Monthly commentary / 29.5.2026

Vontobel Fund II – Global Small & Mid-Cap Opportunities

Marketing document for institutional investors in: AT, CH, DE, ES, FR, GB, IT, LI, LU, SE.

Investors in France should note that, relative to the expectations of the Autorité des Marchés Financiers, this fund presents disproportionate communication on the consideration of non-financial criteria in its investment policy.

Market developments
In May, global stock markets climbed to record highs, primarily driven by strong corporate earnings for the first quarter of 2026. The rally was notably concentrated in the technology sector, where massive capital spending on artificial-intelligence (AI) infrastructure and strong reports by hardware giants sparked extraordinary gains. Asian equity markets were among the top performers, particularly Korea and Taiwan, while European equities lagged. Investor sentiment was further supported by hopes that the crucial Strait of Hormuz would reopen, and a diplomatic summit for trade truce between the US and Chinese presidents Donald Trump and Xi Jinping helped alleviate global tariff anxieties. These positive catalysts largely offset ongoing economic headwinds, including persistent inflationary pressures and rising bond yields, which tempered expectations for near-term rate cuts.

Portfolio review
We made several targeted purchases and sales across key themes within the portfolio. We initiated a position in NN Group, a Dutch insurance and asset management firm. Within Critical Infrastructure, we added Primoris Services, a US provider of energy and utility infrastructure solutions, alongside Axon Enterprise and Motorola Solutions, both leading providers of mission-critical public safety and communication technologies, as we believe resilient demand from both government and enterprise clients will be supportive. Within NextGen Consumer, we added ASICS, a global athletic footwear brand with strong brand momentum and improving profitability. Within Foundational Technologies, we bought All Ring Tech, a company exposed to semiconductor components, which we expect to capitalize on continued demand for advanced electronics and a strong outlook from customer TSMC, which is likely to continue purchases of chip-on-wafer-on-substrate (CoWo), chip-on-panel-on-substrate (CoPo), and co-packaged optics (CPO) technologies. In turn, we exited Rakuten Bank, a digital-first Japanese bank within the Rakuten ecosystem, as well as Chinese jewelry retailer Laopu Gold, given our more cautious outlook for discretionary spending. We also sold Hong Kong-based online brokerage firm Futu Holdings, a, amid regulatory uncertainty. Finally, we divested US homebuilder Taylor Morrison following a takeover bid by Berkshire Hathaway.

Performance analysis
In May, the fund slightly lagged its benchmark. The positive effect of our sector allocation, which was primarily driven by our overweight in Foundational Technologies, could not offset the negative effect of our security selection. By name, notable contributors were Flex, a contract manufacturer of critical data center equipment, which reported exceptionally strong earnings, driving a sharp stock re-rating; Snowflake, a cloud-based data platform provider, which posted robust results as well, underpinned by strong customer uptake of its AI-enhanced capabilities; and Iridium Communications, a satellite communications operator, which extended its positive momentum, supported by growing investor interest in the space economy, with the anticipated SpaceX IPO probably acting as a catalyst. In contrast, detractors included Futu Holdings, a Chinese online brokerage firm, which reported lower profitability and felt additional pressure after the China Securities Regulatory Commission intervened because Futu was operating in mainland China without proper license, and Japanese optical cable-related companies, among them Fujikura and Nitto Boseki, whose shares declined following a weaker-than-expected outlook by Fujikura, which highlighted challenges in scaling capacity given strong demand.

Outlook
We deem global small- and mid-cap equities an attractive long-term investment opportunity. After lagging large cap stocks for a long time, their current valuations are now at more compelling levels, while underlying fundamentals remain robust. On average, small- and mid-cap companies continue to exhibit stronger earnings growth and more conservative balance sheets than their large-cap peers. In addition, the segment of small- and mid-cap companies is still under-researched compared to the large-cap segment, creating market inefficiencies that we strive to exploit by active management, based on our own in-depth research.

Fund characteristics

Fund name	Vontobel Fund II – Global Small & Mid-Cap Opportunities
ISIN	LU2275724420
Share class	V USD
Benchmark	MSCI All Country World Index TR net to 28.1.2026, MSCI ACWI SMID Index TR net thereafter
Inception date	7.6.2021

Historical performance (net returns, in %)

Time period	Fund	Benchmark
MTD	2.9%	3.3%
YTD	12.2%	10.4%
1 year	29.8%	28.2%
3 yrs p.a.	20.2%	21.7%
5 yrs p.a.	4.7%	11.1%
10 yrs p.a.	–	–
ITD p.a.	12.5%	13.8%

Time period	Fund	Benchmark
2025	21.8%	22.3%
2024	12.6%	17.5%
2023	22.4%	22.2%
2022	-32.8%	-18.4%
2021	6.0%	18.5%
2020	48.0%	16.3%
2019	–	–
2018	–	–
2017	–	–
2016	–	–

Past performance is not a reliable indicator of current or future performance.
Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up, e.g. due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed.
Performance prior to 7.6.2021 corresponds to Variopartner SICAV – 3-Alpha Megatrends. Since fund inception until 28.1.2026, the fund had different characteristics and performance was achieved under circumstances that no longer apply.

