BIOPHARMA
CREDIT PLC

Debt Capital for the Life Sciences Industry

COMPANY PRESENTATION – September 2019

For additional information please email: ir@bpcruk.com
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There may be other additional risks, uncertainties and factors that could cause the returns generated by the Company to be materially lower than the track record information contained herein.

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Financial Highlights[1]

Ordinary Shares
as at 30 June 2019

Share price
$1.0600
(31 December 2018: $1.0650)

NAV per Share
$1.0258
(31 December 2018: $1.0044)

Premium to NAV per Share
3.3%
(31 December 2018: 6.0%)

Shares in issue
1,373.9m
(31 December 2018: 1,373.9m)

Assets
as at 30 June 2019

Net assets
$1,409.4m
(31 December 2018: $1,380.0m)

Leverage
0%
(31 December 2018: 0%)

Target dividend
7 cents per annum

[1] *Excerpt from the Company's Half-Yearly Report for the period ended 30 June 2019.*

Financial Highlights[1]

Condensed Statement of Comprehensive Income

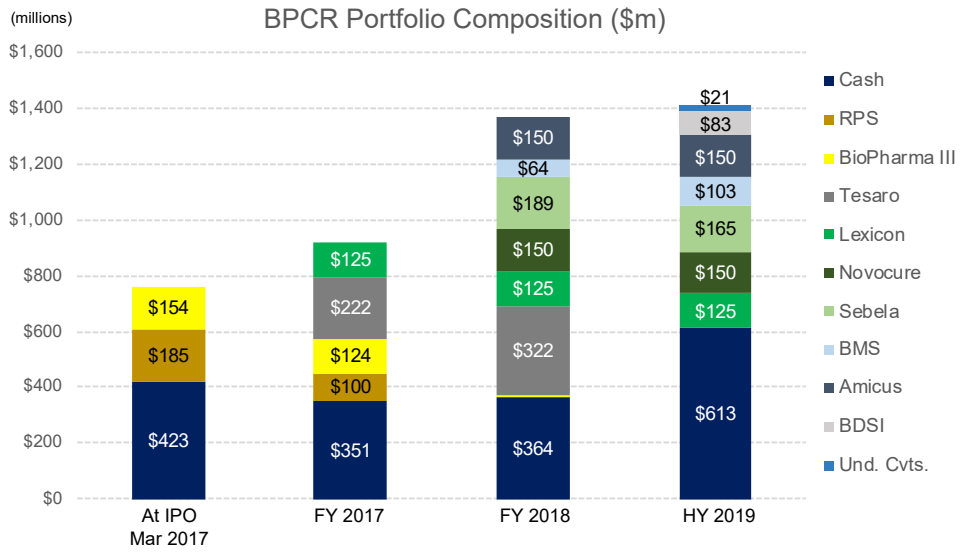
For the period ended 30 June 2019
(In $000s except per share amounts)

		Period ended 30 June 2019 (Unaudited)			Period ended 30 June 2018 (Unaudited)		
	Note	Revenue	Capital	Total	Revenue	Capital	Total
Income							
Investment income	3	73,145	–	73,145	37,726	–	37,726
Other income	3	17,046	–	17,046	2,438	–	2,438
Net (losses)/gains on investments at fair value	7	–	(3,366)	(3,366)	–	2,014	2,014
Currency exchange losses		–	(6)	(6)	–	(16)	(16)
Total income		**90,191**	**(3,372)**	**86,819**	**40,164**	**1,998**	**42,162**
Expenses							
Management fee	4	(7,053)	–	(7,053)	(4,852)	–	(4,852)
Directors' fees	4	(191)	–	(191)	(163)	–	(163)
Other expenses	4	407	(48)	359	(1,390)	(112)	(1,502)
Total expenses	4	**(6,837)**	**(48)**	**(6,885)**	**(6,405)**	**(112)**	**(6,517)**
Return on ordinary activities before finance costs and taxation		**83,354**	**(3,420)**	**79,934**	**33,759**	**1,886**	**35,645**
Finance costs – general	4	–	–	–	(2)	–	(2)
Finance costs – C share amortisation	4	–	–	–	(451)	(23)	(474)
Return on ordinary activities after finance costs and before taxation		**83,354**	**(3,420)**	**79,934**	**33,306**	**1,863**	**35,169**
Taxation on ordinary activities	5	–	–	–	–	–	–
Return on ordinary activities after finance costs and taxation		**83,354**	**(3,420)**	**79,934**	**33,306**	**1,863**	**35,169**
Net revenue and capital return per ordinary share (basic and diluted)	11	**$0.0607**	**($0.0025)**	**$0.0582**	**$0.0364**	**$0.0020**	**$0.0384**

