

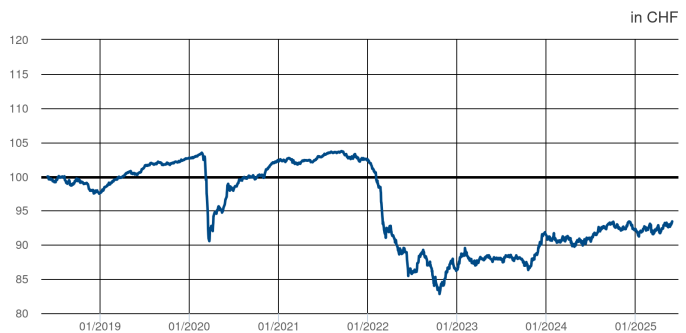
Zugerberg Funds - ZF Income Fund B

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	0.24%
3 months	0.37%
2025 (YTD)	1.28%
1 year	3.79%
3 years (annualized)	1.44%
Since Inception (annualized)	-0.97%
Since Inception	-6.57%
Lowest NAV	81.00
Highest NAV	103.22
Months with Positive Returns	55%
Sharpe Ratio (last 3 years)	0.40
Max. Drawdown (last 3 years)	-7.46%
Max. Drawdown Length (days for last 3 years)	104
Max. Drawdown Recovery (days for last 3 years)	74

Modified Duration

< 1 year	8%
1 - 3 years	7%
3 - 5 years	32%
5 - 7 years	26%
> 7 years	27%

ZUGERBERG FINANZ

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.)	681.22
NAV Fund Class B (CHF Mio.)	674.06
NAV per Unit (CHF)	88.86
Modified Duration (Years)	5.9
Yield to Worst (% local currency)	3.1
Yield to Worst (% hedged CHF)	1.3
Ø Credit Rating	A
Cash Position (%)	3.7
No. of Sectors	19
No. of Issuers / Issues	200 / 280
Top 10 Positions (%)	8.3

* Securities portfolio, including cash.

Expenses

Management Fee (% p.a.)	0.50
Total Expense Ratio (TER) as of 31.12.2024 (%)	0.67

Investment Amounts

Minimal Initial Investment (CHF)	1'000'000
----------------------------------	-----------

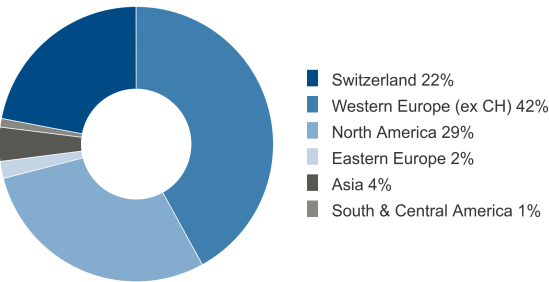
Rating Breakdown

AAA		7%
AA+		5%
AA		4%
AA-		5%
A+		10%
A		11%
A-		18%
BBB+		16%
BBB		15%
BBB-		8%
BB+		1%
BB		0%
<BB		0%

Top 10 Industry Sectors

Consumer Non-Cyclical		14%
Banking		13%
Insurance		9%
Technology		8%
Consumer Cyclical		7%
Capital Goods		6%
Basic Industry		5%
Other Financial Services		5%
Electric		5%
Communications		4%

Geographic Diversification



Disclaimer: This document serves the purposes of advertising and information, and is intended exclusively for distribution in Switzerland. It is not addressed to individuals in other countries, nor to individuals whose nationality or domicile prohibit access to such information on the basis of the applicable legislation. Historic performance is no indicator of current or future performance. The performance data takes no account of the commissions charged and costs incurred for the issue and redemption of units. This document was drawn up by PMG Investment Solutions AG (PMG) with the greatest care and to the best of its knowledge and belief. PMG provides no guarantee of the document's content or completeness, and declines all liability for losses arising from the use of this information. This document does not constitute an offer, nor does it represent an invitation to purchase or sell any securities or related financial instruments whatsoever. The information stated in this document is made available without any guarantee or assurance, and is to be used exclusively for informative purposes. The information in this document is intended solely for the recipient's personal use, and it takes no account of the specific or future investment goals of the individual recipient, nor of the recipient's tax or financial situation, nor yet of the recipient's individual requirements. The recipient is recommended to review the information in respect of its compatibility with his/her own personal circumstances and with regard to legal, regulatory, fiscal and other consequences, with the assistance of an adviser as appropriate. Investments should only be made in a product after the current sales prospectus has been thoroughly studied. This document and the information it contains must not be issued, distributed or forwarded either directly or indirectly to the USA or to U.S. Persons (as defined in Regulation S of the U.S. Securities Act of 1933, in the applicable version thereof). Likewise, units of the Fund must not be offered, sold or delivered within the USA or to U.S. Persons. The sales prospectus with the integrated Fund Agreement, the simplified prospectus and/or the essential information for investors, and also the annual and semi-annual reports, can be obtained free of charge from PMG, Dammstrasse 23, 6300 Zug, www.pmg.swiss and from CACEIS Investor Services Bank S.A., Zurich Branch, Bleicherweg 7, CH-8027 Zurich.

