

# BlueBox Funds- BlueBox Precision Medicine Fund

## Investing in tomorrow's medicine, today



**This is a marketing communication.** Please refer to the Prospectus and KID of the Fund for more information on general terms, risks, and fees. Investors should only invest in the Fund once they have reviewed the Prospectus and KID before making any final investment decisions.

### Investment Theme—Precision Medicine

Precision Medicine is the fundamental revolution in drug discovery and patient treatment of the 21st century. Traditional medicine is being transformed into patient specific solutions that treat disease at its underlying cause. This intersection of a genomic and biotechnology revolution is changing lives, now.

### BlueBox Precision Medicine Fund Performance



Performance to 31.08.2024	1 month	3 months	YTD	ITD Ann	12M Rolling Performance to 31.08.2024	August 2024
BlueBox Precision Medicine Fund	0.9%	15.2%	15.3%	20.9%	BlueBox Precision Medicine Fund	27.0%
S&P BMI Healthcare Index <sup>1</sup>	5.1%	10.9%	16.0%	16.2%	S&P BMI Healthcare Index <sup>2</sup>	19.3%

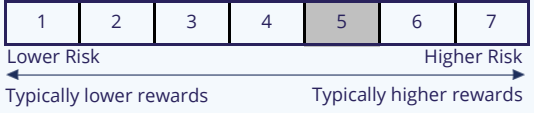
<sup>1</sup> Performance based on Share Class S since launch 28.02.2023 (ISIN LU2519375591)      <sup>2</sup> S&P BMI Healthcare INDEX is Net Total Return, calculated since launch of BBPM on 28.02.2023

The fund performance is **not** measured against the benchmark. This is for information purposes only. Performance is of a USD share class, on net of fees basis, with gross income reinvested. Source: at 31/08/24. **Past performance does not predict future returns.** Performance related data will display only where relevant to the share class inception date. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested.

**Equity Risk:** The risk that investments depreciate because of stock market dynamics.  
**Market Risk:** The Fund's assets may decrease because of sovereign acts and political transformation, which may also influence free trade of currency. In addition, risks may arise because of restricted information possibilities in addition to less stringent supervision and control of certain markets. The performance of these markets may be subject to significant volatility. The concentration of the Fund on a given country implies the risk that the events concerning the given country may significantly and negatively affect the value of the whole portfolio of the Fund\*.

### Risk Indicator\*

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.



\*PRIIPS SRI  
 Medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions will likely impact our capacity to pay you.

**The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to cash in early. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.**

**Be aware of currency risk. In some circumstances, you may receive payments in a different currency, so the final return you will get may depend on the exchange rate between the two currencies.** This risk is not considered in the indicator. A complete description of risk factors is set out in the Prospectus in the section entitled 'Risk Factors Annex'.

### What is Precision Medicine?

Precision Medicine is a transformational change in what humanity can do to improve people's lives. It is a more targeted approach to medicine than the one-size-fits-all methods of the last 100+ years. It exists at the intersection of major advances in genomics, biotechnology, chemistry, molecular biology and computing power. It enables scientists to understand the underlying biological drivers of an increasing number of diseases. Once the underlying cause of a disease is elucidated through molecular biology and genomics, much more effective medicines can be developed using the latest technology in biotechnology and chemistry. All of this is supported by ever increasing computing power.

Precision Medicines address the underlying driver of a disease and eligible patients may be selected using a diagnostic test. By targeting the specific driver, the benefit of precision medicine is much greater than traditional medicine. Furthermore, patients without the relevant driver are unlikely to benefit and can be treated with an alternative, avoiding unnecessary side effects and saving money.

Approvals of precision medicines started accelerating in 2010 and have continued to do so. Originally these started in rare genetic diseases and certain subsets of oncology. There is plenty of growth in these areas but it is also expanding into new, more common diseases. This underpins our belief that there are decades of growth ahead for the field.

Top 10 Holdings		Country Allocation		Market Capitalisation		Sector Allocation	
BioMarin Pharma	6.4%	United States	77.1%	Mega cap (>\$100bn)	15.9%	Biotechnology	69.1%
Argenx	6.1%						
Alnylam Pharma	5.9%	United Kingdom	6.7%	Large cap – upper (\$50bn - \$100bn)	0.0%		
Illumina	4.9%						
Vertex Pharma	4.9%	Belgium	6.1%	Large cap – lower (\$10bn - \$50bn)	38.2%	Life Sciences	29.3%
Lonza Group	4.7%						
Sartorius Stedim	4.5%	Switzerland	4.7%	Mid cap (\$1bn - \$10bn)	36.9%		
Natera Inc	4.2%					Pharmaceuticals	0.7%
Blueprint Medicines	4.1%	France	4.5%	Small cap (<\$1bn)	8.1%		
Regeneron Pharma	3.9%						
		Cash & equivalents	0.9%	Cash & equivalents	0.9%	Cash & equivalents	0.9%
<b>Total</b>	<b>49.6%</b>						

