

BIOPHARMA

CREDIT PLC

INVESTMENT OBJECTIVES AND STRATEGY

- 1 BioPharma Credit's objective is to generate long-term shareholder returns, predominantly in the form of sustainable income distributions from exposure to the life sciences industry.
- 2 The Company primarily invests in corporate and royalty debt secured by cash flows derived from sales of approved life sciences products.
- 3 Pharmakon Advisors, the Investment Manager, seeks to build a diversified portfolio with downside protection, high visibility and stability of cash flows.
- 4 Once substantially invested, BioPharma Credit will target an initial dividend yield of 7% and net total return on NAV of 8% to 9% per annum in the medium term.

Upcoming Events

Payment of interim dividend 31 January 2018

Annual results announced February 2018

INVESTMENT TEAM



Pedro Gonzalez de Cosio
Investment Manager



Martin Friedman
Investment Manager



Pablo Legorreta
Investment Manager

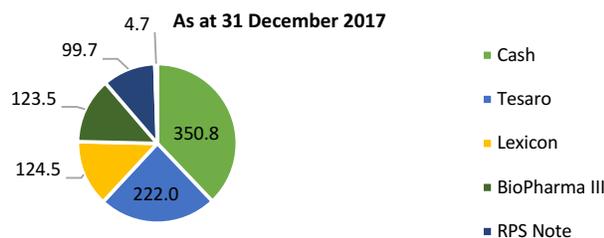
TRUST FACTS

As at 31 December 2017

Ordinary shares	Assets	
Share price	\$1.05	Market capitalisation \$957.2m
NAV per share	100.08 cents	Net assets \$915.0m
Premium to NAV	4.62%	Fees
Shares in issue	914.3m	Management fee 1% of NAV per annum
		Performance fee 10% ¹

RECENT HIGHLIGHTS

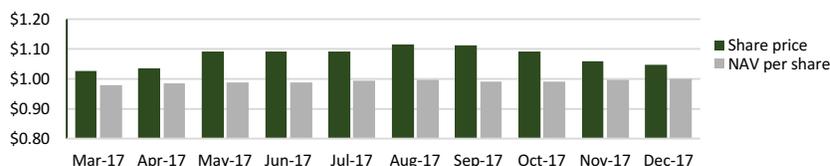
- Between 13 September 2017 and 31 October 2017, the Company purchased \$23.5 million face value of 2.5% senior unsecured convertible notes issued by Depomed Inc. at an average price of 72.9 cents. The notes were then sold between 5 December 2017 and 8 December 2017, at an average price of 83.4 cents, generating an IRR of 154%.
- On 18 October 2017 and 19 January 2018, the Company received scheduled payments of \$34.8 million and \$15.1 million on the RPS Note, of which \$31.1 million and \$12.1 million represented repayments of principal, respectively.
- On 3 November 2017, 29 December 2017 and 5 January 2018, the Company received \$6.7 million, \$3.7 million and \$4.0 million, respectively from BioPharma III in the form of scheduled distributions to its limited partners.
- On 21 November 2017, the Company and BioPharma Credit Investments IV, S.à.r.l. ("BioPharma-IV") entered into a definitive loan agreement for up to \$500 million with TESARO. The Company will invest up to \$370 million (\$222 million in the first tranche and up to an additional \$148 million by December 20, 2018), with BioPharma IV investing up to \$130 million in parallel. On 6 December 2017, the Company funded the first tranche. The first and second tranches have a coupon of LIBOR plus 8.0% and 7.5%, respectively.
- On 4 December 2017, the Company and BioPharma-IV entered into a definitive loan agreement for up to \$200 million with Lexicon Pharmaceuticals, Inc. The Company will invest up to \$166 million (\$124.5 million in the first tranche and up to an additional \$41.5 million by March 30, 2019), with BioPharma IV investing up to \$34 million in parallel. On 18 December 2017, the Company funded the first tranche. Both tranches pay a fixed 9.0% coupon.
- On 8 December 2017, the Company's wholly owned subsidiary entered into a purchase, sale and assignment agreement with RPI Acquisitions for the purchase of a 50% interest in a stream of payments acquired by RPI Acquisitions from Bristol Myers Squibb through a purchase agreement dated 14 November 2017. The Purchased Payments are linked to tiered worldwide sales of Onglyza and Farxiga, diabetes agents marketed by AstraZeneca, and related products. The Company is expected to fund \$140 million to \$160 million during 2018 and 2020, determined by product sales and will receive payments from 2020 through 2025.
- On 14 December 2017, the Company raised \$154.1 million from a share issue to fund future investment opportunities and commitments already made to Tesaro, Lexicon and Bristol Myers Squibb. The Company issued 152.4 million shares at a price of \$1.01 per share.
- Below is a summary of the Company's ending portfolio balances (\$ in millions) for the period, excluding accrued interest on the RPS Note.



