Telescope Biotech Fund

Telescope Biotech Fund, FIL

INVESTMENT REPORT: Q3 2026

HIGHLIGHTS

- **Year-to-date performance.** Telescope Biotech Fund returned +23.74% in euros and +19.49% in U.S. dollars year to date, compared with +29.32% for the XBI and +11.77% for the S&P 500.
- **A more cautious biotech market.** Rising interest rates and geopolitical tensions reduced investors' appetite for risk and lowered the valuations of traditional biotech companies, which depend on raising capital.
- **A new era for cancer vaccines.** Moderna's personalised cancer vaccine succeeded in a Phase 3 trial in melanoma, the first therapy of its kind to do so: a technological milestone that also drew generalist investors to the sector.
- **Milestones in the Telescope portfolio.** The FDA approved Revolution Medicines' Rasonque for metastatic pancreatic cancer and Egetis Therapeutics' Emcitate for MCT8 deficiency, a rare genetic disease. Revolution Medicines was the fund's largest position throughout the first half of 2026, and Egetis is a core holding. Vertex acquired Crinetics for $10 billion in cash, a premium of around 100%.

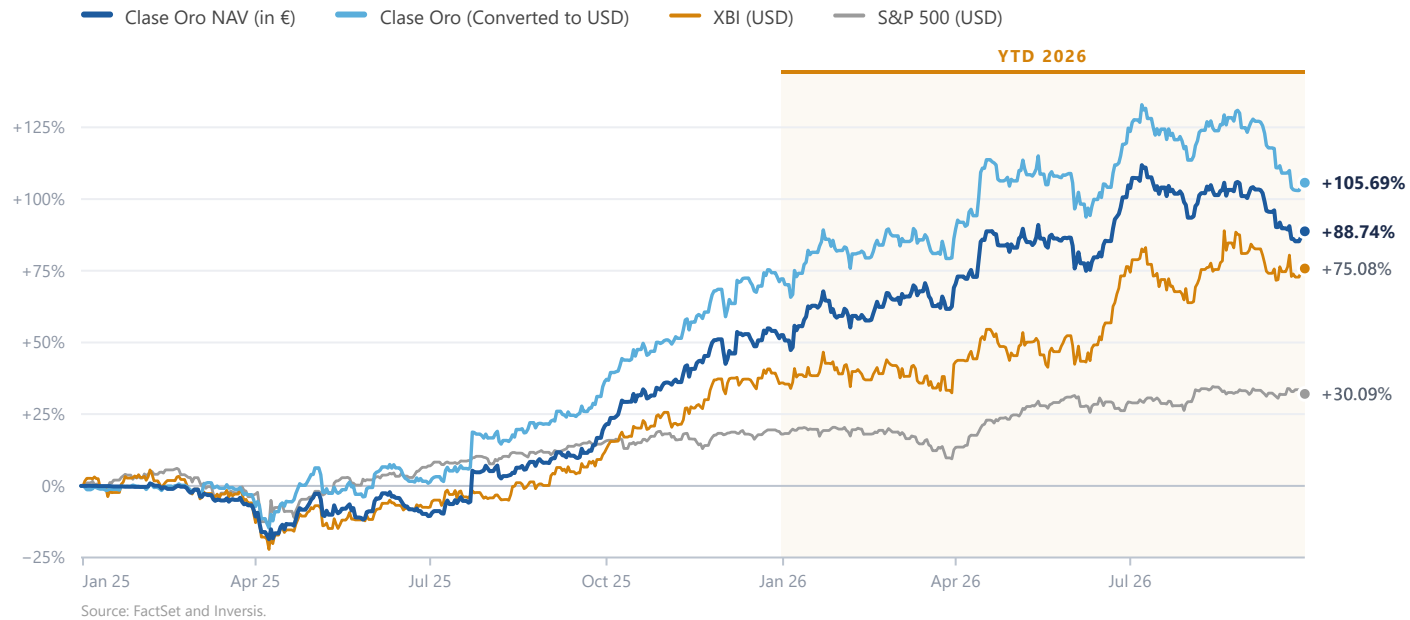
BENCHMARK TO INDEX FUNDS

		Inception 31/12/2024	Value 31/12/2025	Value 30/09/2026	% Change YTD 2026	Inception to date
Telescope Biotech Fund	Clase Oro in EUR	10.00	15.25	18.87	+23.74%	+88.74%
	Clase Oro (Converted to USD)	10.35	17.82	21.29	+19.49%	+105.69%
Benchmark	XBI (USD)	90.06	121.93	157.68	+29.32%	+75.08%
US Stock Market	S&P 500 (USD)	5,881.63	6,845.50	7,651.54	+11.77%	+30.09%
Currency exchange	USD/EUR	0.966	0.856	0.886	+3.56%	-8.24%

YTD = year to date, from 31/12/2025 to 30/09/2026.
XBI-SPDR S&P Biotech ETF - tracks the S&P Biotechnology Select Industry Index and includes a broad range of biotech companies.

