



Brompton Index One U.S. Cash Flow Kings Index ("KNGU Index")

August 31, 2024

BROMPTON
FUNDS

Brompton Index One U.S. Cash Flow Kings Index rebalances quarterly to continually seek out publicly-listed U.S. companies with the highest Free Cash Flow Yields. These companies are valued attractively relative to their ability to generate cash and shareholder value.

Key Facts¹

Portfolio Metrics	KNGU Index - NEW*	KNGU Index - Before Rebalance*	S&P 500 Index	S&P 500 Value Index
Free Cash Flow Yield %	10.0%	9.4%	2.7%	2.8%
P/E	12.7x	13.0x	21.4x	16.5x
Average Market Cap (in \$USD, Billion)	\$17.4B	\$19.1B	\$99.2B	\$65.7B

Index Top 10¹

NEW After Rebalance	Sector	Weight	
Bristol-Myers Squibb Co.	Health Care	4.0%	
Marathon Petroleum Corp	Energy	4.0%	
Altria Group Inc.	Consumer Staples	4.0%	
Valero Energy Corp.	Energy	4.0%	
Warner Bros. Discovery	Communication Services	4.0%	
Lennar Corp.	Consumer Discretionary	4.0%	
Cencora Inc.	Health Care	4.0%	Promoted
Nucor Corp.	Materials	4.0%	Promoted
Devon Energy Corp.	Energy	4.0%	Promoted
Hewlett Packard Enterprise	Information Technology	4.0%	
Total Top 10		40.0%	

Before Rebalance	Sector	Weight	
Bristol-Myers Squibb Co.	Health Care	4.8%	
Altria Group Inc.	Consumer Staples	4.5%	
Lennar Corp.	Consumer Discretionary	4.3%	
Marathon Petroleum Corp	Energy	4.1%	
Cigna Group	Health Care	4.0%	Removed
HP Inc.	Information Technology	4.0%	Removed
Valero Energy Corp.	Energy	3.8%	
Archer-Daniels-Midland Co.	Consumer Staples	3.8%	Removed
Hewlett Packard Enterprise	Information Technology	3.7%	
Warner Bros. Discovery	Communication Services	3.6%	
Total Top 10		40.7%	

Top Movers (June 30 - August 31)²

Stock	% Change	News	FCFY (Aug 16)	IN/OUT After Rebalance
VF Corp	34.9%	Essilorluxottica to Acquire Supreme® from VF Corporation	5.9%	OUT
Mueller Industries	27.7%	Q2 Earnings- Strong Revenue Growth and Profit Beat Estimates	9.3%	IN
Toll Brothers	25.1%	Q2 Earnings- Beats Profit Estimates on Higher Home Sales	8.1%	IN
Match Group	22.5%	Activist Investor Starboard Builds 6.6% Stake	7.6%	OUT
Lennar Corp	21.5%	Homebuilder Shares Gain After Cooling CPI Data	8.5%	IN

Sector Update¹

Sector Update	New %	Before Rebal. %	Change
Consumer Discretionary	22.6%	17.5%	+5.1%
Energy	20.9%	18.1%	+2.7%
Information Technology	19.2%	21.0%	-1.8%
Health Care	9.3%	13.0%	-3.6%
Consumer Staples	9.2%	11.6%	-2.4%
Materials	7.7%	7.6%	+0.1%
Industrials	7.1%	6.0%	+1.1%
Communication Services	4.0%	5.2%	-1.2%
Total	100%	100%	

- Consumer Discretionary is now the largest sector at 22.6%; strong brand names and attractive valuations relative to FCF
- Energy is now the 2nd largest sector with strong FCFs and cheap valuation due to volatile commodity prices
- The index reduced its weightings in Health Care, Consumer Staples & Info Tech sectors, mainly driven by lower FCFs or higher valuations

Performance^{3,4}

Annual Compound Returns	1 Year	3 Year	5 Year	10 Year
Brompton Index One U.S. Cash Flow Kings Index	25.0%	15.8%	19.9%	15.9%
S&P 500 Index	26.6%	11.8%	16.2%	15.5%
S&P 500 Value Index	23.2%	13.9%	14.1%	12.9%

1) Source: Index One, S&P Global, Morningstar Direct, Bloomberg & LSEG Eikon, as of August 16, 2024.

2) Source: LSEG Eikon, as of August 31, 2024. The Percentage Change for Top Movers are calculated based on closing price for the period June 30-August 31, 2024.

3) Source: Morningstar Direct, all returns in CAD\$, as of August 31, 2024.

* New KNGU Index refers to new Index Holdings after August 31, 2024 rebalance; KNGU Index Before Rebalance refers to existing KNGU Index holdings as of August 16, 2024.

4) Indices are not investment advice and should not be construed as investment advice. The indices rely directly or indirectly on various sources of information to assess the criteria of issuers included in the indices, including information that may be based on assumptions and estimates. Neither the ETFs, the Index Provider, or Brompton Funds Limited can offer assurances that the indices' calculation methodology or sources of information will provide an accurate assessment of included issuers or a correct valuation of securities, nor can they guarantee the availability or timeliness of the production of the applicable index.

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