

Biotechnology

Investing in **scientific innovation**

UBS Certificate linked to the Bloomberg Transatlantic Top 50 Biotech Index

Biological innovation for the future

Vaccinations, medications, biofuels, genetic engineering, and disease-resistant crops: the applications of biotechnology are far-reaching. The industry continues to expand and evolve day-by-day, as its participants attempt to solve and prevent global issues such as climate change, disease and world hunger. According to Grand View Research¹ in their 2021 report, the global biotechnology market size is valued at around 1.4 trillion USD, with an expected annual growth rate of 14% per annum to 2030.

“Pandemic-proof” sector

During the COVID-19, many sectors experienced unprecedented lows, with investors growing pessimistic on future returns and moving their investments into cash. Conversely, biotech flourished due to increased attention on science and medicine from governments, the media and the public at large. The surge in funding caused sector results to outperform, led by increased revenues in China, the US and Europe. According to Ernst and Young², the sector grew by 35% in 2021 driven by the demand for pandemic products. In line with this, biotech became a safe haven for investors reeling from the pandemic. While investment has slowed down slightly over 2022, the sector still displays high growth potential.

The product solution

UBS Tracker certificates track the performance of the Bloomberg Transatlantic Top 50 Biotech Index 1:1. Since the underlying asset is a net return index, the dividends of the companies included are reinvested into the index. This gives investors an effective and cost-effective opportunity to invest in an innovative sector with a positive long-term outlook.

Opportunities

- Participation in US and European companies operating in the biotech industry.
- Objective-focused and transparent index design: the composition is reviewed quarterly and adjusted as needed.
- Diversification: Underlying asset contains biotech companies from different transatlantic market segments.



UBS Certificate linked to the Bloomberg Transatlantic Top50 Biotech Index

Currency	ISIN	Alpha Code
ZAR	ZAE000323481	BIOTEC

keyinvest-za.ubs.com

- Index components are selected by Bloomberg, the index provider.
- Net dividends accrued from the corporations contained in the index are reinvested in the index.
- Tradable every trading day under normal trading conditions.

Risks

- No capital protection: investors run the risk of losing their capital investment if the price of the underlying index worsens.
- The issuer intends to ensure liquidity in normal market phases on trading days. However, investors should realise that they may not be able to buy / sell the product at every point in time.
- Systematic risk: the development of the yield depends on the respective market conditions.
- As the assets included in the index may be listed in different currencies from the product and the products do not have any currency hedges, the investor may also be exposed to exchange rate risk, which may adversely affect the value of the product.
- Each investor bears the general risk that the financial situation of the issuer may worsen. In the event of the

insolvency of the issuer, the products are direct, unsecured and subordinated liabilities of the issuer.

- The issuer has the right to cancel the products if certain conditions are met.

UBS Certificate linked to the Bloomberg Transatlantic Top50 Biotech Index

Underlying	Bloomberg Transatlantic Top50 Biotech Index
ISIN	ZAE000323481
UBS AG credit rating	S&P A+ Moody's Aa3 Fitch A+
Primary exchange	Johannesburg Stock Exchange
Management fee	0.50% p.a.
Issue date	21 June 2023
Maturity date	27 June 2028
Issue price	ZAR 100.00
Settlement currency	ZAR
Alpha Code	BIOTEC

Investor profile

Solutions for investors with experience in stock market topics and structured products and with a medium to increased risk tolerance who would like to participate in the performance of the equities included in the index at little capital and administrative expense.

The product documentation, i.e. the applicable pricing supplement and termsheet can be found on keyinvest-za.ubs.com

Further information about the Index and the methodology used to compute the level of the Index is available at the website of the index calculator.

¹Grand View Research, Biotechnology Market Size, Share & Trends Analysis Report By Technology (Nanobiotechnology, DNA Sequencing, Cell-based Assays), By Application (Health, Bioinformatics), By Region, And Segment Forecasts, 2023 – 2030, 2023

²Ernst and Young, Beyond Borders: EY Biotechnology Report 2023, 2023

Disclaimer

These materials have been prepared by UBS AG and/or a subsidiary and/or an affiliate thereof ("UBS").

These materials are for distribution only under such circumstances as may be permitted by applicable law. They have not been prepared with regard to the specific investment objectives, financial situation or particular needs of any specific recipient. They are published solely for informational purposes and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments or to participate in any particular trading strategy. Options, derivative products and futures are not suitable for all investors, and trading in these instruments is considered risky. The recipient should not construe the contents of these materials as legal, tax, accounting, regulatory, or other specialist or technical advice or services or investment advice or a personal recommendation. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in these materials. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein except with respect to information concerning UBS, nor is it intended to be a complete statement or summary of the securities markets or developments referred to in these materials or a guarantee that the services described herein comply with all applicable laws, rules and regulations. They should not be regarded by recipients as a substitute for the exercise of their own judgment. Any opinions expressed in these materials are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of UBS as a result of using different assumptions and criteria. UBS is under no obligation to update or keep current the information contained herein, and past performance is not necessarily indicative of future results. UBS, its directors, officers, employees or clients may have or have had interest or long or short positions in the securities or other financial instruments referred to herein and may at any time make purchases and/or sales in them as principal or agent. UBS may act or have acted as market-maker in the securities or other financial instruments discussed in these materials. Furthermore, UBS may have or have had a relationship with or may provide or have provided investment banking, capital markets and/or other financial services to the relevant companies. Neither UBS nor any of its directors, officers, employees or agents accepts any liability for any loss or damage arising out of the use of all or any part of these materials or reliance upon the information contained herein. Additional information may be made available upon request. Not all products or services described herein are available in all jurisdictions and clients wishing to effect transactions should contact their local sales representative for further information and availability.

For further important country-specific information, please see the following link: keyinvest-za.ubs.com

UBS specifically prohibits the redistribution or reproduction of these materials in whole or in part without the written permission of UBS and UBS accepts no liability whatsoever for the actions of third parties in this respect. UBS South Africa (Pty) Ltd is a financial services provider authorised by the Financial Sector Conduct Authority (FSP 7328).

© UBS 2023. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

UBS AG, London Branch

5 Broadgate
London, EC2M 2QS

UBS South Africa (Pty) Ltd

8th Floor South Wing
144 Oxford Road
Johannesburg, 2196

keyinvestza@ubs.com
ubs.com/keyinvest
+27 11 322 7129 / 7317*

*Please note that calls to numbers marked with * may be recorded. When you call these numbers, we assume that you consent to this business practice.

