

PRESS RELEASE

XAIA re-opens funds after significant increase in investment opportunities

- **Subscription of fund shares for XAIA Credit Basis II und XAIA Credit Debt Capital again possible after suspension of soft closing**
- **Market-neutral Absolute Return funds benefit from rising market volatility**

Munich / Frankfurt am Main, 24 March 2020. Market turbulences in the recent weeks have led to a significant increase of attractive investment opportunities for market-neutral investment strategies. As a reaction to the attractive investment environment, Munich-based asset manager XAIA Investment re-opens its funds XAIA Credit Basis II and XAIA Credit Debt Capital for new investments. Both funds had been soft closed for new investments for several years, as their investment strategies are scalable only to a limited degree.

“The revenue potential in both strategies increases in a situation where the price difference between the investment position and the hedging position goes up, as the revenue from the investment grows higher in relation to the respective hedging costs. Rising market volatility triggers a significant increase of such price discrepancies”, said Ulrich von Altenstadt, managing partner at XAIA Investment.

XAIA utilizes structural financial markets distortions and inefficiencies in both strategies in order to generate stable and sustainable returns. The fund XAIA Credit Basis II invests in bonds issued by corporates or sovereigns and hedges the position at the same time against default, interest and currency risks. In the XAIA Credit Debt Capital fund, the hedging is implemented by offsetting equity positions. The strategies have so far worked out for both funds. XAIA Credit Basis II has generated total revenue of 24.27 percent since launch in January 2010 at an annualized volatility of just 0.87 percent. The fund size currently holds 489 million euros. XAIA Credit Debt Capital has assets of 252 million euros and runs a wider range of instruments. The fund generated revenue of 22.21 percent since launch in September 2011 with an annualized volatility of 2.19 percent.¹

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¹ As of 20 March 2020

Fund data at a glance:

Fund name	XAIA Credit Basis II			XAIA Credit Debt Capital			
Asset manager	XAIA Investment GmbH, Munich						
Investment company	Universal-Investment-Luxembourg S.A., Grevenmacher, Luxembourg						
Share class	I	IT	P	I	IT	P	V
ISIN / WKN	LU0462885301 / A0YDMY	LU0946790796 / A1W1Q4	LU0462885483 / A0YDMZ	LU0644384843 / A1JCNM	LU0946790952 / A1W1LZ	LU0644385733 / A1JCNN	LU0880249403 / A1KB4C
Fund type	Other alternative investment funds						
Fund currency	Euro (EUR)						
Appropriation of earnings	Distributing	Accumulating	Distributing	Distributing	Accumulating	Distributing	Distributing
Ongoing charges in 2018 (excl. performance fee)	0,89%	0,89%	1,45%	0,59%	0,59%	1,15%	0,59%
Subscription charge (effective)	none	none	2,50%	none	none	3,00%	5,00%
Minimum initial investment	1.000.000,- EUR		none	500.000,- EUR		none	
Performance fee	15% at a level of 3-month-Euribor® + 2% p.a.			20% at a level of 3-month-Euribor®			

ABOUT XAIA INVESTMENT

XAIA Investment has been active in asset management since April 2009 with a focus on credit strategies. The company's expertise is the management of market-neutral strategies. Investment and hedging instruments are used across asset classes. Hereby attractive and stable risk- / return profiles are being generated.

Further Information on www.xaia.com

ABOUT UNIVERSAL-INVESTMENT

With fund assets of around EUR 505 billion under administration, thereof EUR 386 billion in own vehicles and around EUR 119 billion in, inter alia, insourcing, well over 1,400 mutual and special investment mandates and a workforce of around 750, Universal-Investment is the largest independent investment company in the German-speaking region. With the acquisition of UI labs in January 2019, the industry-leading IT data specialist now completes the Group's service portfolio by adding front office and data solutions. The investment company is the central platform for independent asset management and unifies the investment know-how of portfolio managers, private banks, asset managers and investment boutiques. Founded in 1968, the Universal-Investment Group is headquartered in Frankfurt/Main and has subsidiaries, branches and holdings in Luxembourg, Poland and Austria. It is one of the pioneers of the investment industry and has meanwhile become the market leader in the areas of master-KVG and private label funds. According to the 2019 PwC ManCo Survey, Universal-Investment is the largest AIFM ManCo in Luxembourg; among the Third-Party-ManCos, Universal-Investment also ranks in first place (as of February 29, 2020).

More information available at: www.universal-investment.com

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