### Investment Manager

Lead Portfolio Manager

Mark Dainty,  
 MPharm, FCA



### Investment Manager Biography

Mark joined BlueBox in 2022 to launch the BlueBox Precision Medicine Fund. He has been researching and investing in the Healthcare sector since 2006. Prior to BlueBox he was the Lead Portfolio Manager of a pharmaceuticals and biotechnology fund at Norges Bank Investment Management for 6 years. He also spent 3 years at Blackrock as a global healthcare analyst and 6 years at Citi in a leading equity research team covering European pharmaceuticals. He holds a Masters in Pharmacy and became a Chartered Accountant (FCA) with KPMG.

This combination is critical for evaluating businesses that create lasting value through innovation in the biopharmaceutical sector.

### Fund Objective

The main objective of the Fund is to seek long-term capital growth by investing mainly in shares of companies that have their principle business in the pharmaceuticals, biotechnology and life science sectors, or profiting from them. The Fund invests globally, is actively managed and is not benchmark constrained.

### Assets Under Management

<b>Firm:</b>	USD 1,582 m
<b>Strategy:</b>	USD 19.3 m
<b>Fund:</b>	USD 19.3 m

### Key Facts

<b>Fund Base Currency</b>	USD
<b>Liquidity</b>	Daily
<b>Fund Type</b>	UCITS
<b>Legal Status</b>	SICAV
<b>SFDR</b>	Article 8
<b>Domicile</b>	Luxembourg
<b>Auditor</b>	PwC
<b>Custodian</b>	Northern Trust
<b>Launch Date</b>	28 February 2018

### Portfolio Construction

<b>Asset Class</b>	Equity
<b>Number of Securities</b>	25-45
<b>Weight</b>	10% maximum
<b>Turnover</b>	Low (typically 30 - 40%)
<b>Market Cap</b>	Mainly Targeting \$1 bn - \$80 bn
<b>Geographic</b>	Global
<b>Cash</b>	Minimal cash, always below 10%
<b>Benchmark</b>	Flexible, not benchmark oriented

### Fund Characteristics

<b>Number of holdings</b>	30
<b>Weighted average market cap</b>	USD 38 bn

# BlueBox Funds- BlueBox Precision Medicine Fund

## Investing in tomorrow's medicine, today

Precision  
Medicine  
Fund

bluebox

**This is a marketing communication.** Please refer to the Prospectus and KID of the Fund for more information on general terms, risks, and fees. Investors should only invest in the Fund once they have reviewed the Prospectus and KID before making any final investment decisions.

### Mark Dainty's Monthly Comment

It appears that equity markets tilted more defensively in early July and this continued through August. The S&P BMI Healthcare Index has outperformed the S&P 500 by 10% since July 4th, with biotech also out-performing by a similar amount. This appears to be in anticipation of a worsening economic environment, with the prospect of interest rate cuts supporting unprofitable biotech stocks too.

During August, the fund returned 1%, compared to the S&P BMI Healthcare Index up 5.2% and S&P Select Biotechnology Index up 2.3%. During the early August volatility in markets, the drawdown was less than Biotechnology indices and the S&P 500, but worse than the broad Healthcare index, which is in line with our expectations. Year-to-date the fund is up 15.3% which is 1.4% ahead of the Biotechnology Index and 0.8% behind the broader Healthcare Index.

The main winners in August were Springworks Therapeutics (+16%), Natera (+15%) and Alnylam Pharmaceuticals (+11%) that all reported second quarter earnings ahead of expectations.

The largest detractors were Rocket Pharmaceuticals (-22%), Blueprint Medicines (-12%) and Bicycle Therapeutics (-12%). None of these companies had any major changes to their business prospects or

disappointing quarterly results so we put this largely down to volatility.

It is worth noting that Illumina held its first investor event following the spin-off of GRAIL. It appears that new management are putting the pieces together for a return to profitable growth and a focus on innovation, as we had hoped. Illumina's genomic sequencing technology is critical for the growth of Precision Medicine and looks set to remain that way.

Many people who have never heard of Precision Medicine are understandably sceptical about its relevance or size. Some statistics from Illumina are instructive; more than half of Illumina's consumables revenue is for clinical applications guiding patient care. Furthermore, the addressable clinical market is expected to have a CAGR of 18% for the next 10 years; from \$4bn today towards \$20bn in a decade. This level of growth is just from testing consumables and doesn't include the value of new therapeutic medicines.

