

# BlueBox Funds- BlueBox Precision Medicine Fund

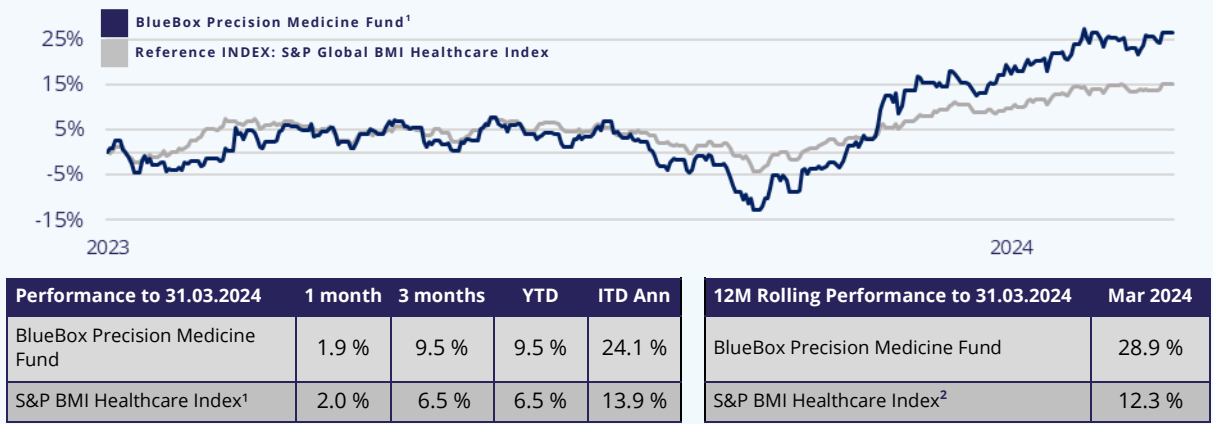
## Investing in tomorrow's medicine, today

**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



<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

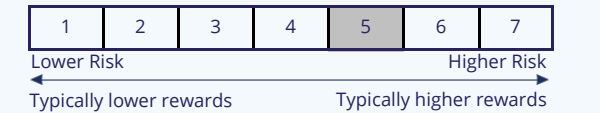
The fund performance is **not** measured against the benchmark. This is for information purposes only. Performance is of a USD share class, on net of fees basis, with gross income reinvested. Source: at 31/03/24. **Past performance does not predict future returns.** Performance related data will display 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.



**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.**

\*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.

**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	
Argenx	6.1 %	United States	72.6 %	Mega cap (>\$100bn)	18.3 %	Biotechnology	64.0 %
BioMarin Pharma.	6.0 %	Belgium	6.1 %	Large cap – upper (\$50bn - \$100bn)	0.0 %		
Vertex Pharma.	5.0 %	United Kingdom	6.1 %	Large cap – lower (\$10bn - \$50bn)	38.1 %	Life Sciences	32.0 %
Sartorius Stedim	4.7 %	France	4.7 %	Mid cap (\$1bn - \$10bn)	36.9 %	Pharmaceuticals	3.0 %
Blueprint Medicines	4.6 %	Switzerland	3.9 %	Small cap (<\$1bn)	5.7 %		
Natera Inc	4.5 %	Italy	3.3 %				
Illumina	4.2 %	Denmark	2.3 %				
Springworks Therapeutics	4.0 %						
Alnylam Pharma.	3.9 %						
Lonza Group	3.9 %						
Total	46.9 %	Cash & equivalents	1.0 %	Cash & equivalents	1.0 %	Cash & equivalents	1.0 %

Precision  
Medicine  
Fund

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### 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

Firm:	USD 1,367 M
Strategy:	USD 16.1 M
Fund:	USD 16.1 M

### Key Facts

Fund Base Currency	USD
Liquidity	Daily
Fund Type	UCITS
Legal Status	SICAV
SFDR	Article 6
Domicile	Luxembourg
Auditor	PwC
Custodian	Northern Trust
Launch Date	28 February 2018

### Portfolio Construction

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

### Fund Characteristics

Number of holdings	32
Weighted average market cap	USD 46 B

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Medicine  
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### Mark Dainty's Monthly Comment

March's +1.9% return capped off a successful first quarter of 2024. Year to date return is 9.5% which is 3% ahead of the S&P Select Biotechnology Index and the S&P BMI Healthcare Index.

During March, the S&P Select Biotechnology Index fell by 3.4%, coming off a rapid increase during the second half of February. The rise from the October 2023 low to the late February 2024 peak was 60%. With that sort of increase, a bit of a breather seems entirely reasonable.

The first quarter of 2024 has seen the most public equity capital raising in biotechnology for the last two years. It is also significantly higher than any quarter in the pre COVID years of 2018/19. With this sort of activity it is clear the environment for funding all the exciting progress being made in science is supportive, but definitely not exuberant.

Notable stock moves in the quarter were:

Lonza (+14%) as it acquired one of the world's largest biologics manufacturing sites from Roche/Genentech. The facility in Vacaville (US) will immediately increase Lonza's capacity and through an upgrade program enhance capabilities and scale longer term. This significant scale increase is achieved much faster than if greenfield construction was undertaken. 2025-28 sales CAGR guidance was increased by 1-2% to 12-15% and while the new facility will be margin dilutive, as utilisation increases it enables Lonza to be able to drive growth and margins post 2028. Since a disastrous Investor Day in October 2023 Lonza has risen 73% to the end of March, proving once again that maintaining a long-term view is valuable in this sector.

Moderna (+16%) rose throughout the month as it started a new trial for the personalised cancer vaccine in cutaneous squamous cell carcinoma, implying Moderna and its partner, Merck & Co, have increasing confidence as they broaden out the number of cancers being tested. Towards the end of the month Moderna also held an investor event focused on vaccines. This included a review of its broad portfolio as well as data on the next generation COVID vaccine, a product that appears to generate greater antibody response and can also be stored in a refrigerator as opposed to a freezer, making logistics easier.

There were a limited number of material detractors during the month.

Nuvalent declined 10% which may, in part, be due to a company with a competing drug for ROS1 mutated lung cancer being acquired by a smaller oncology company. It is not clear to us that this particular drug is better than Nuvalent's offering, although it is slightly closer to approval. As such our view has not changed.

Assuming that the funding environment continues to be supportive, we may well see increasing generalist investor interest in the sector as the prospect of missing out on returns becomes harder to ignore. With our conviction that we are at the beginning of a multi-decade growth trend of more targeted Precision Medicines we do not need this to generate a return, but it may add support to the sector. As ever, the BlueBox Precision Medicine Fund aims to capture this growth through both drug developers and enablers of Precision Medicine.

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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 Funds Avenue S.A. 49, boulevard Prince Henri, Luxembourg, and from all distributors.

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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
USD	ISIN LU2519375591
C Acc.	Retail
Min. Initial Investment:	\$1,000.-
Annual Management Fee:	2.20 %
Total Ongoing Charges:	3.48 %
Launch Date:	Offering Period
USD	ISIN 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
USD	ISIN 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
USD	ISIN 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.	