

zMonthly November 25

Fear of an 'AI bubble'

The stock markets started November with losses. One reason for the uncertainty was the mediocre US labour market data. Added to this were concerns about whether the massive investments in artificial intelligence (AI) would pay off in the future and whether the high valuations of the technology companies involved were justified. The longest government shutdown in US history ended after 43 days, with many flight cancellations and cuts to food aid increasing the pressure on US politicians. This was well received by the stock markets. In the middle of the month, Switzerland and the US reached an agreement to settle their dispute over tariffs. The US agreed to reduce tariffs on Swiss imports from 39% to 15%, in exchange for direct investments totalling USD 200 bn. Subsequently, the topic of AI dominated stock markets. The strong results posted by chip manufacturer Nvidia only temporarily reassured investors, and fears of an 'AI bubble' resurfaced. Towards the end of the month, comments from Fed members suggesting that a further key interest rate cut in December was possible eased tensions. Private bank Julius Bär unsettled markets with a substantial write-down on its real estate loan book for the third time in two years. Nevertheless, the stock was an outperformer in November. Pharmaceutical company Roche surprised with successful study results for a breast cancer drug, which was rewarded by the stock market. In contrast, shares of transformer manufacturer R&S Group plummeted after the company lowered its medium-term targets. The fund's performance in November was 0.2% (SPI Extra +0.6%).

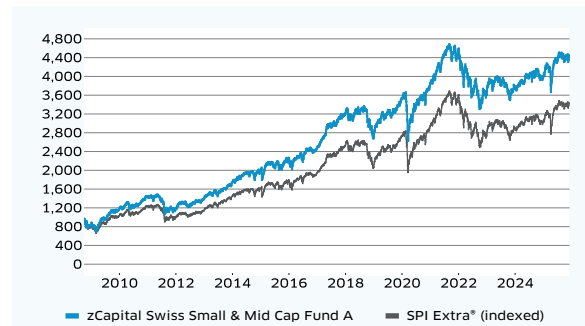
Acquisition of U-Blox completed

Shortly before the end of the month, the financial investor Advent closed its acquisition of U-Blox, paying out previous shareholders. We also exited Komax completely. In return, we increased our exposure to Belimo, Comet, VAT Group and Temenos.

Swiss export industry waiting for lower customs duty

The tariff deal with America, much-trumpeted by the Federal Council, still faces an issue. The Swiss industry is still waiting for the negotiated tariffs of 15% to come into force. Warehouses which were filled before the customs duties came into force in summer have been largely emptied, as we have heard from discussions with company representatives. Companies are therefore hoping that goods can be flown to the US as quickly as possible at the lower tariff rate. The high 39% rate is poison detrimental to the economy and is hindering many businesses. In December, all eyes will be on the US Federal Reserve. Rarely has there been such intense debate in the run-up to an interest rate decision about whether a further cut of 25 basis points is justified. Although inflation risks in the US argue against lower interest rates, we expect a further cut in the Fed funds rate due to the weakening labour market. Ultimately, Fed Chairman Jerome Powell does not want to jeopardise the good stock market year for the US President and the American people.

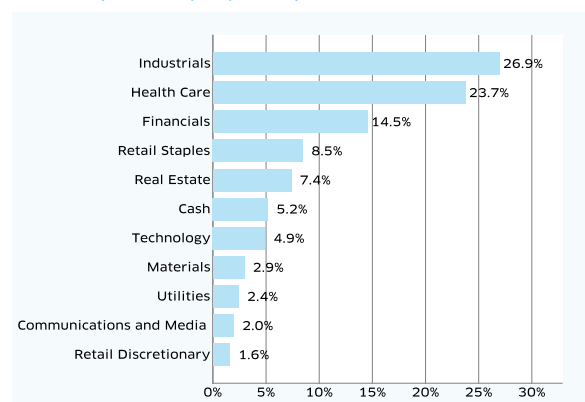
Performance since Launch (as of 28/11/2025)



Performance (as of 28/11/2025)

MTD (Fund / Benchmark)	0.2% / 0.6%
YTD	11.8% / 14.0%
1 year	11.9% / 13.5%
3 years p.a.	6.8% / 7.3%
5 years p.a.	3.6% / 3.8%
10 years p.a.	7.1% / 6.9%
Since launch p.a.	9.3% / 7.7%

Sectors (as of 28/11/2025)



Largest Positions (as of 28/11/2025)

1	Galderma Group	6.7%
2	Lindt & Sprüngli	5.4%
3	SGS	5.2%
4	Schindler	4.6%
5	Sandoz Group	4.4%
6	Baloise	4.1%
7	Julius Baer	3.2%
8	PSP Swiss Property	3.0%
9	Sonova	2.8%
10	Belimo	2.6%
11	Straumann	2.6%
12	Roche	2.5%
13	Swiss Prime Site	2.5%
14	Temenos	2.4%
15	VAT Group	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 28/11/2025)

Net Asset Value	CHF 4,454.07 per Share A
Total Assets	CHF 1198 m
Number of Companies	62

Statistics 3 Years (as of 28/11/2025)

Volatility Fund / Index p.a.	11.2% / 12.2%
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 28/11/2025)

	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%	11.8%
SPI Extra®	22.2%	-24.0%	6.5%	3.8%	14.0%

* since Launch date (6 October 2008)

Monthly Performance (as of 28/11/2025)

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%	2.4%	0.4%	-2.7%	2.7%	0.2%		11.8%
SPI Extra®	6.7%	-0.7%	-2.6%	0.5%	6.2%	0.5%	2.4%	-0.0%	-2.5%	2.7%	0.6%		14.0%

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