RATIONAL ASSET MANAGEMENT

GOLD & SILVER MINERS' FUND

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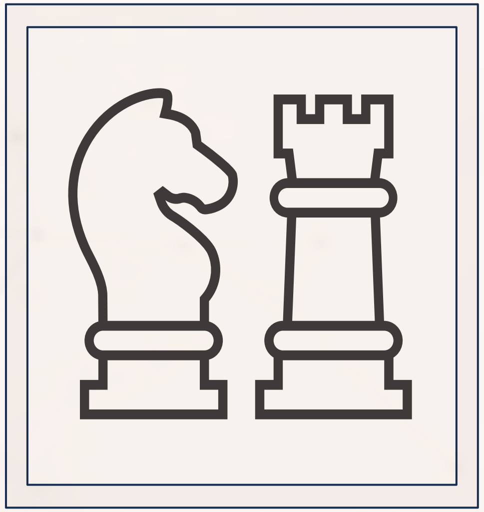


OUR TEAM

Vivek Iyer

Chief Investment Officer of Rational, manages ~Rs.200 Cr. AUM
MBA from IIM, Ahmedabad & B.Tech from IIT Bombay

Vikram Advani

Chief Business Officer of Rational, 30 years exp in asset management including ING, Aditya Birla Capital, Old Bridge Asset Management. MBA from Edith Cowen

Vishal Iyer

Fund Manager with ~12 years of investing experience with JP Morgan & RBC BlueBay in buy and sell-side; both in London

Krish Iyer

40 years exp in retail, banking & finance. Ex-CEO Walmart India, Watsons across multiple Asian countries. CA & CS by training

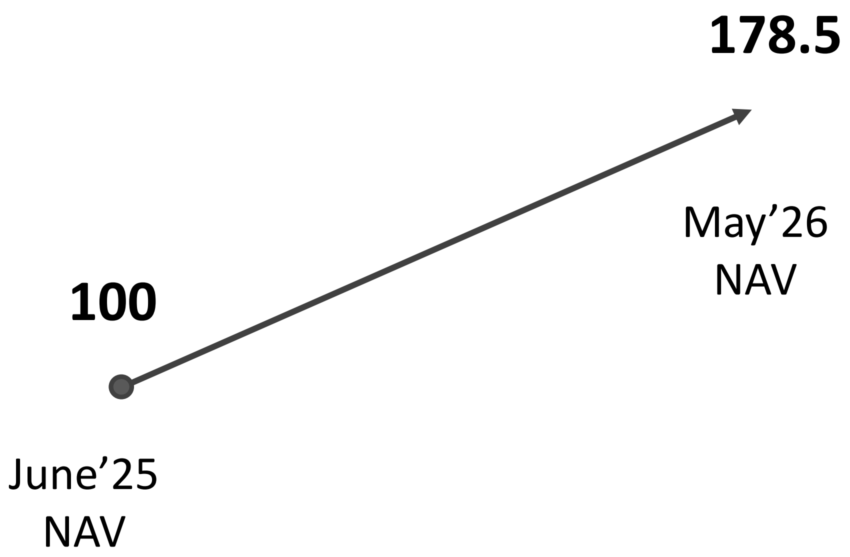
Akshat Rohatgi

Analyst with 4 years experience in investment and quant research. Gold Medalist in Economics from Delhi University

Jaba Misra

ex-Strategy consultant & macroeconomist with BCG, World Bank. MBA from ISB, Mphil Economics from Cambridge

FUND PERFORMANCE

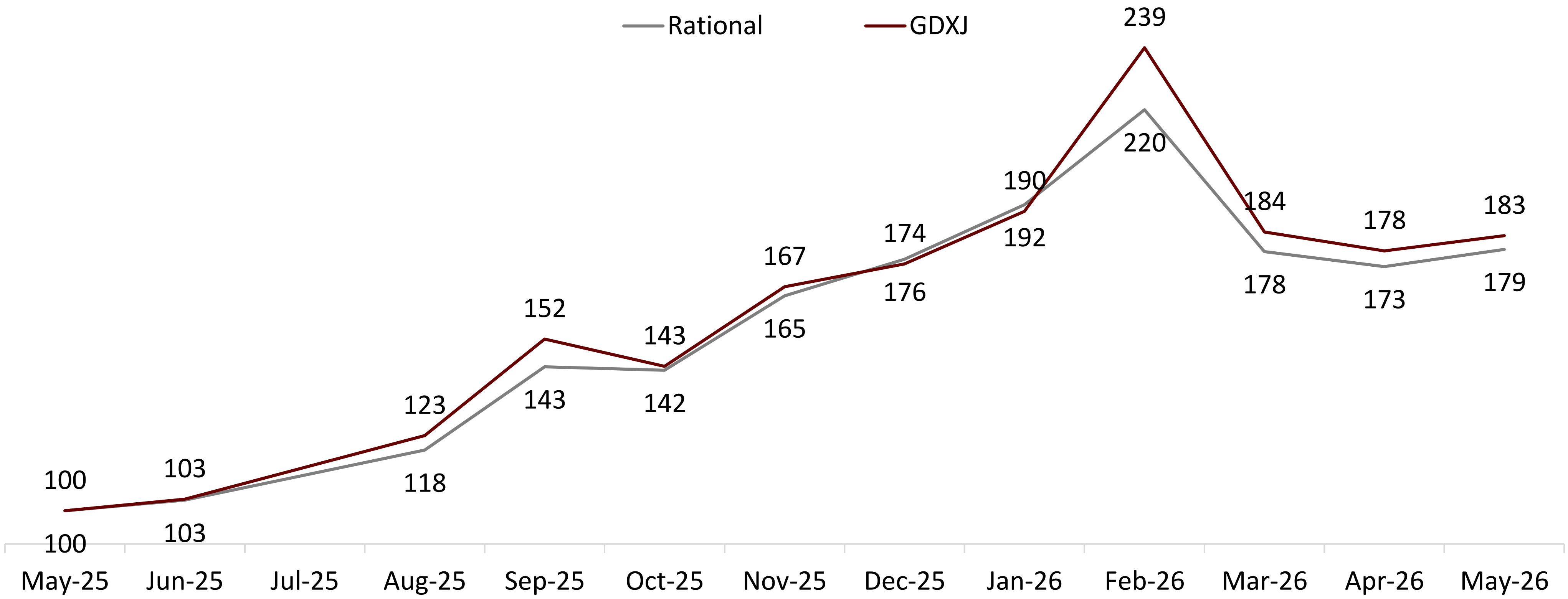


	1 month	3 months	6 months	1 year	Since Inception
Rational	3%	-19%	8.5%	78.5%	78.5%
GDXJ	2.5%	-23.6%	9.2%	82.6%	82.6%