PERFORMANCE

Cumulative Performance

	1 month	2 months	3 months	Since launch
Share price	(1.04%)	(4.12%)	(5.93%)	4.70%
NAV per share ²	0.41%	0.85%	1.10%	2.12%



1. The performance fee is calculated as 10% of outperformance above 0% return, subject to a 6% preferred return hurdle with 50% catch up.
2. As set out in the Prospectus, the Initial Expenses to be borne by the Company were capped at 2% of the Gross Issue Proceeds. The cumulative NAV performance since launch reflects the Company's performance against the expected opening NAV per share of 98 cents on the date of IPO.

BIOPHARMA

CREDIT PLC

SHAREHOLDER INFORMATION

Trust Details

Launch Date	27 March 2017
Year end	31 December
Interim	30 June
Listing	London Stock Exchange, The International Stock Exchange

Corporate Contacts

Registered Office	Beaufort House 51 New North Road, Exeter, EX4 4EP
Registrar	Link Asset Services
Lawyer	Herbert Smith Freehills LLP
Auditor	PricewaterhouseCoopers LLP
Joint Brokers	J.P. Morgan Cazenove Goldman Sachs International
Company Secretary	Link Company Matters Limited

Board of Directors

Jeremy Sillem (Chairman)	
Colin Bond	
Duncan Budge	
Harry Hyman	
ISIN	GB00BDGKMY29
SEDOL	BDGKMY2
Bloomberg	BPCR LN

FOR PROFESSIONAL CLIENT USE ONLY

THIS FACTSHEET IS NOT INTENDED TO OFFER OR TO PROMOTE THE OFFER OR TRANSFER OF THE SHARES (THE "SHARES") OF BIOPHARMA CREDIT PLC (THE "COMPANY") IN THE UNITED STATES OR TO ANY "U.S. PERSONS" ("US PERSONS") AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT OF 1933 (THE "SECURITIES ACT"). THIS FACTSHEET IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, TO US PERSONS OR INTO OR WITHIN THE UNITED STATES, AUSTRALIA, CANADA, SOUTH AFRICA, JAPAN OR ANY OTHER JURISDICTION, OR TO ANY OTHER PERSON, WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF APPLICABLE LAW OR REGULATION.

No part of this factsheet may be reproduced in any manner without the written permission of the Company. The possession or distribution of this factsheet in certain jurisdictions may be restricted by law and persons into whose possession this factsheet comes should inform themselves about and observe any applicable restrictions. This factsheet does not constitute or form a part of any offer to sell, or any solicitation of any offer to purchase or otherwise acquire, securities in any jurisdiction. The securities described in this factsheet may not be eligible for sale in certain jurisdictions or suitable for all types of investors. The Company has not been and will not be registered under the US Investment Company Act of 1940 (the "Investment Company Act") and the Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, any US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the

United States and in a manner which would not require the Company to register under the Investment Company Act. There has been and will be no public offer of the Shares in the United States. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. This factsheet was prepared using the financial and other information available to the Company and Pharmakon Advisors LP as at the date of this factsheet. This information is believed to be accurate but has not been audited, reviewed or verified by any third party. This factsheet may describe past performance, which may not be indicative of future results. This factsheet may include statements regarding investment strategies, individual securities and economic and market conditions; however, there can be no guarantee that such statements will prove to be correct. This factsheet may include expressions of opinions that are speculative in nature and should not be relied on as statements of fact. This factsheet may include forward-looking statements which are subject to known and unknown risks and uncertainties that may cause actual results and events to differ materially from those expressed in or implied by such forward-looking statements. In some cases, forward-looking statements can be identified by words like "will seek", "will target", "believe", "expect", "intend", or similar expressions. You should not place undue reliance on forward-looking statements. Each of the Company and Pharmakon Advisors LP disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. Neither the Company nor Pharmakon Advisors LP accepts any liability for actions taken on the basis of the information provided in this factsheet. The information provided in this factsheet should not be considered a recommendation to buy, sell or hold any security.