

LC EQUITY FUND, LTD.

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

The state of origin of the fund is Cayman. In Switzerland, this document may only be provided to qualified investors within the meaning of art. 10 para. 3 and 3ter CISA. In Switzerland, the representative is 1741 Fund Solutions AG, Burggraben 16, CH-9000 St.Gallen, Switzerland, whilst the paying agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, CH-8024 Zurich, Switzerland. The basic documents of the fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

LC Equity Fund, Ltd.

Table of contents	Page no.
Directors and Other Information	1
Independent Auditor's Report	2-4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	7
Statement of Cash Flows	8
Notes to the Financial Statements	9-33
Condensed Schedule of Investments - Unaudited	34-37
Country Supplement - Unaudited	38

Directors and Other Information

Directors

Brian Burkholder *
Monina Monette Windsor*
*Independent Directors

Investment Manager

LIMMAT CAPITAL Alternative Investments AG
Riesbachstrasse 57
8008 Zurich
Switzerland

Administrator and Transfer Agent

U.S. Bank Global Fund Services (Ireland) Limited
24-26 City Quay
Dublin 2
Ireland

Prime Brokers

Interactive Brokers (UK) Limited
20 Fenchurch Street
London EC3M 3BY
United Kingdom

Custodian

U.S. Bank, NA
800 Nicollet Mall
Minneapolis, MN 55402
United States

UBS Switzerland AG
Bahnhofstrasse 45
8001 Zurich
Switzerland

Registered Office

P.O Box 309
Ugland House
Grand Cayman KY1 – 1104
Cayman Islands

Auditors

Grant Thornton Attest (Cayman) LLP
Century Yard, Cricket Square, 2nd Floor
171 Elgin Avenue, PO Box 1044
Grand Cayman KY1-1102
Cayman Islands

Legal Advisors to the Fund (EU & US Law)

Dechert LLP
160 Queen Victoria Street
London EC4V 4QQ
United Kingdom

Legal Advisors to the Fund (Cayman Law)

Maples and Calder (Cayman) LLP
PO Box 309
Ugland House
Grand Cayman KY1 - 1104

Grant Thornton Attest (Cayman) LLP
2nd floor, Century Yard
Cricket Square, 171 Elgin Avenue
George Town, PO Box 1044
Grand Cayman, KY1-1102
Cayman Islands

T: +1 345 949 8588
F: +1 345 949 7325
E: info@ky.gt.com
www.grantthornton.ky

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **LC Equity Fund, Ltd.**

Opinion

We have audited the financial statements of LC Equity Fund, Ltd. (the "Fund") which comprise the statement of financial position as at December 31, 2025, and the related statements of comprehensive income, changes in net assets attributable to holders of redeemable participating shares and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

This report, including the opinion, has been prepared for and only for the Fund's Directors as a body and for regulatory filing purposes only. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors of the Fund are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton Attest (Cayman) LLP

George Town, Grand Cayman
June 10, 2026

LC Equity Fund, Ltd.

Statement of Financial Position As at December 31, 2025

Expressed in Swiss Franc	Note	2025 CHF	2024 CHF
Assets			
Cash and cash equivalents	6	699,300	2,705,169
Balances due from brokers	5	1,214,414	5,791,527
Financial assets at fair value through profit or loss	3,8	12,759,047	11,065,502
Other receivables		786,273	792,948
Prepayments	16	12,732	32,247
Total assets		15,471,766	20,387,393
Liabilities			
Bank overdraft	6	(34,384)	(4,791,632)
Balances due to brokers	5	(16,755)	(217,849)
Interest payable		(1,660)	(949)
Financial liabilities at fair value through profit or loss	3,9	(185,975)	(9,649)
Other payables	10,17	(853,809)	(838,626)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(1,092,583)	(5,858,705)
Net assets attributable to holders of redeemable participating shares	12, 13	14,379,183	14,528,688

The financial statements were approved by the Board of Directors on June 10, 2026.



Monina Monette Windsor
(Director)



Brian Burkholder
(Director)

The accompanying notes on pages 9 to 33 form an integral part of the financial statements.

LC Equity Fund, Ltd.

Statement of Comprehensive Income For the year ended December 31, 2025

Expressed in Swiss Franc	Note	2025 CHF	2024 CHF
Investment income			
Interest income	7	7,932	64,804
Dividend income		46,444	8,309
Net loss on foreign exchange translation		(24,576)	(64,605)
Net gain on financial instruments at fair value through profit or loss	11	1,386,173	1,309,266
Total investment gain		1,415,973	1,317,774
Operating expenses			
Management fees	17	(206,526)	(218,643)
Performance fees	17	(15,639)	-
Interest expenses	7	(36,918)	(27,057)
Dividend expense		(28,359)	(4,090)
Stock lending fees		(13,251)	(1,418)
Administration fees	18	(67,366)	(68,528)
Brokerage commissions	18	(27,368)	(27,289)
Audit fees		(20,644)	(18,000)
Directors' fees	17	(18,929)	(19,865)
Other operating expenses		(55,239)	(59,105)
Total operating expenses		(490,239)	(443,995)
Net investment gain		925,734	873,779
Withholding tax	15	(12,060)	(1,991)
Increase in net assets attributable to holders of redeemable participating shares from operations		913,674	871,788

The accompanying notes on pages 9 to 33 form an integral part of the financial statements.

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares
For the year ended December 31, 2025**

Expressed in Swiss Franc	2025 CHF	2024 CHF
Balance at the beginning of the year	<u>14,528,688</u>	<u>19,849,796</u>
Issue of redeemable participating shares	-	520,000
Redemptions of redeemable participating shares	<u>(1,063,179)</u>	<u>(6,712,896)</u>
Net decrease from share transactions	<u>(1,063,179)</u>	<u>(6,192,896)</u>
Increase in net assets attributable to holders of redeemable participating shares from operations	<u>913,674</u>	<u>871,788</u>
Balance at the end of the year	<u>14,379,183</u>	<u>14,528,688</u>

The accompanying notes on pages 9 to 33 form an integral part of the financial statements.

Statement of Cash Flows
For the year ended December 31, 2025

Expressed in Swiss Franc	Note	2025 CHF	2024 CHF
Cash flows from operating activities			
Increase in net assets attributable to holders of redeemable participating shares from operations		913,674	871,788
Changes in operating assets and liabilities			
Net (increase)/decrease in financial assets and financial liabilities at fair value through profit or loss		(1,517,219)	3,986,485
Net decrease in interest receivable		-	2,432
Net increase in interest payable		711	949
Net decrease/(increase) in prepayments		19,515	(25,114)
Net decrease/(increase) in other receivables		6,675	(7,351)
Net increase in other payables		15,183	9,920
Net decrease in due from brokers		4,577,113	2,306,008
Net (decrease)/increase in due to brokers		(201,094)	185,588
Net cash provided by operating activities		3,814,558	7,330,705
Cash flows from financing activities			
Proceeds from issue of redeemable participating shares		-	520,000
Payments on redemptions of redeemable participating shares		(1,063,179)	(6,712,896)
Net cash used in financing activities		(1,063,179)	(6,192,896)
Net increase in cash and cash equivalents		2,751,379	1,137,809
Cash and cash equivalents at the beginning of the year		(2,086,463)	(3,224,272)
Cash and cash equivalents at the end of the year	6	664,916	(2,086,463)
Cash and cash equivalents is made of			
Cash and cash equivalents at the end of the year		699,300	2,705,169
Bank overdraft		(34,384)	(4,791,632)
Net cash and cash equivalents at the end of the year	6	664,916	(2,086,463)
Supplemental cash flow information			
Cash flow from operating activities includes:			
Interest received		7,932	67,236
Interest paid		(36,207)	(26,108)
Dividend received, net of withholding tax		35,283	5,419
Dividend paid		(28,359)	(4,090)

The accompanying notes on pages 9 to 33 form an integral part of the financial statements.

Notes to the financial statements for the year ended December 31, 2025

1 General information

LC Equity Fund, Ltd. (the “Fund”) is an exempted company incorporated on May 23, 2008 with limited liability under the laws of the Cayman Islands under registration number 211206. The Fund registered as a regulated mutual fund with the Cayman Islands Monetary Authority under Section 4(3) of the Mutual Fund Act (as amended) of the Cayman Islands on July 22, 2008.

The investment activities of the Fund are managed by LIMMAT CAPITAL Alternative Investments AG (the “Investment Manager”) and the administration is delegated to U.S. Bank Global Fund Services (Ireland) Limited (the “Administrator”).

Unless otherwise defined herein, capitalized terms refer to such items as defined in the Fund’s Offering Memorandum.

Investment objective and policies – general

The investment programs employed are speculative and entail substantial risks. No assurance can be given that the investment objectives will be achieved.

The Directors, in consultation with the Investment Manager, are responsible for the formulation of the present investment policy and any subsequent changes to the investment policy in light of political and/or economic conditions. The present policy will be adhered to indefinitely. Any material change to the investment policy, objectives, and/or strategies shall not require investor approval but shall require an amendment to the Offering Memorandum and notification of such amendments to Shareholders.

