6%	-27.0%
Retail (A1)	2.1%	11.6%	20.7%	15.3%	103.8%	34.2%	-31.5%	8.7%	25.2%	80.5%	-27.0%
Percentile scoring to peers**	56%	44%	100%	22%	100%	63%	25%	78%	22%	100%	25%

*Inception: Retail share classes A1 & A2 was 28.02.2014, Institutional share class I2 was 12.09.2014, share class I1 was 01.12.2022. More share classes available

**Percentile scoring relative to peers reflects the ECF performance in comparison to our peers. A higher percentile indicates better ECF relative performance.

How to invest

White Fleet II - Energy Champions Fund						
Fund Name	Luxembourg SICAV with UCITS-IV status					
Legal status	March 2014					
Launch date	USD 32 million					
Fund size	MSCI World Energy Index					
Benchmark	Credit Suisse (Luxembourg) S.A.					
Custodian	Credit Suisse Fund Services Luxembourg					
Administrator	PricewaterhouseCoopers AG					
Auditor						
Share classes	A 1	A 2	B	C	I 1	I 2
Currency	USD	USD	USD	USD	USD	USD
Distribution	Accumulating	Distributing	Accumulating	Accumulating	Accumulating	Distributing
Bloomberg ticker	WFEC1A1 LX Equity	WFEC1A2 LX Equity	Pending	Pending	WFEC11A LX Equity	WFEC12D LX Equity
ISIN	LU1018863792	LU1018863875	Pending	Pending	LU1092312823	LU1092313045
Valora	23322792	23322921	Pending	Pending	25025471	25025474
Management fee p.a.	1.25%	1.25%	1.50%	2.00%	0.65%	0.65%
Min. subscription	USD 1 million	USD 1 million	USD 500'000	One share	USD 5 million	USD 5 million
Trading	Daily , no lock-up, no redemption fees					

Conclusions

- Global energy dynamics are evolving rapidly, with oil and natural gas reclaiming significance in the energy mix
- Limited industry capex response despite higher prices suggests that the market may fall into a chronic deficit
- The commodities market is poised for a new supercycle
- Oil and gas companies demonstrate strong financial performance with high profitability, minimal debt, and significant attractiveness compared to other markets
- Our investment strategy emphasizes rigorous fundamental analysis to identify standout performers, or «Champions»

The ideal time to enter the sector is now!

THANK YOU FOR YOUR TRUST

Sources: ICG, ICG Database, Bloomberg, IEA, USGS, S&P, BMO, Goldman Sachs, JP Morgan, Jefferies, Scotiabank, UBS
If you require further details about the sources we used, please feel free to get in touch with us.

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