



U.S. Global Investors

January 1, 2024 – March 31, 2024

# GROW

THIRD-QUARTER 2024 RESULTS WEBCAST



[www.usfunds.com](http://www.usfunds.com)



**Frank Holmes**  
CEO and CIO



**Holly Schoenfeldt**  
Director of Marketing



**Lisa Callicotte**  
CFO

# Today's Presenters

# Forward-Looking Statements

During this webcast we may make forward-looking statements about our relative business outlook. Any forward-looking statements and all other statements made during this webcast that don't pertain to historical facts are subject to risks and uncertainties that may materially affect actual results. Please refer to our press release and the corresponding Form 10-Q filing for more detail on factors that could cause actual results to differ materially from any described today in forward-looking statements. Any such statements are made as of today, and U.S. Global Investors accepts no obligation to update them in the future.





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## **Registered Investment Advisor**

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## **Experts in Thematic Investing**

U.S. Global Investors is well known for expertise in gold and precious metals, natural resources, airlines, and luxury goods.

**About Us**  
U.S. Global Investors  
**(GROW)**



# The DNA of Volatility

Standard Deviation For One Year, As Of March 31, 2024

	One-Day	Ten-Day
S&P 500	±1%	±2%
Gold Bullion	±1%	±3%
Dow Jones U.S. Asset Managers Index	±1%	±4%
<b>GROW</b>	<b>±2%</b>	<b>±5%</b>
GOAU	±2%	±7%
NYSE Arca Airline Index	±2%	±7%
Bitcoin	±2%	±8%
Tesla	±3%	±11%
HIVE Digital Technologies Ltd.	±6%	±19%

1 5.25%



2 5.02%



3 4.59%



4 4.40%



5 3.79%



# Top Institutional Shareholders

*Percentage of shares outstanding, as of 03/31/2024*

**Frank Holmes** CEO and CIO owns approximately **18%** of the company and has approximately **99%** of voting control.





# GROW Dividends

The Company has paid a monthly dividend since

**June 2007**

Current yield at a share price of **\$2.69** as of 04/26/2024.

**3.35%**

Monthly dividend payment of **\$0.0075**

Approved through June 2024

Reviewed by the Board quarterly



# Our Vision

- 1 Create thematic products that are sustainable.
- 2 Shareholder Yield =  $\frac{\text{Cash Dividends} + \text{Net Share Repurchase} + \text{Net Debt Reduction}}{\text{Market Capitalization}}$
- 3 Manage expectations for new product launches.
- 4 Discussed and reviewed with the Board regularly.
- 5 Strategically buy back stock using an algorithm on flat and down days.
- 6 Manage and preserve cash for future growth opportunities and market corrections.
- 7 M&A activity to grow fund assets.



# Why We Buy Back Our Stock

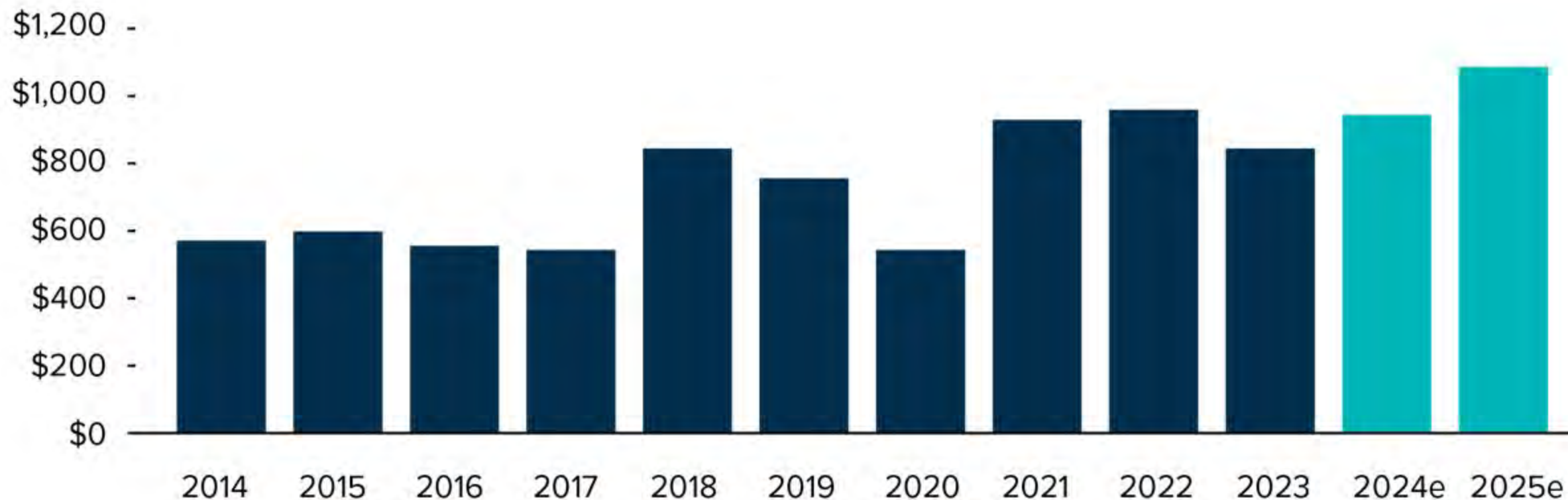
The Company **believes its stock is undervalued** and therefore buys back shares of GROW when the price is flat or down from the previous trading day.

Warren Buffett highlights the value proposition of buying back one's own stock at 'value-accretive prices.' **Doing so, Buffett says, benefits all shareholders, not just the biggest holders. We agree.**



# S&P 500: Goldman Sachs Says U.S. Stock Buybacks Could Jump To All-Time High of \$1.1 Trillion In 2025

S&P 500 Annual Buyback Executions In Billion USD



# Current Share Repurchase Program

For the quarter ended March 31, 2024, the Company repurchased a total of **211,282** class A shares using cash of approximately **\$577,000**.

