

zMonthly September 26

Stock markets defy rising interest rates

During the month under review, monetary policy and the renewed escalation in the Middle East dominated global financial markets. Fighting resumed in Iran, and attacks were carried out on key transport routes and energy infrastructure. This caused the oil price to rise significantly, fuelling inflationary concerns. Additionally, a robust US labour market report highlighted the strength of the economy. Against this backdrop, the US Federal Reserve raised its key interest rate for the first time since 2023 and indicated that it would continue to implement restrictive monetary policies. The European Central Bank followed suit, while the Swiss National Bank left interest rates unchanged. The combination of persistent inflation, geopolitical risks, and concerns about high government debt caused long-term capital market yields to rise further worldwide, leading to temporary headwinds in the equity markets. Despite this challenging environment, global stock markets showed remarkable resilience towards the end of the month. In particular, US technology stocks benefited from the positive growth outlook, reaching new all-time highs in some cases. Insurer Helvetia Baloise is making faster progress with its integration than expected. The group has therefore increased its cost-saving target for the full year, which has led to a significant increase in its share price. Cyclical stocks benefited from rising purchasing managers' indices and outperformed the broader Swiss equity market. The fund lost 0.8% in September (SPI Extra -0.4%).

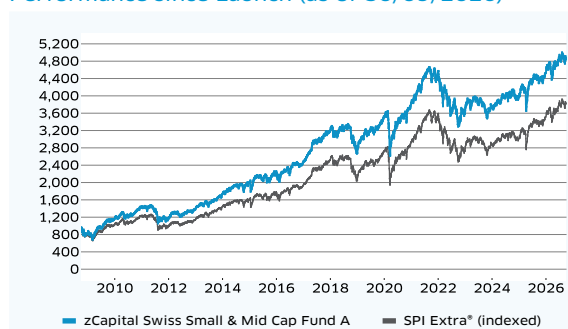
Index adjustments and new positions

The SPI Extra underwent its most significant rebalancing since its launch. Galderma and Sandoz were promoted to the SMI, while Swisscom and Kühne+Nagel were relegated to the small-cap segment. We have implemented these adjustments gradually. We have added the isolator manufacturer Skan back to the portfolio because the new CEO is placing a stronger focus on profitability. Sensirion is a new addition to the portfolio. In our view, the sensor manufacturer's growth potential is underestimated. The company is benefiting from the trend towards climate-friendly coolants and higher safety standards for electric vehicle batteries.

Inflation is weighing on consumers

While the industry is gaining momentum, consumers worldwide are suffering from significantly higher petrol and diesel prices, as well as rising food costs. In the US, consumer confidence fell in September to its lowest level since 2014, and a similar trend is evident in Europe. As disposable income falls, many households are having to tighten their belts. Consequently, shares in companies operating in the food and consumer staples sectors are under pressure. One example of this is Lindt & Sprüngli issuing its second profit warning this year. From today's perspective, there are few signs of a rapid improvement. Given the current situation, we favour companies that will benefit from the expansion of AI infrastructure and the increase in corporate investment.

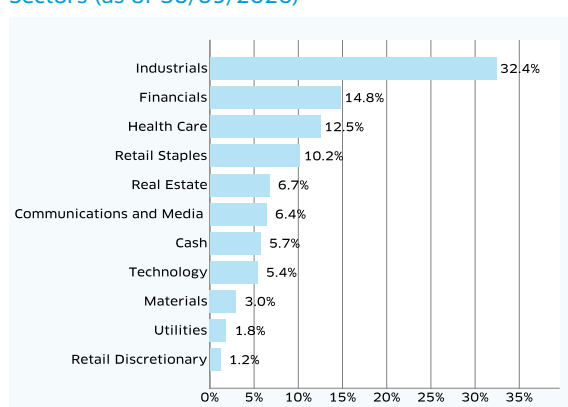
Performance since Launch (as of 30/09/2026)



Performance (as of 30/09/2026, net)

MTD (Fund / Benchmark)	-0.8% / -0.4%
YTD	6.7% / 8.3%
1 year	12.1% / 14.9%
3 years p.a.	9.3% / 10.5%
5 years p.a.	2.0% / 2.1%
10 years p.a.	7.1% / 7.1%
Since launch p.a.	9.4% / 7.9%

Sectors (as of 30/09/2026)



Largest Positions (as of 30/09/2026)

1	Helvetia Baloise	5.0%
2	SGS	4.8%
3	Schindler	4.6%
4	Swisscom	4.2%
5	VAT Group	4.0%
6	Lindt & Sprüngli	3.9%
7	Julius Baer	3.8%
8	DSM-Firmenich	3.4%
9	Kühne + Nagel	3.2%
10	Roche	3.1%
11	PSP Swiss Property	2.9%
12	Belimo	2.6%
13	Straumann	2.5%
14	Sonova	2.4%
15	Temenos	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 30/09/2026)

Net Asset Value	CHF 4,834.85 per Share A
Total Assets	CHF 1223 m
Number of Companies	62

Statistics 3 Years (as of 30/09/2026)

Volatility Fund / Index p.a.	11.0% / 11.7%
Tracking Error	1.6%
Information Ratio	-0.8

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 31/05/2026	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 30/09/2026, net)

	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	2026
Fund	19.0%	-21.1%	5.0%	5.2%	14.2%	6.7%
SPI Extra®	22.2%	-24.0%	6.5%	3.8%	16.9%	8.3%

* since Launch date (6 October 2008)

Monthly Performance (as of 30/09/2026, net)

2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Fund	1.9%	3.3%	-6.1%	4.2%	2.3%	2.4%	-0.4%	0.1%	-0.8%				6.7%
SPI Extra®	2.2%	3.6%	-6.5%	3.5%	2.8%	3.3%	-0.5%	0.3%	-0.4%				8.3%

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