The data highlighted by Illumina explains why the enablers of Precision Medicine are a critical part of our portfolio construction and why we believe the world is at the beginning of a multi-decade growth trend of more targeted Precision Medicines. The fund aims to capture this growth through both drug developers and the enablers of Precision Medicine.

### Important Information

This is a **marketing communication** and is for information purposes only, and must not be distributed, published, reproduced or disclosed by recipients to any other person. This communication is not intended for use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. All information provided here is subject to change without notice.

Past performance is not an indication of current or future performance and should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. Performance shown does not take into account any commissions and costs incurred in the issue and redemption of shares. Data and graphical information herein are for information only. No separate verification has been made as to the accuracy or completeness of these data which may have been derived from third party sources. As a result, no representation or warranty, expressed or implied, is or will be made by BlueBox Funds as regards the information contained herein. Source of data: BlueBox Asset Management SA.

Information about the risk involved in the fund, including Risk Category, Equity Risk, and Market Risk can be found within the Prospectus of BlueBox Funds, in the 'Risk Factors Annex'. The base currency of the fund is USD, therefore returns on non-USD share classes will be affected by exchange rate movement. Fees and charges will reduce the return on your investment and will be affected by exchange rate fluctuations for USD against EUR, GBP and CHF. The Prospectus and the appropriate KID / KIID for the share class should be consulted to obtain further details on risk, fees, and general terms before making any final investment decisions, which should take into account all the characteristics or objectives of the Fund as described. The Prospectus and KIDs / KIIDs, as well as the latest annual and semi-annual reports, can be found at [www.blueboxfunds.com](http://www.blueboxfunds.com), or obtained free of charge from Carne Global Financial Services, Luxembourg S.à r.l. 3 Rue Jean Piret, 2350 Gasperich, Luxembourg, and from all distributors.

Carne Global Financial Services, Luxembourg S.à r.l. may decide to terminate the arrangements made for the marketing of the Fund in all or a particular country. A summary of the investors' rights is available in English at <https://www.carnegroup.com/policies/>.

In the United Kingdom, this communication is issued by BlueBox Asset Management UK Ltd. BlueBox Asset Management UK Ltd. is authorized and regulated by the Financial Conduct Authority (FRN952970). This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act"), and the handbook of rules and guidance issued from time to time by the FCA (the "FCA Rules"). This material is for information purposes only and does not constitute an offer to subscribe for or purchase any financial instrument. All information provided is not warranted as to completeness or accuracy and is subject to change without notice. This communication and any investment or service to which this material may relate is exclusively intended for persons who are Professional Clients or Eligible Counterparties for the purposes of the FCA Rules or fall into a relevant category under COBS 4.12 in the FCA Rules and other persons should not act or rely on it.

The representative in Switzerland is REYL & Cie Ltd, Rue du Rhône 4, CH-1204 Geneva. The prospectus, the Key Information Document, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative. Current share prices are available on [www.fundinfo.com](http://www.fundinfo.com). The paying agent in Switzerland is REYL & Cie Ltd, Rue du Rhône 4, CH-1204 Geneva.

### Share Classes

S Acc.	Retail
Min. Initial Investment:	\$10,000.-
Annual Management Fee:	1.0 % AUM \$100m - \$150m: 0.5% AUM >\$150m: 0%
Total Ongoing Charges:	2.28 %
Launch Date:	28 February 2023
ISIN	
USD	LU2519375591

C Acc.	Retail
Min. Initial Investment:	\$1,000.-
Annual Management Fee:	2.20 %
Total Ongoing Charges:	3.48 %
Launch Date:	Offering Period
ISIN	
USD	LU2519374511
EUR	LU2519374354
GBP	LU2519374438
CHF	LU2519374271

A Acc.	Retail
Min. Initial Investment:	\$10,000.-
Annual Management Fee:	1.50 %
Total Ongoing Charges:	2.78 %
Launch Date:	14 June 2023
ISIN	
USD	LU2519372499
EUR	LU2519375161
GBP	LU2519375245
CHF	LU2519375088

I Acc.	Institutional
Min. Initial Investment:	\$150,000.-
Annual Management Fee:	1.00 %
Total Ongoing Charges:	2.24 %
Launch Date:	Offering Period
ISIN	
USD	LU2519373547
EUR	LU2519373380
GBP	LU2519373463
CHF	LU2519373208

Registration Countries:  
**LU, CH, UK, DE, ES**

The charges are the fees the Fund charges to investors to cover the costs of running the Fund. Additional costs, including transaction fees, will also be incurred. These costs are paid out by the Fund, which will impact on the overall return of the Fund. Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

The Ongoing Charges Figure (OCF) is an amount representing all operating charges and expenses of the Fund in the prior 12 months as a percentage of the Fund's average net assets for the period. Where that figure would not be a fair representation of future costs or if 12 months data is not available, an estimated figure will be shown.