

zMonthly June 25

Middle East conflict only a short-term drag

Stock markets got off to a positive start in the month under review. Despite the ongoing back-and-forth in the trade war, investors remained calm in the face of threats. Markets have learned by now that President Trump always chickens out (TACO) in the end. Meanwhile the US and China reached a preliminary trade agreement. Additionally, the slower rise in US consumer prices ensured the recovery continued. However, this was offset by rising tensions in the Middle East following Israel's attack on Iran. The initial sharp rise in oil prices, coupled with concerns about supply bottlenecks in the event of a Strait of Hormuz blockade, led to a sell-off on stock markets. The bombing of Iranian nuclear facilities by US military aircraft marked a turning point in the conflict. Oil prices then fell significantly, allowing equity markets to recover. While the US Federal Reserve kept its key interest rate unchanged, the Swiss National Bank reduced its benchmark rate to zero percent. The main reason for this was that inflation fell into negative territory in May. Contrary to the optimistic mood in the US, which helped some indices reach new highs, discussions with Swiss company representatives revealed a more cautious outlook regarding developments in the first half of the year and the coming six months. In June, the fund remained unchanged (SPI Extra +0.5%).

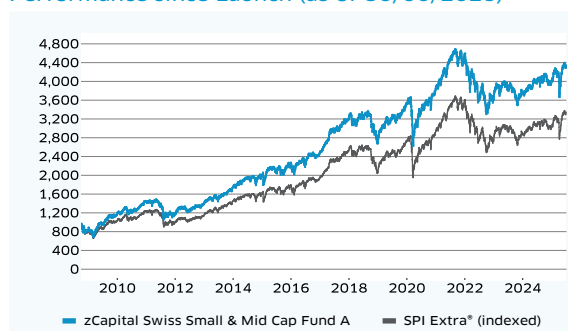
Emmi placement

We participated in the placement of a block of Emmi shares by MIBA Genossenschaft. We also made additional purchases of Inficon, Huber+Suhner, Bachem, Landis+Gyr and Sunrise shares. Conversely, we realised gains in Sulzer and R&S Group.

Dollar crash becomes a burden

Since the beginning of the year, the US dollar has fallen by 12% against the Swiss franc, with the currency now trading below 80 centimes. Asian currencies, such as the Chinese renminbi and the Indian rupee, have also dropped significantly. Only the euro remained stable throughout the year. From the second quarter of 2025 onwards, this will have a significant negative effect on export companies. On average, the overall negative revenue impact for the year is likely to be in the range of 4–6%. Profit estimates must therefore be revised downwards. President Trump intends to implement his 'One Big Beautiful Bill' by 4 July at the latest. However, it still needs to be approved by the Senate, as some Republicans are concerned about further increases in debt. The deadline for the postponed reciprocal tariffs is 9 July. The market is relaxed and assumes that the US President will extend this deadline. Switzerland could be one of the next countries to reach an agreement with the US. Nevertheless, an overall tariff rate of around 10% is likely to remain in place. Although stock markets are currently optimistic, we see considerable risks for the second half of the year.

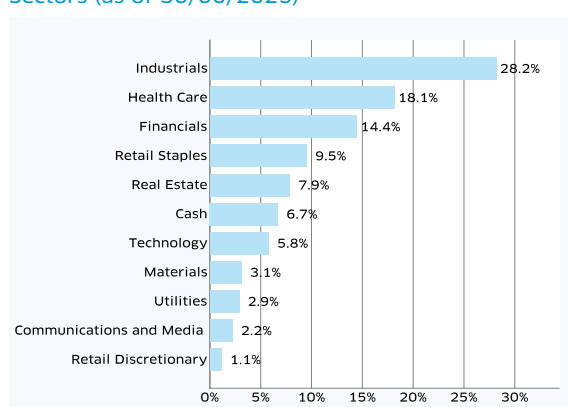
Performance since Launch (as of 30/06/2025)



Performance (as of 30/06/2025)

MTD (Fund / Benchmark)	-0.0% / 0.5%
YTD	8.7% / 10.5%
1 year	9.3% / 9.8%
3 years p.a.	6.0% / 6.5%
5 years p.a.	5.1% / 5.6%
10 years p.a.	7.8% / 7.4%
Since launch p.a.	9.3% / 7.7%

Sectors (as of 30/06/2025)



Largest Positions (as of 30/06/2025)

1	Lindt & Sprüngli	6.8%
2	Schindler	5.1%
3	SGS	4.8%
4	Baloise	4.1%
5	Galderma Group	3.9%
6	Sandoz Group	3.7%
7	Julius Baer	3.3%
8	PSP Swiss Property	3.2%
9	Straumann	3.0%
10	Roche	2.8%
11	Swiss Prime Site	2.7%
12	VAT Group	2.6%
13	Belimo	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 30/06/2025)

Net Asset Value	CHF 4,327.73 per Share A
Total Assets	CHF 1128 m
Investment Exposure	94.1%
Number of Companies	62

Statistics 3 Years (as of 30/06/2025)

Volatility Fund / Index p.a.	12.5% / 13.5%
Tracking Error	1.7%
Information Ratio	-0.4

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 31/05/2025	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 30/06/2025)

	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%	10.5%

* since Launch date (6 October 2008)

Monthly Performance (as of 30/06/2025)

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%	-0.0%							8.7%
SPI Extra®	6.7%	-0.7%	-2.6%	0.5%	6.2%	0.5%							10.5%

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