Investment objective

The primary investment objective of the Fund is to provide superior risk-adjusted rates of return with relatively low volatility and with relatively low correlation to most major market indices through active trading of financial instruments. The Fund is free to pursue its investment objectives by any means with few restrictions on asset type, industry, geographic market, concentration, degree of leverage, liquidity or other portfolio characteristics, as described in “Investment Restrictions” in the prospectus. The Fund is permitted to invest in equity and equity related securities, futures, forward currency contracts, warrants, options, swaps, and other derivative instruments, exchange traded funds and currencies. Investments in financial instruments are made both on recognized securities exchanges and through over-the-counter transactions, and the Fund may hold both long and short positions in financial instruments and may retain amounts in cash or cash equivalents (including money market funds) pending reinvestment, for use as collateral or if this is considered appropriate to the investment objective. The Fund pursues strategies spanning various time horizons, ranging from very active short-term trading to medium- and longer-term investments.

In general, the Investment Manager can vary the risk of the Fund’s investments and possible return to investors by varying both the manner in which, and the degree to which, its investments are hedged. With respect to some of the investments, the Investment Manager establishes a position that it believes is largely hedged, designed to provide an attractive rate of return with comparatively low risk. With respect to some investments, the Investment Manager establishes investment positions that are only partially hedged or not hedged at all. Such positions have greater potential risk, but would also generally be expected to provide a potentially greater return. The Investment Manager believes that the nature of its existing investment program, including the use of hedging techniques and emphasis on trading approach and strict loss cutting rules, should reduce the volatility of the returns relative to the general markets in which the Fund invests. The Investment Manager can allocate capital on an opportunistic basis toward investment strategies, asset classes, and markets if the Investment Manager’s analysis and testing identify as attractive opportunities with superior risk-reward characteristics.

Nevertheless, the investment program is speculative and entails substantial risks, and the Fund is not required to hedge any particular risks or to pursue any particular hedging strategy. In fact, the practice of short selling and the use of leverage, derivatives, futures and forward currency contracts and other investment techniques that the Fund may employ will, in certain circumstances, increase the adverse impact to which the Fund’s investment portfolio is subject. There can be no assurance that the Fund’s investment objective will be achieved.

Principal investment strategies

The Investment Manager organizes the portfolio positions into several thematic books which are expected to perform in a complementary manner over various market cycles. The strategies fall within two major categories, which are summarized on the next page.

Although it is currently anticipated that these groups will include the primary strategies of the Fund, the Investment Manager may, upon due analysis and testing, include additional related strategies in the investment program.

Notes to the financial statements for the year ended December 31, 2025 (continued)

1 General information (continued)

Principal investment strategies (continued)

(a) **Fundamental strategies.** This portfolio selects exposures based on fundamental analysis of value and long-term prospects of overlooked and/or misunderstood companies. The Investment Manager screens the universe of eligible securities using various filters, including value, growth and quantitative parameters (some of which are proprietary to the Investment Manager). Securities meeting the selection criteria then undergo a detailed fundamental technical analysis. The Investment Manager then determines whether the security is a candidate for a long or a short position. The portfolio may also seek to exploit relative mispricing of companies in similar or related businesses by buying the securities of companies that the Investment Manager believes are fundamentally undervalued while selling the securities of companies that the Investment Manager considers fundamentally overvalued. Such fundamental relative value positions may be unhedged, partially hedged, or fully hedged to remove systematic market risk or other risks through offsetting positions in exchange traded funds, index futures or other derivatives or similar products. The investment holding period is medium term and could be several years.

(b) **Trading strategies.** This portion of the Fund's portfolio contains equity and equity related securities that the Investment Manager expects to have an increased daily trading activity or which are experiencing an increased daily trading activity. The increased trading interest may be due to macroeconomic fundamentals and/or company-specific news, such as earnings announcements, corporate actions, rating changes, and/or other events as well as mispricing between the stocks and their corresponding derivatives such as warrants and/or options. The trading portion of the Fund may contain several strategy types including risk arbitrage, cash-derivative arbitrage, special situations, equity intercapitalisation and strategies based on quantitative screening. The Fund may engage in pursuing these strategies globally, although the predominant exposures are in Europe. Risk arbitrage and special situations opportunities typically involve the securities of companies involved in significant transactions, including mergers, acquisitions, divestitures, tender offers, spin-offs, and other similar corporate events. Using various strategies, the Fund typically seeks to profit from the successful completion of the transaction by purchasing the securities at a discount to the value that will be realised upon completion of the transaction. Cash-derivative arbitrage strategies take advantage of pricing differences between cash instruments and their derivatives, such as warrants and/or options. Intercapitalisation investments are designed to take advantage of multiple share classes or different parts of the capital structure of a single business operation when analysis suggests a price disparity between related instruments. These strategies may also include investments using quantitative strategies that generally involve the purchase and sale of stocks, related index products and exchange-traded products in an attempt to take advantage of short-term and long-term statistical phenomena.

As at December 31, 2025 the Fund had no employees (2024: None).

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated. When preparing financial statements, Directors make an assessment of the Fund's ability to continue as a going concern. The Directors are not aware of material uncertainties related to events or conditions which may cast significant doubt upon the Fund's ability to continue.

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

2.1 Basis of accounting

Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, expenses and income during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Actual results may differ from these estimates.

2.2 Functional and presentation currency

The Fund's functional and presentation currency is the Swiss Franc (the "CHF"). The Fund's performance is evaluated and its liquidity is managed in its base currency which is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Notes to the financial statements for the year ended December 31, 2025 (continued)

2 Summary of material accounting policies (continued)

2.3 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated to CHF at the foreign currency closing rate on the reporting date. Foreign currency exchange differences arising on the translation and realised gains or losses on disposals or settlements of monetary assets and liabilities are recognised in the Statement of Comprehensive Income. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to CHF at the foreign currency exchange rates ruling at the dates that the values were determined. Foreign currency exchange differences relating to investments at fair value through profit or loss and derivative financial instruments are included in Statement of Comprehensive Income under net gain/(loss) on financial instruments at fair value through profit or loss. All other foreign currency exchange differences relating to monetary items, including cash and cash equivalents are presented separately on the Statement of Comprehensive Income.

2.4 Financial assets and financial liabilities

(a) Recognition and initial measurement

Financial assets and financial liabilities at Fair Value through Profit & Loss ("FVTPL") are initially recognised on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised on the trade date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognised at fair value, with transaction costs recognised in profit or loss. Financial assets or financial liabilities not at FVTPL are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at FVTPL category are presented in the Statement of Comprehensive Income in the year in which they arise.

(b) Classification

All financial assets and financial liabilities are measured at amortised cost or FVTPL. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- > it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- > its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

All other financial assets of the Fund are measured at FVTPL. The Fund has determined that it has two business models.

- > Held to collect business model: this includes cash and cash equivalents, balances due from brokers, interest receivable, other receivables and prepayments.
- > Other business model: this includes equities, investment funds, and derivative financial assets. These financial assets are managed and their performance is evaluated on a fair value basis, with frequent sales taking place.

Financial assets at amortised cost:

- > This includes cash and cash equivalents, balances due from brokers, interest receivable and prepayments.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses are recognised in profit or loss.

Financial liabilities at fair value through profit or loss:

- > This includes equities sold short and derivative financial instruments.

Financial liabilities at amortised cost:

- > This includes balances due to brokers, other payables, bank overdraft, interest payable and net assets attributable to holders of redeemable participating shares.

Notes to the financial statements for the year ended December 31, 2025 (continued)

2 Summary of material accounting policies (continued)

2.4 Financial assets and financial liabilities (continued)

(c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances, where the last traded price is not within the bid-ask spread, the Fund will determine the point within the bid-ask spread that is most representative of fair value.

Investments in open-ended investment funds are typically valued utilising the unaudited net asset valuations.

(d) Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

(e) Impairment

The Fund recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Fund measures loss allowances at an amount equal to 12-month ECLs for financial assets that are determined to have low credit risk at the reporting date; and other financial assets for which credit risk has not increased significantly since initial recognition. The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Fund considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Fund in full or the financial asset is more than 90 days past due. The Fund considers a financial asset to have a low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of investment grade.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset. Loss allowances are deducted from the gross carrying amount of financial assets measured at amortised cost.

(f) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership.

On derecognition of a financial asset or liability, the difference between the carrying amount of the asset/liability and the consideration received or given is recognised in the Statement of Comprehensive Income.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Fund has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

2.5 Balances due from and due to brokers

Amounts due from and due to brokers represent margin cash, dividends receivable, receivables for securities sold and payables for securities purchased that have been contracted for, but not yet settled or delivered on the reporting date. These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amounts due from brokers.

When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Notes to the financial statements for the year ended December 31, 2025 (continued)

2 Summary of material accounting policies (continued)

2.6 Cash and cash equivalents

Cash and cash equivalents include cash in bank, bank overdraft and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk in changes in their value.