Note: NAV is pre taxes and post fee

RATIONAL

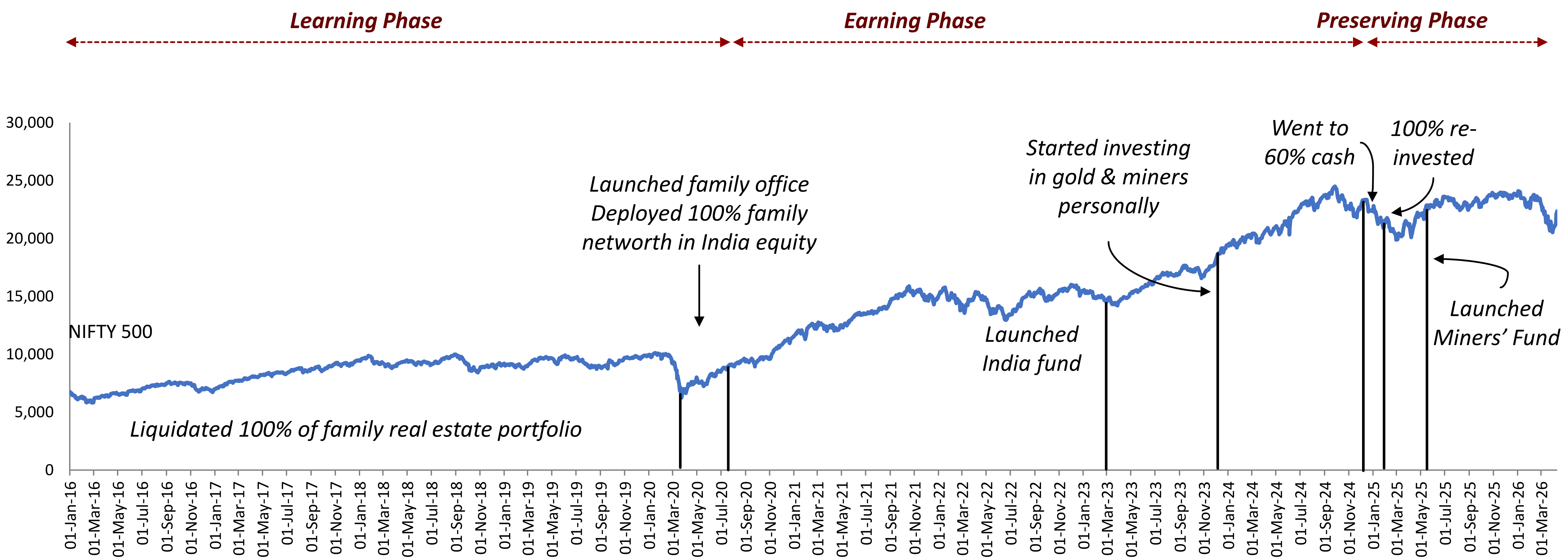
FUND PERFORMANCE



Note: NAV is pre taxes and post fee

OUR JOURNEY

Making the correct wealth allocation decision at the right time



RATIONAL – ONLY INDIA DOMICILED FUND ENABLING INVESTMENT IN GOLD MINERS FOR INDIAN RESIDENTS

"Rational Asset Management Fund" is Rational's flagship hedge fund in GIFT CITY looking to **capitalize on macro themes** globally to provide **diversification avenues through global equities, & commodities**

The fund is focused on **precious metals mining companies** starting with **gold & silver** – **the only avenue for Indian residents to invest in miners of these precious metals**

