

## Yield enhancement strategy "Biotechnology Growth Opportunity II"

a 18 months opportunity - Leverage: 3x

### Strategy Summary

1

					
Level of Risk	Time Horizon	Upside Opportunity	Asset Type	Coupons	Currency

### Your benefits:

- ▶ **Conditional capital guarantee:** Up to 33 %
- ▶ **Issue Price:** 31.25%
- ▶ **Redemption:** 33%
- ▶ **Upside opportunity:** **Capital gain: 5.6%, plus coupon payment of 11.4% p.a.** (early call conditions may apply)
- ▶ **Maturity:** 18 months
- ▶ **Currency:** EUR
- ▶ **Underlying Companies:** **Biogen, Gilead Sciences, Regeneron**
- ▶ **Reimbursement Triggers:** First observation after 3 months at 97.5 %, thereafter decreasing 2.5 % by quarter
- ▶ **Coupon Features:** Memory
- ▶ **Coupon Barrier:** Coupon barrier fix at 67%. If each stock is at or above coupon barrier, coupon is paid; otherwise it is pushed forward and paid at next observation, provided conditions are met.
- ▶ **Payout at Maturity:**
  - If each stock is at or above the barrier, the client is redeemed at 33%
  - Else the client gets Wof performance - 67% (minimum redemption at 0%)
- ▶ **Valuation:** Bid/Ask live Intraday

### Investment Opportunity

3

#### A focused approach

As the business cycle matures, higher-quality areas of the market, such as health care, should garner increased investor attention. While MedTech still suffers from delayed and cancelled sales, sub-sectors such as **Biotechnology and Life Science** show positive earnings growth trends.

Also, the BioTech sector remains a **very appealing** target for large pharmaceutical companies, many of which lack growth and face the threat of becoming value traps (due to a looming patent cliff in coming years and no clear catalysts). With big pharma companies being cash-rich and in need of growth, the potential for M&A in the BioTech industry is strong.

**Rapid innovation and strong growth:** Growth in the BioTech sector continues to look appealing with sales increasing by about 13% YoY. Small and mid-cap BioTech and MedTech companies continue to innovate at a brisk rate. MedTech demand will be stronger as pandemic restrictions ease and the number of hospital patients returns to pre-pandemic levels.

#### Company view:

- ▶ **Biogen:** BILB recently got approval from the FDA to launch a treatment for patients with mild cognitive impairment or mild dementia due to Alzheimer's disease..
- ▶ **Regeneron:** REGN has created a preventive monoclonal antibody injection for people at high risk of developing severe COVID-19 after exposure to the coronavirus.
- ▶ **Gilead:** GILD is expected to start clinical testing of a new vaccine candidate targeting HIV. The company has an excellent testing track record, and we would expect initial results in Q1/22.

## Heatmaps

	Biogen					Gilead Sciences					Regeneron				
	1 to 9.99	10 to 29.99	30 to 69.99	70 to 89.99	90 to 100	1 to 9.99	10 to 29.99	30 to 69.99	70 to 89.99	90 to 100	1 to 9.99	10 to 29.99	30 to 69.99	70 to 89.99	90 to 100
Price Momentum															
Analyst Revision															
Relative Value															
Earnings Quality															
Risk Metrics															
Growth Metrics															
Value Metrics															
Momentum Metrics															
Social Media Metrics															
Total [Data Quality]	91.84					97.95					91.84				

Biogen Inc. is a biopharmaceutical company. The Company focuses on discovering, developing, manufacturing and delivering therapies to people living with serious neurological, rare and autoimmune diseases. It also has a collaboration agreement with Genentech, Inc. (Genentech), a member of the Roche Group. The agreement covers the treatment of blood cancer. The company's sales are mainly from developed markets.

Gilead Sciences, Inc. is a biopharmaceutical company focused on advancing medications to prevent and treat diseases, including human immunodeficiency virus (HIV), viral hepatitis and cancer. The Company's portfolio of products and pipeline of investigational drugs include treatments for HIV/acquired immune deficiency syndrome (AIDS), COVID-19, liver diseases, hematology/oncology/cell therapy and others. The company is active worldwide.