2.7 Interest income and expense

Interest income and expense are recognised in the Statement of Comprehensive Income using the effective interest method and includes interest income from cash and cash equivalents.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument to the carrying amount of the financial instrument. When calculating the effective interest rate, the Fund estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. Interest income and interest expense are recognised in the Statement of Comprehensive Income.

2.8 Dividend income and expense

Dividend income relating to equities held long and dividend expense relating to equities traded short are recognised in the Statement of Comprehensive Income on the ex-dividend date, gross of any related withholding tax.

2.9 Brokerage commissions

Brokerage commissions include additional fees on top of the asking price of the security. The brokers receive brokerage fees, which are based upon a combination of transaction charges and interest costs.

2.10 Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

2.11 Redeemable participating shares

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Fund has two classes of shares in issue: management shares and redeemable participating shares. The management shares are non-redeemable, have no entitlements to dividends and are the most subordinate class in issue. Consequently, management shares are classified as equity in accordance with IAS 32. The redeemable shares issued by the Fund provide investors with the right to require redemption for cash at a value proportionate to the investor's share in the Fund's net assets at the redemption date and also in the event of the Fund's liquidation. Because the management shares are subordinate to the redeemable shares, the redeemable shares are classified as financial liabilities and are measured at the present value of the redemption amounts.

2.12 Equalisation

The Fund uses the industry practice of equalisation by applying an equalisation factor to shares subscribed for during the course of the fiscal period, thereby adjusting the amount paid for the purchase of the shares. This ensures that performance fees are charged only to those shares which have appreciated in value since acquisition, that all shareholders have the same amount per share at risk and that all shares have the same net asset value ("NAV").

2.13 Net gain/(loss) from financial instruments at fair value through profit or loss

Net gain/(loss) from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes and foreign exchange differences, but excludes interest and dividend income on equities, and dividend expense on securities sold short.

2.14 New standards and interpretations

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2025 that have a material effect on the financial statements of the Fund.

New standards, amendments and interpretations effective after January 1, 2025 not early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the December 31, 2025 reporting period and have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

Notes to the financial statements for the year ended December 31, 2025 (continued)

3 Fair value of financial instruments

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year end date, in accordance with the Fund's fair value measurement policy 2.4 (c), with adjustment being made where the last traded price does not fall within the bid-ask spread for instruments. If a significant movement in fair value occurs subsequent to the close of trading up to midnight on the year end date, valuation techniques will be applied to determine the fair value. No such event occurred. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- > Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- > Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- > Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and whose unobservable inputs have a significant effect on the instrument's valuation.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Set forth below are the Fund's financial instruments categorised based on the fair value hierarchy set out in IFRS. All fair value measurements are recurring fair value measurements.

As at December 31, 2025

	Level 1 CHF	Level 2 CHF	Level 3 CHF	Total balance CHF
Financial assets at fair value through profit or loss				
Equities	9,913,724	-	-	9,913,724
Equity certificates	-	2,354,731	-	2,354,731
Exchange traded funds	136,062	-	-	136,062
Warrants	297,262	-	-	297,262
Listed futures	3,029	-	-	3,029
Listed options	42,534	-	-	42,534
Forward currency contracts	-	11,705	-	11,705
Total financial assets at fair value through profit or loss	10,392,611	2,366,436	-	12,759,047
Financial liabilities at fair value through profit or loss				
Listed futures	(177,969)	-	-	(177,969)
Forward currency contracts	-	(8,006)	-	(8,006)
Total financial liabilities at fair value through profit or loss	(177,969)	(8,006)	-	(185,975)

Notes to the financial statements for the year ended December 31, 2025 (continued)

3 Fair value on financial instruments (continued)

As at December 31, 2024

	Level 1 CHF	Level 2 CHF	Level 3 CHF	Total balance CHF
Financial assets at fair value through profit or loss				
Equities	9,091,689	-	-	9,091,689
Equity certificates	-	1,687,090	-	1,687,090
Warrants	122,866	-	-	122,866
Listed futures	161,819	-	-	161,819
Forward currency contracts	-	2,038	-	2,038
Total financial assets at fair value through profit or loss	9,376,374	1,689,128	-	11,065,502

Financial liabilities at fair value through profit or loss

Listed futures	(6,242)	-	-	(6,242)
Forward currency contracts	-	(3,407)	-	(3,407)
Total financial liabilities at fair value through profit or loss	(6,242)	(3,407)	-	(9,649)

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities, exchange traded funds, warrants, listed futures and listed options. The Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include equity certificates, investment funds and forward currency contracts. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The fair value of investments in open-ended investment funds is determined using unadjusted net asset values.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. There are no Level 3 positions at year end (2024: Nil). No Level 3 investments were held during the year. There were no transfers during the year (2024: Nil).

The following table analyses the fair value hierarchy of the Fund's assets and liabilities (by class) not measured at fair value but for which fair value is disclosed:

As at December 31, 2025

	Level 1 CHF	Level 2 CHF	Level 3 CHF	Total balance CHF
Assets				
Cash and cash equivalents	699,300	-	-	699,300
Balances due from brokers	-	1,214,414	-	1,214,414
Other receivables	-	786,273	-	786,273
Prepayments	-	12,732	-	12,732
Total assets	699,300	2,013,419	-	2,712,719
Liabilities				
Bank overdraft	(34,384)	-	-	(34,384)
Balances due to brokers	-	(16,755)	-	(16,755)
Interest payable	-	(1,660)	-	(1,660)
Other payables	-	(853,809)	-	(853,809)
Net assets attributable to holders of redeemable participating shares	-	(14,379,183)	-	(14,379,183)
Total liabilities	(34,384)	(15,251,407)	-	(15,285,791)

Notes to the financial statements for the year ended December 31, 2025 (continued)

3 Fair value on financial instruments (continued)

As at December 31, 2024

	Level 1 CHF	Level 2 CHF	Level 3 CHF	Total balance CHF
Assets				
Cash and cash equivalents	2,705,169	-	-	2,705,169
Balances due from brokers	-	5,791,527	-	5,791,527
Other receivables	-	792,948	-	792,948
Prepayments	-	32,247	-	32,247
Total assets	2,705,169	6,616,722	-	9,321,891
Liabilities				
Bank overdraft	(4,791,632)	-	-	(4,791,632)
Balances due to brokers	-	(217,849)	-	(217,849)
Interest payable	-	(949)	-	(949)
Other payables	-	(838,626)	-	(838,626)
Net assets attributable to holders of redeemable participating shares	-	(14,528,688)	-	(14,528,688)
Total liabilities	(4,791,632)	(15,586,112)	-	(20,377,744)

The financial assets and liabilities not measured at FVTPL include:

- The assets and liabilities included in the tables above are carried at amortised cost; their carrying values are a reasonable approximation of fair value. The assets include cash and cash equivalents, balances due from brokers, interest receivable, other receivables and prepayments. The liabilities include bank overdraft, balances due to broker, interest payable and other payables. These are short-term financial assets and financial liabilities whose carrying amounts approximate fair value, because of their short-term nature and the high credit quality of counterparties; and
- net assets attributable to holders of redeemable shares. The Fund routinely redeems and issues the redeemable shares at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to holders of redeemable shares approximates their fair value. The shares are categorised into Level 2 of the fair value hierarchy.

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

A structured entity often has some or all of the following features or attributes:

- a) restricted activities;
- b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors;
- c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support; and
- d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

At December 31, 2025, the Fund did not hold investment funds which are considered to be structured entities.

Notes to the financial statements for the year ended December 31, 2025 (continued)

3 Fair value on financial instruments (continued)

Structured entities (continued)

All Investee Funds held by the Fund are Level 2 investments, traded on secondary markets, and are carried at fair value using observable prices. The change in fair value of each Investee Fund is included in the Statement of Comprehensive Income in net gain/(loss) on financial instruments at fair value through profit or loss. The exposure to investments in Investee Funds at fair value by strategy employed is disclosed in the tables on the previous page. These investments are included in financial assets at fair value through profit or loss in the Statement of Financial Position.

The Fund's investments in the Investee Funds are subject to the terms and conditions of the respective Investee Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those Investment Funds. The Investment Manager makes investment decisions after extensive due diligence of the underlying fund, its strategy and the overall quality of the underlying fund's manager. All of the Investee Funds in the investment portfolio are managed by portfolio managers who are compensated by the respective Investee Funds for their services. Such compensation generally consists of an asset based fee and a performance based incentive fee and is reflected in the valuation of the Fund's investment in each of the Investee Funds.

As at December 31, 2025 the Fund did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support. There were no capital commitment obligations, no amounts due to the Investee Funds for unsettled purchases, and no significant restrictions on the ability of the Fund to redeem its interest in the Investee Funds. The maximum exposure to loss for each Investee Fund is equal to the total fair value of its investment in the Investee Funds. Once the Fund disposes of its share, it ceases to be exposed to any risk from that Investee Funds.

During the year ended December 31, 2025, total net gain incurred on investments in Investee Funds was net gain CHF Nil (2024: net gain CHF 549,546).