THE OPPORTUNITY – 14 YEAR BREAKOUT ON GOLD PRICES

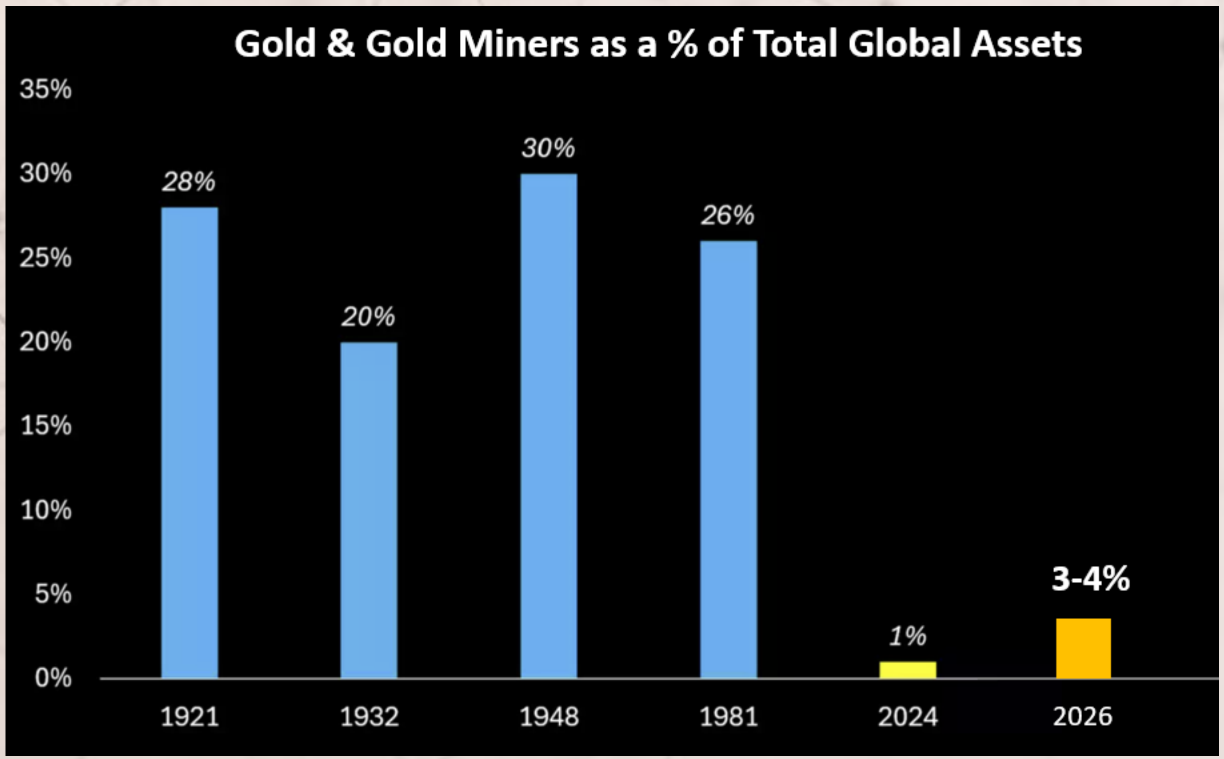
Gold at $7000 by 2030

Global gold prices have been consistently **testing the 14-year price** since 2020 Prices **finally broke-out in 2023** and since then have been on a **secular rise**

We have entered a **multi-year bull market for Gold and Silver** and can deliver outsized returns through investments in Gold and Silver mining companies

THE OPPORTUNITY – 14 YEAR BREAKOUT ON GOLD PRICES

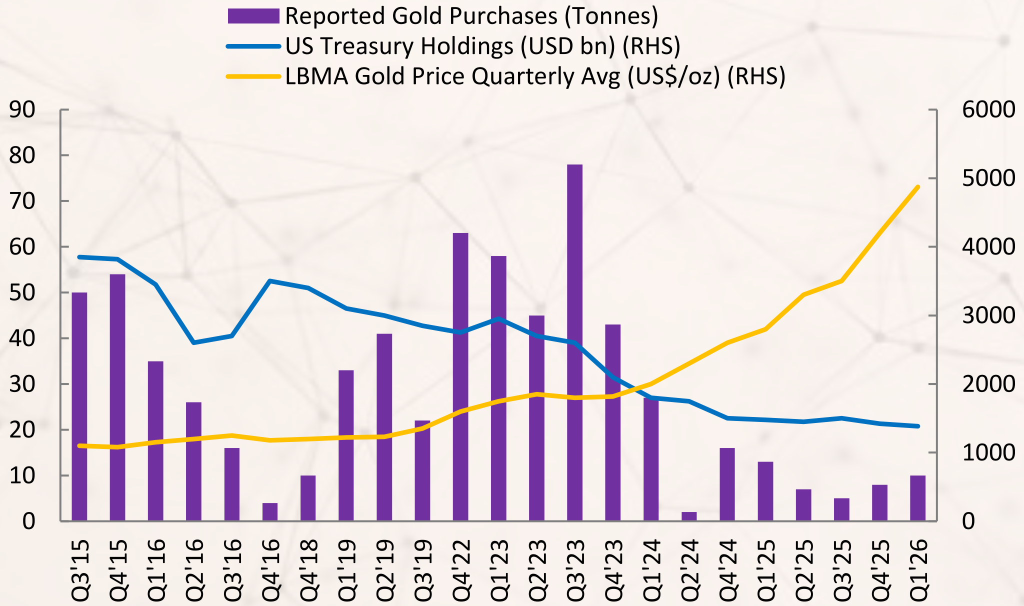
Gold and gold miners are underutilized as an asset class.



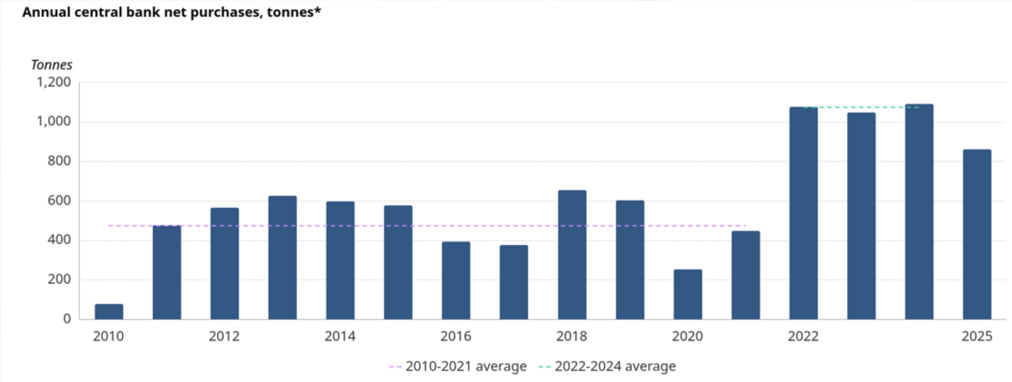
GOLD IS IN A MULTI-YEAR BULL RUN

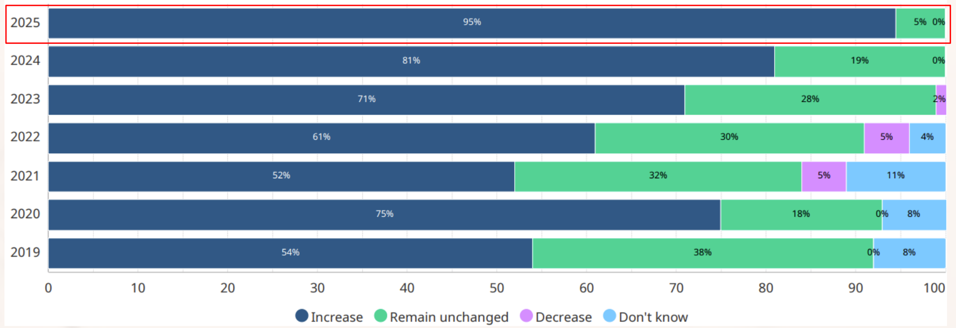
1 China has been moving towards gold – PBOC has been unwinding US$T & households moving away from real estate

