



Edited by **Massimo Colnago**
Onelife Fund Portfolio Manager



The Fund

Onelife Fund is a long-only equity fund that invests in the biopharmaceutical sector. The target companies, mainly listed in the United States, research, develop, manufacture, and commercialize biotechnology drugs and treatments for the management and/or cure of various diseases. Companies are selected through a process of scientific analysis, assessment of therapeutic need, regulatory/competitive context, and financial sustainability.

Biotech Sector Update

The biotech market experienced a modest pullback in December. In addition to stock-specific movements driven by clinical trial results and regulatory approvals (or rejections by the FDA), limited profit-taking emerged following the strong gains recorded in the previous quarter, particularly ahead of year-end. Such dynamics have been frequently observed in the past, with capital typically rotating back into the sector during the first month of the new year, especially following the annual J.P. Morgan Healthcare Conference in San Francisco, which serves as a key barometer for early-year sector trends. Recall the pessimism surrounding the 2025 edition, which subsequently weighed on the first half of the year. In contrast, the 2026 edition is shaping up with a decidedly more constructive tone.

M&A activity remained robust in December. **BioMarin** acquired **Amicus**, marking the twelfth M&A transaction of the year within the Onelife Fund portfolio.

The FDA granted Axsome priority review for the supplemental New Drug Application (sNDA) for AXS-05 in the treatment of agitation associated with Alzheimer's disease. Review timelines are therefore accelerated, with a PDUFA date expected on April 30, 2026. This regulatory progress, together with strong commercial performance of Auvelity, drove the share price up by approximately 20%.

Insmed reported negative results from the Phase 2b study of brensocatib in chronic rhinosinusitis without nasal polyps (CRSsNP). The stock declined by approximately 20%, which we used as an opportunity to initiate a position. Brensocatib is already approved and generating solid sales in non-cystic fibrosis bronchiectasis, while CRSsNP represents an ultra-rare indication with limited revenue contribution potential.

Praxis had an excellent month, announcing the early termination for efficacy of its registrational Phase 2 EMBOLD trial evaluating relutrigine in certain forms of epileptic encephalopathy. We initiated a position following these results, which significantly reduced clinical development risk. The company is well positioned for the regulatory phase, including potential accelerated approval pathways, and remains well capitalized.

PTC Therapeutics partially retraced the strong performance of the prior month, declining by 11%. The pullback was driven by profit-taking and downward revisions to analyst estimates, reflecting the view that the successful commercial launch of Sephience is now largely reflected in the current valuation.

Sentiment toward **Tempus AI** cooled after strong year-to-date performance, with the stock declining by 25% in December.

Viatris gained 20%, supported by approval of a generic version of octreotide, acceptance of an NDA for a low-dose contraceptive, and several minor regulatory milestones. Additional support came from liquidity generated through the divestment of its stake in Biocon.



Concept declined by 55% after receiving a Complete Response Letter (CRL) from the FDA on December 30 for relacorilant in Cushing's syndrome. Although the Phase 3 GRACE trial met its primary endpoint and the GRADIENT study provided confirmatory evidence, the FDA concluded that the available data were insufficient to demonstrate that the benefit-risk profile was favorable, requesting additional evidence of efficacy. Relacorilant is also under FDA review for the treatment of platinum-resistant ovarian cancer, with a regulatory decision expected by July 11th 2026. This indication could provide meaningful upside even if additional clinical studies are required in Cushing's syndrome.

Kymera announced Phase 1b results for KT-621 in atopic dermatitis and other inflammatory diseases. The highly encouraging data initially drove the stock up approximately 50%, before settling at a gain of around 20%, also reflecting the issuance of new equity to raise capital.

NewAmsterdam declined by 16% despite acceptance of the Marketing Authorization Application for obicetrapid by the European Medicines Agency, as year-end profit-taking weighed on the share price.

Nuation appreciated a further 12%, driven by the successful commercial launch of Ibtrozi, supported by an additional 216 new patients treated during the period, bringing the total to 432 since launch in June 2025.

Ultragenyx declined by 35% following the failure of Phase 3 clinical trials of setrusumab in osteogenesis imperfecta. Completion of the rolling submission for DTX401, a gene therapy for glycogen storage disease type Ia, was insufficient to offset disappointment related to setrusumab but supports our continued constructive outlook on the company.

UroGen declined by 16% during the month. Despite positive developments related to the commercialization of Zusduri and Jelmyto, sales figures did not materially exceed analyst expectations, leaving the stock under continued pressure.

Portfolio Activity

Amicus was acquired by **BioMarin** in an all-cash transaction, a relative rarity in the current M&A environment dominated by cash-plus-CVR structures. The stock appreciated by approximately 43%, and given the all-cash nature of the deal, we exited the position and realized the gain immediately.

The share price of **Merus** (acquired last month by Day One) appreciated further and began to reflect the portion of the contingent value right (CVR) that we believe is achievable over the medium term. We therefore elected to fully exit the position. During the month, we reduced positions in **Savara** and **Nuation**, which had grown to outsized weights following strong share price appreciation. Proceeds were redeployed into **Ideaya** and **Insmed**. Annual index rebalancing also led us to adjust certain existing positions and initiate new positions in **Caris**, **Praxis**, and **Abivax**.

Performance

Onelife Fund recorded a monthly return of -3.09%, underperforming the Nasdaq Biotechnology Index, which declined by -1.90%.

Year-to-date, **Onelife Fund** is up 39.31%, outperforming the Nasdaq Biotechnology Index (+32.40%) and ranking within the top five among its peer group.

Several company-specific events contributed to relative underperformance versus the sector index in December. This is partially reflected in the year-to-date performance, which nevertheless remains well above that of the Nasdaq Biotechnology Index.

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