4 Financial instruments and associated risks

4.1 Associated risks

The Fund maintains positions in a variety of derivative and non-derivative financial instruments as dictated by its investment strategy outlined in Note 1 to the financial statements.

Net financial assets at fair value as at the end of the year totalled CHF 12,573,072 (2024: CHF 11,055,853). The Fund's investment portfolio comprises quoted equity investments and derivatives that it intends to hold for an indefinite period of time. The primary risks that the Fund is exposed to include market risk, liquidity risk and credit risk arising from the financial instruments it holds.

4.2 Market risk

Market price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Fund's strategy on the management of investment risk is driven by the Fund's investment objective as outlined in Note 1 to the financial statements. Market risk is managed on a daily basis by the Investment Manager.

The Fund's securities are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Investment Manager moderates this risk through a careful selection of securities within specified limits.

Given the present investment strategy pursued by the Fund which involves various asset classes and their interdependencies, the Investment Manager employs several risk measurement methodologies that they consider appropriate for given asset classes.

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.2 Market risk (continued)

The Directors of the Fund manage the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Directors are informed of any unusual price variation on a timely basis at each board meeting. The Directors review investment performance and overall market positions. They monitor the Investment Manager's compliance with the Fund's objectives.

At December 31, 2025 and 2024, the Fund's market risk was affected by three main components: changes in actual market prices, interest rates and foreign currency movements.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk) as a result of factors such as changing supply and demand relationships, political and economic events, or the prevailing sentiment of market participants. Price risk is managed by the Investment Manager by constructing a diversified portfolio of instruments traded on various markets. The risk associated with individual instruments is reviewed and rebalanced if the risk/return profile is inconsistent with the Fund's objectives.

The table below illustrates the sensitivity of the financial assets held at the reporting date to a 15% increase in price with all other variables held constant. This represents the Investment Manager's best estimate of a reasonably possible price movement. A move in price in the opposite direction would produce a change in net assets attributable to holders of redeemable shares that would be equal and opposite of that shown.

	Change In Price	Dec 31, 2025	Change In Price	Dec 31, 2024
Net financial assets at FVTPL	15%	1,885,961	15%	1,658,378
Total change in Net Assets		1,885,961		1,658,378

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of these financial statements, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The Fund may invest in assets and enter into transactions denominated in currencies other than its functional currency, the CHF. Consequently the Fund is exposed to risks that the exchange rate of the CHF relative to other currencies may change in a manner, which has an adverse effect on the reported value of that portion of the Fund's assets which is denominated in currencies other than the CHF. The Investment Manager may seek to hedge the foreign exchange exposure of the assets in order to neutralise, so far as possible, the impact of fluctuations of the currencies of assets in relation to the base currency.

The Fund generally seeks to hedge its respective foreign currency exposure but will necessarily be subject to foreign exchange risks. However, the Investment Manager may also leave currency exposures unhedged and/or take speculative positions in currencies.

The Fund's currency risk is managed on a daily basis by the Investment Manager. The currency risk is generally divided into hedging and speculative positions. The hedging positions are intended to offset the undesirable impact of foreign exchange rate movement on the underlying positions whereby those hedges will approximately correspond to the underlying exposures. Speculative foreign exchange rate positions are subject to limits imposed by the Investment Manager and their size is a function of the Fund's overall size.

In the event that the Investment Manager considers it appropriate, the Fund's currency risk is managed by entering into spot currency exchange transactions, swap and forward currency contracts and currency options. Performance of the Fund may be strongly influenced by movements in foreign exchange rates as currency positions held by the Fund may not offset completely the Fund's non-Swiss Franc exposures.

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.2 Market risk (continued)

Currency risk (continued)

The Fund's exposure to foreign currency was as follows:

As at December 31, 2025

	Investments	Forward currency contracts notional exposure	Cash and margin	Other assets and liabilities	Total
	CHF	CHF	CHF	CHF	CHF
DKK	-	-	1	-	1
EUR	3,831,854	(1,241,150)	379,093	(8,587)	2,961,210
GBP	-	-	338	-	338
SEK	249,222	-	648	-	249,870
USD	139,091	-	(144,909)	(678)	(6,496)
	4,220,167	(1,241,150)	235,171	(9,265)	3,204,923

As at December 31, 2024

	Investments	Forward currency contracts notional exposure	Cash and margin	Other assets and liabilities	Total
	CHF	CHF	CHF	CHF	CHF
EUR	4,985,285	(1,688,234)	306,695	192,730	3,796,476
GBP	53,912	-	(50,587)	677	4,002
USD	77,359	-	148,693	1	226,053
	5,116,556	(1,688,234)	404,801	193,408	4,026,531

Sensitivity analysis:

At December 31, 2025, if the currency positions included in the notional foreign currency exposure table above saw an equal increase in the CHF exchange rate of 10% and the price of each equity instrument remained constant then the net assets attributable to holders of redeemable participating shares would have decreased by the amount CHF 291,356, 2.03% of NAV (December 31, 2024 a 10% change decreased by CHF 366,048, 2.52% of NAV).

Examples of the changes in the main currencies included in the total foreign currency exposure are shown below.

	2025 CHF	% of NAV	2024 CHF	% of NAV
EUR	(269,201)	(1.87)	(345,134)	(2.38)
GBP	(31)	(0.00)	(364)	(0.00)
SEK	(22,715)	(0.16)	-	-
USD	591	(0.00)	(20,550)	(0.14)
	(291,356)	(2.03)	(366,048)	(2.52)

A decrease by 10% would result in an equal but opposite effect on net assets attributable to holders of redeemable participating shares to the figures shown above, on the basis that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash-flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund may hold a number of interest-bearing debt securities where the net present value will be dependent upon the prevailing market interest rates (the discount rate) and the period to maturity. Any excess cash and cash equivalents and any overdraft balances pay or receive interest at short-term market interest rates.

The Fund's interest rate risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place. The Fund's policy is to spread investment risk through diversification of investments.

The Fund is not exposed to significant interest rate risk.

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.2 Market risk (continued)

Interest rate risk (continued)

The following tables provide an analysis of the interest rate risk profile of the Fund's portfolio on a fair value basis.

December 31, 2025	Up to 1 year CHF	1-5 years CHF	Over 5 years CHF	Non-interest bearing CHF	Total CHF
Assets					
Cash and cash equivalents	699,300	-	-	-	699,300
Balances due from brokers	1,166,439	-	-	47,975	1,214,414
Other receivables	-	-	-	786,273	786,273
Prepayments	-	-	-	12,732	12,732
Financial assets at fair value through profit or loss:					
Equities	-	-	-	9,913,724	9,913,724
Equity certificates	-	-	-	2,354,731	2,354,731
Exchanged traded funds	-	-	-	136,062	136,062
Warrant	-	-	-	297,262	297,262
Listed futures	-	-	-	3,029	3,029
Listed options	-	-	-	42,534	42,534
Forwards	-	-	-	11,705	11,705
Total assets	1,865,739	-	-	13,606,027	15,471,766
Liabilities					
Bank overdraft	(34,384)	-	-	-	(34,384)
Balances due to brokers	-	-	-	(16,755)	(16,755)
Interest payable	-	-	-	(1,660)	(1,660)
Other payables	-	-	-	(853,809)	(853,809)
Financial liabilities at fair value through profit or loss:					
Listed futures	-	-	-	(177,969)	(177,969)
Forward currency contracts	-	-	-	(8,006)	(8,006)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)	(34,384)	-	-	(1,058,199)	(1,092,583)
Total interest sensitivity gap	1,831,355	-	-	12,547,828	14,379,183
December 31, 2024	Up to 1 year CHF	1-5 years CHF	Over 5 years CHF	Non-interest bearing CHF	Total CHF
Assets					
Cash and cash equivalents	2,705,169	-	-	-	2,705,169
Balances due from brokers	5,458,053	-	-	333,474	5,791,527
Other receivables	-	-	-	792,948	792,948
Prepayments	-	-	-	32,247	32,247
Financial assets at fair value through profit or loss:					
Equities	-	-	-	9,091,689	9,091,689
Equity certificates	-	-	-	1,687,090	1,687,090
Warrants	-	-	-	122,866	122,866
Listed futures	-	-	-	161,819	161,819
Forward currency contracts	-	-	-	2,038	2,038
Total assets	8,163,222	-	-	12,224,171	20,387,393

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.2 Market risk (continued)

Interest rate risk (continued)

December 31, 2024	Up to 1 year CHF	1-5 years CHF	Over 5 years CHF	Non-interest bearing CHF	Total CHF
Liabilities					
Bank overdraft	(4,791,632)	-	-	-	(4,791,632)
Balances due to brokers	-	-	-	(217,849)	(217,849)
Interest payable	-	-	-	(949)	(949)
Other payables	-	-	-	(838,626)	(838,626)
Financial liabilities at fair value through profit or loss:					
Listed futures	-	-	-	(6,242)	(6,242)
Forward currency contracts	-	-	-	(3,407)	(3,407)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)	(4,791,632)	-	-	(1,067,073)	(5,858,705)
Total interest sensitivity gap	3,371,590	-	-	11,157,098	14,528,688

4.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities as they fall due.