PBOC holding of US$ Treasuries lowest since 2001
Largely moving towards gold



2 De-dollarization: Globally central banks are favoring gold & there has been a loss of faith in US$ as the reserve currency





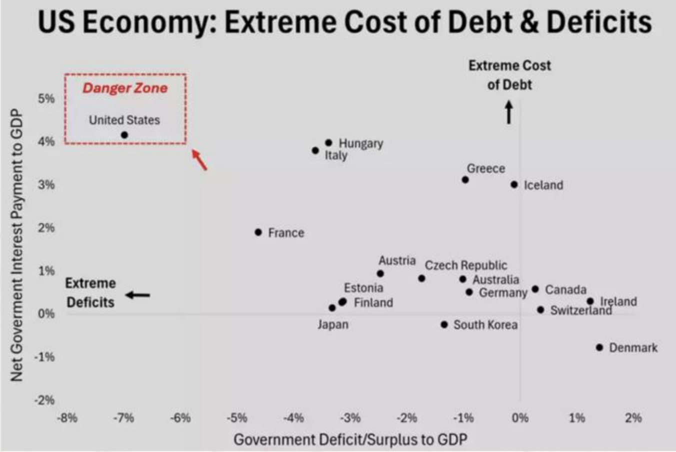
Data as on 30th September 2025

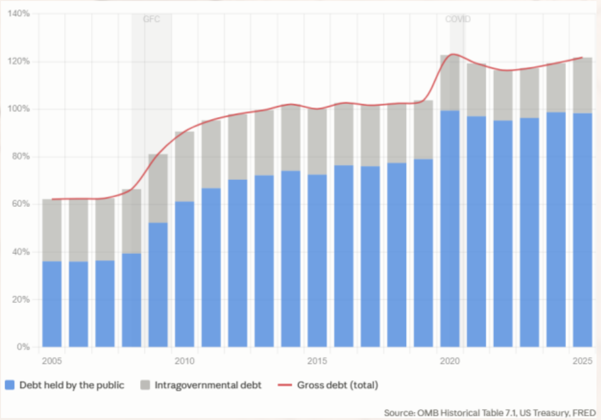
RATIONAL

GOLD IS IN A MULTI-YEAR BULL RUN

3

High debt servicing is leading US govt debt into a spiral, leaving no choice besides rate cuts & weakening of the US$

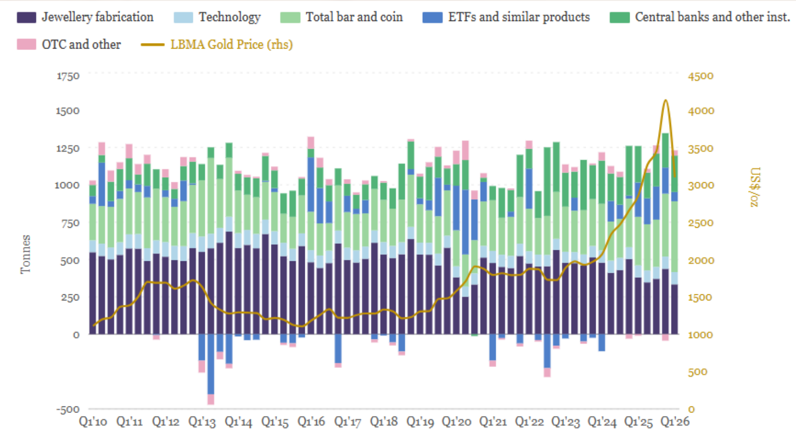


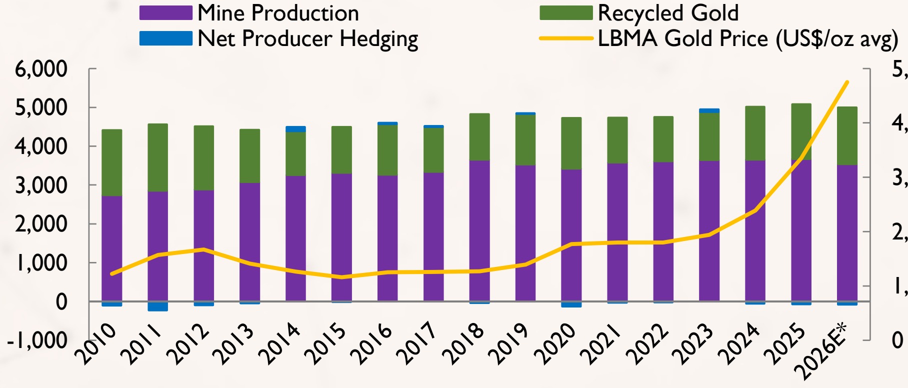


Publicly held debt to GDP ratio breached 100% in 2026 for the first time since WW2

4

Demand from other avenues is also increasing but despite prices doubling, supply has only increased 1% - which doesn't happen with commodities





Note: 2026E annualized basis Q1 2026 data

GOLD IS THE INTERMEDIATE STEP BETWEEN US$ & A NEW RESERVE ASSET

If forward markets are a guide to the future, debt service is set to explode

China's share of US Treasuries falls to 7.3%, lowest since 2001 after massive selloff

Betting big on gold: Central banks continue to buy gold in a big way; here is how much RBI has bought this year

China Central Bank Keeps Buying Gold as Bull Run Hits Brakes

Global debt: a ticking time bomb

'The dollar is losing credibility': why central banks are scrambling for gold

US Consumer Delinquencies Jump to Highest in Almost a Decade

China's $7 Trillion Cash Pile Is Shifting Into Stocks, Gold

For many Chinese households, options for preserving wealth are limited. A sluggish property market, volatile equities, and persistently low bank interest rates have made gold one of the most attractive alternatives.