Investment risks

- Investments in Chinese A-Shares are subject to changes in political, economic and social conditions in China as well as changes in the policies of the PRC government, laws and regulations.
- The sub-fund's investments may be subject to sustainability risks. The sustainability risks that the sub-fund may be subject to are likely to have an immaterial impact on the value of the sub-fund's investments in the medium to long term due to the mitigating nature of the sub-fund's ESG approach. The sub-fund's performance may be positively or negatively affected by its sustainability strategy. The ability to meet social or environmental objectives might be affected by incomplete or inaccurate data from third-party providers. Information on how environmental and social objectives are achieved and how sustainability risks are managed in this sub-fund may be obtained from vontobel.com/sfdr.

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Interested parties may obtain the above-mentioned documents free of charge from the representative in **Switzerland**: Vontobel Fonds Services AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, 8022 Zurich, the facilities agent in **Austria**: Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna, from the authorized distribution agencies and from the offices of the fund at 49 Avenue J.F. Kennedy, L-1855 **Luxembourg**, the European facilities agent for **Germany**: PwC Tax and Advisory, Société coopérative – GFD, 2, rue Gerhard Mercator, L-2182 Luxembourg, Email: lu_pwc.gfd.facsvs@pwc.com, gfdplatform.pwc.lu/facilities-agent/, the European facilities agent for **France**: PwC Tax and Advisory, Société coopérative – GFD, 2, rue Gerhard Mercator, L-2182 Luxembourg, Email: lu_pwc.gfd.facsvs@pwc.com, gfdplatform.pwc.lu/facilities-agent/, from the information agent in **Liechtenstein**, LLB Fund Service AG, Äulestrasse 80, 9490 Vaduz. Refer for more information on the fund to the latest prospectus, annual and semi-annual reports as well as the key (investor) information documents (“K(I)ID”). These documents may also be downloaded from our website at vontobel.com/am. A summary of investor rights (including information on representative actions for the protection of the collective interests of consumers under EU Directive 2020/1828) is available in English under: vontobel.com/vamsa-investor-information. Vontobel may decide to terminate the arrangements made for the purpose of marketing its collective investment schemes in accordance with Article 93a of Directive 2009/65/EC. The KID is available in French. The fund is authorized to the commercialization in **France**. Refer for more information on the funds to the KID. **Italy**: Refer for more information regarding subscriptions in Italy to the Modulo di Sottoscrizione. For any further information: Vontobel Asset Management S.A., Milan Branch, Piazza degli Affari 2, 20123 Milano, telefono: 0263673444, e-mail: clientrelation.it@vontobel.com. In **Spain**, funds authorized for distribution are recorded in the register of foreign collective investment companies maintained by the Spanish CNMV (under number 280). The KID can be obtained in Spanish from Vontobel Asset Management S.A., Sucursal en España, Paseo de la Castellana, 91, Planta 5, 28046 Madrid. **Sweden**: The KID is available in Swedish. The fund authorized for distribution in the **United Kingdom** and entered into the UK’s temporary marketing permissions regime can be viewed in the FCA register under the Scheme Reference Number 466625. The fund is authorized as a UCITS scheme (or is a sub-fund of a UCITS scheme) in a European Economic Area (EEA) country, and the scheme is expected to remain authorized as a UCITS while it is in the temporary marketing permissions regime. This information was approved by Vontobel Asset Management S.A., London Branch, which has its registered office at 3rd Floor, 70 Conduit Street, London W1S 2GF and is authorized by the Commission de Surveillance du Secteur Financier (CSSF) and subject to limited regulation by the Financial Conduct Authority (FCA). Details about the extent of regulation by the FCA are available from Vontobel Asset Management S.A., London Branch, on request. The KIID can be obtained in English from Vontobel Asset Management S.A., London Branch, 3rd Floor, 70 Conduit Street, London W1S 2GF or downloaded from our website vontobel.com/am.
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Vontobel Asset Management AG
Gotthardstrasse 43, 8022 Zürich
Switzerland
T +41 58 283 71 11
info@vontobel.com | vontobel.com/am