The Fund's Offering Memorandum provides for the monthly creation and cancellation of shares and the Fund is therefore exposed to the liquidity risk of meeting shareholder redemptions at any time.

As a result, the Fund may not be able to liquidate quickly some of its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements. The Fund's listed securities are considered to be readily realisable as they are all listed on major European or other stock exchanges. The Fund's liquidity risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place.

The Investment Manager imposes limits on the portion of the portfolio that may be invested in positions with reduced liquidity as well as limits on the size of individual positions. With effect from November 1, 2017 investors may redeem on 7 business days' notice, subject to 0.75% redemption charge and on 30 business days' notice with no additional charge.

The tables below analyse the Fund's liabilities into relevant maturity groupings.

	Less than 1 month CHF	Between 1-6 months CHF	Over 6 months CHF
As at December 31, 2025			
Financial liabilities at fair value through profit or loss	-	(185,975)	-
Bank overdraft	(34,384)	-	-
Balances due to broker	(16,755)	-	-
Interest payable	(1,660)	-	-
Other payables	(55,785)	(11,751)	(786,273)
Net assets attributable to holders of redeemable participating shares	(14,379,183)	-	-
	(14,487,767)	(197,726)	(786,273)
As at December 31, 2024			
Financial liabilities at fair value through profit or loss	-	(9,649)	-
Bank overdraft	(4,791,632)	-	-
Balances due to broker	(217,849)	-	-
Interest payable	(949)	-	-
Other payables	(35,379)	(10,299)	(792,948)
Net assets attributable to holders of redeemable participating shares	(14,528,688)	-	-
	(19,574,497)	(19,948)	(792,948)

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.4 Credit risk

(a) Counterparty risk

Counterparty risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Fund resulting in a financial loss to the Fund. It arises principally from debt securities held and also from derivative financial assets, cash and cash equivalents and balances due from brokers and receivables. Substantially all of the assets of the Fund are held by the Prime Brokers, U.S. Bank, NA (2024: Morgan Stanley & Co. International plc) and the Custodian, UBS Switzerland AG, which is rated A+ by S&P rating agency at December 31, 2025. U.S. Bank, NA is rated A2 by Moody's rating agency at December 31, 2025. The remaining assets are held by Zürcher Kantonalbank which is rated Aaa (2024: Aaa) and Interactive Brokers which is rated A- by S&P rating agency as at December 31, 2025. The risk arising in connection with operational activities such as trade settlement is generally short term and is monitored by the Investment Manager.

Counterparty risk arising in respect of derivative transactions is reduced by dealing with reputable counterparties. The Investment Manager has adopted the following investment restrictions:

- i. Subject to paragraph (ii), no more than 20% of the value of the gross assets of the Fund may be lent to or invested in the securities of any one issuer, other than the government, government agency or instrumentality of any EU or OECD member state;
- ii. When participating in transactions involving new issues, capital increases, rights issues, shares placements and initial public offerings, the limit in paragraph (i) will be increased to no more than 40% of the total amount of gross assets of the Fund to be invested in the securities of anyone issuer or exposed to the creditworthiness of any one counterparty to a transaction;
- iii. No more than 20% of the value of the gross assets of the Fund may be exposed to the creditworthiness or solvency of any one counterparty other than the Prime Brokers and Custodians or to brokers and custodians with investment grade credit rating from the major credit rating agencies;
- iv. No more than 10%, in aggregate, of the value of the total gross assets of the Fund may be invested in real property;
- v. No more than 20% of the value of the gross assets of the Fund may be invested in the units of any one collective investment scheme;
- vi. The Fund will not invest more than 10% of the value of the gross assets of the Fund directly in physical commodities; and
- vii. The Fund may not take or seek to take legal or management control of the issuer of any of its underlying investments.

Other than the restriction referred to in (vii) on the previous page, which applies at all times, the restrictions above apply as at the dates of the relevant transaction or commitment to invest.

Amounts arising from expected credit losses

The Fund's financial assets subject to the expected credit loss model within IFRS 9 are balances due from brokers, other receivables and cash and cash equivalents. The Investment Manager consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund. No assets are considered impaired and no amounts have been written off in the year.

(b) Default risk

The Fund may invest in the derivatives and debt securities of rated and non-rated issuers, which might result in exposure to the risk of default on the payment of interest, principal or both. The carrying value of these financial assets recorded in the Statement of Financial Position represents the Fund's maximum exposure to credit risk.

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.4 Credit risk (continued)

(c) Prime Broker risk

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high credit rating of the brokers used.

The Investment Manager monitors the credit rating and financial positions of the brokers used to further mitigate this risk. Substantially all of the assets of the Fund are held by UBS Switzerland AG, U.S. Bank Global Fund Services (Ireland) Limited, Zürcher Kantonalbank and Interactive Brokers. Bankruptcy or insolvency of any Prime Broker or Custodian may cause the Fund's rights with respect to securities held by the insolvent Prime Broker or Custodian to be delayed or limited. The Fund monitors its risk by monitoring the credit quality and financial condition of the Fund's Prime Brokers and Custodian.

d) Offsetting financial assets and financial liabilities

The Fund enters into master netting agreements whenever possible. Master netting agreements provide for the net settlement of contracts with the same counterparty in the event of default. The credit risk associated with derivative financial assets subject to a master netting arrangement is eliminated only to the extent that financial liabilities due to the same counterparty will be settled after the assets are realised. The exposure to credit risk reduced by master netting arrangements may change significantly within a short period of time as a result of transactions subject to the arrangement. The corresponding assets and liabilities have not been offset on the Statement of Financial Position.

The Fund has the following transactions and balances related to its derivative activities. These transactions are subject to master netting agreements and related rights and obligations to exchange financial collateral that does not qualify for offsetting.

Assets

As at December 31, 2025	Related amounts not offset in the Statement of Financial Position					
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the Statement of Financial Position	Net amounts of financial assets presented in the Statement of Financial Position	Financial instruments (including non-cash collateral)	Cash collateral received	Net amount
Counterparty	CHF	CHF	CHF	CHF	CHF	CHF
Derivative contracts						
Forward currency contracts						
U.S. Bank, NA	11,705	-	11,705	(8,006)	-	3,699
Warrants						
UBS Switzerland AG	461	-	461	-	-	461
U.S. Bank, NA	296,801	-	296,801	-	-	296,801
Options						
Interactive Brokers	42,534	-	42,534	-	-	42,534
Futures						
Interactive Brokers	3,029	-	3,029	(3,029)	-	-
	354,530	-	354,530	(11,035)	-	343,495

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.4 Credit risk (continued)

(d) Offsetting financial assets and financial liabilities (continued)

Liabilities

As at December 31, 2025

Counterparty	Gross amounts of recognized financial liabilities	Gross amounts of recognised financial assets offset in the Statement of Financial Position	Net amounts of financial liabilities presented in the Statement of Financial Position	Related amounts not offset in the Statement of Financial Position		
	CHF	CHF	CHF	Financial instruments (including non-cash collateral)	Cash collateral pledged	Net amount
				CHF	CHF	CHF
Derivative contracts						
Forward currency contracts						
U.S. Bank Global Fund Services (Ireland) Limited	(8,006)	-	(8,006)	8,006	-	-
Futures						
Interactive Brokers	(177,969)	-	(177,969)	3,029	-	(174,940)
	(185,975)	-	(185,975)	11,035	-	(174,940)

Assets

As at December 31, 2024

Counterparty	Gross amounts of recognized financial assets	Gross amounts of recognised financial liabilities offset in the Statement of Financial Position	Net amounts of financial assets presented in the Statement of Financial Position	Related amounts not offset in the Statement of Financial Position		
	CHF	CHF	CHF	Financial instruments (including non-cash collateral)	Cash collateral received	Net amount
				CHF	CHF	CHF
Derivative contracts						
Forward currency contracts						
Morgan Stanley & Co. International	2,038	-	2,038	(2,038)	-	-
Warrants						
Credit Suisse International	465	-	465	-	-	465
Morgan Stanley & Co. International	122,401	-	122,401	-	-	122,401
Futures						
Morgan Stanley & Co. International	161,819	-	161,819	(6,242)	-	155,577
	286,723	-	286,723	(8,280)	-	278,443

Notes to the financial statements for the year ended December 31, 2024 (continued)

4 Financial instruments and associated risks (continued)

4.4 Credit risk (continued)

(d) Offsetting financial assets and financial liabilities (continued)

Liabilities

As at December 31, 2024

Counterparty	Gross amounts of recognized financial liabilities	Gross amounts of recognised financial assets offset in the Statement of Financial Position	Net amounts of financial liabilities presented in the Statement of Financial Position	Related amounts not offset in the Statement of Financial Position		
				Financial instruments (including non-cash collateral)	Cash collateral pledged	Net amount
	CHF	CHF	CHF	CHF	CHF	CHF
Derivative contracts						
Forward currency contracts						
Morgan Stanley & Co. International	(3,407)	-	(3,407)	2,038	-	(1,369)
Futures						
Morgan Stanley & Co. International	(6,242)	-	(6,242)	6,242	-	-
	(9,649)	-	(9,649)	8,280	-	(1,369)

4.5 Securities sold short

When the Fund sells securities which it does not possess it has to cover this short position by acquiring the securities at a later date and is therefore exposed to price risk of those securities sold short. The sales agreement is usually settled by delivering borrowed securities. However, the Fund is required to return those borrowed securities at a later date.

