

Returns

As at 31 December 2024	1m %	3m %	1y %	3y % pa	5y % pa	Since inception % pa (Nov 13)
Gross	1.2	0.0	-1.2	-2	0.7	10.4
Net of Fees	1.2	0.0	-1.2	-2	0.7	9.6
S&P Biotechnology Select Industry Index (converted to AUD)	-5.4	1.4	10.6	-2	1.3	11.7

Portfolio Composition

NAV per share	% in cash	% shares in USD	% shares in AUD
1.64*	36	38	26

Commentary

The biotech sector capped off a miserable year with a measly \$55b in M&A deals, the lowest since 2017. Year end tax loss selling and weak sentiment shaved 10% off the benchmark index. In AUD terms, this decline was somewhat offset by a 5% drop in AUD USD cross rates.



Nature Biotechnology

The CE portfolio fared better, with our holdings in AUD doing better than our USD holdings. Once again, the heavy cash position protected us. I made no transactions to the portfolio in December. We enter the new year with a much better outlook for the biotech sector, although the general market levels continue to be worryingly high with various spots of irrational pricing.

Regards

Peter Phan

Portfolio Manager

Appendix 1: Gross Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	SPSIBI
2022	-5.5	0	0.5	-4.5	1.0	-0.5	2.0	-1.0	-5.0	2.0	4.0	-0.5	-7.5	-20.4
2023	2.0	2.0	-1.2	1.8	-2.3	0.0	5.4	-5.7	-3.0	-7.5	6.1	6.4	2.9	6.9
2024	1.2	1.0	0.5	-7	2.5	-1.8	0.0	3.1	0.0	-3.5	2.5	1.2	-1.2	10.6

SPSIBI = S&P Biotechnology Select Industry Index (converted to AUD)

Appendix 2: Portfolio Composition

Sector*	% of portfolio
Cash	36%
Software/Data	22%
Tools and Devices	10%
Bioprocessing	11%
Genomics	6%
Radiopharma	7%
Drug Discovery	3%
Legacy	5%

Appendix 3: CE NAV

CE commenced on 1 November 2013 with shares issued at \$1 per share, backed by \$1 of cash per share.

CE NAV is after payment of dividend and director fees in calendar month February of each year. These payments "reset" the NAV as follows:

- (a) 1.52 to 1.34 in Feb 2017,
- (b) 1.46 to 1.39 in Feb 2018,
- (c) 1.39 to 1.39 in Feb 2019,
- (d) 2.29 to 2.10 in Feb 2020,
- (e) 2.53 to 2.25 in Feb 2021,
- (f) 2.03 to 1.77 in Feb 2022,
- (g) 1.77 to 1.65 in Feb 2023.
- (h) 1.65 to 1.65 in Feb 2024.