Silver Outlook 2026: Silver Institute Expects Renewed Strong Investment Interest Amid Persistent Market Deficit

US tells world at WEF it is going back to Hamiltonian economic system with a neutral reserve asset

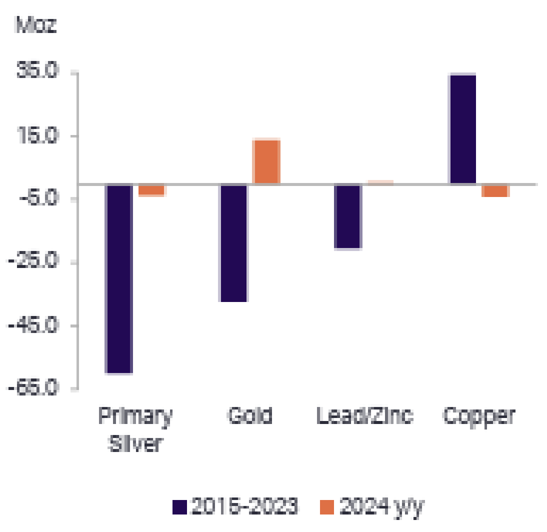
& till the time the world comes up with a new reserve asset,

Gold to be the safe haven

SILVER UNDERPINNED BY INDUSTRIAL DEMAND, NOT ONLY A MACRO SHIFT

Silver is expected to remain in deficit for the 6th year in a row. Persistent supply demand imbalance due to lack of capex in the past decade combined with surging industrial demand

Change in Mine Production by Source Metal



Source: ICSG, ILZSG, Metals Focus

Silver Demand and Supply

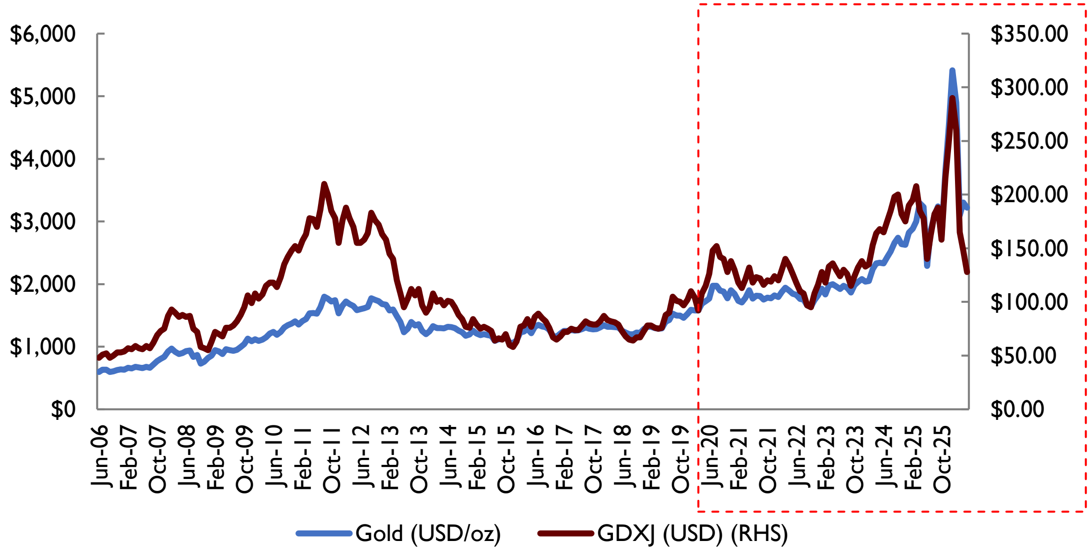
Million ounces	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026F	2025	2026F
Market balance	-5	65	54	15	11.1	52.5	-83.7	-254	-200.1	-137.9	-40.3	-46.3	-71%	15%
Net investment in ETPs	-17	54	7.2	-21.4	83.3	331.1	64.9	-117.4	-37.3	67.5	278.1	30	312%	-89%
Market Balance less ETPs	12	11	46.1	36.4	-72.2	-278.6	-148.7	-136.6	-162.7	-205.4	-318.4	-76.3	55%	-76%
Silver price (US$/oz)	15.68	17.14	17.05	15.71	16.21	20.55	25.14	21.73	23.35	28.27	40.03		42%	

MINERS – THE MORE PROFITABLE PROXY FOR THE COMMODITY

1 Trend reversal for miners

- **Gold miners have significantly underperformed gold over the past decade:** Gold was unchanged in $ terms for 12 years till Aug’23, but miners index was down ~50%.

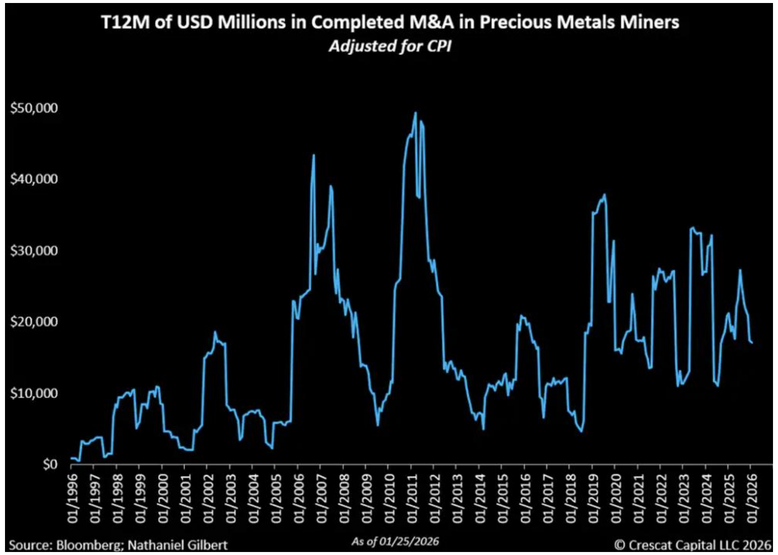
- **This is now undergoing a reversal as <u>gold & silver are in a super-cycle:</u>** Even with higher AISC, <u>smaller miners have become highly cash generative</u> so they can deleverage & reinvest in production



2 Re-rating & operating leverage unlock

- **Mining companies have <u>operating leverage</u>:** As prices rise, the revenues of miners will rise faster than cost → bottom line ++