Monthly Commentary

On May 16, Moody's downgraded the US credit rating from Aaa to Aa1, leaving the country without a triple-A rating from any major agency, following Fitch (2023) and S&P (2011). This downgrade, combined with trade and monetary policy uncertainty and a structural shift in demand for US Treasuries, is expected to lead to higher interest expense and elevated term premiums as a US fiscal risk premium potentially forms. This view was bolstered by the House's approval of Trump's "big, beautiful" budget bill, signaling a lack of fiscal restraint. These events, coupled with better-than-expected US growth and labor outlooks, briefly pushed UST 30-year yields to 5.15% before they retraced below 5%. The "TACO trade" (Trump Always Chickening Out) remained a key theme, with ongoing tariff-related market swings contributing to rate uncertainty.

On the inflation front, US headline CPI and Core PCE (the Fed's preferred measure) undershot expectations. Nevertheless, 2025 rate cut expectations were reduced from four to two. In Europe, preliminary HICP figures suggested continued disinflation, keeping the ECB on track for another rate cut in June, with only one more cut priced in for the year. In the US corporate bond market, lower benchmark rates are unlikely to fuel further gains given persistent stagflation risks.

Risk assets swiftly rebounded, with credit spreads rallying across the board amid positive trade talks: the UK and US reached a preliminary deal, US and China temporarily cut bilateral tariffs to pre-Liberation Day levels, and the US and EU enacted a 90-day tariff reprieve (now at 10% on EU imports). This strong secondary market tone facilitated a significant re-opening of primary markets for both Investment Grade (HG) and High Yield (HY) corporate bonds.

Euro HG bond yields declined to 3.07% (-0.04%), while spreads contracted more significantly to 100bp (-12bp), now 28bp below April's wides and inside the 25-year monthly median of 112bp. Total and excess returns were positive across all duration buckets. In the US, HG bond yields increased slightly to 5.21% (+0.07%), while spreads moved in the opposite direction, tightening notably to 88bp (-18bp), 31bp below April's wides and well inside the 25-year monthly median of 130bp. Total returns were flat, but excess returns remained positive. Notably, the long end (10+ years corporate bonds) delivered negative total returns, reflecting pressure from sharply higher yields on US Treasury bonds, which offset the positive total returns in shorter maturities. In the HY space, Euro HY corporate yields fell sharply to 5.27% (-0.41%), with spreads accounting for the full move, tightening by 39bp to 320bp, 124bp below April's wides. This compares to a 25-year monthly median of 416bp. Both total and excess returns were strongly positive. Yields on US HY corporates also declined to 7.46% (-0.44%), while spreads compressed even further to 315bp (-69bp), 138bp tighter than April's wides, and significantly below the 25-year median of 447bp. Again, total and excess returns were strongly positive. Overall, lower-rated credit outperformed, with spread compression observed across all maturity buckets as well as across financials, industrials, and utilities.

The ZIF had a positive month (+0.24%) underperforming by 0.13% the broad Swiss Bond Index (SBI). Performance in May benefited from broadly tightening credit spreads and a carry contribution of 0.23% (in local currency). Adverse impacts stemmed from rising interest rates - primarily US Treasury benchmarks - and ongoing currency hedging expenses. The Yield-to-worst of the fund was lower at 3.1% (-0.1%) in local currency and decreased even more on a Swiss Franc-hedged basis at 1.3% (-0.2%). The average coupon decreased to 2.7% (-0.2%). The average price of the bonds increased marginally to 98.2% (+0.1%), the OAS spread decreased to 98bp (-12bp) and the Modified Duration was unchanged at 5.9.

Investment Manager

PMG Investment Solutions AG
Dammstrasse 23
CH-6300 Zug
☎ +41 44 215 28 38 ✉ pmg@pmg.swiss 🌐 www.pmg.swiss

Contact
Patrick Brühwiler

Zugerberg Finanz AG
Lüssiweg 47
CH-6302 Zug
☎ +41 41 769 50 10
✉ info@zugerberg-finanz.ch 🌐 www.zugerberg-finanz.ch

Contact
Prof. Dr. Maurice Pedergnana
Dr. Danilo Zanetti

Addresses

Management Company	PMG Investment Solutions AG
Custodian Bank	CACEIS Bank, Montrouge, Zweigniederlassung Zuerich/Schweiz
Auditor	BDO AG
Official Publication	www.swissfunddata.ch , www.pmg.swiss