



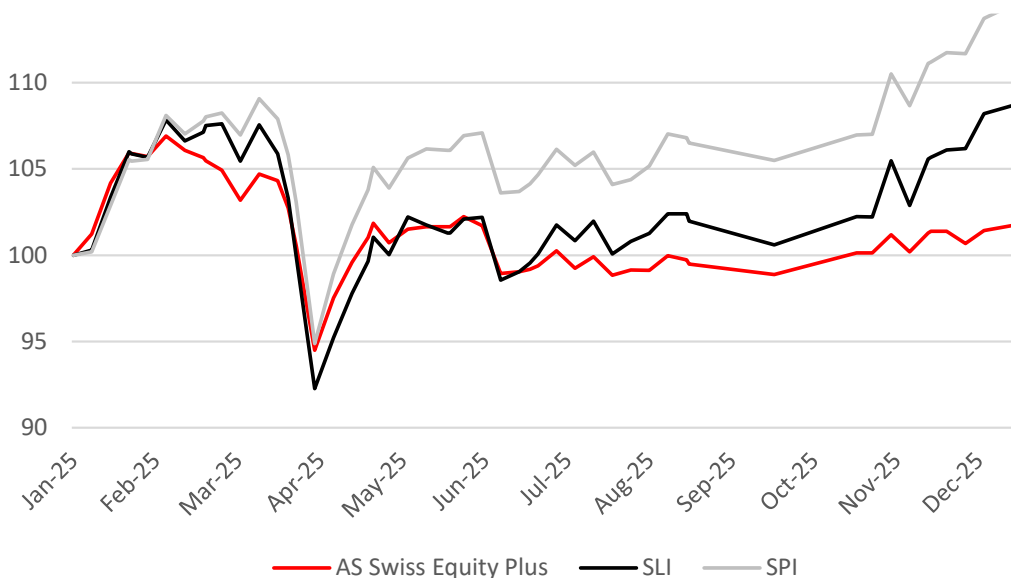
AS Swiss Equity Plus Fund

Financial Report 2025

Investment Philosophy

AS Swiss Equity Plus is a long-only fund invested in Swiss equities that incorporates ESG criteria. It aims to achieve steady long-term capital growth while seeking lower correlation with the markets. The investment strategy is long-only, with the possibility of reducing market exposure through the use of options. ESG considerations are central to the investment process and directly influence stock selection. The fund thus offers a balanced approach, combining investments in growth stocks and value stocks to build a diversified and resilient portfolio.

Performance



Since its launch on the 9th of January 2025, the AS Swiss Equity Plus fund has delivered a stable performance of +2.2%, compared with +9.0% for the SLI over the same period. This gap is mainly due to the different structures of the two products. The SLI is fully exposed to market movements and offers no downside protection, whereas the fund includes protective features that limit upside participation during strong market rallies. As a result, a performance differential is expected to persist over time, particularly during extended bull market phases.

The year opened with the inauguration of Donald Trump as President of the United States, an event that quickly shaped market sentiment. Early announcements and policy decisions from the new administration, alternating between reassuring signals and more confrontational measures, led to heightened volatility across financial markets. Throughout the year, the threat of tariffs—followed by their implementation—remained a central theme and is likely to have lasting implications for the performance of many companies.

The announcement of tariffs of up to 39% on Swiss exports had a noticeable impact on several firms. While these tariffs are expected to be reduced to 15% following discussions between Switzerland and the United States toward the end of the year, companies with significant exposure to the US market continue to feel the pressure. At the same time, the appreciation of the Swiss franc against most major currencies, particularly the US dollar, weighed on profitability and contributed to the performance differences observed across Swiss equities.

Meanwhile, central banks moved into a phase of monetary easing. The Swiss National Bank cut interest rates twice, bringing them down to 0%, while the US Federal Reserve implemented three 25-basis-point cuts starting in September. The European Central Bank also reduced its rates in 2025.

Against this backdrop, inflation appears to be better contained, and global economic growth has remained resilient, despite persistent geopolitical tensions. Financial markets therefore enjoyed a very strong year overall. In Switzerland, equities performed particularly well, with the SMI gaining 14.4%.