[1] *Excerpt from the Company's Half-Yearly Report for the period ended 30 June 2019.*

Portfolio and Dividends since IPO[2]

Evolution of the BioPharma Credit portfolio



- ~ $339m or 100% of seed assets (RPS + BP-III) have amortized since IPO
- ~$1,100m deployed across nine new investments with Tesaro representing ~26% of portfolio as of December 2018
- Tesaro repayment substantially increased cash balance but came with make-whole allowing for long 15 month reinvestment runway
- ~$140m so far in new investments during 2019

In Q2 2018 BioPharma Credit reached its target US$0.07 annual dividend (excluding special dividends)

Period	Payment Date	Interim	Special	Total	Annualized[1]
Q2 2017	10/31/17	$0.01000	-	$0.01000	$0.04000
Q3 2017	1/31/18	$0.01000	-	$0.01000	$0.04000
Q4 2017	3/29/18	$0.01000	$0.01109	$0.02109	$0.05109
Q1 2018	6/29/18	$0.01346	-	$0.01346	$0.05384
Q2 2018	9/28/18	$0.01750	-	$0.01750	$0.07000
Q3 2018	11/30/18	$0.01750	-	$0.01750	$0.07000
Q4 2018	3/29/19	$0.01750	$0.00177	$0.01927	$0.07177
Q1 2019	6/21/19	$0.01750	-	$0.01750	$0.07000
Q2 2019	9/20/19	$0.01750	-	$0.01750	$0.07000
Total				$0.14382	

[1] (Interim Dividend x 4) plus Special Dividend if applicable

[2] Past performance is not an indication of future performance.

Major milestones since IPO[1]

BIOPHARMA CREDIT PLC

IPO – $762m gross proceeds including $339m of seed assets

Placing of Ordinary Shares – $154m gross proceeds

Issue of C-Shares – $163m gross proceeds

Placing of Ordinary Shares – $305m gross proceeds

Total Raised for BPCR[2]

~$1,385m gross proceeds

($1,045m in cash)

March 2017 | Q2-2017 | Q3-2017 | Q4-2017 | Q1-2018 | Q2-2018 | Q3-2018 | Q4-2018 | Q1-2019 | Q2-2019

***BP-IV** – $50m secured loan for Saol, Inc.*

***BP-IV** – $60m secured loan for SI-BONE*

***BP-IV** – $20m Accuray converts*

Depomed

$23.5m face value purchase of convertible notes sold after 2 months ~ 154% IRR

TESARO

$500m loan in two tranches – BPCR invested $222 in Nov 17 and $100m in Jun 18

In 23 January 2019 BPCR realized a gain of $83.3m and a 28.8% IRR

Lexicon pharmaceuticals

$150m loan – BPCR invested $125 in Nov 17

Bristol-Myers Squibb | AstraZeneca

~$160m investment over 8 quarters in payments linked to sales of 2 AZ diabetes drugs – BPCR has invested $103m through 30 June 2019

novocure

$150m loan in one tranche funded February 2018

SEBELA PHARMACEUTICALS

$315m loan BPCR invested $194m in May 2018

Amicus Therapeutics

$150m loan Funded in September

biodelivery SCIENCES

$80m loan
$60m funded in April + $25m equity

Undisclosed

$22m convertible bonds

Total Invested by BPCR[2]