May be suspended or discontinued as deemed necessary.

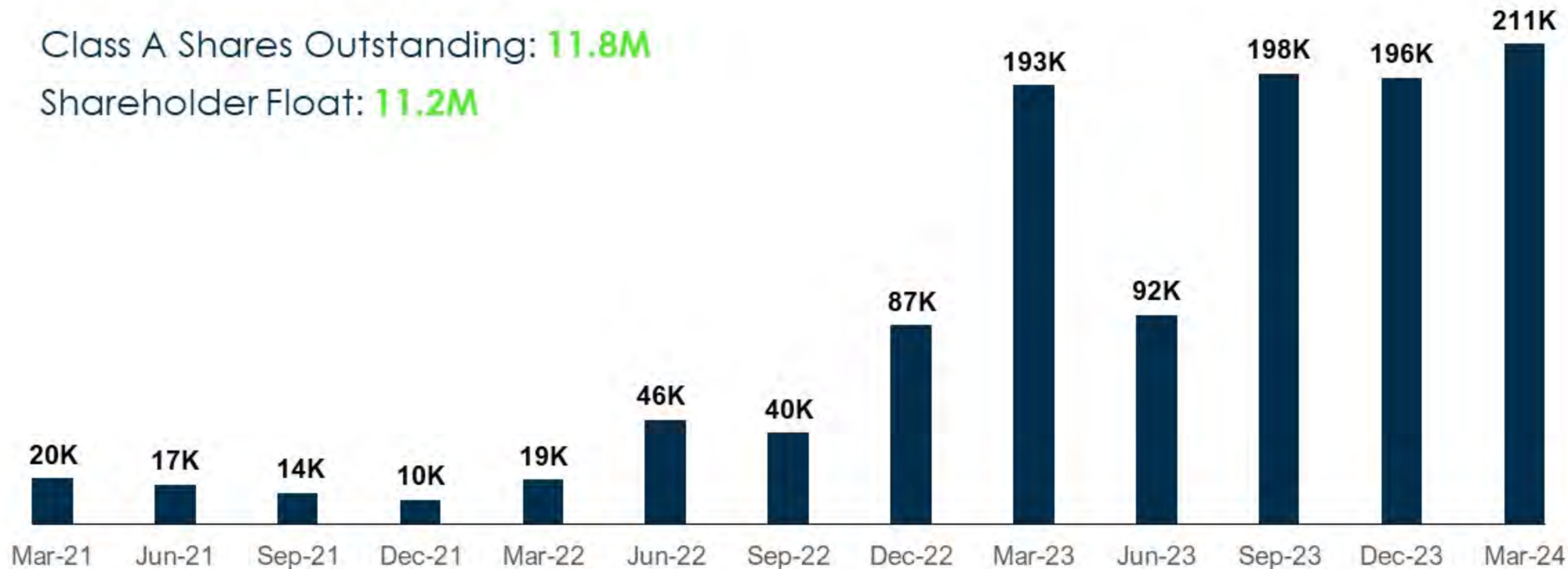


# GROW Stock Buyback

Number of Shares Purchased Quarterly, In Thousands

Class A Shares Outstanding: **11.8M**

Shareholder Float: **11.2M**



# SHAREHOLDER YIELD

A Better Approach to  
Yield Investing



MEBANE FABER

$$\text{Share Holder Yield} = \frac{\text{Cash Dividends} + \text{Net Share Repurchase} + \text{Net Debt Reduction}}{\text{Market Capitalization}}$$



A hand holding a white marker with a long, thin, curved line drawn across the page. The line starts from the bottom left and curves upwards and to the right, ending near the top right. The background is a blurred white surface.

GROW's total shareholder yield is approximately **8.32%**.

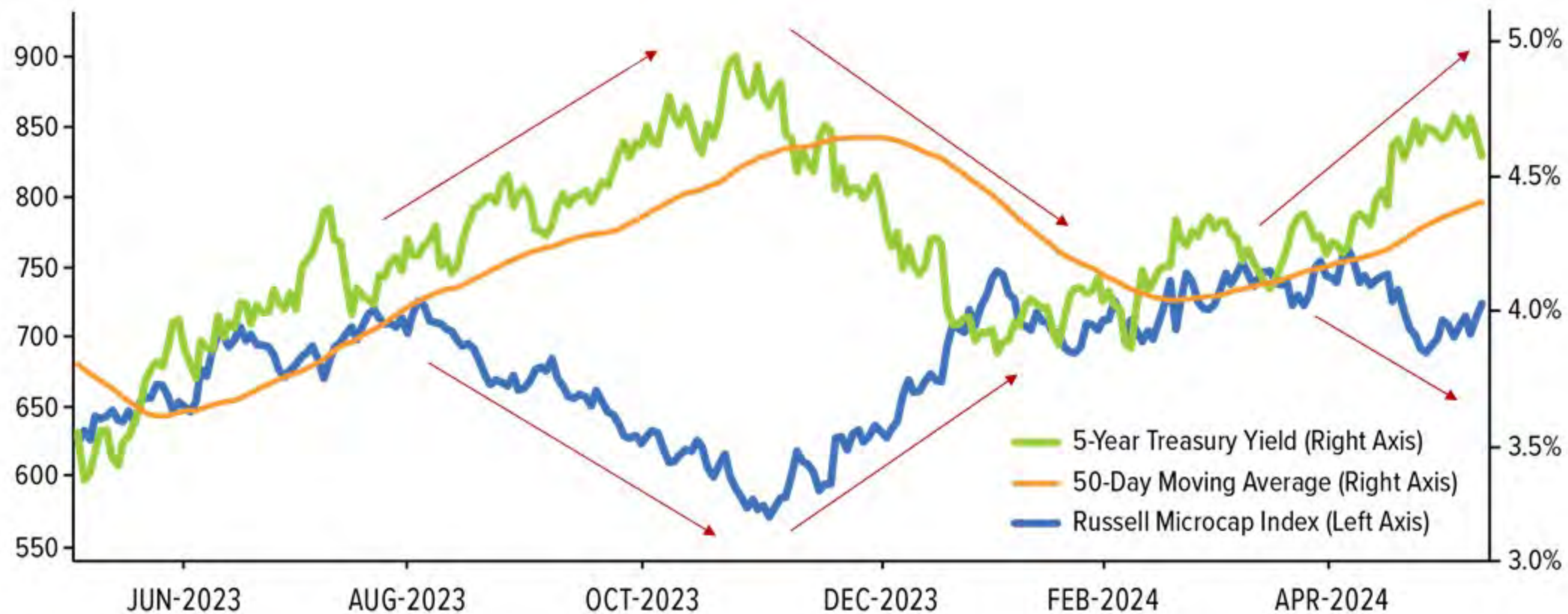
# GROW Shareholder Yield vs. 5-Year Yield