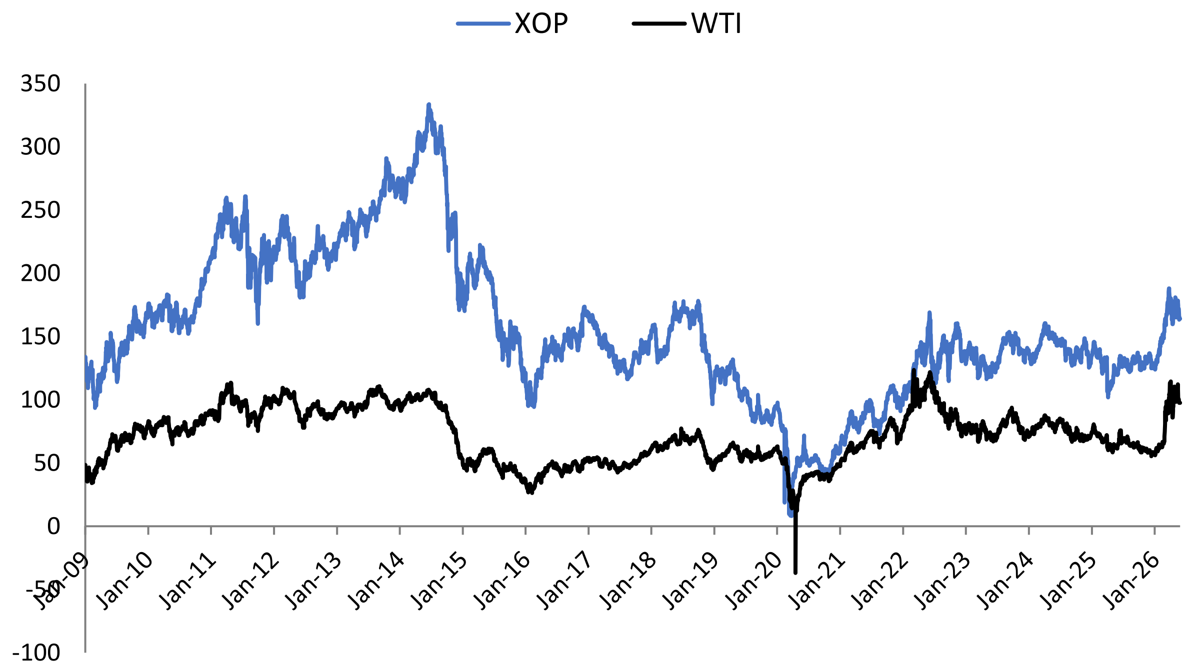
- **Current M&A activity remains well below the peak levels** seen during the prior major cycle. The **lack of aggressive consolidation suggests the industry may still be in the early stages of its strategic re-rating**, and that the M&A cycle itself may not have meaningfully begun.



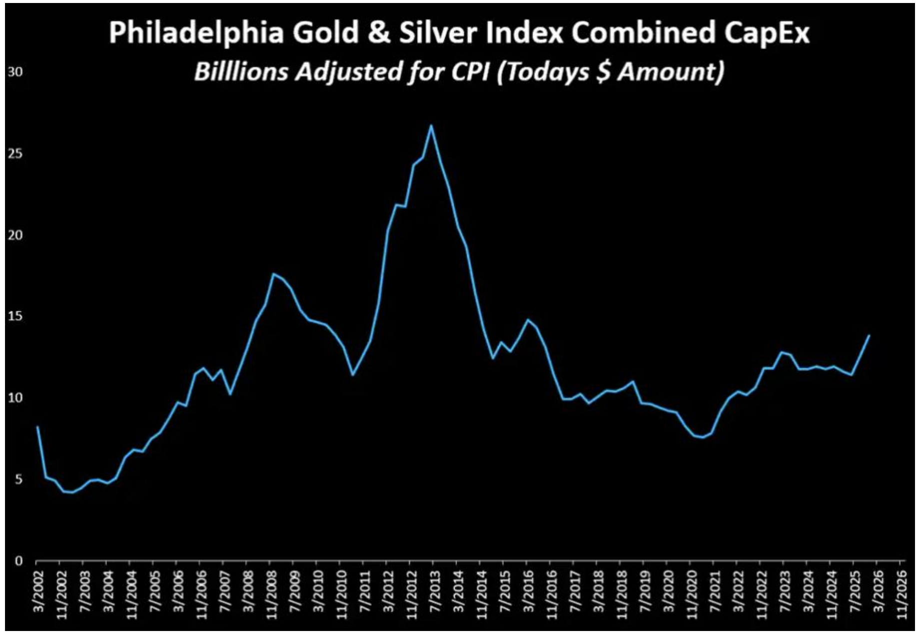
MINERS – THE MORE PROFITABLE PROXY FOR THE COMMODITY

3 Other commodities follow the same cycle

- **Miners will provide materially higher upside relative to the underlying commodity** as is evident from <u>supercycles in other commodities like oil</u>

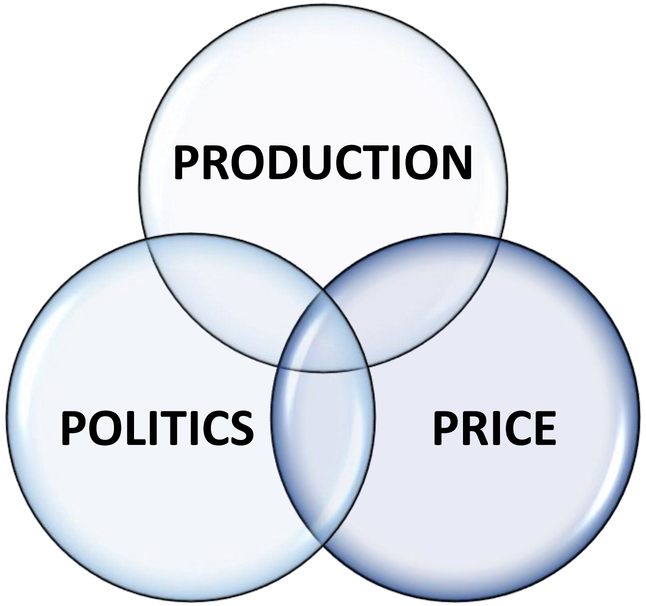


4 Mining stocks still very early in their capex cycle



RATIONAL'S PORTFOLIO SELECTION CRITERIA

Target companies → Cheap + ~20% FCF + ~25% p.a. Production Growth + Safe Jurisdiction



