

LSP Life Sciences Fund

Monthly Report June 2020

LSP
CONNECTING INVESTORS TO INVENTORS

NAV per Share € 220.98

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years
-4.5%	-1.8%	34.7%	-10.6%	-12.5%	3.8%	3.1%

NAV of Fund 50,617,397

Number of Shares 229,049

Valuation Date 30/06/2020

Top-5 performers during the month

1. Calliditas Therapeutics	25.8%
2. Intra-Cellular Therapies	21.5%
3. Blueprint Medicines	19.7%
4. Biohaven Pharmaceutical	17.0%
5. Karuna	7.9%

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

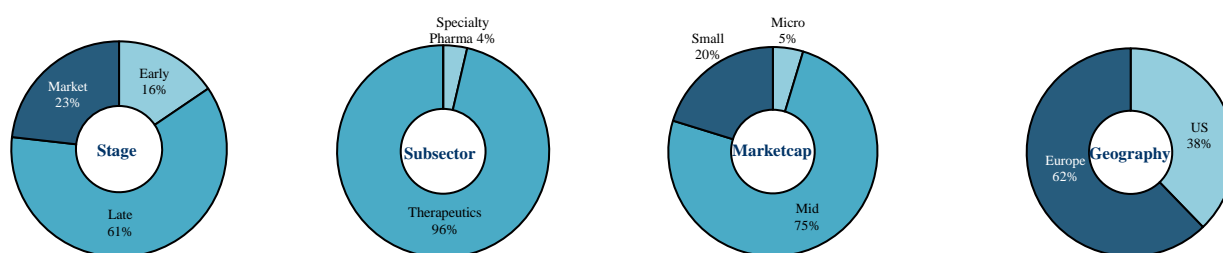
Investment strategy

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

As the COVID pandemic continues its grip on the world, the markets remain volatile. However, despite market conditions there has been a surge in IPOs and follow-on financings in the healthcare sector; with over 30 deals priced in the month of June. Several companies in the portfolio raised capital strengthening their balance sheet; Allogene, argenx and Fate Therapeutics. Furthermore, 17 IPOs have priced in the US during the pandemic and have seen good after market performance – suggesting investor enthusiasm for the sector. The fund participated in one IPO. Swedish company Calliditas, which is in late stage development of a treatment for a rare form of kidney disease. A further two new investments were added to the portfolio in June, Karuna and Intra-Cellular Therapies. Both of these companies focus on CNS disorders with a primary focus on schizophrenia. Intra-Cellular received FDA approval for its novel treatment for schizophrenia, Caplyta, at the end of 2019 and is launching into a difficult pandemic market. In our view, the product is clearly differentiated from currently available treatments and we are confident of the longer term success of Caplyta. The drug is also being investigated for the treatment of bipolar disorder (BPD) with data expected in the coming weeks. This is a high risk read-out, but the current valuation is fully supported by the schizophrenia opportunity with BPD as upside. Karuna is expected to initiate Phase 3 studies for its schizophrenia treatment later this year. If they can replicate the results from the Phase 2 study, this could be a potent new treatment for this patient population. We expect the volatility to continue over the coming months and endeavor to identify new investment opportunities overlooked in the current market environment.

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.