

LSP Life Sciences Fund



Monthly Report December 2020

NAV per Share € 289.07

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years
25.0%	0.3%	32.7%	25.0%	34.8%	23.0%	36.4%

NAV of Fund	58,254,390
Number of Shares	201,517
Valuation Date	31/12/2020

Top-5 performers during the month

1. Abivax	47.6%
2. Intra-Cellular Therapies	34.5%
3. Arrowhead Pharmaceuticals	22.7%
4. Otonomy	21.2%
5. TCR2 Therapeutics	13.5%

Inception date:	27/04/2011
Currency:	Euro
Domicile:	The Netherlands
Legal Structure:	Dutch NV with variable capital
Listing:	Euronext Amsterdam
Euronext code:	LSP
ISIN Code:	NL0009756394
Bloomberg:	LSP NA

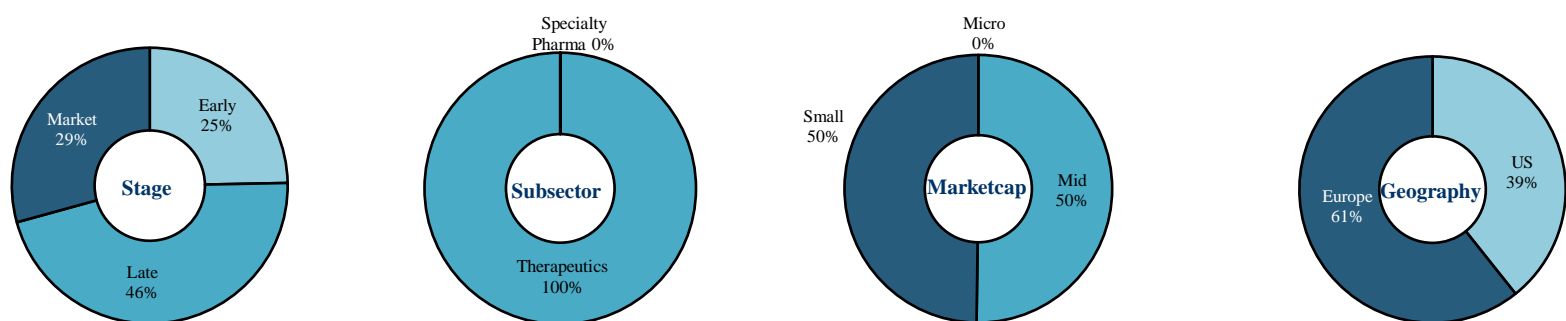
Investment strategy

The Fund's primary investment objective is to achieve capital appreciation by investing in a diversified, yet concentrated portfolio of publicly listed life sciences companies (including biopharmaceutical-, specialist pharmaceutical-, medical device-, drug delivery-, vaccine- and diagnostic companies). The majority of the Fund's portfolio will consist of European companies listed on one of the (main) European stock exchanges, with a market capitalization of below € 2.5 billion at the time of investment.

Manager's comments

2020 was an exceptional year by all measures, which is why we are particularly gratified to end this year with a performance of +25%. The month of December is often a volatile month for the healthcare sector with several important medical conferences and portfolio rebalancing increasing the risk. The fund was more or less flat for the month with some big winners offset by some disappointments. The big winner in the month of December was French company Abivax, a recent addition to the portfolio. The lead program, ABX464 is being investigated as a potential treatment for symptomatic COVID-19 patients. In late December, the French government classified the Phase II/III, 1,000 patient clinical study as having priority for patient enrollment. The results of the study are expected in 1H21. Intra-Cellular Therapies also saw its shares spike in December driven in part by a bullish initiation report from Goldman Sachs but more importantly by the increasing awareness of the potential for its lead drug Caplyta, not only as a treatment for schizophrenia, for which it was approved earlier this year, but also for bi-polar disorder, for which the Company just filed an sNDA for approval. Otonomy is a new addition to the portfolio and has already made a positive contribution based on positive result from an early but highly interesting clinical study in hear loss disorders. Should these results be confirmed in larger studies, it will be a breakthrough for a broad range of people with hearing loss. The Company expects to have pivotal data for the use of its lead asset, Otividex, in the treatment of Meniere's disease in early 2021 and will also initiate Phase 2 studies with OTO-313 in tinnitus in 2021. Otonomy has one of the richest pipelines in development for the treatment hearing and ear related disorders. There were disappointments in December. Although uniQure presented very positive clinical data from a pivotal study of gene therapy, EtranaDez, in the treatment of hemophilia B in late November and the full data set was well received at a conference in early December – the program suffered a setback when a clinical hold was placed on the study. This will have no impact on the final read out of the study, which is fully enrolled, but it does placed a cloud of uncertainty over the treatment which will take time to resolve. One patient treated with EtranaDez had a preliminary diagnosis of a form of liver cancer. The company now needs to verify this diagnosis and discern whether or not the gene therapy is responsible in any way. This is likely to take several months to analyze. As the year closes – we are focused on the many investor conference which will take place in early January and are working diligently to scour the market for exciting new investment opportunities for 2021.

Portfolio breakdown



Important information

LSP Advisory B.V. (as Fund Manager) and the LSP Life Sciences Fund N.V. (the Fund) have a license and are registered pursuant to the Dutch Act on Financial Supervision and are supervised by the Stichting Autoriteit Financiële Markten (Dutch Authority for the Financial Markets) and De Nederlandsche Bank N.V. (the Dutch Central Bank). This presentation is solely for information purposes and is not intended as advice in any way. The Fund Manager and the Fund cannot be held liable or responsible for the content of this presentation. Potential investors are advised to contact their investment- and fiscal advisor prior to taking an investment decision. There are risks involved in the investment. The value of the investment can fluctuate. Results achieved in the past offer no guarantee for the future. A Key Investor Information Document is also available for this product with information about the product, the costs and the risks involved. Read it before you invest in the product. The prospectus and the Key Investor Information Document of the LSP Life Sciences Fund can be downloaded via www.lspvc.com/funds/public.html

In Switzerland, the Fund may only be offered or distributed to qualified investors. For this, the Fund has appointed as Swiss Representative Oligo Swiss Fund Services SA, Av. Villamont 17, 1005 Lausanne, Switzerland, Tel: +41 21 311 17 77, email: info@oligofunds.ch. The Fund's paying agent is Banque Cantonale de Genève. Any Fund Documentation may be obtained free of charge from the Swiss Representative in Lausanne.