- Current portfolio of **15 investee companies**
- Miner companies with **mines in politically unstable countries has been strategically avoided** like cos. with mines in Africa due to the high political and regulatory risk associated with them.
- Companies have mines in multiple locations across **North & South America and Australia**.
- **Market cap** ranges from **US$ 0.2 – 36 bn** with the median market cap US$ 7bn
- **Production** ranges from **39K oz to 270K oz** with median production at 360-400K oz

To be updated

- **Portfolio miners very cheaply valued currently which allows a higher alphas vs the commodity itself -** valuations are so cheap that even if gold goes sideways earnings will be high

OUR PORTFOLIO HAS SUPERIOR FCF, PRODUCTION GROWTH & VALUATION

	GDX	Rational
Market cap (US$ bn)	67	**11**
5yr production growth*	17%	**121%**
Free cash flow yield 2025F	8%	**23%**

Note: Comparison of top Rational holdings and GDX members with c.50% weight. Assuming $4500/oz gold and $80/oz silver. * Production growth based on company guidance and our estimates.

GDX companies

Senior gold miners

Have struggled to meet production guidance and keep their costs in check

Royalty streaming companies

Historically traded at a premium to miners given their superior cash flow profile and miners' capex needs

Miners will now have the cash flow to fund capex themselves

→ Royalty companies will underperform miners

Rational Portfolio

Junior gold miners

Junior miners **no longer need to dilute equity to fund capex** and are in the midst of a **rerating cycle**

Portfolio companies are **targeting material production growth over a 5yr horizon**, a **reduction in costs** and are **trading at cheap valuations** (20%+ FCF yield/deep discount to NAV).

Significantly higher FCF yield → potentially significantly higher outperformance vs index

HOW DOES OUR PORTFOLIO MOVE WITH GOLD

	Gold (US$/ounce)	Silver (US$/ounce)	Rational FCF
Scenario 1	3500	60	**13%**
Scenario 2	4000	70	**16%**
Scenario 3	4500	80	**19%**
Scenario 4	5000	100	**23%**

OUR CURRENT PORTFOLIO

Rs. Cr. 80 AUM

o/w 50% Rational

15 Investee Companies

7% average holding

0% Cash Holdings

Weighted Average Ratios of Our Portfolio

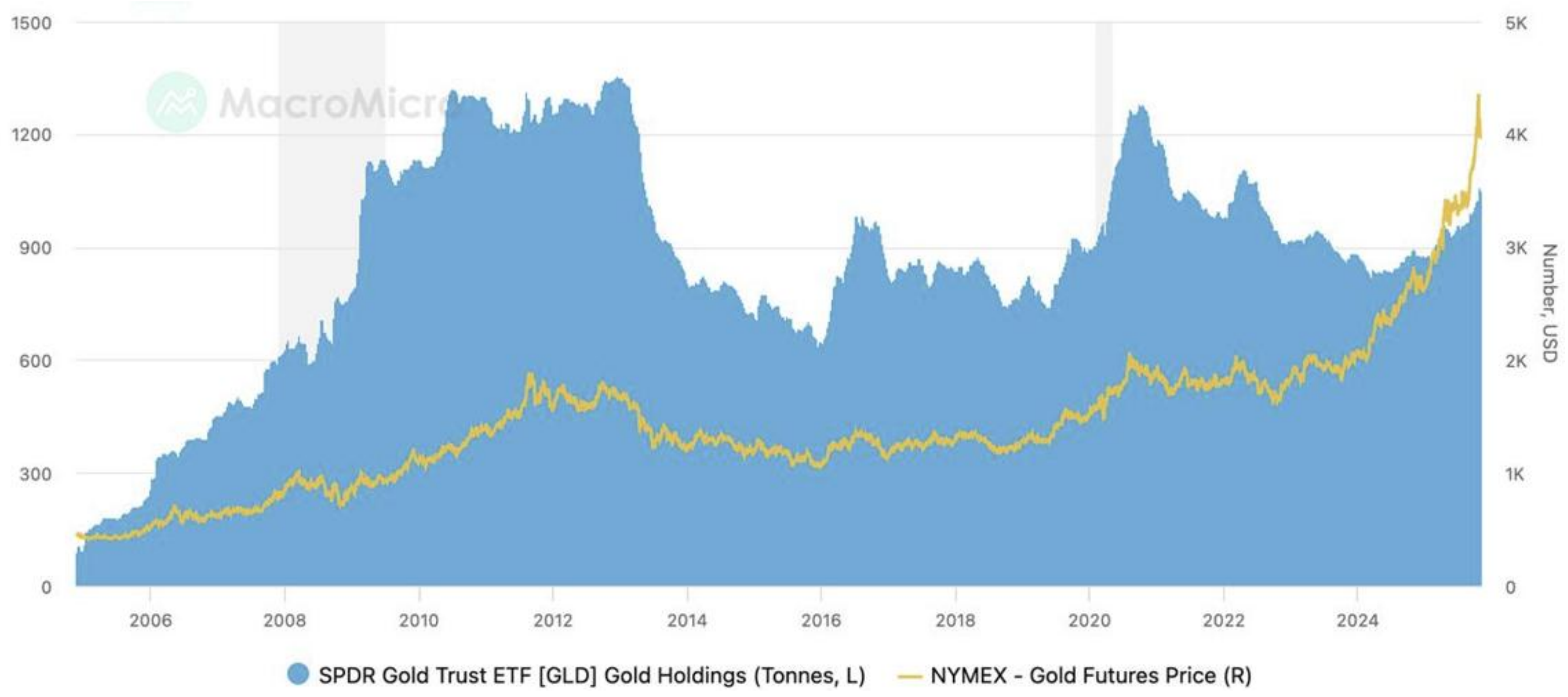
5-8 P/E	18.5% ROCE	486% Earnings Growth	Net Cash D/E
3.4 P/B	5.6 EV to Sales	66% Revenue Growth	1.15 EPS

CASE STUDY – SERABI GOLD

Investment thesis

- Serabi Gold is a UK-listed gold producer operating predominantly in Brazil's Tapajós region (300yr history of gold mining) via its flagship Palito Complex and the Coringa project.
- **Ramp up to 100koz in 2028:** The company is targeting ~44-47k oz in 2025 and aims to hit 60 koz/yr by end-2026, and 100 koz/yr within 3-5 years through brownfield exploration.
- **Strong balance sheet**: This growth trajectory is underpinned by a de-risked development pipeline, a healthy balance sheet ($33mn net cash position) and strong free cash flow generation.
- **Exceptional valuations**: Valuations continue to be extremely attractive with 1yr forward EV/FCF at just above 2x (at $3800/oz).
- **Capital return plan:** 20-30% shareholder capital return plan announced in 1Q but not executed yet

HAS GOLD TOPPED OUT?