Data as of March 30, 2024



# Rising Yields Are Weighing on Microcap Stocks

12-Month Period Through May 2, 2024



# Microcap Vs. Big Cap Vs GROW For 1 Year

1 Year Through March 30, 2024



# Microcap vs. Big Cap vs. GROW For 3 Year

3 Years Through March 30, 2024



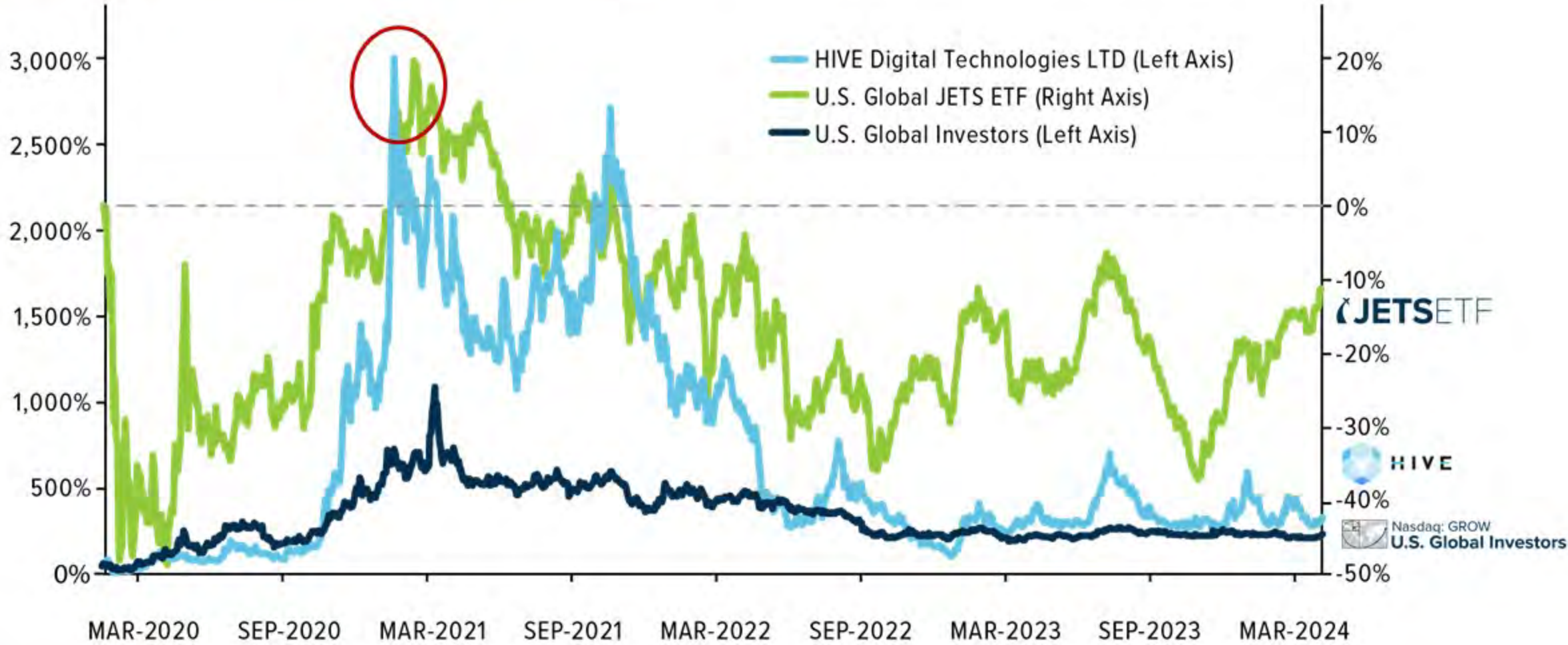
# Microcap vs. Big Cap vs. GROW For 5 Year

5 Years Through March 30, 2024



# Comparing GROW, JETS And HIVE

4 Year Period March 2020 Through March 2024



# U.S. Global Investors vs. Competition

As of Quarter End March 31, 2024



ETF Business	Price/Book	Return on Assets	Pre-Tax Margin	Dividend Yield	Price/Cash Flow
100% ETFs	3.19	11.1%	33.7%	1.3	14.3
86% of Operating Revenue	0.79	3.0%	19.65%	3.35	34.9
40% of Assets in QQQ ETF	0.45	-0.3%	-4.2%	5.07	4.8

Source: Bloomberg, Company Filings



# A Look At Fiscal Year 2024

## GROW Strengths

- 1** The company remains profitable, despite challenging macro market environment
- 2** The company continues to buy back stock on flat or down days and pay a monthly dividend
- 3** The company has a strong balance sheet which includes both cash and other investments



