Monthly factsheet as of 31.08.2026

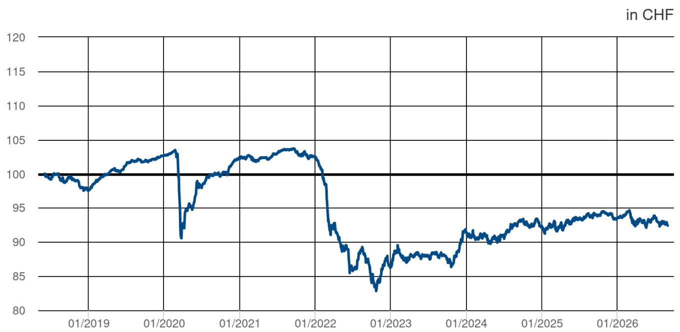
Zugerberg Funds - ZF Income Fund B

ZUGERBERG FINANZ

Investment Objective

The investment objective of the ZF - Income Fund is to achieve long-term capital and value growth in the reference currency, the Swiss franc, through investments in the credit market.
The fund aims to filter out investment opportunities on the global credit markets. It concentrates on a large variety of bonds from solid companies with an average investment grade rating. Corporate bonds can generate stable returns over the business cycle as a whole. In good times, additional credit risk premiums can be earned over government bonds. In addition, the typical interest rate sensitivity is significantly lower thanks to the lower average maturity. In bad times, companies reduce their debt much faster, while governments are often forced to borrow more to support the economy.

Total Return



1 month	-0.16%
3 months	-0.98%
2026 (YTD)	-1.15%
1 year	-1.44%
3 years (annualized)	1.46%
Since Inception (annualized)	-0.95%
Since Inception	-7.59%
Lowest NAV	81.00
Highest NAV	103.22
Months with Positive Returns	57%
Sharpe Ratio (last 3 years)	0.26
Max. Drawdown (last 3 years)	-2.71%
Max. Drawdown Length (days for last 3 years)	57
Max. Drawdown Recovery (days for last 3 years)	-

Modified Duration

< 1 year	4%
1 - 3 years	5%
3 - 5 years	33%
5 - 7 years	25%
> 7 years	33%

Fund Facts

Fund Name	Zugerberg Funds - ZF Income Fund - B
Valor	41512238
ISIN	CH0415122388
Bloomberg	ZFZIFBC SW
Fund Domicile	Switzerland
Fund Class	B
Currency	CHF
Cut-Off Time	Daily, until 5pm (CET)
Settlement	T+2
Launch Date	May 31st, 2018
Fiscal Year End	December 31st
Distribution Policy	Accumulation
Legal Registration	Switzerland

Fund Information*

NAV Total (CHF Mio.)	680.00
NAV Fund Class B (CHF Mio.)	673.21
NAV per Unit (CHF)	87.22
Modified Duration (Years)	6.2
Yield to Worst (%, local currency)	3.2
Yield to Worst (%, hedged CHF)	1.6
ø Credit Rating	A-
Cash Position (%)	1.2
No. of Sectors	20
No. of Issuers / Issues	197 / 271
Top 10 Positions (%)	6.0

* Securities portfolio, including cash.

Expenses

Management Fee (% p.a.)	0.50
Total Expense Ratio (TER) as of 30.06.2026 (%)	0.63

Investment Amounts

Minimal Initial Investment (CHF)	1'000'000

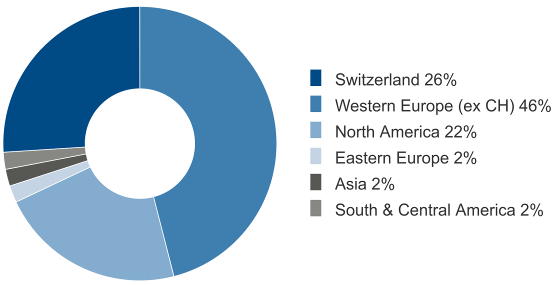
Rating Breakdown

AAA	4%
AA+	3%
AA	3%
AA-	6%
A+	12%
A	12%
A-	24%
BBB+	15%
BBB	15%
BBB-	4%
BB+	1%
BB	0%
<BB	1%

Top 10 Industry Sectors

Banking	17%
Insurance	14%
Consumer Non-Cyclical	13%
Capital Goods	9%
Consumer Cyclical	7%
Technology	6%
Electric	5%
Utility	4%
Basic Industry	4%
Communications	3%

