

LSP Life Sciences Fund

Monthly Report August 2021

LSP
CONNECTING INVESTORS TO INVENTORS

NAV per Share € 262.52

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years
-9.2%	13.0%	-0.6%	23.2%	20.9%	-2.5%	48.8%

NAV of Fund	52,281,295
Number of Shares	199,149
Valuation Date	31/08/2021

Top-5 performers during the month

1. Valneva	77.4%
2. Merus	51.6%
3. TCR2 Therapeutics	34.8%
4. Amarin Corp	31.4%
5. Oncopeptides	20.1%

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

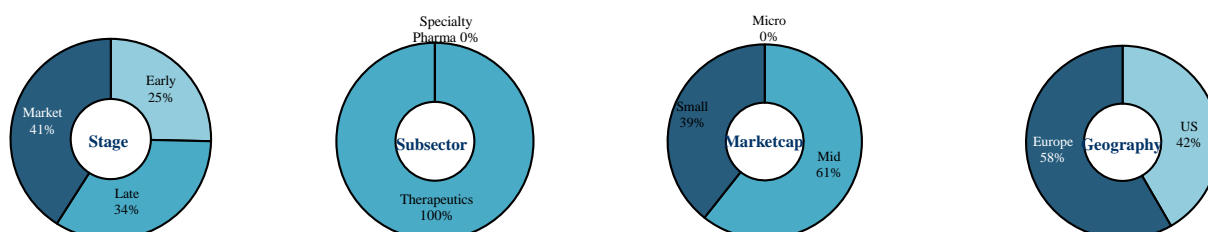
Investment strategy

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

We are now well into the second half of 2021 and the ongoing COVID pandemic continue to dominate all aspects of our lives and the markets. At the macro level, we have seen continued flight from risk, whereby the large cap companies have performed well, while leaving the smaller cap companies out of favour with investors. This trend was particularly strong over the summer months when small cap healthcare companies sold off across the board. The focus of the LSP Lifesciences fund is this small innovative healthcare segment and was therefore impacted by the volatility. Fortunately for the fund, there was a strong rebound in August with several companies giving a strong performance. French vaccine company, Valneva was the best performer. The company presented pivotal data for a new vaccine for Chikungunya. This is by far the most advanced vaccine in development and puts the company on track to have the first vaccine approved. However, the primary focus remains the company's COVID vaccine. Valneva is running a head-to-head study against the Astra Zeneca COVID vaccine with results expected in October. The Valneva vaccine is the only whole inactivated virus vaccine being developed in Europe. If approved – it would provide a new alternative for the 'vaccine hesitant' population and could also play a role in booster programs. Data from pivotal and booster studies will be available in the coming weeks. Oncopeptides had a setback when FDA placed a clinical hold on its lead program. Based on additional data presented by the company – with more to come – we remain convinced that the clinical hold will be removed and that Pepaxto does provide benefit to patients with multiple myeloma. Swiss CNS company, AC Immune announced surprisingly positive data from an Alzheimer's disease program partnered with Roche/Genentech. Semorinemab had reported negative clinical results last year but in August the company announced positive topline data in an earlier Alzheimer's population. This is particularly exciting because Semorinemab is the first Tau directed Alzheimer's disease treatment to show cognitive benefit in patients. This first clinical PoC data for the Tau-hypothesis not only provides first-in-class potential for Semorinemab but opens the potential for combination therapy, with for example, the recently approved Aduhelm (Biogen/approved June 2021/Amyloid targeting). The data is still early and we are looking forward to getting more details at a medical conference in November 2021. As we head into the last few months of the year, we anticipate strong news flow. There is a concentration of important scientific and medical conferences in the coming months, which will generate important news flow for the portfolio. Given the rather unique macro-environment in which we find ourselves, market uncertainty and volatility will remain, impacting many of our portfolio companies short term. Ultimately, fundamental growth is what the fund invests in, providing for long term value creation.

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.