**\$2.69**

**Nasdaq: GROW**

*\*close on 04/26/2024*

**\$1.8 Billion  
Quarterly Average AUM**

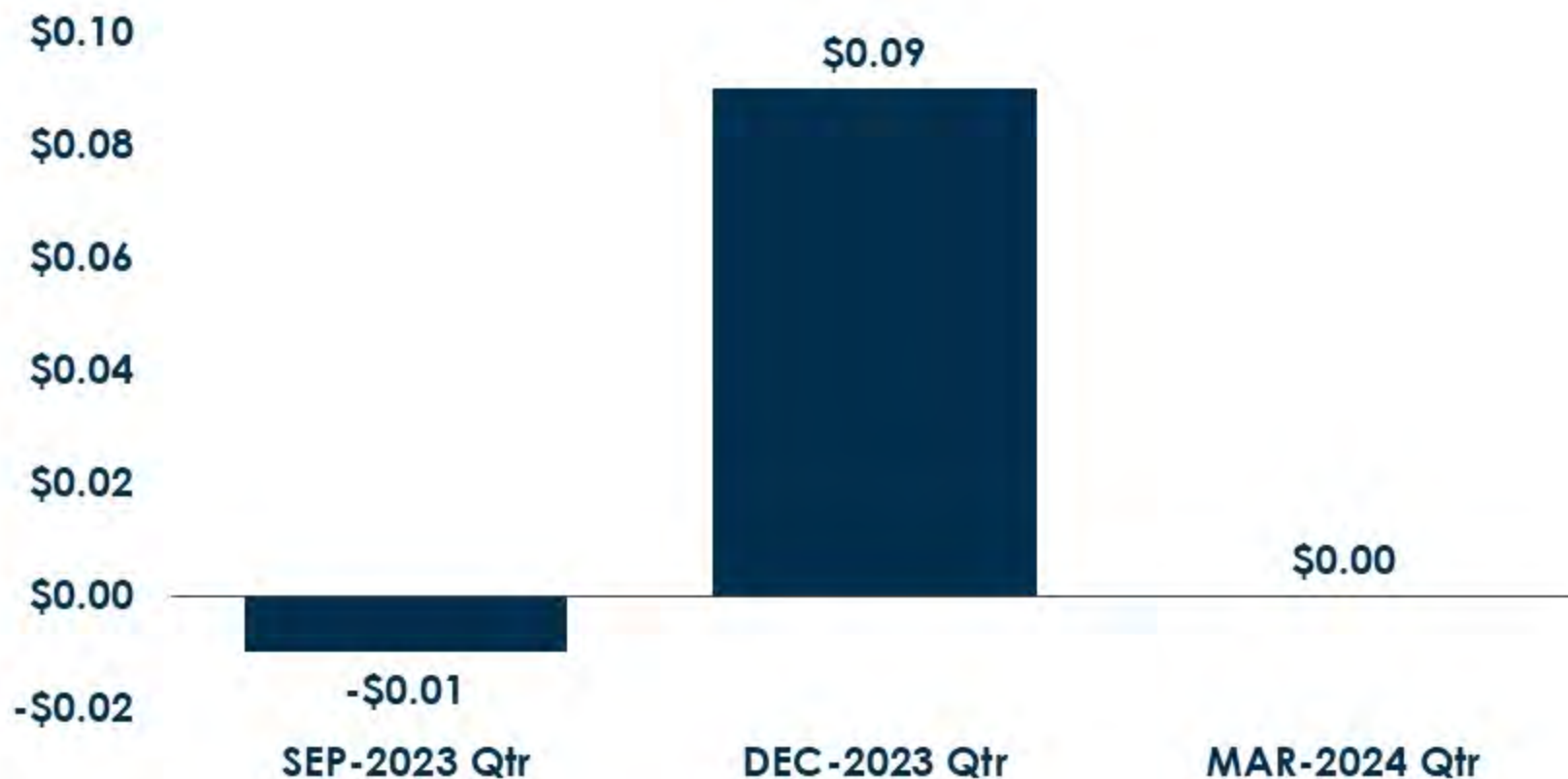
*03/31/2024*

**\$2.6 Million  
Quarterly Operating Revenues**

*03/31/2024*



# Earnings Per Share Fiscal Year 2024



# April 2024:

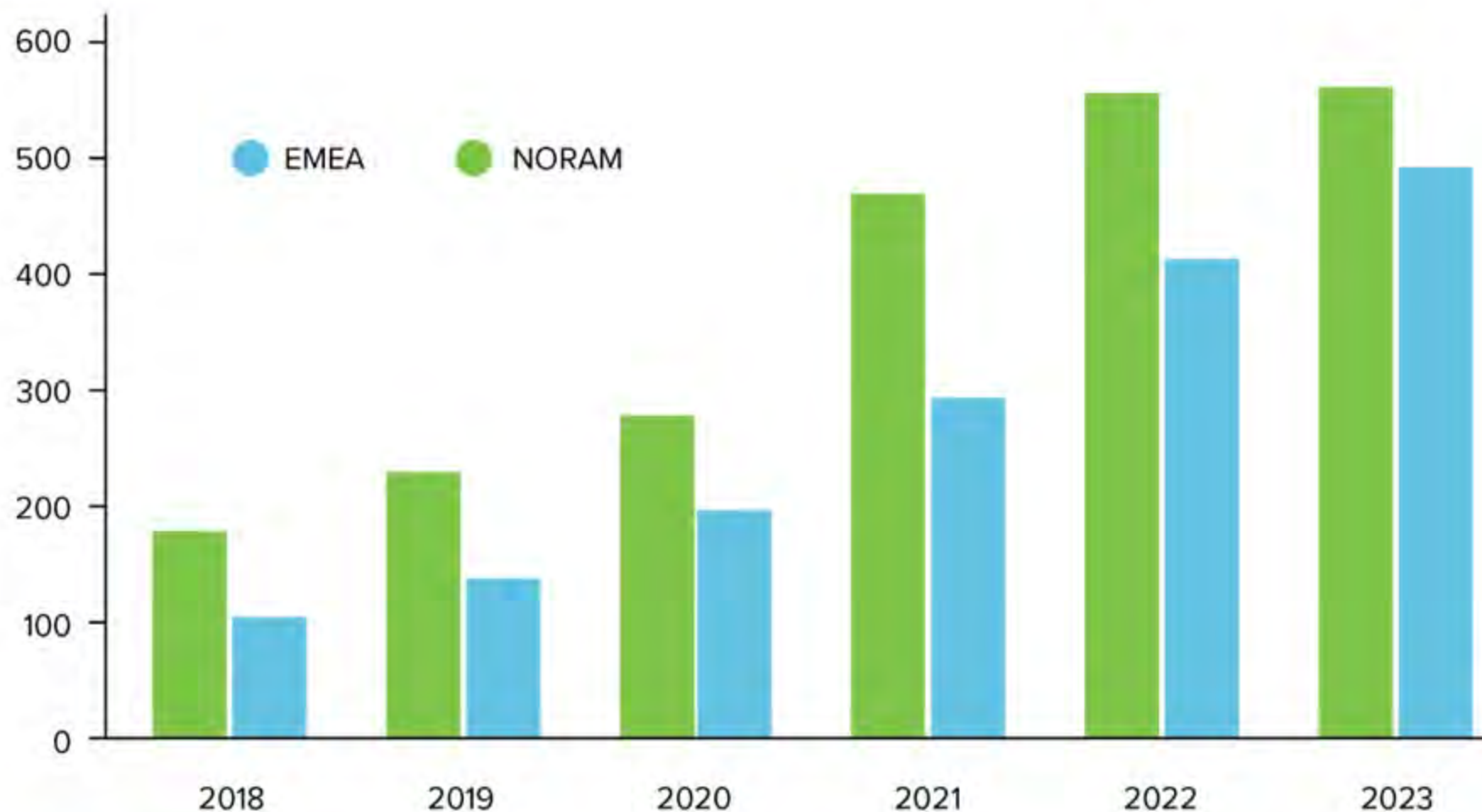
Expansion of Global Investment Opportunities with **TRIP ETF**, listed on the London Exchange

- JETS-TRIP merger increased assets by ~ **300%**
- Merger will provide critical mass to expedite growth