Geographic Diversification



Monthly Commentary

August was dominated by government-bond volatility rather than credit-spread movements. US Treasury yields initially declined after July's weak payrolls report revived growth concerns, but reversed as Fed Chair Kevin Warsh adopted a more hawkish tone at Jackson Hole. Longer-dated US and German yields remained under pressure from inflation risks, large fiscal deficits and heavy issuance, whereas the Swiss sovereign curve was notably stable. Higher energy prices reinforced inflation concerns. US diesel prices and refining margins rose sharply after disruptions to Middle Eastern supplies. As diesel is a major input for transport, agriculture and manufacturing, this may raise production and distribution costs. Alongside elevated mortgage rates, it pressured US household affordability and complicated the Fed's efforts to return inflation to 2%. Eurozone inflation reached its highest level in almost three years, strengthening expectations of renewed ECB tightening. The collapse of US-Canada trade talks added to inflation risks, as new tariffs may raise input costs and weaken growth.

Fiscal concerns remained a key driver of long-term yields. US 30-year yields reached levels not seen for almost two decades as federal debt exceeded USD 40trn and issuance remained heavy. Proposed US Treasury buybacks had little effect: financed through additional short-term issuance, they would alter the maturity structure without reducing total debt. For credit investors, higher government yields remained a double-edged sword. Attractive all-in yields supported demand and anchored spreads, but duration effects weighed on total returns. Heavy sovereign issuance and technology-sector borrowing to finance AI infrastructure increased competition for capital. Overall, August remained favourable for carry but challenging for duration. Shorter-duration bonds and issuers with strong free cash flow and limited refinancing needs remained better positioned, while highly leveraged, long-duration and cost-sensitive borrowers faced greater pressure.

In euro investment-grade (IG), yields continued to rise, reaching 3.83% (+0.13%), driven by a parallel upward shift across the yield curve. Spreads were unchanged at 79bp, still inside their 25-year median of 112bp. Higher government yields therefore dominated performance: total returns were negative, while excess returns were broadly flat. US IG yields increased to 5.49% (+0.03%) as the Treasury curve twisted: note yields out to 10 years rose, while longer-dated bond yields declined. Spreads remained unchanged at 78bp, well below their 25-year median of 124bp. Despite the increase in the overall yield, total returns were positive, supported by the index's larger share of corporate bonds with maturities beyond 10 years relative to the euro IG index. Excess returns were marginally positive. Euro high-yield (HY) yields declined slightly to 5.65% (-0.03%), while spreads tightened more markedly to 260bp (-12bp), still well inside their 25-year median of 394bp. The tightening was concentrated in BB-rated and especially B-rated bonds, while the smaller CCC-rated segment widened. Total and excess returns were both positive at index level. US HY yields declined to 7.27% (-0.14%), while spreads tightened to 261bp (-18bp), remaining well below their 25-year median of 418bp. As in euro HY, tightening was concentrated in the BB- and B-rated segments, whereas CCC-rated spreads widened. Total and excess returns were positive.

The ZIF recorded a negative return of -0.16% in August, underperforming the Swiss Bond Index (SBI) by 0.28%. Performance benefited from positive carry of +0.22% in local-currency terms. Spread effects were broadly neutral, while interest-rate effects were negative, mainly due to rising German government bond yields and US Treasury yields. After currency-hedging costs, these factors resulted in a negative overall return. The fund's yield-to-worst increased by 0.1% to 3.2% in local-currency terms but remained unchanged at 1.6% on a CHF-hedged basis. The average coupon remained stable at 2.5%, while the average bond price declined by 0.2% to 96.4%. The option-adjusted spread (OAS) widened marginally by 1bp to 97bp, while the modified duration remained stable at 6.2.

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