Bellecapital

Galileo Biotech Innovation Fund

Investing in the future of biotechnology

Market

The fund offers focused access to companies in the field of genome editing. Representing the next step in the evolution of medical technology, genome editing holds the potential to cure a variety of rare diseases but also offers a novel approach to more common conditions with established treatments. Further applications range from livestock to crop science.

Consequently, there is a large growth opportunity not only in the rare disease space but also the potential to capture market share in already treatable diseases. While there is ample runway to expand revenue and profits, innovation leaders with successful products may become takeover targets for large pharma and biotech companies.

Approach

We choose a thematic approach since we believe that estimating the success probabilities of individual companies in genome editing is heavily error prone and can lead to missed opportunities and cluster risks.

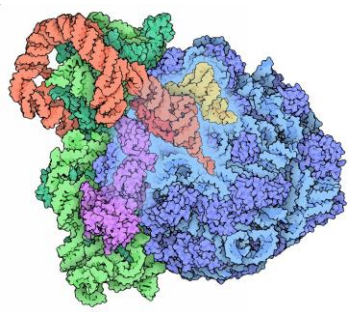
We aim to hold between 25-40 companies, providing us with exposure while offering enough diversification to accommodate for larger volatility associated with early-stage investments. Further, we believe this is the sweet spot to capitalize on the theme while staying focused.

We exclude companies where we see funding, balance sheet or governance issues.

There is no focus on a specific medical field, e.g. oncology, hematology etc. Furthermore, no limitations on upper or lower market capitalizations are in place.

Genome editing

We view genome editing as an umbrella term encompassing gene therapy, cell therapy and gene editing. All approaches entail some form of altering genetic information through a variety of methods (e.g. TALENs, CRISPR, meganuclease etc.) in order to enable cells to perform a desired function.



Transfer-messenger RNA bound to a ribosome with elongation factor G and a transfer RNA.

Spotlight

HIV: Immune deficiency caused by the HI virus attacking T-cells on the basis of the active CCR5 gene. First studies show that altering the gene or shutting it down completely lead to positive results. Clinical studies are ongoing.

Organ donation: The shortage of organ donations lead to research using pig organs; so far with limited success. Genome editing, however, has shown first results in preventing auto-immune reactions and shutting down over 62 viral genes prevalent in pig organs which have the potential to infect human cells.

Leukemia: A form of cancer which attacks the lymphatic system. Cell therapy has shown promising results by altering T-cells and curing the patient.

Duchenne Muscular Dystrophy: The genetic disorder leads to progressive muscle degeneration and weakness due to a mutation in the Dystrophin gene and therefore a lack of the protein Dystrophin. The illness often forces patients into the wheelchair at a young age. Untreated, life expectancy is rarely above 30. First studies with mice showed that the gene can be reactivated.

Manager

Cyrill Plüss

Lead Portfolio Manager

Cyrill is engaged in portfolio management and the investment process at Bellecapital. His experience includes work in an M&A boutique with focus on specialty chemicals company transactions and in the finance department of Syngenta Europe. He last worked as Equity Research Analyst at Kepler Capital Markets in Zurich. At Kepler, he mainly covered Swiss technology stocks. He graduated from the University of St. Gallen (HSG) with a major in Finance.