

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	April 2018

INVESTMENT TEAM



Pedro Gonzalez de Cosio
Investment Manager



Martin Friedman
Investment Manager



Pablo Legorreta
Investment Manager

TRUST FACTS

As at 31 October 2017

Ordinary shares		Assets	
Share price	\$1.09	Market capitalisation	\$832.0m
NAV per share	99.24 cents	Net assets	\$756.1m
Premium to NAV	10.04%		
Shares in issue	761.9m	Fees	
		Management fee	1% of NAV per annum
		Performance fee	10% ¹

RECENT HIGHLIGHTS

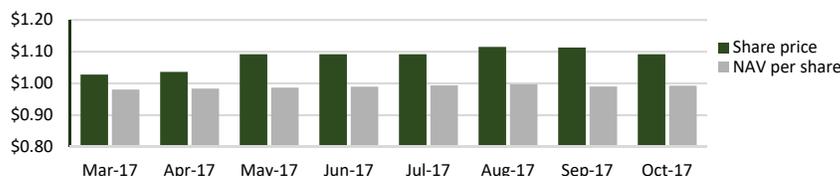
- Between 13 September 2017 and 31 October 2017, BioPharma Credit PLC (the "Company") purchased \$23.5 million of 2.5% senior unsecured convertible notes issued by Depomed Inc. (NASDAQ: DEPO) at an average price of \$72.9.
- On 18 October 2017, the Company received a scheduled payment of \$34.8 million, from RPS BioPharma Investments, LP on the RPS Note, a senior secured loan backed by royalties on 21 products, of which \$31.1 million represented repayment of principal.
- On 3 November 2017, the Company received \$6.7 million from BioPharma III in the form of a scheduled distribution 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, a US based oncology focused biopharmaceutical company with commercial operations in the US and Europe. 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. The loan has a term of seven years and is secured by TESARO's U.S. rights to ZEJULA® and VARUBI®. The first \$300 million tranche, which is expected to close and be funded within 10 business days, bears interest at LIBOR plus 8%, with the second optional tranche bearing interest at LIBOR plus 7.5%.
- Below is a summary of the Company's opening and closing portfolio balances for the period, excluding accrued interest on the RPS Note.

Cash (\$m)	BioPharma III (\$m)	RPS Note (\$m)
508.6	132.2	99.7
493.4	131.2	130.8
■ 31/10/2017	■ 30/9/2017	

PERFORMANCE

Cumulative Performance

	1 month	2 months	3 months	Since launch
Share price	(1.89%)	(2.06%)	0.00%	9.20%
NAV per share ²	0.25%	(0.44%)	(0.10%)	1.27%



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	Capita Asset Services
Lawyer	Herbert Smith Freehills LLP
Auditor	PricewaterhouseCoopers LLP
Company Secretary	Capita Company Secretarial Services Limited

Board of Directors

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

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