4.6 Futures and forward currency contracts

Futures and forward currency contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or another financial asset. Futures are standardised exchange-traded contracts whereas forward currency contracts are individually traded over-the-counter contracts.

Initial margin requirements for futures are met in cash or other instruments, and changes in the future contract values are settled daily. Futures contracts have little credit risk because the counterparties are futures exchanges. Forward currency contracts result in credit exposure to the counterparty. Futures and forward currency contracts both result in exposure to market risk based on changes in market prices relative to contracted amounts.

Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments. In addition, because of the low margin deposits normally required in relation to notional contract sizes, a high degree of leverage may be typical of a futures or forward trading account.

As a result, a relatively small price movement in an underlying of a futures or forward currency contract may result in substantial losses to the Fund. While forward currency contracts are generally subject to liquidity risk, futures trading may also be illiquid. Certain futures exchanges do not permit trading in particular futures contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits.

If prices fluctuate during a single day's trading beyond those limits, the Fund could be prevented from promptly liquidating unfavourable positions and thus could be subject to substantial losses.

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.7 Swaps

The Fund may enter into swap agreements and other types of over-the-counter transactions such as caps, floors and collars with broker-dealers or other financial institutions for hedging or investment purposes. A swap involves the exchange by the Fund with another party of their respective commitments to pay or receive floating rate payments for fixed-rate payments.

Depending on their structures the swap agreements may increase or decrease the Fund's exposure to long or short-term interest rates. The value of the Fund's swap positions will increase or decrease depending on the changes in value of the underlying rates.

The Fund's ability to realise a profit from such transactions will depend on the ability of the financial institutions with which it enters into the transactions to meet their obligations to the Fund. A counterparty's creditworthiness declines, the value of the agreement would be likely to decline, potentially resulting in losses. If a default occurs by the other party to such transaction, the Fund will have contractual remedies pursuant to the agreements related to the transaction, which may be limited by applicable law in the case of counterparty's insolvency.

Under certain circumstances, suitable transactions may not be available to the Fund, or the Fund may be unable to close out its position under such transactions at the same time, or at the same price, as if it had purchased comparable publicly traded securities. The Fund may transact in over-the-counter swaps with UBS Switzerland AG and U.S. Bank Global Fund Services (Ireland) Limited. The over-the-counter transactions are subject to bilateral contracts between the Fund and its Prime Brokers. The contracts are governed by International Swaps and Derivatives Association agreements between the counterparties. UBS Switzerland AG has a credit rating of A+ by S&P and U.S. Bank Global Fund Services (Ireland) Limited and has a credit rating of A2 by Moody's as at December 31, 2025.

4.8 Options

The Fund enters into exchange traded and over-the-counter option contracts to meet the requirements of its risk management and trading activities. The Fund monitors its positions to reduce the risk of a potential loss due to changes in market value or failure of counterparties to perform. For exchange traded option contracts, the stock exchange acts as the counterparty to specific transactions and, therefore, bears the risk of delivery to and from counterparties of specific positions.

Over-the-counter option contracts are not guaranteed by any regulated stock exchange. As the writer of over-the-counter options, the Fund is subject to market risk only in so far as it is obliged to make payments if the option is exercised. The risk in writing a call option is that the Fund may incur a loss if the market price of the security increases and the option is exercised. The risk in buying an option is that the Fund pays a premium whether or not the option is exercised.

The Fund also has the additional risk of not being able to enter into a closing transaction if a liquid secondary market does not exist. The Fund's risk of loss is not represented by the notional contract amounts. Contract or notional amounts reflect the involvement of the Fund in the financial instruments; risks arise from possible adverse movements in foreign currency exchange rates and the prices of the underlying securities.

4.9 Certificates

The fund invests in certificates which are a type of structured debt instrument that falls in the categorisation of 'transferable securities'. Certificates do not constitute collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA") and are therefore neither governed by the CISA nor subject to the supervision by the Swiss Financial Market Supervisory Authority. The certificates are issued by corporate entities incorporated in Guernsey.

Notes to the financial statements for the year ended December 31, 2025 (continued)

4 Financial instruments and associated risks (continued)

4.10 Notional exposure

The following table shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year end and are indicative of neither the market risk nor the credit risk.

2025	Assets	Liabilities	Notional
	CHF	CHF	CHF
Forward currency contracts	11,705	(8,006)	1,244,849
Listed futures	3,029	(177,969)	(9,548,826)
Listed options	42,534	-	(2,745,980)
Warrants	297,262	-	-
Total	354,530	(185,975)	(11,049,957)

2024	Assets	Liabilities	Notional
	CHF	CHF	CHF
Forward currency contracts	2,038	(3,407)	(1,369)
Listed futures	161,819	(6,242)	(12,391,106)
Warrants	122,866	-	-
Total	286,723	(9,649)	(12,392,475)

5 Balances due from/to brokers

Margin accounts represent cash deposits with brokers, transferred as collateral against open futures and forward currency contracts. In accordance with the Fund's policy of trade date accounting for regular way sale and purchase transactions, sales/purchases awaiting settlement represent amounts receivable/payable for securities sold/purchased, but not yet settled as at the reporting date.

	2025	2024
	CHF	CHF
Balances due from brokers		
Margin accounts	1,166,439	5,458,053
Sales awaiting settlement	47,975	332,575
Dividends receivable	-	899
	1,214,414	5,791,527
Balances due to brokers		
Purchases awaiting settlement	16,755	217,849
	16,755	217,849

Margin cash held by Interactive Brokers is rated A- by S&P ratings at the year end (2024: Morgan Stanley & Co International plc, Morgan Stanley & Co. International plc rated Aa3 by Moody's ratings agency at the year end).

Notes to the financial statements for the year ended December 31, 2025 (continued)

6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk in changes in their value. At December 31, 2025, all cash and cash equivalents were held with or loaned from the Fund's Prime Brokers, U.S. Bank Global Fund Services (Ireland) Limited or cash custodians UBS Switzerland AG, Zürcher Kantonalbank and Interactive Brokers.

Cash balances	2025	2024
	CHF	CHF
UBS Switzerland AG	206,073	27,657
U.S. Bank Global Fund Services (Ireland) Limited	484,357	-
Morgan Stanley & Co. International	-	2,573,955
Interactive Brokers	-	100,000
Zürcher Kantonalbank	8,870	3,557
	699,300	2,705,169
Bank overdraft	2025	2024
	CHF	CHF
Interactive Brokers	(34,384)	-
Morgan Stanley & Co. International	-	(4,791,632)
	(34,384)	(4,791,632)

See note 4.4(a) for details on counterparty risk.

Credit line

UBS Switzerland AG provides a credit line of CHF 20,000,000 to facilitate short term liquidity for the Fund to meet its short-term obligations. Interest is calculated at a prevailing rate at the time the credit is granted, plus 25 bps chargeable per quarter on the average loan amount outstanding. The agreement can be terminated at any time with immediate effect (without effect on the then outstanding loan amount).

7 Interest income/expense

	2025	2024
	CHF	CHF
Interest income		
Cash and cash equivalents	7,932	64,804
Total interest income	7,932	64,804
	2025	2024
	CHF	CHF
Interest expense		
Bank overdraft	(36,918)	(27,057)
Total interest expense	(36,918)	(27,057)

8 Financial assets at fair value through profit or loss

	2025	2024
	CHF	CHF
Equities	9,913,724	9,091,689
Certificates*	2,354,731	1,687,090
Exchange traded funds	136,062	-
Warrants	297,262	122,866
Forward currency contracts	11,705	2,038
Listed futures	3,029	161,819
Listed options	42,534	-
	12,759,047	11,065,502

*The Fund held one certificate at December 31, 2025 and December 31, 2024, Dynamic Tracker Certificate. It is classified under Level 2 in the fair value hierarchy (refer to note 3) with a fair value of CHF 2,354,731 (2024: CHF 1,687,090).