Active Portfolio Management

The fund invests primarily in companies with strong balance sheets, predictable and sustained earnings growth, high returns on invested capital, and robust free cash flow generation after investments. Stock selection is driven by in-depth fundamental analysis.

Each company undergoes a comprehensive assessment covering financial strength, debt levels, growth prospects, expected margin trends, value-creation capacity, medium-term returns on investment, and resilience across economic cycles. For most holdings, a detailed financial model is built using at least five years of historical data, complemented by projections extending a further five years.

To refine their analyses and underlying assumptions, the fund managers draw on companies' financial disclosures, attend conferences, and maintain regular dialogue with management teams—including CEOs, CFOs, and investor relations officers. In 2025 alone, more than 100 meetings were held with the management teams of portfolio companies to discuss strategy, performance, and financial outlooks.

Alongside the financial analysis, environmental, social, and governance (ESG) criteria are systematically reviewed with the support of an external ESG advisor. This approach extends traditional analysis by assessing the long-term sustainability of business models. Where significant environmental or social risks are identified within a company's operations or value chain (PIN), an active shareholder dialogue is initiated. Each company is subsequently assigned an ESG rating, which directly feeds into the valuation process, notably through its impact on the discount rate applied in future cash-flow analyses.

Investment decisions—both purchases and sales—are based on a comparison between a security's market price and its intrinsic value, as estimated using discounted cash-flow and dividend models over a five-year horizon. The fund follows a long-term investment approach, maintaining high conviction in each position held.

As of 31 December 2025, the fund's assets under management amounted to CHF 88.9 million, with a share price of CHF 101.88.

The fund composition

At the end of December 2025, the fund comprises 23 securities. Each gross position represents between 0.5% and 9% of total assets, reflecting controlled diversification and management based on strong convictions. Cash remains at 10% of the fund's assets. The portfolio's net exposure is 52% at the end of 2025.

The fund's 10 largest net positions are as follows: Roche, Nestlé, Novartis, Givaudan, Zurich, Swiss Re, UBS, Swiss Life, Sandoz, and Geberit.

Performance analysis

In 2025, declining interest rates provided strong support for financial stocks and high-dividend securities, particularly within the insurance sector. Swiss Life and Zurich Insurance delivered solid results and reaffirmed their strategic objectives, making a positive contribution to the fund's performance. Swiss Re posted a more moderate performance, weighed down at year-end by the announcement of targets below market expectations. UBS benefited from the successful integration of Credit Suisse, although the stock remained volatile amid ongoing regulatory discussions. Partners Group, meanwhile, struggled to regain investor confidence despite the expected normalization of investment realizations, as concerns persisted around a more challenging private-equity environment, notably in fundraising.

Companies exposed to the energy transition also contributed positively overall. ABB reported strong results and supported its share price through the announced sale of its robotics division. In the technology sector, performance was more mixed. Logitech ended the year higher, despite some weakness at the end of the year.

The healthcare sector showed contrasting performances. Roche and Novartis delivered solid annual returns, supported by strong operational execution and meaningful clinical progress. Galderma and Sandoz stood out thanks to sustained growth and improving profitability. By contrast, Straumann and Alcon were negatively affected by adverse currency movements and revised targets. Pharmaceutical subcontractors followed more uneven paths, with Lonza particularly impacted by sector-wide uncertainties and results that fell short of market expectations.

Within consumer goods, Nestlé ended the year in positive territory despite a challenging environment, while Givaudan was negatively affected by the strength of the Swiss franc. Cyclical stocks posted uneven performances, with Richemont standing out positively.

The construction sector remained under pressure, especially due to weakness in China, which weighed on Sika—subsequently removed from the portfolio during the year—as well as on Holcim. In contrast, Geberit benefited from strong demand driven by the renovation cycle in Europe.

SGS posted generally solid results in a difficult economic environment.

