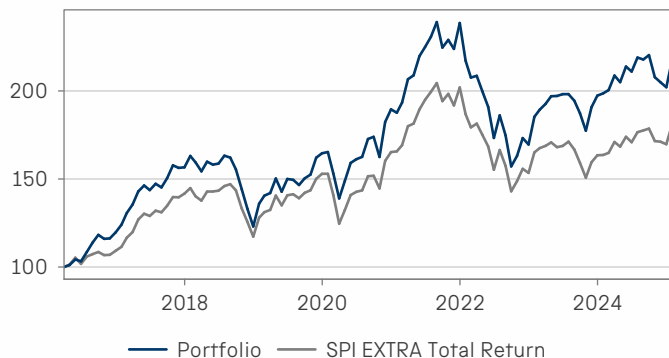


Marketing Communication — IFS Swiss Small & Mid Cap Equity Fund -I-

Investment policy

The IFS Swiss Small & Mid Cap Equity Fund combines our best investment ideas in the area of Swiss Small & Midcaps. We take an active approach with the aim of achieving a sustainable outperformance to the benchmark (SPI Extra). The sub-fund is actively managed with a reference to a benchmark mentioned in this document. The sub-fund seeks to outperform it over the recommended holding period. The sub-fund does not exactly replicate its reference index (benchmark) and may therefore deviate significantly from it. Therefore, the performance of the sub-fund may differ from that of the benchmark index.

Performance (in %)



Past performance is no indication for future results. The performance figures do not include commissions and costs which arise at subscription and redemption of units. The investment may rise or fall in value and in certain cases all of the capital may be lost. Investment risks vary among the various investment instruments. Investments in foreign currencies inherit foreign exchange volatility.

General information

Date of issue	30.11.04
Managed by IFS since	01.04.16
Reference currency	CHF
Registration	CH, DE, LI
Custodian	Bank J. Safra Sarasin AG, Basel
Management company	LLB Swiss Investment AG, Zürich
Investment manager	IFS Independent Financial Services AG, Luzern
Total expense ratio from 31.12.23	1.03%
Management fee p.a.	0.75%
Dealing frequency	Daily, 12:00 o'clock
Minimum investment	CHF 100,000
Distribution	Reinvesting
ISIN	CH0467745201
Valor (Switzerland)	46774520

Return and risk metrics

Past performance does not predict future returns.

	Portfolio	SPI EXTRA Total Return
Volatility since inception p.a.	15.86%	14.11%
Sharpe ratio since inception	0.54	0.45
Worst drawdown since inception	-36.98%	-32.54%
Performance YTD	7.69%	6.68%
Performance 2024	2.41%	3.83%
Performance 2023	16.37%	6.53%
Performance 2022	-28.92%	-24.02%
Performance 2021	25.88%	22.19%
Performance 2020	15.15%	8.07%
Performance since 01.04.2016	117.63%	81.07%
Performance since 01.04.2016 p.a.	9.19%	6.95%

Current figures as of 31.01.2025

NAV per unit	CHF	492.68
Total assets	CHF	106.31 Mio.

Performance (in %)

Past performance does not predict future returns.

Year		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2025	Fonds	7.69%	-	-	-	-	-	-	-	-	-	-	-	7.69%
	Index	6.68%	-	-	-	-	-	-	-	-	-	-	-	6.68%
2024	Fonds	0.65%	0.95%	4.10%	-1.79%	4.32%	-1.33%	3.77%	-0.50%	1.15%	-5.70%	-1.38%	-1.39%	2.41%
	Index	0.09%	0.74%	3.74%	-1.54%	3.32%	-1.78%	3.33%	0.57%	0.58%	-3.96%	-0.22%	-0.83%	3.83%
2023	Fonds	9.27%	2.17%	1.74%	2.27%	0.08%	0.52%	0.01%	-1.90%	-3.67%	-5.26%	7.50%	3.46%	16.37%
	Index	7.59%	1.47%	0.76%	1.17%	-1.58%	0.42%	1.44%	-2.63%	-4.57%	-5.26%	5.82%	2.49%	6.53%
2022	Fonds	-8.98%	-4.39%	0.48%	-4.23%	-4.43%	-9.22%	7.39%	-6.10%	-10.09%	3.79%	6.21%	-2.11%	-28.92%
	Index	-7.50%	-4.01%	1.19%	-3.51%	-3.80%	-7.81%	7.21%	-5.43%	-9.17%	4.07%	4.69%	-1.50%	-24.02%
2021	Fonds	-1.00%	3.08%	6.85%	1.07%	5.22%	2.37%	2.56%	3.63%	-6.05%	1.94%	-2.24%	6.57%	25.88%
	Index	0.25%	2.12%	6.36%	0.82%	4.42%	2.92%	2.30%	2.49%	-5.00%	2.12%	-3.30%	5.30%	22.19%
2020	Fonds	0.42%	-7.37%	-9.25%	7.11%	6.90%	1.33%	0.84%	6.24%	0.72%	-6.58%	12.23%	3.92%	15.15%
	Index	0.01%	-7.91%	-11.53%	6.17%	6.47%	1.30%	0.59%	5.59%	0.18%	-4.73%	10.82%	3.10%	8.07%