PERFORMANCE SINCE INCEPTION

Cumulative return, 31/12/2024 to 30/09/2026



Source: FactSet and Inversis.

Past performance is not a reliable indicator of future results.

Telescope Biotech Clase Oro is denominated in euros. Since the fund invests primarily in U.S. dollars, results are also presented in U.S. dollars for reference. Currency fluctuations may impact investor returns.

PREVIOUS REPORTS: 2025 Annual Report | Q1 2026 | Q2 2026

NET ASSET VALUE BY SHARE CLASS

Month	Clase Oro (€) NAV	Clase Oro (€) Return	Clase A (€) NAV	Clase A (€) Return
Dec 24	10.00	—	—	—
Jan 25	9.96	-0.39%	—	—
Feb 25	9.87	-0.92%	—	—
Mar 25	9.17	-7.07%	—	—
Apr 25	9.52	+3.80%	—	—
May 25	9.11	-4.30%	—	—
Jun 25	8.94	-1.83%	—	—
Jul 25	10.60	+18.55%	10.00	—
Aug 25	10.80	+1.84%	10.20	+2.02%
Sep 25	12.08	+11.86%	11.24	+10.18%
Oct 25	13.58	+12.43%	12.57	+11.84%
Nov 25	15.11	+11.27%	13.83	+10.00%
Dec 25	**15.25**	**+0.94%**	**13.96**	**+0.92%**
Jan 26	15.92	+4.41%	14.57	+4.38%
Feb 26	16.50	+3.58%	15.09	+3.56%
Mar 26	16.91	+2.49%	15.45	+2.42%
Apr 26	18.42	+8.97%	16.83	+8.93%
May 26	18.63	+1.13%	16.93	+0.57%
Jun 26	20.47	+9.90%	18.50	+9.30%
Jul 26	19.35	-5.50%	17.48	-5.53%
Aug 26	20.03	+3.54%	18.09	+3.52%
Sep 26	**18.87**	**-5.79%**	**17.04**	**-5.81%**

Past performance is not a reliable indicator of future results.

RETURNS BY SHARE CLASS

	Return 2025	Return YTD 2026	Return ITD
Clase Oro	+52.52%	+23.74%	+88.74%
Clase A	+39.55%	+22.13%	+70.43%

Clase Oro: investing since the fund's inception (December 2024).

Clase A: investing since July 2025; earlier months are not shown.

NAV per share in euros, on the last business day (Spain) of each month. Returns are net, in euros; monthly return is the change from the previous month-end NAV. YTD = year to date, since 31/12/2025. ITD = inception to date, since 31/12/2024. Source: Inversis.

TOP 10 HOLDINGS

1 Abivax
2 Cytokinetics
3 Alnylam Pharmaceuticals
4 Revolution Medicines
5 Ascendis Pharma
6 Protagonist Therapeutics
7 Egetis Therapeutics
8 Immunocore
9 UCB
10 Novo Nordisk

PORTFOLIO BY THERAPEUTIC AREA



Oncology	36%
Immunology & inflammation	20%
Rare diseases	19%
Cardiometabolic	19%
Other	6%

Holdings at 30/09/2026, ranked by weight. Therapeutic areas as % of equity holdings (excluding cash), by each company's clinical programmes. Source: Inversis.

FUND DETAILS

CNMV registration no. **128** Management company **Andbank Wealth Management, SGIIC, S.A.** Depositary **Banco Inversis, S.A.**

	ISIN	Management fee	Performance fee	Depositary fee	TER Jan–Jun 2026
Clase Oro	ES0178392025	0.90%	12%	0.07%	0.51%
Clase A	ES0178392009	1.20%	12%	0.07%	0.65%

Management and depositary fees: annual, on assets. Performance fee: on results. Source: fund prospectus registered with the CNMV (last updated 01/10/2026).
TER (total expense ratio): the class's expenses from 01/01/2026 to 30/06/2026 as a percentage of its average assets. It covers that period only and is not annualised, and it excludes the performance fee and transaction costs. Source: the fund's semiannual report, published by the CNMV.

Markets: Capital Becomes More Expensive

Market conditions became less favourable for biotechnology over the summer. Interest rates rose, and concern about government debt grew on the back of large budget deficits in the United States and other major Western economies such as France. Geopolitical tensions added to the pressure, notably the war in Iran and its impact on oil prices. At the same time, the vast investment in artificial intelligence absorbed a growing share of the available capital and raised its cost across the economy.

