

zMonthly August 23

Focus on reporting season

Global equity markets started August with losses. Rising interest rates were partly responsible for the weakness. The downgrade of the US credit rating by Fitch added uncertainty and pushed US Treasury yields to new highs for the year. Italian Prime Minister Giorgia Meloni surprised market participants by announcing the intention to impose an excess profits tax on bank interest income. After a brief selloff in European equity markets, the government backtracked and watered down the tax. In the second half of the month, fears about China's economic development came to the fore. Weak economic data was compounded by renewed problems at some major property developers. There were also fears that the property crisis could spread to the financial sector. The annual meeting of central bankers in Jackson Hole had little impact on equity markets. Very strong half-year results from chipmaker Nvidia and weaker US economic data provided positive momentum in the last days of the month. TE Connectivity wants to take over electrical components manufacturer Schaffner and is offering shareholders a significant premium. Emmi reported strong results for the first half of the year. The dairy producer aims to make its packaging 100% recyclable by 2027. Romande Energie reported impressive half-year figures. It also benefited from better results of the energy company Alpiq, in which it indirectly holds a 10% stake. The fund lost 1.1% in August.

U-Blox new to the fund

We added a new position in U-Blox. The chipmaker wants to focus more on its attractive core business. U-Blox' products enable customers to make more efficient use of their resources and drive automation. We increased our holdings in Tecan and Ypsomed, while reducing our positions in Emmi and Vontobel. We sold our entire holding in Medacta.

Uncertainty over interest rate policy

The half-year reporting season is largely over. In Switzerland, analysts have lowered earnings estimates for around 45% of companies, while raising them for 30%. On balance, earnings estimates for the SPI have been revised somewhat lower since the beginning of July. By contrast, the S&P 500 Index has continued to benefit from the strong US economy, which has led to a slight increase in earnings estimates in the US. In September, the focus is likely to shift to macroeconomic data. After the Jackson Hole meeting, there is no clarity on the next steps in interest rate policy. In particular, the eagerly awaited speech by Fed Chairman Jerome Powell provided few concrete clues. The fact is that inflation remains well above the 2% target in all major economies except China. The central banks' work is not yet done and markets are likely to remain nervous.

Performance since Launch (as of 31/08/2023)



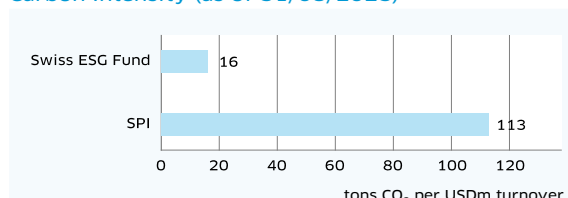
Performance (as of 31/08/2023)

MTD	-1.1%
YTD	7.6%
1 year	7.1%
Since launch p.a.	2.2%

ESG Key Figures (as of 31/08/2023)

MSCI ESG Rating	AA
RepRisk Rating	AA
zRating (Fund / SPI)	68 / 66
Estimated global warming Fund	<1.5°C
Companies which contribute positively to the UN SDGs (Fund / SPI)	80% / 59%

Carbon Intensity (as of 31/08/2023)



Largest Positions (as of 31/08/2023)

1	Roche	8.6%
2	ABB	5.8%
3	Givaudan	4.8%
4	Zurich Insurance Group	4.3%
5	Swiss Re	3.7%
6	Schindler	3.5%
7	SGS	3.2%
8	Sonova	3.0%
9	Sika	2.9%
10	Galenica	2.8%

Investment Strategy

The zCapital Swiss ESG Fund invests in Swiss equities which zCapital believes qualify as sustainable companies and have an attractive risk and return profile. The fund's assets are invested in a concentrated portfolio of 25 to 35 stocks from the SPI (Swiss Performance Index) universe. In addition to ESG integration, companies which violate social and environmental criteria are excluded. The sustainability of companies is also promoted through engagement and voting. zCapital invests with a long-term horizon and pursues an active selection process.

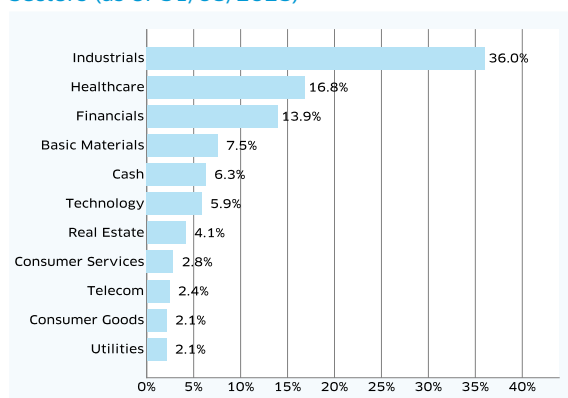
Impact of zCapital

zCapital plants each year 100 trees for every million Swiss francs of assets under management in the zCapital Swiss ESG Fund. In cooperation with myclimate, it is ensured that the trees are cared for in the long term. The project combines nature and climate protection with the creation of new sources of income for small farmers.

Portfolio Structure (as of 31/08/2023)

Net Asset Value	CHF 1,045.48 per Share A
Total Assets	CHF 20 m
Investment Exposure	93.7%
Number of Companies	33

Sectors (as of 31/08/2023)



Termsheet

Fund-Name	Swiss ESG Fund (Class A)
Asset Manager	zCapital AG, Zug
Swiss Security Number / ISIN	59273267 / CH0592732678
Price Publications	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
Bloomberg / Reuters	ZCAPESG SW Equity / 59273267.S
Minimum Investment / Reference Currency	No minimum investment required / CHF
Fund Type / Distribution	Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany
Management Fee (incl. Fund Management and Custodian Fees)	1.25%
Issue Fee / Redemption Fee	none
Total Expense Ratio (TER) 31/05/2023	1.43%
Fund Management Company / Custodian Bank	LLB Swiss Investment AG, Zurich / Bank Julius Baer & Co. Ltd., Zurich
Subscriptions and Redemptions	On each bank working day at Net Asset Value (NAV). Subscription and redemption orders received by the custodian bank by 3.45 p.m. CET at the latest on a given bank business day (order day, T) will be settled on the next bank business day (valuation date) on the basis of the net asset value calculated on that date. The net asset value used to settle the order is therefore not known when the order is placed (forward pricing). The net asset value is calculated on the valuation date on the basis of the closing prices on the order day.
Auditor	PricewaterhouseCoopers AG, Zurich

Monthly Performance (as of 31/08/2023)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021		-0.9%	6.4%	1.2%	3.6%	4.2%	3.2%	2.0%	-6.1%	1.5%	-0.3%	4.5%	20.6%*
2022	-6.5%	-3.4%	1.6%	-1.1%	-3.8%	-6.9%	4.4%	-3.5%	-5.9%	4.4%	3.0%	-1.6%	-18.5%
2023	5.7%	-0.3%	0.2%	2.8%	-0.9%	0.1%	1.0%	-1.1%					7.6%

* since Launch date (29 January 2021)

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