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Largest positions

SGS	5.8%
Sandoz	5.8%
Straumann	5.7%
Schindler N	5.2%
SIG Combibloc	4.6%

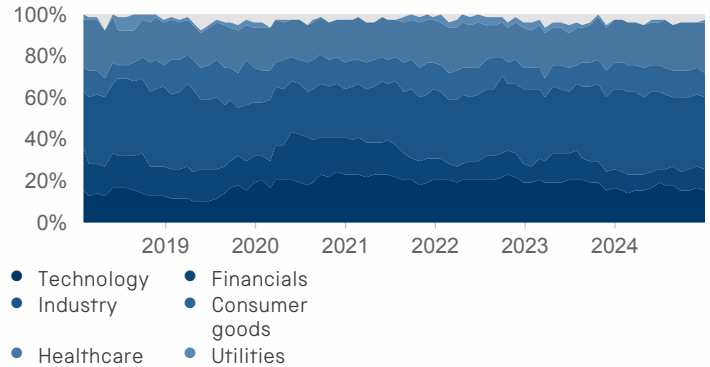
Asset allocation



Asset class breakdown



Historical sector breakdown



Manager Update

An immediate "Big Bang" following Donald Trump's inauguration did not materialize, which the European stock markets acknowledged with relief. However, the latest reports on planned tariffs against Mexico, Canada, and China now clearly demonstrate that President Trump remains unpredictable. The US FED is rightly adopting a wait-and-see approach until there is more clarity on how the Trump administration's political agenda will evolve.

The news about DeepSeek caused significant volatility in technology stocks. Given the nascent stage of this technology, it is hardly surprising that progress is occurring in large, unpredictable leaps. Swiss Small & Mid Caps rose like a phoenix from the ashes. By the end of the year, valuations were so low that even barely met expectations were enough to trigger a price rally. The SPI Extra gained +6.7%. Our fund also managed to recover significantly from the Q4 2024 correction, rising by +7.7%.

Positive performance contributions came particularly from Temenos, Also Holding, and Tecan. Temenos released key figures for the past quarter, showing that business operations have indeed accelerated under the new management. EBIT growth stood at a solid 14%. The stock market rewarded this positive development, and the share price surged by over 20%. Also Holding also published initial figures on its business performance. While EBITDA guidance of EUR 230 - 240 million was missed, expectations had already been so low that the stock still rose by +12.5%. Particularly well-received was the side note that record-high profits had been booked in the fourth quarter. Tecan, another portfolio company, also presented key figures, and the slightly exceeded expectations reassured investors. The stock gained +16.5%.

In contrast, our position in Barry Callebaut performed clearly negatively. Record-high cocoa prices are noticeably weighing on the cocoa trader's balance sheet. The value of its inventory had already risen from CHF 1.2 billion in the previous year to CHF 2.7 billion by the end of August. Since then, cocoa prices have increased by another 65%. Without question, Barry Callebaut is currently in a difficult situation. However, smaller local competitors are suffering even more. Due to these market turbulences, Barry Callebaut is likely to gain market share and emerge stronger from the crisis. We have increased our position.

Trump's presidency is still in its early stages and will undoubtedly bring further surprises and volatility. Despite tariffs, his pro-business stance is likely to provide a tailwind for the U.S. economy. In Europe, the new circumstances should serve as a wake-up call. That change is possible is exemplified by Italy: Since Giorgia Meloni took office in October 2022, the Italian MIB index has risen by 90%, roughly twice as much as the Stoxx 600.

We view the developments around DeepSeek positively for Europe and Switzerland. The democratization and cost-effective access to AI should prevent productivity gains from being concentrated solely in the balance sheets of a few U.S. tech giants. Instead, we anticipate a broad productivity boost, similar to what the internet brought 30 years ago. Overall, we see strong potential for Swiss Small & Mid Caps in 2025. Valuations are currently so low that even minor signs of improvement lead to significant price gains.

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