



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

February 28, 2025

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	New KNGU Index ²	KNGU Index Before Rebalance ²	S&P 500 Index	S&P 500 Value Index
Free Cash Flow Yield %	9.2%	8.3%	2.5%	2.7%
P/E	13.1x	13.9x	28.8x	18.5x
Average Market Cap (in \$USD, Billion)	\$16.8B	\$20.7B	\$105.2B	\$87.3B

Index Top 10¹

NEW After Rebalance	Sector	Weight
BRISTOL-MYERS SQUIBB CO	Health Care	4.0%
ALTRIA GROUP INC	Consumer Staples	4.0%
VALERO ENERGY CORP	Energy	4.0%
EOG RESOURCES INC	Energy	4.0%
WARNER BROS DISCOVERY INC	Communication Services	4.0%
HP INC	Information Technology	4.0%
ROYALTY PHARMA PLC- CL A	Health Care	4.0%
BIOGEN INC	Health Care	3.9%
HALLIBURTON CO	Energy	3.8%
EXPEDIA GROUP INC	Consumer Discretionary	3.6%

Total Top 10 39.3%

New

Before Rebalance	Sector	Weight
ROYALTY PHARMA PLC- CL A	Health Care	4.9%
GILEAD SCIENCES INC	Health Care	4.8%
WARNER BROS DISCOVERY INC	Communication Services	4.0%
EOG RESOURCES INC	Energy	4.0%
SCHLUMBERGER LTD	Energy	4.0%
BRISTOL-MYERS SQUIBB CO	Health Care	3.9%
HEWLETT PACKARD ENTERPRISE	Information Technology	3.9%
VALERO ENERGY CORP	Energy	3.9%
HP INC	Information Technology	3.9%
ALTRIA GROUP INC	Consumer Staples	3.9%

Total Top 10 41.2%

Removed

Removed

Removed

Top Movers (November 30 - February 28)³

Stock	% Change	News	FCFY (Nov 15)	IN/OUT After Rebalance
Tapestry	37.2%	Tapestry plans to return over \$2 billion of FCF to shareholders via dividends and repurchases.	4.4%	OUT
Royalty Pharma	26.2%	Royalty Pharma has announced plans for a \$2 billion share repurchase in 2025	9.9%	IN
Gilead Sciences	23.5%	The Pharma giant generated \$3B in operating cash flow in Q4 2024	7.2%	OUT
Middleby	15.4%	Middleby Tops Q3 Earnings and Revenue Estimates	6.0%	OUT
Nextracker	15.4%	Nextracker Shares Rise 15% After Boosting FY25 Outlook	8.1%	IN

Sector Update¹

Sector Update	New %	Before Rebal. %	Change
Energy	20.4%	20.1%	+0.3%
Consumer Discretionary	16.5%	18.6%	-2.2%
Information Technology	16.4%	19.7%	-3.3%
Health Care	14.7%	15.8%	-1.1%
Consumer Staples	11.2%	11.7%	-0.4%
Communication Services	9.3%	7.7%	+1.6%
Industrials	8.0%	5.7%	+2.4%
Materials	3.6%	0.8%	+2.8%
Total	100%	100%	

- Energy remained the largest sector, supported by strong free cash flow and attractive valuations.
- Materials and Industrials sector weightings increased, adding high quality stocks with strong brand names and growing revenues
- Weightings in Info Tech and Consumer Discretionary declined primarily due to lower free cash flow/less favourable valuations (due to market price appreciation since last rebalance).

Performance^{4,5}

Annual Compound Returns	1 Year	3 Year	5 Year	10 Year
Brompton Index One U.S. Cash Flow Kings Index	20.1%	16.8%	21.8%	14.6%
S&P 500 Index	25.8%	17.4%	18.5%	14.6%
S&P 500 Value Index	19.2%	16.3%	15.7%	11.9%

¹⁾ Source: Index One, S&P Global, Morningstar Direct, Bloomberg & LSEG Eikon, as of February 13, 2025.

²⁾ New KINGU Index refers to new Index Holdings after February 28, 2025 rebalance; KINGU Index Before Rebalance refers to existing KINGU Index holdings as of February 13, 2025.

³⁾ Source: LSEG Eikon, as of February 28, 2025. The Percentage Change for Top Movers are calculated based on closing price for the period November 30, 2024 - February 28, 2025.

⁴⁾ Source: Morningstar Direct, all returns in CAD\$, as of February 28, 2025.

⁵⁾ 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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