- Innovative approach to **smart beta 2.0** investing and quantamental screens
- Addition of **cruise lines** adds portfolio diversity to fund



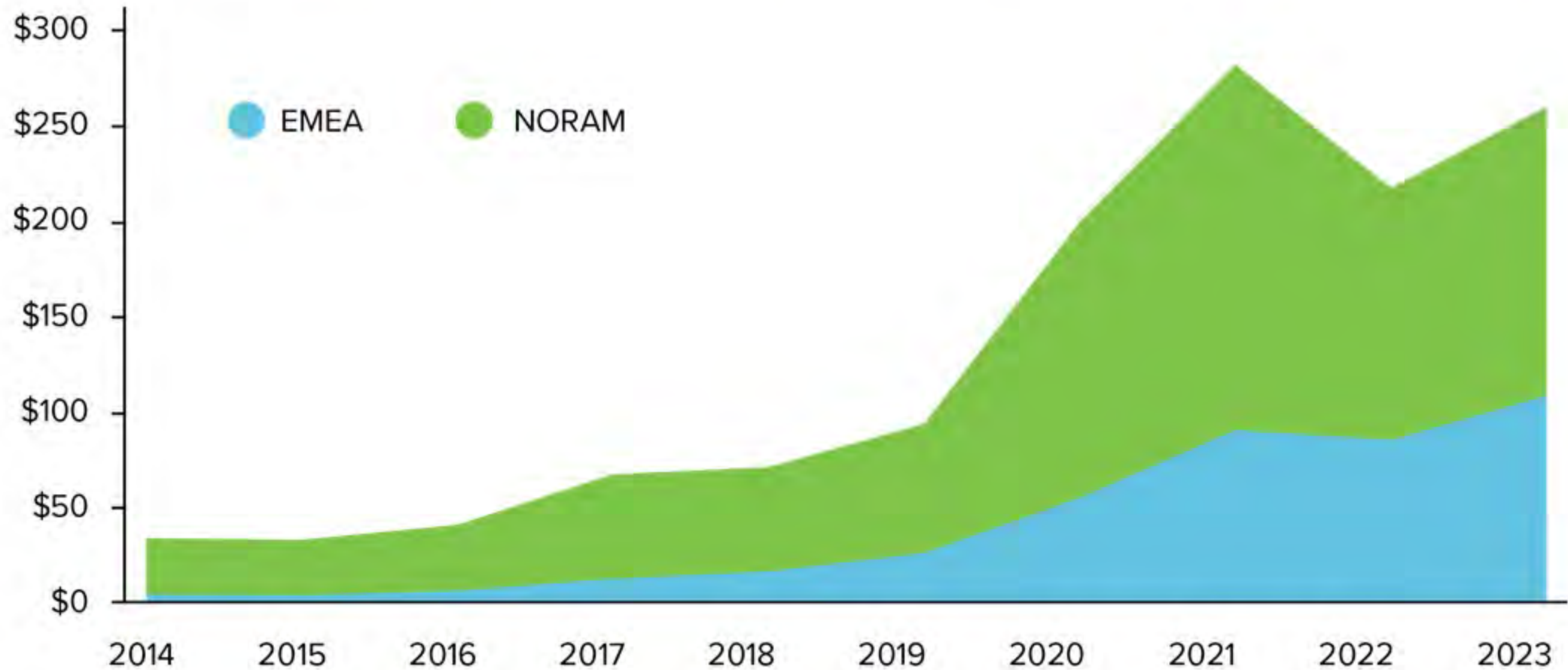
# North America and Europe Continue Launching Thematic ETFs

Number of Thematic ETFs



# Substantial Inflows Into U.S. and European Thematic ETFs

Thematic ETF AUM, In Billions



# Smart Beta 2.0 Investing

Our **Quantamental Investment Strategy** combines cutting edge technology with robust data analysis to help optimize returns and manage risk effectively for our shareholders.