Notes to the financial statements for the year ended December 31, 2025 (continued)

9 Financial liabilities at fair value through profit or loss

	2025 CHF	2024 CHF
Forward currency contracts	(8,006)	(3,407)
Listed futures	(177,969)	(6,242)
	(185,975)	(9,649)

10 Other payables

	2025 CHF	2024 CHF
Management fees	(18,016)	(18,184)
Performance fees	(15,639)	-
Audit fees	(11,751)	(10,299)
Administration fees	(5,583)	(5,630)
Other payables	(802,820)	(804,513)
	(853,809)	(838,626)

11 Net gain/(loss) on financial instruments at fair value through profit or loss

	Realised gain 2025 CHF	Realised loss 2025 CHF	Unrealised gain 2025 CHF	Unrealised loss 2025 CHF	Total 2025 CHF
Equities	7,689,341	(7,429,657)	3,779,678	(599,197)	3,440,165
Equity certificates	-	-	667,641	-	667,641
Exchange traded funds	46,897	(12,850)	-	(2,602)	31,445
OTC derivatives	2	(354)	-	-	(352)
Listed derivatives	757,288	(3,289,694)	9,297	(352,923)	(2,876,032)
Warrants	-	(321,276)	480,290	(3,127)	155,887
Forward currency contracts	411,459	(449,109)	15,113	(10,044)	(32,581)
	8,904,987	(11,502,940)	4,952,019	(967,893)	1,386,173

	Realised gain 2024 CHF	Realised loss 2024 CHF	Unrealised gain 2024 CHF	Unrealised loss 2024 CHF	Total 2024 CHF
Equities	1,944,007	(445,998)	1,039,826	(778,715)	1,759,120
Equity certificates	112,440	-	-	(15,575)	96,865
Investment funds	547,685	(180,849)	467,224	(284,514)	549,546
OTC derivatives	-	(158)	-	-	(158)
Listed derivatives	622,629	(1,645,177)	211,687	(175,299)	(986,160)
Warrants	-	(627,113)	731,026	(8,654)	95,259
Forward currency contracts	350,686	(399,968)	62,444	(218,368)	(205,206)
	3,577,447	(3,299,263)	2,512,207	(1,481,125)	1,309,266

12 Share capital

The Fund has an authorised share capital in aggregate of CHF 50,000 divided into (i) 100 Management Shares of CHF 1.00 par value each; and (ii) 4,990,000 Redeemable Participating Shares of CHF 0.01 par value each. In accordance with the objectives outlined in Note 1 and the risk management policies in Note 4, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of securities where necessary. The Fund does not have any externally imposed capital requirements.

The Management Shares carry no rights to dividends and on a winding up rank only for the return of the capital paid up thereon after the return of the capital paid up on the redeemable participating shares. Management Shares are not redeemable. Management Shares shall have the right to receive notice of, attend at and vote as a member at any general meeting of the Fund.

Notes to the financial statements for the year ended December 31, 2025 (continued)

12 Share capital (continued)

Redeemable participating shares shall not have the right to receive notice of, attend at or vote as a member at any general meeting of the Fund. They are entitled to dividends and to payment of a proportionate share based on the Fund's NAV per share on the redemption date. Participating shares are offered to shareholders in three currencies Euro, US Dollar and the Swiss Franc. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. The table below shows the authorised share capital.

Authorised share capital December 31, 2025

	Number of shares	Value of shares CHF
100 Management shares of CHF 1 each	100	100
4,990,000 Redeemable participating shares of CHF 0.01 each	4,990,000	49,900
	4,990,100	50,000

Authorised share capital December 31, 2024

	Number of shares	Value of shares CHF
100 Management shares of CHF 1 each	100	100
4,990,000 Redeemable participating shares of CHF 0.01 each	4,990,000	49,900
	4,990,100	50,000

The movement in the number of redeemable participating shares during the year was as follows:

	Balance at January 1, 2025	Subscriptions	Redemptions	Balance at December 31, 2025	NAV per Share
CHF Class	39,317	-	(3,614)	35,703	CHF323.3788
EUR Class	19,221	-	-	19,221	EUR158.4411

	Balance at January 1, 2024	Subscriptions	Redemptions	Balance at December 31, 2024	NAV per Share
CHF Class	59,482	1,950	(22,115)	39,317	CHF302.8310
EUR Class	19,221	-	-	19,221	EUR145.3794
USD Class	4,400	-	(4,400)	-	-

13 Net assets attributable to holders of redeemable participating shares

The Fund's NAV per share is calculated by dividing the net assets attributable to the holders of redeemable participating shares by the total number of outstanding redeemable participating shares. In accordance with the provisions of the Fund's regulations, investment positions are valued based on the last traded market price for the purpose of determining the NAV per share for subscriptions and redemptions. The redeemable participating shares are carried at the redemption amount that would be payable at the reporting date if the holder were to exercise the right to put the shares back to the Fund.

14 Distribution payable

It is not envisaged that any income or gains derived from the Fund's investments will be distributed by way of dividend. This does not preclude the Directors from declaring a dividend at any time in the future to holders of shares, if they consider it appropriate to do so. To the extent that a dividend is declared, it will be paid in compliance with any applicable laws.

Notes to the financial statements for the year ended December 31, 2025 (continued)

15 Taxation

The Fund is domiciled in the Cayman Islands. On the basis of current Cayman Islands law and practice, the Fund will not be liable to taxation in the Cayman Islands and the Fund has received an undertaking from the Governor in Cabinet in the Cayman Islands exempting it from all local income, profits and capital taxes until 2028. Accordingly no provision for income taxes is included in the financial statements.

Dividend and interest income received by the Fund may be subject to withholding tax imposed in the country of origin. Investment income is recorded gross of such taxes. The Fund currently incurs withholding taxes of CHF 12,060 (2024: CHF 1,991) imposed by certain countries on investment income and capital gains.

16 Prepayments

	2025	2024
	CHF	CHF
Directors' fees	-	18,929
Registered office fees	7,373	7,509
Other prepaid expenses	5,359	5,809
	12,732	32,247

17 Related-party transactions

Related party includes one that has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

(a) Management fee

The Fund appointed LIMMAT CAPITAL Alternative Investments AG, an investment management company incorporated in Switzerland, to implement the investment strategy as defined in the Offering Memorandum. The Investment Manager receives a management fee at an annual rate of 1.5% of the net assets attributable to holders of redeemable participating shares. Total management fees for the year amounted to CHF 206,526 (2024: CHF 218,643) of which CHF 18,016 (2024: CHF 18,184) remains payable as at December 31, 2025, and is included in other payables in the Statement of Financial Position.

(b) Performance fee

The Fund shall also pay to the Investment Manager an annual performance fee (the "performance fee"), calculated on a share-by-share basis so that each share is charged performance fees which equate precisely with that share's performance.

The performance fees will be calculated in respect of each calendar quarter or partial calendar quarter in the case of the dissolution of the Fund or termination of the Investment Management Agreement otherwise than at the end of the calendar quarter (each such period a Calculation Period). For each Calculation Period, the performance fee in respect of each share will be equal to a total of 15% of the appreciation in the NAV above the high-water mark of such share during that Calculation Period.

The high-water mark is the highest NAV of such share at the end of any previous Calculation Period. Total performance fees including Equalisation credit for the year amounted to CHF 15,639 (2024: CHF Nil) of which CHF 15,639 (2024: CHF Nil) remains payable as at December 31, 2025.

(c) Equalisation

The Fund uses the industry practice of equalisation by applying an equalisation factor to shares subscribed for during the course of the fiscal period, thereby adjusting the amount paid for the purchase of the shares. This ensures that performance fees are charged only to those shares which have appreciated in value since acquisition, that all shareholders have the same amount per share at risk and that all shares have the same NAV.

Notes to the financial statements for the year ended December 31, 2025 (continued)

17 Related-party transactions (continued)

(d) Board of Directors' remuneration

Directors shall be entitled to such sums (if any) by way of fees as shall from time to time be determined by the Directors and as of the latest Offering Memorandum a fee of US\$ 10,000 is paid per year per Director.

The total remuneration paid to Directors in 2025 was CHF 18,929 (2024: CHF 19,865) and the Fund prepaid CHF Nil (2024: CHF 18,929) to the Directors for the year 2025.

As at December 31, 2025, the Investment Manager held Nil (2024: Nil) Class CHF shares with a value of CHF Nil (2024: CHF Nil). The Investment Manager and related parties directly and indirectly hold a majority of shares in the Fund.

As at December 31, 2025, the Fund held a receivable from the Investment Manager of CHF 786,273 (2024: CHF 792,948) for potential Greek fines and is included in other receivables in the Statement of Financial Position.

18 Other service providers

Prime Broker

The Prime Brokers will have no decision-making discretion in relation to the investments of the assets of the Fund and will not be responsible for monitoring or ensuring that the investments of the Fund are managed in accordance with the Offering Memorandum. For the year ended December 31, 2025 brokerage commissions paid to the Prime Brokers amounted to CHF 27,368 (2024: CHF 27,289) of which CHF Nil (2024: CHF Nil) remains payable as at December 31, 2025. Interest accrues on a daily basis at such rates as notified by the Prime Broker in writing.

Administrator

U.S. Bank Global Fund Services (Ireland) Limited serves as the Fund's Administrator, registrar, and transfer agent and performs certain administrative duties, including accounting and clerical functions.

The Fund pays from the assets attributable to the redeemable participating shares a monthly administration fee equal to an amount falling between one-twelfth of between 0.08% and 0.12% of the month end net assets, depending on the level of the Fund's assets under management.

