Heritage Long/Short Equity
April 2021

### Strategy Description
Launched in 1991, the Heritage Long/Short Equity Fund is one of the oldest fund of hedge funds in Switzerland. Its objective has always been to deliver consistent capital appreciation over a market cycle and to generate superior, risk-adjusted performance over the long term.

The Fund has a focus on long/short equity strategies and invests in a relatively concentrated portfolio of typically 10 to 15 managers. The portfolio is biased towards hedge funds who use a fundamental bottom-up stock picking approach. The Sub-Investment Manager of the Fund aims at discovering talent early, using its extensive industry network. The end result is a portfolio of mid-sized hedge funds at their relatively early stage, a time at which they typically deliver the best part of their returns.

### Portfolio & Strategy Review
All strategies made positive contributions in April, led by Sector Specialist Long/Short managers who made +53bps, with an average performance of +1.02%. US Generalist Long/Short managers added +39bps, averaging +1.21%. Global Long/Short managers contributed a further +31bps, averaging +2.76%. Finally, Event Driven Risk Arbitrage managers made +14bps, on an average performance of +3.20%.

Heritage Long/Short Equity was invested with 16 managers in April, 13 of them with an allocation above 4% of the fund’s assets. The Top 10 managers accounted for 83% of the portfolio. No managers were removed from the portfolio at the end of April, and none were added for May.

### Underlying Managers Review
The top five contributors added +96bps in total to the fund. A US Generalist Long/Short manager added +29bps with the majority of gains coming from Long Consumer Discretionary holdings. A TMT-focused Sector Specialist manager gained +25bps with Long positions in Media companies doing well. A Risk Arbitrage manager contributed +14bps with gains across the portfolio.

The bottom five contributors cost the Fund -8bps in total. A Long/Short TMT manager detracted -6bps as the fund’s Net Long exposure to Semiconductors generated losses as the index fell during the month. A US Generalist manager cost -5bps as the Long portfolio’s modest gains were outweighed by losses on Shorts. A second US Generalist manager cost -2bps as the Long portfolio generally underperformed.
Cumulative returns since inception

Annualized standard deviation

Distribution of monthly returns

Drawdown analysis

<table>
<thead>
<tr>
<th>Depth</th>
<th>Length</th>
<th>Recovery</th>
<th>Begin</th>
<th>End</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 -14.20%</td>
<td>13</td>
<td>15</td>
<td>Jan-94</td>
<td>Feb-95</td>
</tr>
<tr>
<td>2 -12.81%</td>
<td>32</td>
<td>40</td>
<td>Oct-07</td>
<td>Jun-10</td>
</tr>
<tr>
<td>3 -11.99%</td>
<td>3</td>
<td>45</td>
<td>Feb-00</td>
<td>May-00</td>
</tr>
<tr>
<td>4 -11.18%</td>
<td>3</td>
<td>9</td>
<td>Jun-98</td>
<td>Sep-98</td>
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</tbody>
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Allocation by strategy

Top Position: 10.6%
Top 10 Positions: 82.5%

Number of Funds: 16

Top 5 holdings

- Alight: Sector Specialist
- Soma: Sector Specialist
- Honeycomb: Sector Specialist
- Engle: US Long/Short
- Stamina: US Long/Short

Portfolio construction

Portfolio exposure
Disclaimer

HERITAGE ALTERNATIVE FUND, a Swiss fund of funds with special risks ("the Fund"), is an umbrella fund investing in underlying alternative funds, the risks of which are not comparable with those of traditional investment funds. The underlying funds are of a variety of types and legal forms, open-ended or closed end and may or may not be listed on recognised stock exchanges or other public regulated markets. Although there is strict and rigorous selection and monitoring of underlying funds, Investors should be aware of the increased risks associated with investing in these funds, particularly as to the possible partial or total loss of their investment. Besides the market and currency risks, investors' attention is drawn to the risks associated with the potential lack of liquidity of shares in the underlying funds and/or their investments, the impact of substantial redemptions, the solvency of underlying funds service providers, the lack of transparency and legal related risks. These risks are commented more fully in the prospectus.

The purchase of shares is conditional upon the signature of a subscription agreement. Past performance is not necessarily an indication of future returns and performance data is being inserted merely as a reference guidance. Performance data contained herein does not take account subscription fees or other transaction charges that may be payable by investor. The Fund is not available for sale in the US or to US persons and its sale is restricted in certain other jurisdictions including the UK. The prospectus and fund contract, the semi-annual and annual reports are available free of charge at GERIFONDS SA (www.gerifonds.ch), the fund management company, or at Banque Cantonale Vaudoise, Place St-François 14, 1003 Lausanne, the payment service. This is a marketing / promotional document.

Notes

(1) The Fund's inception is April 1, 1991. Originally registered in the Cayman Islands under the name of "Spirit Long/Short Equity Holdings Ltd." the fund became a Swiss Fund of Hedge Fund on September 30, 2010 and has since been named Heritage Long/Short Equity. CHF hedged share classes have been launched on September 23, 2011 and EUR hedged share classes on December 31, 2012. The MSCI World (MSDLWI) market index is not the Fund's benchmark and is shown for informational purposes only.

(2) The classification of the underlying funds is made according to information received from the underlying fund managers concerning their investment strategies and the exposures of their portfolios in terms of geographical breakdown.

(3) The Fund's Top 5 Holdings represents the five largest positions at the end of the current month.

(4) The Fund's Long & Short exposure is calculated based on the underlying funds' exposures obtained from the fund managers on a monthly basis.

(5) "Volatility" is a common risk metric. It measures the average deviations of a return series from its mean. A high standard deviation implies that the data is highly dispersed and there have been large swings or volatility in the return series. A low standard deviation tells us the return stream is stable and less volatile. "Sharpe Ratio" is a way to examine the performance of an investment by adjusting for its risk. The ratio measures the excess return above a risk-free rate per unit of standard deviation.

(6) Due to the late publication of the monthly data of this index, the figure indicated may refer to the previous month.