We believe use of **Smart Beta 2.0** factors in our thematic fund lineup sets us apart from the competition.



## The Quant Approach

# Thematic Lineup of Smart Beta 2.0 ETFs



SEA



JETS

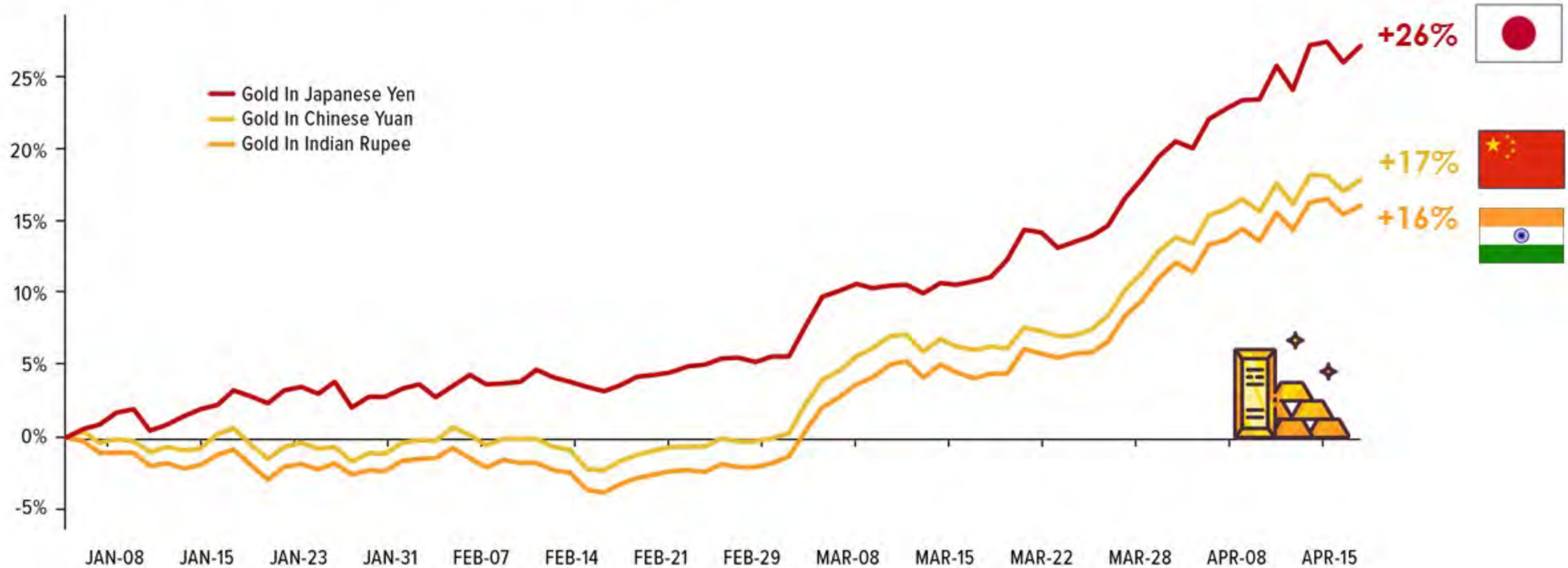


GOAU



# Gold's Historic Rise Is a Global Phenomenon

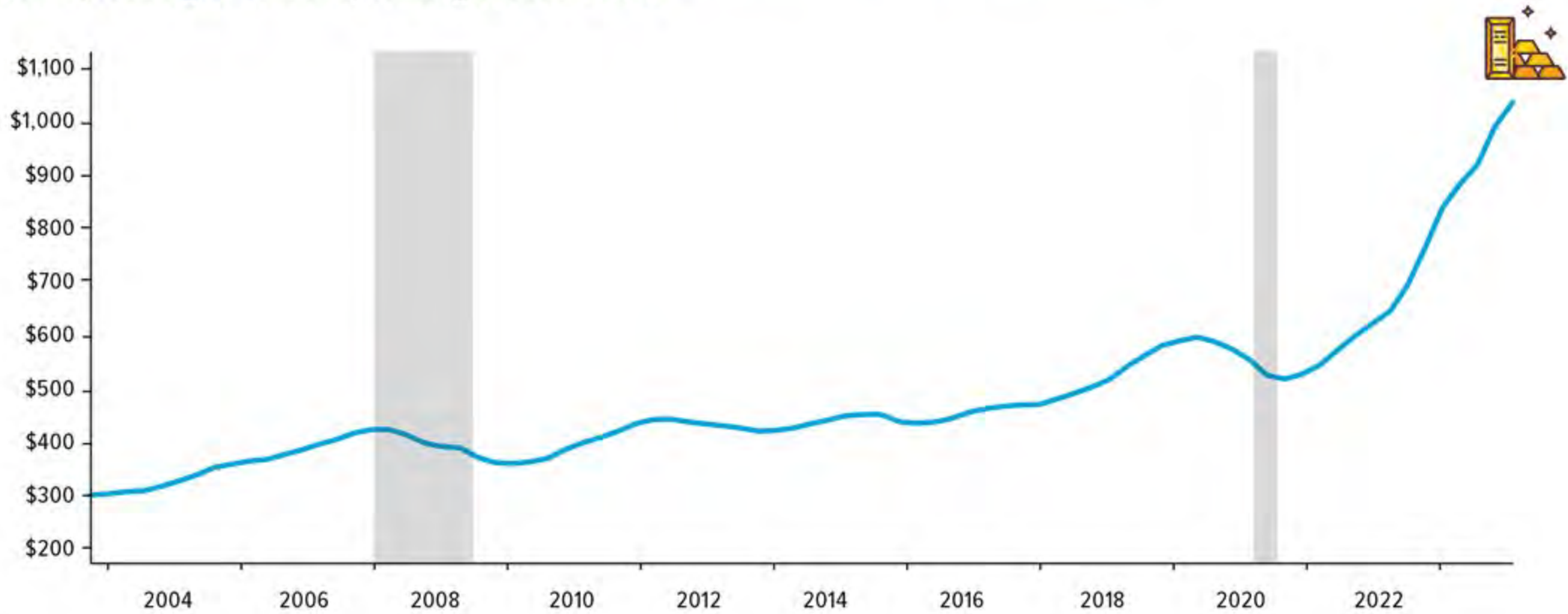
Gold Performance Year-to-Date In Various Currencies