Biotech is particularly sensitive to this. Most companies spend many years developing a drug before they generate any revenue, and they finance that work by raising money from investors. When capital becomes more expensive and investors more cautious, these companies feel it first: raising money becomes harder, and profits expected far in the future are worth less today. While this environment had an impact on Telescope Biotech in the third quarter, the portfolio's fundamentals remained strong: the fund ended September up +23.74% in euros year to date and +88.74% since inception.

Biotech: A Quarter of Contradictions

One of the year's most important clinical advances had an unexpected effect on the stock market: Moderna's shares soared, but much of the rest of the biotech sector fell.

In August, Moderna and its partner Merck announced that their personalised cancer vaccine had succeeded in a Phase 3 trial in melanoma, a serious form of skin cancer. The vaccine is designed for each patient, based on the mutations found in their own tumour. It uses the same mRNA technology as Moderna's COVID-19 vaccine and trains the immune system to destroy any cancer cells left after surgery. Combined with the immunotherapy Keytruda, it reduced the risk of relapse or death by 42% compared with Keytruda alone. The result made headlines around the world and opened the way to using the same approach in other tumours, such as lung and kidney cancer. Telescope is also present in this field through BioNTech, another pioneer of mRNA-based treatments.

Moderna's shares nearly tripled in a single day as generalist investors bought into the promise of the technology as a whole, taking its valuation to around $90 billion at its peak. For the rest of the sector, however, the rally turned out to be bad news: Moderna was among the most popular short positions (bets on a falling share price) of specialist long-short hedge funds, which saw a disconnect between its valuation and its sales prospects. As the shares soared, these funds were forced to buy them back to limit their losses, triggering a short squeeze. To reduce risk and meet redemptions, they had to sell their holdings in more traditional biotech companies, and much of the sector fell as a result.

Artificial intelligence was the other factor behind the XBI's performance. The wave of investment in AI favoured companies in the index built on genomic data and synthetic biology, from DNA sequencing and synthesis to data-driven diagnostics, such as Twist Bioscience, Natera, Grail and CareDx. Together with Moderna, these five companies contributed almost 10 percentage points of the XBI's 29.32% return this year, just over a third of the total. AI is a powerful force for productivity, and it is already helping to discover new drugs. But the XBI's recent strength owed more to the broader market theme of AI disruption than to drug development, which is ultimately what delivers value to patients.

The Portfolio: Fundamentals Delivering

The most important milestone in this period came from Revolution Medicines, the fund's largest position throughout the first half of 2026. In August, the FDA approved its drug Rasonque for metastatic pancreatic cancer, more than six months ahead of the agency's deadline. Rasonque is the first medicine to broadly block RAS, the faulty growth switch behind almost all pancreatic tumours, and it nearly doubled survival in the Phase 3 trial described in the previous report.

Telescope invested in Revolution Medicines at the fund's launch, when the evidence came from early-stage (Phase 1/2) trials. The approval completes that cycle and is a paradigmatic example of the fund's investment strategy: real benefit for patients and financial returns go hand in hand, and drugs that change medical practice are the main driver of returns.

At the end of September, the FDA also approved Emcitate, from Egetis Therapeutics, the first U.S. treatment for MCT8 deficiency. This rare genetic disease affects boys and causes serious intellectual and physical disabilities: many never walk on their own, and their speech is very limited. Emcitate, already approved in Europe, treats the excess thyroid hormone that the disease causes in the body. This company is a core holding and one of the few portfolio companies listed in Europe, in Stockholm, rather than in the United States.

In July, Vertex agreed to pay $10 billion in cash for Crinetics, a premium of around 100%. Crinetics developed Palsonify, a treatment for the rare hormonal disorder acromegaly, and the deal closed in September. At around 1% of the fund, Crinetics was a small position, but it illustrates another important source of returns. Acquisitions are a key ingredient for innovation in biotechnology: when large companies pay for successful research, capital flows back to the investors and companies that fund new R&D.

After a first half that put 2026 on course for a record year, M&A activity slowed noticeably over the summer, and the year now looks less likely to set a record. The approaching U.S. midterm elections were likely part of the reason: political uncertainty makes acquirers more cautious, and large companies tend to avoid high-profile deals during a campaign.

Outlook

With the macroeconomic environment still evolving, the fund continues to weight the portfolio towards late-stage companies, those with drugs in the final phase of testing or already on the market. After the recent sell-off in this part of the market, they offer attractive valuations, and they depend less on raising new capital.

The outlook for M&A remains favourable. Over the coming years, many of the best-selling medicines of large pharmaceutical companies will lose patent protection, and replacing that revenue will require buying innovation. Biotech M&A also tends to be countercyclical: it rises when valuations fall, because acquisitions become cheaper. With valuations now lower, the advisory team expects deals to pick up again once the midterm elections have passed, and M&A to remain a key driver for the sector.

Several portfolio companies have important clinical results ahead, and the fund remains focused on identifying transformative drugs, looking past market noise and short-term positioning.

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