- The last two tops for the gold price corresponded to gold holdings of the world's largest ETF at 1,300 tonnes
- Holdings are current 1,038 tonnes
- We see a long runway for prices as holdings continue rising

THE "*RATIONAL*" INVESTMENT PHILOSOPHY

Endeavour to provide high alpha

SAFETY OF CAPITAL REMAINS THE PRIMARY GOAL

α Focus

Identifying the right asset class & time to deploy capital

Marrying fundamentals with technicals

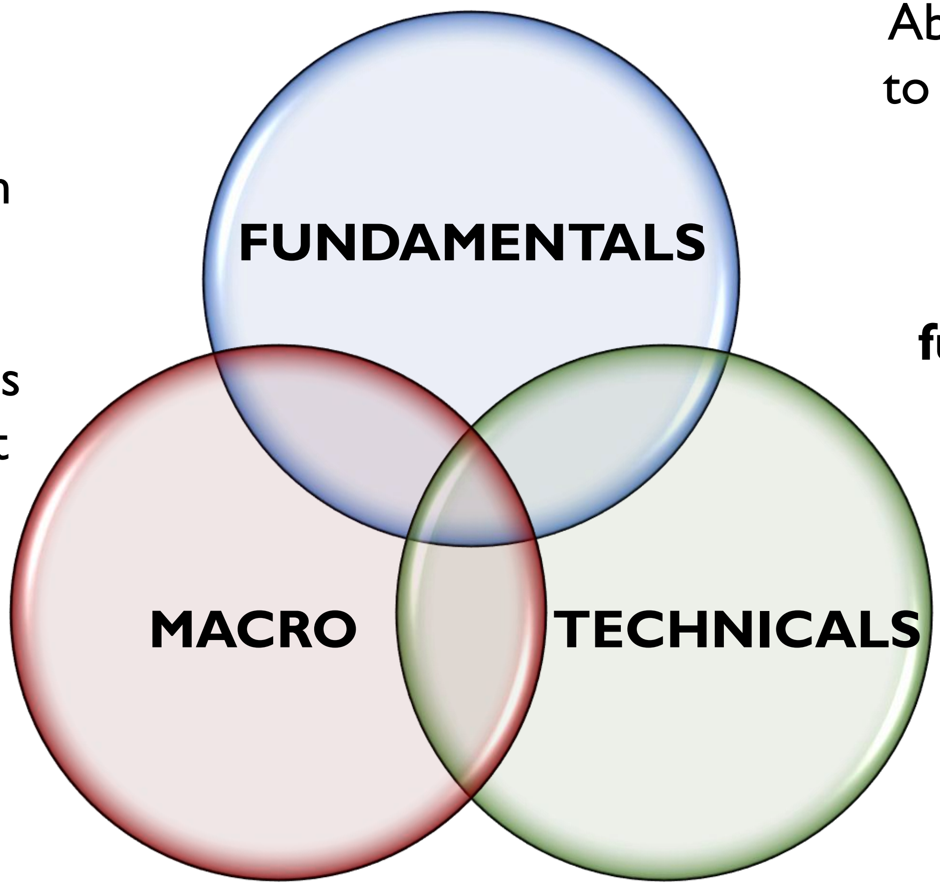
Being flexible & open minded – asset class, geography, sub – asset class agnostic approach

"Rational" decision making based on deep conviction & insight

THE “*RATIONAL*” INVESTMENT PROCESS

MARRYING FUNDAMENTALS, TECHNICALS & MACRO DATA

Ability to identify inflection points in global macro movements & develop actionable & tactical themes which help identify correct opportunities



Ability to apply value – based research to identify the correct proxies through which to maximise opportunistic investment in commodities

Solid track record of fundamentals – based investing

Ability to identify price action movement across time series to identify the most opportune time for entry & exit

PRODUCT AND TERMS

Parameters	Rational Asset Management IFSC LLP
Investment vehicle type	• Category III Non-retail AIF • Long Only • Open – ended
Minimum Investment	• US$ 150,000; 100% upfront drawdown
Who can invest	• Foreign citizens and NRIs (Retail), Institutions through foreign denominated currency • Resident Indian Individuals through Liberalised Remittance Scheme (LRS) • Companies can invest through ODI/OPI route – can invest 50% of net worth of company
Unit allotment	• Allotted when US$150,00 fully received on the NAV of the previous day, post-tax basis • NAV calculated daily, reported monthly
Taxation	• No pass-through – taxation at fund level only • Distribution/redemption to investors may not be taxed again in the hands of investors • If investing via LRS, banks collect TCS @ 20% on amounts exceeding ₹7 lakh - creditable/refundable at the end of every month • No further tax in India (income already taxed at AIF)
Indian Companies / LLPs (via OPI Route)	• Eligibility: FEMA (Overseas Investment) Rules, 2022 → OPI permitted up to 50% of net worth • Conditions for net worth: Latest quarterly net worth required; either audited or unaudited with a CA certificate. No requirement on age of company / LLP • No TCS charged • Tax exempt in company’s/LLP’s hands (since AIF taxed). When company pays dividend onward → taxable to shareholders (Sec. 115BAA/115BBDA). LLP distributions → exempt in partners’ hands (Sec. 10(2A)).
How does LRS scheme work	• All Resident Indians are allowed to send US$250,000 annually outside India under LRS • This includes all spending abroad e.g. purchases on Amazon.com, payments for hotels for international holidays etc. • It requires a simple form to be filled through your bank. • It does not require one to open a USD account