# Bad News Is Good News For Gold:

## Interest Expense on U.S. Public Debt Hit \$1.02 Trillion

Billion USDs, Trailing 12 Months, Through March 2024



Source: U.S. Bureau of Economic Analysis, U.S. Global Investors

# Global Air Passenger Demand Was Up 13.8% In March 2024.

# Airline Industry Expected to Soar With Record Summer Travel In 2024



# GROW's Investment in HIVE Digital Technologies

Convertible Debenture

**\$5,190,000**

*(includes debenture and conversion feature)*



*Income Statement - Financial Analysis*

# Lisa Callicotte

CFO



Quarterly Summary, March 31, 2024

# Financial Highlights

- 1 Quarterly Average assets under management of **\$1.8 billion**
- 2 Quarterly operating revenues of **\$2.6 million**
- 3 Net income (loss) of **\$(35,000)**



Operational Earnings  
(Cash Flow)

Investment Earnings  
Realized (Cash Flow)  
Unrealized

+

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# Earnings



(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

## Consolidated Statements of Operations

Three Months Ended March 31,  
2024 2023

Operating Revenues	
Advisory fees	\$ 2,566 \$ 3,591
Administrative service fees	27 33
<b>Total Operating Revenues</b>	<b>2,593 3,624</b>
Operating Expenses	
Employee compensation and benefits	1,209 1,264
General and administrative	1,733 1,477
Advertising	97 91
Depreciation	41 61
Interest	1 1
<b>Total Operating Expenses</b>	<b>3,081 2,894</b>

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

# Consolidated Statements of Operations

Three Months Ended March 31,  
2024 2023

Operating Income (Loss)	\$	(488)	\$	730
Other Income (Loss)				
Net investment income (loss)		460		1,155
Other Income (loss)		68		61
<b>Total Other Income (Loss)</b>		<b>528</b>		<b>1,216</b>
<b>Income (Loss) Before Income Taxes</b>		<b>40</b>		<b>1,946</b>
Provision for Income Taxes				
Tax expense (benefit)		75		326
<b>Net Income (Loss)</b>	<b>\$</b>	<b>(35)</b>	<b>\$</b>	<b>1,620</b>
<b>Earnings (Loss) Per Share</b>				
Basic Net Income (Loss) per share	\$	(0.00)	\$	0.11
Diluted Net Income (Loss) per share	\$	(0.00)	\$	0.11
<b>Basic weighted average number of common shares outstanding</b>		<b>14,077,042</b>		<b>14,747,537</b>
<b>Diluted weighted average number of common shares outstanding</b>		<b>14,077,042</b>		<b>14,747,637</b>

(DOLLARS IN THOUSANDS)

## Consolidated Balance Sheets

	March 31, 2024 (unaudited)	June 30, 2023
<b>Current Assets</b>		
Cash and cash equivalents	\$ 27,460	\$ 25,401
Restricted cash	1,000	1,000
Investments in trading securities at fair value, current	10,071	11,642
Accounts and other receivables (net of allowance for credit losses of \$0, and \$0, respectively)	1,027	1,245
Tax receivable	749	576
Prepaid expenses	635	510
<b>Total Current Assets</b>	<b>40,942</b>	<b>40,374</b>
<b>Net Property and Equipment</b>	<b>1,154</b>	<b>1,138</b>

(DOLLARS IN THOUSANDS)

# Consolidated Balance Sheets

	March 31, 2024 (unaudited)	June 30, 2023
<b>Other Assets</b>		
Deferred tax asset	\$ 1,840	\$ 1,920
Investments in trading securities at fair value, non-current	1,435	1,563
Investments in available-for-sale debt securities at fair value (amortized cost: \$6,651, and \$7,729, respectively) (net of allowance for credit losses of \$0, and \$0, respectively)	5,190	7,008
Investments in held-to-maturity debt securities at amortized cost	1,000	1,000
Less: Allowance for credit losses	(157)	--
Investments in held-to-maturity debt securities, net of allowance for credit losses	843	1,000
Other Investments	1,114	2,388
Financing lease, right of use assets	45	65
Other assets, non-current	209	217
<b>Total Other Assets</b>	<b>10,676</b>	<b>14,161</b>
<b>Total Assets</b>	<b>\$ 52,772</b>	<b>\$ 55,673</b>

(DOLLARS IN THOUSANDS)