Outlook

The outlook for 2026 remains uncertain, despite a period of relative calm following the conclusion of certain trade agreements. While inflation now appears to be better contained, geopolitical tensions remain elevated and continue to represent a key risk factor for financial markets.

In Switzerland, SECO forecasts GDP growth of 1.1% in 2026. On the monetary front, the US Federal Reserve may implement additional rate cuts, while in Switzerland the Swiss National Bank is unlikely to lower its policy rate back into negative territory. In this environment of persistently low interest rates, high-dividend stocks are expected to remain attractive to investors in 2026.

Swiss corporate earnings are projected to continue growing, with expected growth of 8% to 10%. The Swiss equity market is currently trading at approximately 16 to 17 times expected earnings—a historically elevated level—yet one that is supported by the defensive nature of Swiss companies, the quality of their business models, and strong earnings visibility. Finally, the yield differential between Swiss equities and bonds remains appealing, at around 4.5% to 5%, further reinforcing the relative attractiveness of equities in a low-interest-rate environment.

Swiss corporate earnings are expected to continue growing, with growth of between 8% and 10% anticipated. The Swiss market is currently trading at around 16 to 17 times expected earnings, a historically high level, but one that is supported by the defensive nature of companies, the quality of their business models, and good earnings visibility. Finally, the yield differential between Swiss equities and bonds remains attractive, at around 4.5% to 5%, reinforcing the relative appeal of equities in a low-interest rate environment.

Shareholder's engagement

Voting : ASIM is an active shareholder and votes at general meetings of all investee companies. Voting provides portfolio managers with valuable information about the quality of a company's governance. The skill, independence and availability of the board of directors are critical to a company's future. The effect of a capital increase, for example, will be felt immediately. Exercising the right to vote is a financial responsibility. The portfolio managers define their voting positions by studying the analyses of annual general meetings (AGMs) and the voting recommendations supplied by the proxy voting advisory firm.

Dialogs : In 2025, several engagement meetings were held with portfolio companies to discuss environmental, social, and governance (ESG) issues. Through these discussions, managers encourage companies to make progress and strengthen their positive impact in terms of sustainability. The aim of these dialogues is not only to raise companies' awareness of the financial risks associated with insufficient consideration of ESG issues, but above all to encourage them to fully integrate these key themes into their strategy and communications.

With the support of the ESG advisor, the most material issues are identified, analyzed, and discussed. The ESG expert makes recommendations for improvement and conducts an in-depth analysis of gaps in companies' disclosures. Companies are generally aware of their challenges and open to adopting best practices and following up on the recommendations made.

After each dialog, a detailed report is published, available to shareholders of the fund and to the company in question among others. A shareholder report is published every year, including all companies of the portfolio. Those reports are available on request.

Compensation: During these meetings, particular attention is also paid to the compensation of the executive committee and management. A fair and transparent compensation policy is a key indicator of good governance and makes it possible to assess the alignment of interests between investors, management, and the board of directors.

In order to further these discussions, specific meetings were held in 2025 with members of senior management, the compensation committee, and the executive committee. Four companies—Inficon, Nestlé and Givaudan—were the subject of discussions dedicated to compensation, following which clear recommendations were made. For Straumann, it was agreed to continue these discussions with members of the executive committee in 2026.

For further details on shareholder engagement, voting and dialogues, please refer to the "Shareholder Engagement Report 2025" available on ASIM website or on request.

Contact

AS Investment Management
Cours des Bastions 15
1205 Geneva
Switzerland
T: +41 22 716 52 00
F: +41 22 716 52 01
Info@as-im.com

Sources : AS Investment Management, GERIFONDS SA, Bloomberg

The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. This information pays no regard to the specific or future investment objectives, financial or tax situation or particular needs of any specific recipient. The details and opinions contained in this document are provided by AS Investment Management without any guarantee or warranty and are for the recipient's personal use and information purposes only.

The prospectus and fund contract, the KIID, the semi-annual and annual reports are available free of charge at GERIFONDS SA (www.gerifonds.ch), the fund management company, or at Banque Cantonale Vaudoise, Place St-François 14, 1003 Lausanne, the payment service.