

zMonthly May 25

Easing of trade tensions

The US trade dispute continued to dominate global financial markets in May. At a meeting in Geneva, high-level delegations from the US and China agreed to substantially reduce mutual import tariffs for 90 days. This welcome news fuelled hopes that the global economy would suffer less damage than feared, leading to broad-based gains on the stock markets. The announcement by Moody's that it was downgrading the United States' AAA rating had little impact on equity investors. By contrast, the bond market was more affected, with yields on US government bonds rising significantly. Shares in international pharmaceutical companies came under pressure after Donald Trump signed an executive order, aiming to reduce drug prices to the level of the cheapest comparable country. As the month drew to a close, the US President once again demonstrated his flip-flopping trade policy. His threat to impose 50% import tariffs on EU goods as of 1 June was swiftly followed by a U-turn and the suspension of these planned tariffs until 9 July. Landis+Gyr, a smart electricity meter manufacturer, reported weak results for the past fiscal year, but these were offset by a significant increase in orders. Dottikon ES shares jumped sharply after announcing much better annual results. The fund gained 5.4% in May (SPI Extra +6.2%).

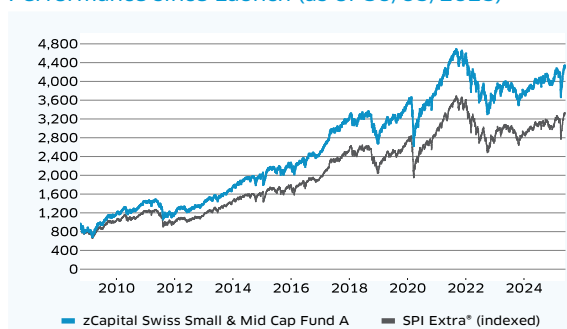
Another Galderma placement

We participated in the latest share placement of dermatology company Galderma. We made further purchases in Sunrise, Roche, SFS, and Landis+Gyr. Conversely, we reduced our positions in Clariant and Belimo.

Keep an eye on the bond market

In the two highly indebted major industrialised countries, the US and Japan, interest rates in the 10- to 30-year range are trending upwards. Financial markets are thus reacting to political decisions showing no sign of a willingness to pursue more austere budgets. Rising interest rates make corporate loans and mortgages more expensive. They also lead to higher costs for servicing government debt. Overall, this hinders economic growth and negatively impacts the valuation of financial assets, such as equities. Although the risk of recession in the US has been reduced by the temporary easing of the trade dispute with China, little has been done to improve planning security for companies. This would require clear, long-term decisions from the White House, which are not expected anytime soon. After the strong recovery, the performance potential of the stock markets appears limited. Investors will have to continue living with surprises and significant volatility.

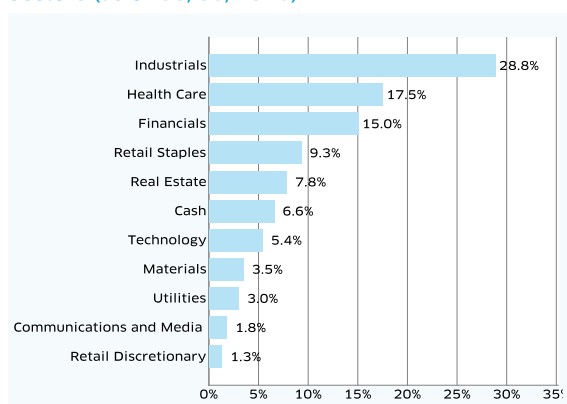
Performance since Launch (as of 30/05/2025)



Performance (as of 30/05/2025)

MTD (Fund / Benchmark)	5.4% / 6.2%
YTD	8.7% / 10.0%
1 year	8.3% / 7.7%
3 years p.a.	2.8% / 3.1%
5 years p.a.	5.6% / 5.8%
10 years p.a.	7.2% / 6.8%
Since launch p.a.	9.4% / 7.7%

Sectors (as of 30/05/2025)



Largest Positions (as of 30/05/2025)

1	Lindt & Sprüngli	6.7%
2	Schindler	5.1%
3	SGS	5.0%
4	Baloise	4.3%
5	Galderma Group	3.7%
6	Sandoz Group	3.6%
7	Julius Baer	3.4%
8	PSP Swiss Property	3.2%
9	Roche	2.9%
10	Straumann	2.8%
11	Swiss Prime Site	2.7%
12	Belimo	2.6%
13	VAT Group	2.5%
14	BKW	2.4%
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 30/05/2025)

Net Asset Value	CHF 4,328.31 per Share A
Total Assets	CHF 1115 m
Investment Exposure	94.2%
Number of Companies	62

Statistics 3 Years (as of 30/05/2025)

Volatility Fund / Index p.a.	13.0% / 14.0%
Tracking Error	1.7%
Information Ratio	-0.3

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 2.45 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 30/05/2025)

	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%	8.7%
SPI Extra®	22.2%	-24.0%	6.5%	3.8%	10.0%

* since Launch date (6 October 2008)

Monthly Performance (as of 30/05/2025)

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Fund	6.0%	-0.8%	-2.4%	0.6%	5.4%								8.7%
SPI Extra®	6.7%	-0.7%	-2.6%	0.5%	6.2%								10.0%

This document is promotion material. This document of zCapital Ltd does not constitute an offer or recommendation for the purchase or sale of investment funds. The information herein is subject to change at any time. No liability is accepted for any incorrect information. Past performance is not a reliable indicator of current or future performance. The performance figures do not include commissions and costs, which arise at subscription and redemption of units. According to Swiss law, the zCapital Swiss Small & Mid Cap Fund falls into the category of "Securities Fund". Investors are advised of the risks described in the fund prospectus. Investors have to be prepared to accept and be in a financial position to bear (possibly substantial) losses. The legal fund documents are available free of charge from zCapital Ltd, Baarerstrasse 82, 6300 Zug, Switzerland or on the website www.zcapital.ch. Ombudsman is Finanzombudsstelle Schweiz (FINOS). With respect to any sales restrictions, investors should seek independent advice on the applicable legal, financial or tax principles in the country concerned. This document is not intended for natural persons or legal entities for whom the use would breach the legal system of their state on account of their nationality or the domicile of the respective person or for other reasons. This applies in particular to persons with residence or domicile in the USA, Great Britain and Japan.