# Consolidated Balance Sheets

	March 31, 2024 (unaudited)	June 30, 2023
<b>Current Liabilities</b>		
Accounts payable	\$ 58	\$ 143
Accrued compensation and related costs	306	1,165
Dividends payable	317	329
Financing lease liability, short-term	31	28
Other accrued expenses	1,629	1,274
<b>Total Current Liabilities</b>	<b>2,341</b>	<b>2,939</b>
<b>Long-Term Liabilities</b>		
Deferred tax liability	20	4
Reserve for uncertain tax positions	549	496
Financing lease liability, long-term	16	38
<b>Total Long-Term Liabilities</b>	<b>585</b>	<b>538</b>
<b>Total Liabilities</b>	<b>2,926</b>	<b>3,477</b>
<b>Commitments and Contingencies (Note 13)</b>		

(DOLLARS IN THOUSANDS)

## Consolidated Balance Sheets

	March 31, 2024 (unaudited)	June 30, 2023
<b>Shareholders' Equity</b>		
Common stock (class A) - \$0.025 par value; nonvoting; 28,000,000 shares authorized; 13,866,999 shares issued at March 31, 2024, and June 30, 2023; 11,908,737 and 12,496,674 shares outstanding at March 31, 2024, and June 30, 2023, respectively	\$ 347	\$ 347
Common stock (class B) - \$0.025 par value; nonvoting; 4,500,000 shares authorized; no shares issued	-	-
Convertible common stock (class C) - \$0.025 par value; voting; 3,500,000 shares authorized; 2,068,549 shares issued and outstanding at March 31, 2024, and June 30, 2023	52	52
Additional paid-in-capital	16,444	16,442
Treasury stock, class A shares at cost; 1,958,262 shares and 1,370,325 shares at March 31, 2024, and June 30, 2023, respectively	(5,456)	(3,740)
Accumulated comprehensive income, net of tax	831	1,348
Retained earnings	37,628	37,747
<b>Total Shareholders' Equity</b>	<b>49,846</b>	<b>52,196</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 52,772</b>	<b>\$ 55,673</b>

*Marketing Highlights*

# Holly Schoenfeldt

Director Of Marketing



May –



June –



# U.S. Global Investors: Upcoming Conferences



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USFUNDS.COM DECEMBER 31, 2023 – March 31, 2024

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# Thank You

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The NYSE Arca Gold BUGS (Basket of Unhedged Gold Stocks) Index (HUI) is a modified equal dollar weighted index of companies involved in gold mining. The HUI Index was designed to provide significant exposure to near term movements in gold prices by including companies that do not hedge their gold production beyond 1.5 years.

The S&P 500 Stock Index is a widely recognized capitalization-weighted index of 500 common stock prices in U.S. companies. The Russell 2000 Index is a small-cap stock market index of the bottom 2,000 stocks in the Russell 3000 Index. The U.S. Trade Weighted Dollar Index provides a general indication of the international value of the U.S. dollar.

The S&P Global Natural Resources Index includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified, liquid and investable equity exposure across 3 primary commodity-related sectors: Agribusiness, Energy, and Metals & Mining.

Standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is also known as historical volatility.

The Consumer Price Index (CPI) is one of the most widely recognized price measures for tracking the price of a market basket of goods and services purchased by individuals. The weights of components are based on consumer spending patterns.

Cash Flow is a measure of the amount of cash generated by a company's normal business operations.

There is no guarantee that the issuers of any securities will declare dividends in the future or that, if declared, will remain at current levels or increase over time. Note that stocks and Treasury bonds differ in investment objectives, costs and expenses, liquidity, safety, guarantees or insurance, fluctuation of principal or return, and tax features.

Frank Holmes has been appointed non-executive chairman of the Board of Directors of HIVE Digital Technologies. Both Mr. Holmes and U.S. Global Investors own shares of HIVE. Effective 8/31/2018, Frank Holmes serves as the interim executive chairman of HIVE.

# Disclosures

Please consider carefully a fund's investment objectives, risks, charges and expenses. For this and other important information, obtain a statutory and summary prospectus for JETS, GOAU and SEA by visiting [www.usglobaletf.com](http://www.usglobaletf.com). Read it carefully before investing.

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**Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the funds. Brokerage commissions will reduce returns. Because the funds concentrate their investments in specific industries, the funds may be subject to greater risks and fluctuations than a portfolio representing a broader range of industries. The funds are non-diversified, meaning they may concentrate more of their assets in a smaller number of issuers than diversified funds. The funds invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. The funds may invest in the securities of smaller-capitalization companies, which may be more volatile than funds that invest in larger, more established companies. The performance of the funds may diverge from that of the index. Because the funds may employ a representative sampling strategy and may also invest in securities that are not included in the index, the funds may experience tracking error to a greater extent than funds that seek to replicate an index. The funds are not actively managed and may be affected by a general decline in market segments related to the index.**

**Airline Companies may be adversely affected by a downturn in economic conditions that can result in decreased demand for air travel and may also be significantly affected by changes in fuel prices, labor relations and insurance costs. Gold, precious metals, and precious minerals funds may be susceptible to adverse economic, political or regulatory developments due to concentrating in a single theme. The prices of gold, precious metals, and precious minerals are subject to substantial price fluctuations over short periods of time and may be affected by unpredicted international monetary and political policies. We suggest investing no more than 5% to 10% of your portfolio in these sectors.**

Foreign and emerging market investing involves special risks such as currency fluctuation and less public disclosure, as well as economic and political risk. By investing in a specific geographic region, such as China and/or Taiwan, a regional ETF's returns and share price may be more volatile than those of a less concentrated portfolio.

Cargo Companies may be adversely affected by downturn in economic conditions that can result in decreased demand for sea shipping and freight.

## Disclosures

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Smart beta 2.0 combines the benefits of passive investing and the advantages of active investing strategies.

Quant investing, or quantitative analysis, is the use of statistical models in investment management.