zCapital

Swiss Dividend Fund
Class A

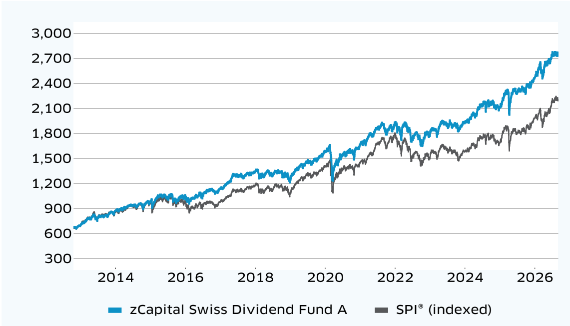
zMonthly August 26

Bond market turmoil
Equity markets started the month of August on a confident note. A temporary easing of tensions in the Middle East, weaker US labour market data and slightly lower inflation dampened expectations of further interest rate hikes by the US Federal Reserve (Fed). This, combined with a stabilisation in technology stocks, pushed several equity indices to new record highs. As the month progressed, attention turned to long-term US interest rates. Concerns about high levels of government debt and uncertainty about the future course of monetary policy led to a significant rise in long-term US Treasury yields. In response, Treasury Secretary Scott Bessent announced a significant expansion of buybacks of long-term Treasury bonds and pledged to step them up further if necessary. However, the dampening effect on yields was short-lived. Renewed tensions in the Middle East led to higher oil prices, keeping inflation risks elevated. This issue was also at the centre of Fed Chair Kevin Warsh's first Jackson Hole speech. His comment that the inflation situation had not improved significantly recently was interpreted as a possible signal of rising interest rates. Financial services provider VZ Holding beat market expectations with its half-year results and outlook, sending its shares to new highs. Swisscom reported a decline in revenue, but impressed investors with a better-than-expected operating profit. Energy provider BKW posted disappointing half-year results and lowered its outlook. The fund lost 0.4% in August (SPI -0.2%).

Active on the buy side
During the month, we were predominantly active on the buy side. Our largest transactions were in Novartis, Nestlé, ABB, Givaudan, Accelleron, Galenica, VZ Holding, Partners Group and Logitech. We reduced our stake in Luzerner Kantonalbank.

How credible is Kevin Warsh?
Although Kevin Warsh took a hard line on inflation in his speech, we do not expect a rate hike before the midterm elections in November. Since the beginning of the year, the Fed has purchased $310 billion of T-bills. As these are money market instruments rather than long-term bonds, the purchases are less stimulative than traditional quantitative easing, but they are not without macroeconomic significance. In our view, the test of Warsh's credibility lies not in the timing of the next rate hike, but in the evolution of the central bank's balance sheet, which has been expanding since December 2025. Ample liquidity in the system is one reason for the high level of speculation in markets. What matters most are broad US financial conditions such as credit spreads, mortgage rates and equity prices. According to Bloomberg, these are currently more accommodative than at any point since the turn of the millennium. In the Swiss equity market, too, we are seeing increasing volatility in individual stocks, which has little to do with the fundamental factors of the companies concerned. As active fund managers, we see such extreme movements within a changing market structure as an opportunity for countercyclical action.

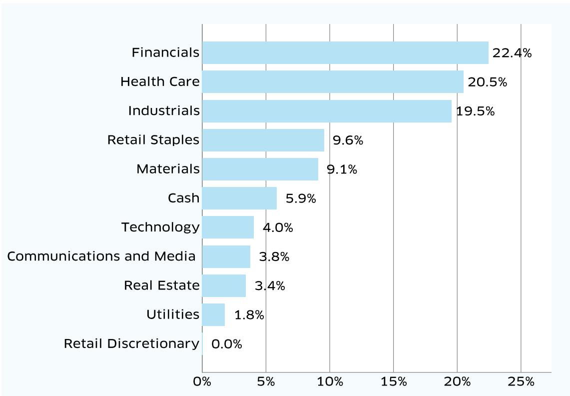
Performance since Launch (as of 31/08/2026)



Performance (as of 31/08/2026, net)

MTD (Fund / Benchmark)	-0.4% / -0.2%
YTD	10.7% / 10.4%
1 year	17.3% / 18.9%
3 years p.a.	12.7% / 11.1%
5 years p.a.	7.5% / 4.7%
10 years p.a.	9.4% / 8.5%
Since launch p.a.	10.6% / 8.8%

Sectors (as of 31/08/2026)



Largest Positions (as of 31/08/2026)

1	Nestle	9.6%
2	Novartis	9.3%
3	Roche	9.2%
4	ABB	6.7%
5	Zurich Insurance Group	4.6%
6	Givaudan	3.8%
7	Swisscom	2.6%
8	Partners Group	2.6%
9	Holcim	2.5%
10	Swiss Re	2.5%
11	Helvetia Baloise	2.4%
12	Logitech	2.4%
13	SGS	2.1%
14	Kühne + Nagel	2.1%
15	Julius Baer	2.1%

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Investment Strategy

The zCapital Swiss Dividend Fund invests in Swiss equities that pay an attractive, reliable dividend or where dividend income is expected to grow. The fund invests in 30 to 40 companies from the universe of the SPI® (Swiss Performance Index). Around half of the fund assets is invested in blue chips and the other half in second-line stocks. zCapital pursues a long-term, active investment style. The stock selection is based on a combination of fundamental company analyses with a proprietary dividend analysis tool. Key ESG aspects and macroeconomic factors are also included in the decision-making process.

Portfolio Structure (as of 31/08/2026)

Net Asset Value	CHF 2,728.11 per Share A
Total Assets	CHF 1320 m
Number of Companies	38

Statistics 3 Years (as of 31/08/2026)

Volatility Fund p.a.	10.1%
Beta (current)	0.8
Dividend yield of invested companies *	3.3%
Large caps in percentage of portfolio	59.8%

* This figure includes the weighted future dividend yields from the companies invested in, as estimated by zCapital. It does not provide any indication of the final level of dividend that will be paid out by the "zCapital Swiss Dividend Fund". As of 31/08/2026.

Termsheet

Fund-Name	zCapital Swiss Dividend Fund (Class A)
Asset Manager	zCapital AG, Zug
Swiss Security Number / ISIN	19466655 / CH0194666555
Price Publications	www.zcapital.ch, www.swissfunddata.ch, www.fundinfo.com
Bloomberg / Reuters	ZCAPDIV SW Equity / 19466655.S
Benchmark	Swiss Performance Index SPI®
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
Management Fee (incl. Fund Management and Custodian Fees)	1% p.a.
Issue Fee / Redemption Fee	None
Total Expense Ratio (TER) as of 30/11/2025	1.00%
Fund Management Company / Custodian Bank	LLB Swiss Investment AG, Zürich / Bank Julius Bär & Co. AG, Zürich
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 31/08/2026, net)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fund	2.2%*	25.8%	12.7%	7.3%	7.8%	17.5%	-7.0%	27.1%	5.7%	15.3%	-7.9%	9.2%	9.0%
SPI®	1.1%*	24.6%	13.0%	2.7%	-1.4%	19.9%	-8.6%	30.6%	3.8%	23.4%	-16.5%	6.1%	6.2%

	2025	2026
Fund	17.0%	10.7%
SPI®	17.8%	10.4%

* since Launch date (22 October 2012)

Monthly Performance (as of 31/08/2026, net)

2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Fund	1.9%	5.7%	-5.1%	4.4%	2.0%	1.9%	0.1%	-0.4%					10.7%
SPI®	0.0%	5.7%	-7.4%	4.0%	3.3%	4.5%	0.7%	-0.2%					10.4%