Regeneron Pharmaceuticals, Inc. is a biotechnology company that discovers, invents, develops, manufactures and commercializes medications for the treatment of serious diseases. The Company commercializes medicinal and product candidates for eye diseases, allergic and inflammatory ailments, cancer, cardiovascular and metabolic disorders, pain management, and infectious and rare diseases. The company's sales are mainly from developed markets.

## 12-months price probability analysis

TP	-10%	-20%	-30%	-35%	TP	-10%	-20%	-30%	-35%	TP	-10%	-20%	-30%	-35%
36%	37%	33%	25%	21%	44%	25%	22%	11%	7%	19%	48%	37%	28%	23%

## Guidance

### Pay-out diagram (plus eventual coupons payment) based on issue price of 31.25 %

Worst-Performer	100%	90%	80%	70%	67%	60%	50%	40%	30%	20%	10%	0%
Redemption	33%	33%	33%	33%	33%	23%	15%	8%	0%	0%	0%	0%

## Characteristics

<b>Nam Name</b>	RCB "Biotechnology Growth Opportunity II"
<b>Issuing Bank</b>	Leonteq Zuerich AG
<b>ISIN Number</b>	CH1134495816
<b>Duration:</b>	Maximum 18 months, early redemption mechanism applies
<b>Management Fee</b>	1 % on the invested capital
<b>Type of investment</b>	Yield enhancement
<b>Issue size:</b>	USD 100K, min denomination USD 1K
<b>Risk scale</b>	

## Risk

- Capital is not protected below barrier or if the issuer or guarantor fails
- Gain is limited to the coupon payment
- The investor will not receive dividend payments from the underlying

## Product Launch

- Launch subject to investment conditions fixed by the issuer and amount raised.

## Disclaimer

Best performance is no guarantee of future returns.

This company/fund overview has been established by IRISOS SA based on their Portfolio Management System using end of day data from sources which are considered reliable. Because of different sources and different timestamps used, there might be discrepancies between the information provided in this printout and other providers. Prices and ratios have been valued at the market prices prevailing at the date of this publication. Although prices and key input data have been obtained from reliable sources, we do not accept any responsibility for their exactness. The assets in question in this report should be considered as part of your global strategy, level of risk, and the maximum drawdown you can withstand. Actual level of risks and potential returns may be mitigating upon implementation; price sensitive ratios will change based on your level on input and may alter substantially the proposed framework. Leveraged strategies may result in a total loss of your accumulated wealth.

No assurances or guarantees

Although IX-7 Asset Management SA (also known as IX-7 SA or the Asset Manager) has taken due care to ensure that the information on this website is correct at the time of posting, IX-7 SA cannot either explicitly or implicitly provide any assurance or guarantee (including third-party liability) with regard to its correctness, reliability or completeness. IX-7 SA also offers no assurance that information will remain unaffected by any technical mistake (transmission errors, technical deficiencies, interruptions, tampering by unauthorized third parties, etc.). IX-7 SA does not assume liability under any circumstances for any losses, including direct, indirect, accidental, special or consequential losses, on the basis of this information or in connection with this information or as a consequence of the risks inherent in the financial markets. Investors should be aware that investments are subject to various risks, including market fluctuations, regulatory change, possible delays in repayment and loss of income and principal invested. For this reason, a positive performance in the past is no guarantee of a positive performance in the future. Investments in foreign currencies are also subject to multiple risks including exchange rate fluctuations and settlement risks. The investments discussed in this Website may not be suitable for all investors and investors must make their own investment decisions based upon their specific financial situation and investment objectives. Nothing in this Website constitutes investment, legal, accounting or tax advice, or a representation that any investment or strategy is suitable or appropriate to any individual circumstances, or otherwise constitutes any personal recommendation.

**E.A. & O—Final terms subject to market conditions at issue date—This document is for marketing purposes only—by no means is it a recommendation to buy/sell the product promoted. The product is addressed for the exclusive use to investors categorized as "professional investors" or who are intuitional investors themselves.**