

zMonthly February 25

Nervous stock markets

What sounded like a big bang at the beginning of the reporting month turned out to be a flash in the pan shortly thereafter. The tariffs on imports from Canada and Mexico announced by Donald Trump were put on hold for a month. This followed talks and concessions by the governments of the two affected countries. In the US, inflation remains an issue that concerns consumers. In the face of constant new tariff threats, consumers adjusted their inflation expectations upwards. In addition, consumer prices for January rose much more than expected. Fed Chairman Jerome Powell therefore made it clear that there was no rush to lower interest rates quickly. The stock markets were unimpressed by this and continued their record run. Uncertainty emerged towards the end of the month, with weak US economic data and investor concerns over Trump's unpredictable policies. Accordingly, this put pressure particularly on the US stock market. Testing and inspection group SGS delivered an impressive performance with improved profitability and a strong free cash flow, which was reflected in a positive share price reaction. Elevator and escalator manufacturer Schindler once again exceeded EBIT margin expectations. Landis+Gyr, a specialist in smart electricity meters, had to lower its forecasts for the current financial year significantly, which triggered a slide in its share price. Shares in private bank Julius Bär came under pressure after the weak outlook for 2025 disappointed investors. The fund lost 0.8% in February (SPI Extra -0.7%).

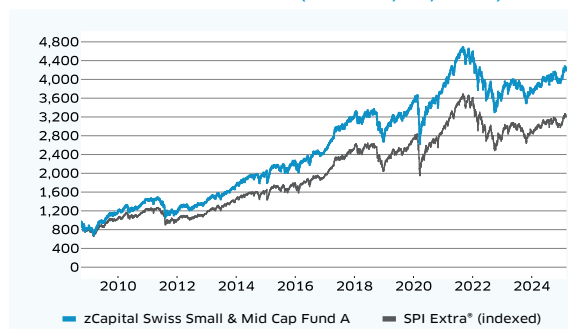
Minor portfolio adjustments

In February we added to Landis+Gyr and Barry Callebaut. On the other hand, we realised profits in Cembra Money Bank, Burckhardt Compression, Belimo and Galenica.

More business-friendly politics in Germany?

The new German government is likely to be a coalition between the CDU/CSU and the SPD, with Friedrich Merz as chancellor. However, negotiations are likely to be difficult. All parties recognise the need to pull the country out of economic stagnation. There are several indications that the debt brake will be reformed to create room for investment in infrastructure and defence. There is also a good chance that the car industry, threatened by Donald Trump's tariffs, could benefit from relaxed environmental regulations and a delay in the ban on internal combustion engines. Finally, cutting red tape would improve the investment climate. More business-friendly politics in Germany would benefit many Swiss companies. At the moment, however, stock markets are being driven mainly by Trump's statements and tweets. Uncertainty and volatility remain high.

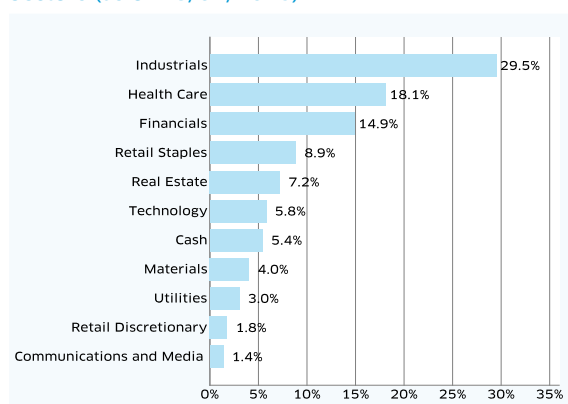
Performance since Launch (as of 28/02/2025)



Performance (as of 28/02/2025)

MTD (Fund / Benchmark)	-0.8% / -0.7%
YTD	5.1% / 5.9%
1 year	9.7% / 8.4%
3 years p.a.	0.6% / 0.1%
5 years p.a.	5.1% / 5.0%
10 years p.a.	7.3% / 6.8%
Since launch p.a.	9.3% / 7.5%

Sectors (as of 28/02/2025)



Largest Positions (as of 28/02/2025)

1	Lindt & Sprüngli	5.8%
2	SGS	5.3%
3	Schindler	4.9%
4	Baloise	4.3%
5	Julius Baer	3.9%
6	Sandoz Group	3.8%
7	Roche	3.4%
8	Straumann	3.4%
9	PSP Swiss Property	3.1%
10	Temenos	2.9%
11	Galderma Group	2.7%
12	VAT Group	2.7%
13	Swiss Prime Site	2.5%
14	BKW	2.4%
15	Galenica	2.4%

Investment Strategy

The zCapital Swiss Small & Mid Cap Fund invests in Swiss small and mid-cap stocks and measures itself against the SPI Extra® (all SPI® stocks without SMI® or without the 20 largest securities). The fund assets are invested in a broadly diversified portfolio of 50 to 70 companies. zCapital strives to consistently exceed the benchmark return with a long-term, active investment style. Investment decisions are based on fundamental company analyses, considering and assessing corporate governance and other key ESG aspects. Macroeconomic factors are also included in the decision-making process.

Portfolio Structure (as of 28/02/2025)

Net Asset Value	CHF 4,186.83 per Share A
Total Assets	CHF 1086 m
Investment Exposure	94.8%
Number of Companies	62

Statistics 3 Years (as of 28/02/2025)

Volatility Fund / Index p.a.	13.4% / 14.5%
Tracking Error	1.8%
Information Ratio	0.2

Termsheet

Fund-Name	zCapital Swiss Small & Mid Cap Fund (Class A)
Asset Manager	zCapital AG, Zug
Swiss Security Number / ISIN	4534164 / CH0045341648
Price Publications	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
Bloomberg / Reuters	ZCAPSWI SW Equity / 4534164.S
Benchmark	SPI Extra® (Swiss small & mid cap equities)
Morningstar-Rating	★★★★
Minimum Investment / Reference Currency	No minimum investment required / CHF
Fund Type / Distribution	Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany
Fund Management Company / Custodian Bank	LLB Swiss Investment AG, Zürich / Bank Julius Bär & Co. AG, Zürich
Management Fee (incl. Fund Management and Custodian Fees)	1.5% p.a., of which 0.1% donated to charities which engage in "Children and Education"
Issue Fee / Redemption Fee	None / 0.25% in favour of the fund
Total Expense Ratio (TER) as of 30/11/2024	1.50%
Subscriptions and Redemptions	On each bank working day at Net Asset Value (NAV). Subscriptions and redemptions which are placed with the Custodian Bank by 3.45 pm CET on a bank business day (Order Day), are processed on the next bank working day (Valuation Day) based on the Order Day's closing price.
Auditor	PricewaterhouseCoopers AG, Zurich

Yearly Performance (as of 28/02/2025)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund	-14.5%*	40.2%	23.4%	-18.4%	17.8%	26.0%	15.2%	12.8%	9.3%	29.0%	-14.4%	28.7%	9.2%
SPI Extra®	-18.5%*	29.6%	20.1%	-19.1%	13.9%	27.7%	11.4%	11.0%	8.5%	29.7%	-17.2%	30.4%	8.1%

	2021	2022	2023	2024	2025
Fund	19.0%	-21.1%	5.0%	5.2%	5.1%
SPI Extra®	22.2%	-24.0%	6.5%	3.8%	5.9%

* since Launch date (6 October 2008)

Monthly Performance (as of 28/02/2025)

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Fund	6.0%	-0.8%											5.1%
SPI Extra®	6.7%	-0.7%											5.9%

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