

## zMonthly March 25

### Uncertain framework conditions weighs on markets

Once again, US President Donald Trump has created uncertainty with his confusing tariff policy. After making his threat to impose punitive tariffs on goods from Canada and Mexico a reality, the US administration backtracked following a phone call with the Mexican president. Tariffs on certain goods have now been delayed until 2 April. As a result of this haphazard policy, consumer confidence has fallen sharply, and inflation expectations have risen. German Chancellor-designate Friedrich Merz surprised financial markets by proposing a debt brake reform that would allow for significantly higher defence spending. A EUR 500 billion infrastructure package was also approved. The financial markets reacted accordingly, with German Bund yields surging, the euro strengthening and equity markets rising sharply in the short term. Towards the end of the month, however, Donald Trump's announcement that he would impose import tariffs of 25% on cars and car parts unsettled the stock markets. Shares in insurer Baloise hit record highs after reporting better-than-expected annual results. Transformer manufacturer R&S Group surprised with improved profitability and a more positive outlook. Utility company BKW disappointed investors with its outlook for the current year. The fund lost 2.4% in March (SPI Extra -2.6%).

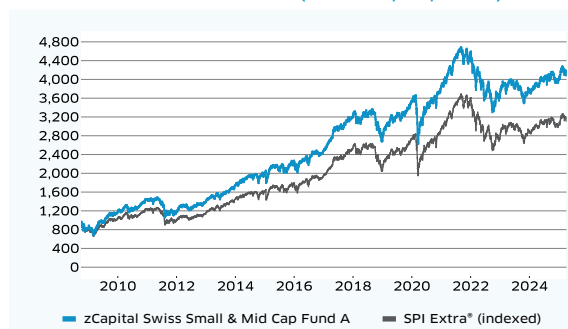
### Galderma added

Private equity investor EQT has sold another block of shares in dermatology company Galderma. We participated in the placement. We also added to our positions in Inficon and Huber+Suhrner. On the other hand, we realised gains in Baloise, Galenica and Cembra Money Bank.

### Growing economic concerns in America

US President Trump's chaotic economic and tariff policies and growing fears of a trade war are not leaving American consumers cold. More and more data points to consumers becoming more cautious. We are also hearing from several companies that investment projects are being postponed or decisions delayed until there is more clarity on the economic environment. On 2 April, Trump is expected to announce details of the threatened tariffs. In addition to Canada and Mexico, Europe is also likely to be targeted. Although the Swiss government is trying behind the scenes to keep Switzerland out of the line of fire, local exporters are also bracing for the worst. Our impression is that the majority of investors are disregarding the issue of punitive tariffs and possible retaliatory measures. Tariffs and deglobalisation create inefficiencies that slow real growth and increase inflationary pressures. This is fundamentally a difficult environment for equity investments.

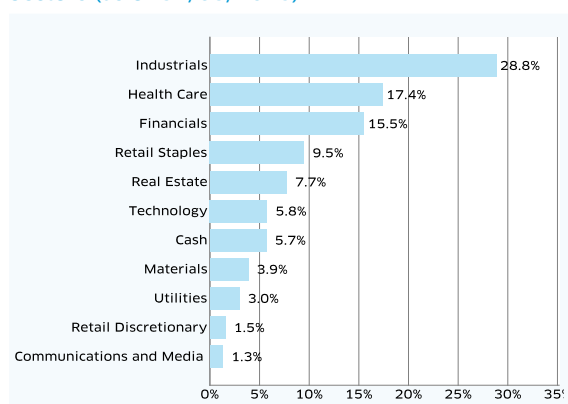
### Performance since Launch (as of 31/03/2025)



### Performance (as of 31/03/2025)

MTD (Fund / Benchmark)	-2.4% / -2.6%
YTD	2.6% / 3.1%
1 year	4.0% / 2.3%
3 years p.a.	-0.7% / -1.2%
5 years p.a.	6.7% / 7.0%
10 years p.a.	6.8% / 6.3%
Since launch p.a.	9.1% / 7.3%

### Sectors (as of 31/03/2025)



### Largest Positions (as of 31/03/2025)

Rank	Company	Percentage
1	Lindt & Sprüngli	6.3%
2	SGS	5.1%
3	Schindler	5.1%
4	Baloise	4.4%
5	Julius Baer	4.0%
6	Sandoz Group	3.7%
7	Roche	3.3%
8	PSP Swiss Property	3.3%
9	Straumann	3.0%
10	Galderma Group	3.0%
11	Temenos	2.7%
12	Swiss Prime Site	2.7%
13	VAT Group	2.6%
14	BKW	2.3%
15	Galenica	2.2%

## 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 31/03/2025)

<b>Net Asset Value</b>	CHF 4,085.27 per Share A
<b>Total Assets</b>	CHF 1059 m
<b>Investment Exposure</b>	94.7%
<b>Number of Companies</b>	62

## Statistics 3 Years (as of 31/03/2025)

<b>Volatility Fund / Index p.a.</b>	12.7% / 13.7%
<b>Tracking Error</b>	1.7%
<b>Information Ratio</b>	0.2

## Termsheet

<b>Fund-Name</b>	zCapital Swiss Small & Mid Cap Fund (Class A)
<b>Asset Manager</b>	zCapital AG, Zug
<b>Swiss Security Number / ISIN</b>	4534164 / CH0045341648
<b>Price Publications</b>	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
<b>Bloomberg / Reuters</b>	ZCAPSWI SW Equity / 4534164.S
<b>Benchmark</b>	SPI Extra® (Swiss small & mid cap equities)
<b>Morningstar-Rating</b>	★★★★
<b>Minimum Investment / Reference Currency</b>	No minimum investment required / CHF
<b>Fund Type / Distribution</b>	Swiss Securities Fund / Authorized for public distribution in Switzerland and Germany
<b>Fund Management Company / Custodian Bank</b>	LLB Swiss Investment AG, Zürich / Bank Julius Bär & Co. AG, Zürich
<b>Management Fee (incl. Fund Management and Custodian Fees)</b>	1.5% p.a., of which 0.1% donated to charities which engage in "Children and Education"
<b>Issue Fee / Redemption Fee</b>	None / 0.25% in favour of the fund
<b>Total Expense Ratio (TER) as of 30/11/2024</b>	1.50%
<b>Subscriptions and Redemptions</b>	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.
<b>Auditor</b>	PricewaterhouseCoopers AG, Zurich

## Yearly Performance (as of 31/03/2025)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Fund</b>	-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%
<b>SPI Extra®</b>	-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
<b>Fund</b>	19.0%	-21.1%	5.0%	5.2%	2.6%
<b>SPI Extra®</b>	22.2%	-24.0%	6.5%	3.8%	3.1%

\* since Launch date (6 October 2008)

## Monthly Performance (as of 31/03/2025)

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>Fund</b>	6.0%	-0.8%	-2.4%										2.6%
<b>SPI Extra®</b>	6.7%	-0.7%	-2.6%										3.1%

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