The minimum monthly fee for such services is equal to EUR 6,000. The Administrator is also reimbursed for reasonable out-of-pocket expenses. As at December 31, 2025 total administration fees for the year amounted to CHF 67,366 (2024: CHF 68,528) of which CHF 5,583 (2024: CHF 5,630) remains payable as at December 31, 2025.

Notes to the financial statements for the year ended December 31, 2025 (continued)

19 Significant events during the year

There were no significant events during the year ended December 31, 2025.

20 Events after the Statement of Financial Position date

Since the year ended December 31, 2025 and up to the date of approval of these financial statements there have been US\$200,108 subscriptions and US\$328,841 redemptions.

There are no other events subsequent to December 31, 2025 which, in the opinion of the Directors of the Company, may have had an impact on the financial statements for the year ended December 31, 2025.

21 Approval of the financial statements

The financial statements were approved on June 10, 2026.

LC Equity Fund, Ltd.

Condensed Schedule of Investments - Unaudited

As at December 31, 2025

		Fair Value CHF	% of net assets
	Financial assets at fair value through profit or loss		
Equities			
France			
	Oil, Gas & Consumable Fuels	384,017	2.67%
	Total France	384,017	2.67%
Germany			
	Electrical Equipment	66,596	0.46%
	Electronic Equipment, Instruments & Components	102,536	0.71%
	Hotels, Restaurants & Leisure	520,254	3.62%
	Household Durables	1,010,934	7.03%
	Internet & Catalog Retail	586,608	4.08%
	Software	999,081	6.95%
	Total Germany	3,286,009	22.85%
Sweden			
	Software	249,222	1.73%
	Total Sweden	249,222	1.73%
Switzerland			
	Consumer Staples Distribution & Retail	1,567,694	10.90%
	Food Products	1,561,450	10.86%
	Life Sciences Tools & Services	806,767	5.61%
	Semiconductors & Semiconductor Equipment	849,700	5.91%
	Specialty Retail	1,208,865	8.41%
	Total Switzerland	5,994,476	41.69%
	Total equities	9,913,724	68.94%
Equity certificates			
Switzerland			
	Certificates	2,354,731	16.38%
	Total Switzerland	2,354,731	16.38%
	Total equity certificates	2,354,731	16.38%
Exchange Traded Funds			
U.S.A			
	Debt Fund	136,062	0.95%
	Total U.S.A	136,062	0.95%
	Total exchange traded funds	136,062	0.95%
Warrants			
Germany			
	Food Products	368	0.00%
	Household Durables	296,398	2.07%
	Total Germany	296,766	2.07%
Netherlands			
	Software	496	0.00%
	Total Netherlands	496	0.00%
	Total warrants	297,262	2.07%

Condensed Schedule of Investments – Unaudited (continued)

As at December 31, 2025

		Fair Value CHF	% of net assets
	Financial assets at fair value through profit or loss (continued)		
Futures			
U.S.A	Equity Index	606	0.00%
	Precious Metal	2,423	0.02%
	Total U.S.A	3,029	0.02%
	Total futures	3,029	0.02%
Listed Options			
Germany	Index	22,192	0.15%
	Total Germany	22,192	0.15%
U.S.A	Index	20,342	0.15%
	Total U.S.A	20,342	0.15%
	Total listed options	42,534	0.30%
Forward currency contracts			
Switzerland	Currency	11,705	0.08%
	Total Switzerland	11,705	0.08%
	Total forward currency contracts	11,705	0.08%
	Total financial assets at fair value through profit or loss	12,759,047	88.74%
	Financial liabilities at fair value through profit or loss		
Futures			
Germany	Equity Index	(177,969)	(1.24%)
	Total Germany	(177,969)	(1.24%)
	Total futures	(177,969)	(1.24%)
Forward currency contracts			
Switzerland	Currency	(8,006)	(0.06%)
	Total Switzerland	(8,006)	(0.06%)
	Total forward currency contracts	(8,006)	(0.06%)
	Total financial liabilities at fair value through profit or loss	(185,975)	(1.30%)
	Total investments	12,573,072	87.44%
	Cash and cash equivalents	699,300	4.86%
	Bank overdraft	(34,384)	(0.24%)
	Other net liabilities	1,141,195	7.94%
	14,379,183	100.00%	

LC Equity Fund, Ltd.

Condensed Schedule of Investments – Unaudited

As at December 31, 2024

		Fair Value CHF	% of net assets
	Financial assets at fair value through profit or loss		
Equities			
France			
	Oil, Gas & Consumable Fuels	310,712	2.14%
	Total France	310,712	2.14%
Germany			
	Automobile Components	186,936	1.29%
	Electrical Equipment	647,507	4.46%
	Electronic Equipment, Instruments & Components	170,568	1.17%
	Hotels, Restaurants & Leisure	792,298	5.45%
	Household Durables	1,604,519	11.04%
	Internet & Catalog Retail	432,566	2.98%
	Semiconductors & Semiconductor Equipment	114,136	0.79%
	Software	524,962	3.61%
	Total Germany	4,473,492	30.79%
Great Britain			
	Multi-Utilities	53,912	0.37%
	Total Great Britain	53,912	0.37%
Switzerland			
	Chemicals	605,400	4.17%
	Construction Materials	131,040	0.90%
	Consumer Staples Distribution & Retail	669,290	4.61%
	Containers & Packaging	178,800	1.23%
	Food Products	912,763	6.28%
	Life Sciences Tools & Services	879,173	6.05%
	Machinery	137,300	0.95%
	Semiconductors & Semiconductor Equipment	449,088	3.09%
	Specialty Retail	290,719	2.00%
	Total Switzerland	4,253,573	29.28%
	Total equities	9,091,689	62.58%
Equity certificates			
Switzerland			
	Certificates	1,687,090	11.61%
	Total Switzerland	1,687,090	11.61%
	Total equity certificates	1,687,090	11.61%
Warrants			
Germany			
	Food Products	371	0.00%
	Household Durables	121,995	0.85%
	Total Germany	122,366	0.85%
Netherlands			
	Software	500	0.00%
	Total Netherlands	500	0.00%
	Total warrants	122,866	0.85%

Condensed Schedule of Investments – Unaudited (continued)

As at December 31, 2024

		Fair Value CHF	% of net assets
	Financial assets at fair value through profit or loss (continued)		
Futures			
Germany			
	Equity Index	78,217	0.54%
	Total Germany	78,217	0.54%
U.S.A			
	Equity Index	83,602	0.57%
	Total U.S.A	83,602	0.57%
	Total futures	161,819	1.11%
Forward currency contracts			
Switzerland			
	Currency	2,038	0.01%
	Total Switzerland	2,038	0.01%
	Total forward currency contracts	2,038	0.01%
	Total financial assets at fair value through profit or loss	11,065,502	76.16%
	Financial liabilities at fair value through profit or loss		
U.S.A			
	Equity Index	(5,217)	(0.03%)
	Precious Metal	(1,025)	(0.01%)
	Total U.S.A	(6,242)	(0.04%)
	Total futures	(6,242)	(0.04%)
Forward currency contracts			
Switzerland			
	Currency	(3,407)	(0.03%)
	Total Switzerland	(3,407)	(0.03%)
	Total forward currency contracts	(3,407)	(0.03%)
	Total financial liabilities at fair value through profit or loss	(9,649)	(0.07%)
	Total Investments	11,055,853	76.10%
	Cash and cash equivalents	2,705,169	18.62%
	Bank overdraft	(4,791,632)	(32.98%)
	Other net assets	5,559,298	38.26%
	14,528,688	100.00%	

LC EQUITY FUND, LTD. Country Supplement | Switzerland (Unaudited)

ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND COUNTRY SUPPLEMENT FOR LC EQUITY FUND, LTD.

The following information is addressed to current and potential investors of LC Equity Fund, Ltd. (the “Fund”) in Switzerland. The Country Supplement dated December 2025 forms part of and should be read in conjunction with the most recent prospectus for the Fund and specifies and completes the Prospectus as far as sales activities in Switzerland are concerned.

1. Representative

The representative is 1741 Fund Solutions AG, Burggraben 16, CH-9000 St.Gallen, Switzerland.

2. Swiss Paying Agent

The paying agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, CH-8024 Zurich, Switzerland.

3. Place where relevant documents can be obtained

Copies of the Prospectus, the Memorandum and Articles of Association as well as the annual report are available free of charge at the registered office of the Swiss Representative.

4. Payment of Retrocessions and Rebates

Retrocessions: LC Equity Fund, Ltd (“the Fund”) and its agents do not pay any retrocessions to third parties as remuneration for distribution activity in respect of the Shares in or from Switzerland.

Rebates: In respect of distribution in or from Switzerland, the Fund and its agents do not pay any rebates to reduce the fees or costs incurred by the investor and charged to the Fund.

5. Place of Performance and Jurisdiction

In relation to Shares distributed in or from Switzerland, the place of performance and jurisdiction is the registered office of the Swiss Representative.