



THE DRIVE YOU DEMAND

For Qualified Investors in Switzerland, or Professional Investors or Eligible Counterparties as defined by the relevant laws

U ACCESS (IRL) NEXThERA UCITS

Access to a liquid and regulated vehicle of a leading long/short healthcare specialist

Key points

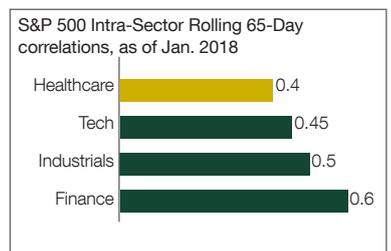
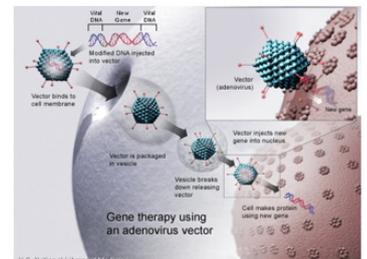
- ◆ Longshort equity strategy focusing on the global healthcare sector with an emphasis on therapeutics, pharmaceuticals, and biotech
- ◆ Deep fundamental research based on thorough scientific and financial analysis
- ◆ Convex return profile vs. equities
- ◆ Portfolio manager with 20 years of investment experience in the sector
- ◆ UCITS with weekly liquidity

Investment case: bringing comfort to equity investors through sector expertise

- ◆ Although equities bring value to a portfolio in the long run, they are characterised by an embedded risk of short-term volatility and severe drawdowns.
- ◆ The current “risk on/risk off” market regime is expected to last, with potential catalysts for increased volatility including geopolitical concerns, commercial tensions, challenges faced by the Trump administration in achieving its programme, and increased correlation between bond and equity returns.
- ◆ In this context, an increasing number of equity investors are looking for protection and comfort, and there is a strong need for alternative strategies providing smoothed-volatility investment solutions and showing a convex profile vs. long-only equities, with the ultimate objective of reducing the overall risk of a global portfolio through controlled participation in the markets (beta).
- ◆ We strongly believe that one efficient way to cope with this market environment is to favour very active alternative managers with proven expertise in select sectors.
- ◆ U Access (IRL) NEXThERA UCITS belongs to that category of active long/short managers. The Fund aims to seize long and short investment opportunities within healthcare, a sector characterised by tremendous structural changes that can impact stocks up or down.

Sector focus: why healthcare now?

- ◆ Time of strong innovation. 2018 is a catalyst-rich year with late-phase data from cutting-edge technologies that have been maturing over the past decade
 - ▶ Immuno-oncology
 - ▶ Gene therapy and editing
 - ▶ CAR-T therapies
 - ▶ RNAi
- ◆ Time of broad M&A activity
 - ▶ Large caps have high demand for innovative assets
 - ▶ And they have deep pockets from cash repatriation
- ◆ Time of regulatory leniency
 - ▶ The FDA is approving more drugs
- ◆ Idiosyncratic factors create winners and losers. As a result, healthcare exhibits a high dispersion of returns, making long/short expertise necessary for investing in this sector



UNION BANCAIRE PRIVÉE

Source: UBP
Past performance is not indicative of future results

Investment process

- ◆ Focuses on the global healthcare sector with an emphasis on therapeutics (i.e. large-cap pharma, generics, specialty pharma and biotech).
- ◆ Identifies investment opportunities (both long and short) across market capitalisations and geographies based on thorough scientific and financial analysis.
- ◆ Invested in 35 to 50 positions, all listed stocks. Risk controls through active exposure management and strict position limits.
- ◆ Relies on deep fundamental research and extensive network
- ◆ Seeks to achieve high, risk-adjusted returns with limited correlation to equity markets and the sector

Investment guidelines

- ◆ Number of stocks: 35–50
- ◆ Gross exposure range: 100–150%
- ◆ Net exposure range: 20–80%
- ◆ Market cap concentration (avg): Large 60%, Mid 30%
- ◆ Regional concentration (avg): US 40%, EU 40%, RoW 20%
- ◆ Liquidity: 100% in 1–5 days
- ◆ Volatility budget: 10% (on average)

Investment team – Nextera Capital

- ◆ Investment team led by Ori Hershkovitz, CIO and founding partner. Extensive experience in running long/short healthcare books in various firms (e.g. Sphera Funds Management and Leader & Co. Investment House)
- ◆ 6 additional investment professionals, many of them MDs or PhDs
- ◆ Strong, global network with industry stakeholders
- ◆ Risk-management focused
- ◆ Proven track record, having successfully navigated various, challenging environments

General information (Clean share class B)

Fund name	U Access (IRL) NEXTERA UCITS
Legal structure	Irish UCITS
Launch date	July 2017
Valuation day	Weekly (Wednesday = D)
Subscription terms	Cut-off: D - 2BD; Settlement: D
Redemption terms	Cut-off: D - 2BD; Settlement: D + 4BD
Fee structure	1.50% management fee and 20% performance fee
Minimum subscriptions	None

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Portfolio construction

Short large cap

- ▶ Patent expirations with looming generic entrants
- ▶ Pricing pressure
- ▶ Uninspiring pipelines
- ▶ High valuations
- ▶ Threats of new wave of innovative competition

Illustrative companies for category*



Long de-risked biotech

- ▶ Post Phase 3, clinically de-risked assets
- ▶ On the brink of commercialisation and consensus underestimates the market opportunity
- ▶ Attractive M&A targets

Illustrative companies for category*



Long high science biotech

- ▶ Mid- to late- stage pipeline products
- ▶ High conviction around the science and probability of clinical success
- ▶ Trading far below risk adjusted potential

Illustrative companies for category*



Long cheap value

- ▶ Recent share price constriction
- ▶ Value trade, with stable revenue generation
- ▶ Strong fundamental value drivers and SOTP on worst scenario is higher than market

Illustrative companies for category*



*Not necessarily in the Nextera portfolio

Main risks



SRRI relates to USD share class. This indicator represents the annual historical volatility of the fund. Risk category reflects level of risk and return profile: 1 lowest; 2 low; 3 limited; 4 average/moderate; 5 high; 6 very high; 7 highest risk. Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the fund's future risk profile. The risk category associated with the fund is not guaranteed and may change over time.

Currency	USD (base currency), EUR, CHF, GBP, SEK
Currency hedging	Yes (against base currency)
ISIN codes	USD: IE00BF2MLH22; EUR: IE00BF2MLJ46 CHF: IE00BF2MLK50; GBP: IE00BF2MLM74 SEK: IE00BF2MLL67
Registration for sale	BE, CH, DE, ES, FR, GB, IE, IT, LU, NL, SE, SG
Portfolio manager	Nextera Capital LP
Principal investment manager	Union Bancaire Privée, UBP SA
Management company	Carnegie Global Fund Managers (Ireland) Ltd
Administrator/depositary	BNY Mellon Fund Services (Ireland) Ltd
Auditor	KPMG