~$1,174m

+ ~$77m in future commitments

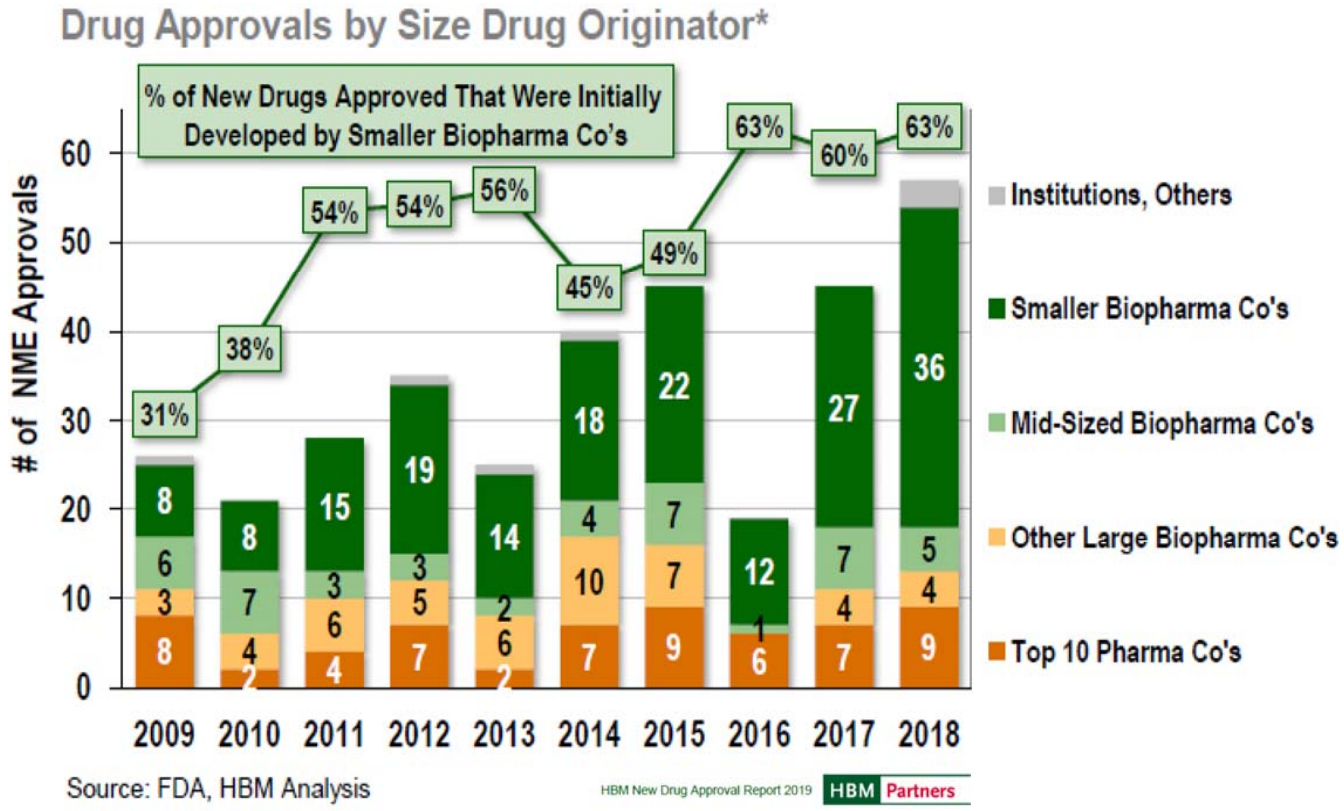
Transactions originated by Pharmakon

~$1,756m in twelve transactions

(including BPCR, other clients and partners)

1. *Past performance is not an indication of future performance.*
2. *Through 10 June 2019, Invested amount excludes Seed Assets*

The majority of new drugs approved originated at, or were initially developed by, smaller biopharma companies



** The **"Drug Originator"** is the company that discovered the drug or undertook the first serious clinical development effort.*

Note: A significant number of new drugs were originally discovered at universities or research institutions and then transferred to a biopharma company for initial or further development. We have listed such institutions only as "originators" if the transfer to a company occurred after pre-clinical development.

Source: Pharmakon Advisors

Summary of Past Transactions

	Seed Assets		Post-IPO Investments						
Investment:	ROYALTY PHARMA (RPS)	Pharmakon Advisors, LP (BioPharma III)	TESARO	Bristol-Myers Squibb	Lexicon pharmaceuticals	novocure™	SEBELA PHARMACEUTICALS	Amicus Therapeutics	biodelivery SCIENCES
Investment Type:	Secured Loan	46% Limited Partnership Interest	Secured Loan	Priority Royalty Stream	Secured Loan	Secured Loan	Secured Loan	Secured Loan	Equity and Secured Loan
Borrower:	RPS Biopharma Investments LP	N/A	Tesaro, Inc.	N/A	Lexicon Pharmaceuticals Inc.	NovoCure Limited	Sebela International Limited	Amicus Therapeutics, Inc.	BioDelivery Sciences
Amount[1]:	$185m	$154m	Tranche A: $222m Tranche B: $100m	$140 - 160m[3]	Tranche A: $150m Tranche B: $50m[4]	$150m	$196m	$150m	Equity: $25m Loan: $60m + $20m
Maturity:	Earlier of payment of outstanding principal and 6/30/26	N/A (Various maturities for BPIII loans through Q3'21)	November 21, 2024	December 31, 2059 or such other date TBA	December 18, 2022	February 7, 2023	May 1, 2023	September 28, 2023	May 28, 2025
Coupon:	12.00%	12.00% average (Various coupons between 9 – 13% for BPIII loans)	Tranche A: 3M LIBOR[2] + 8.00% Tranche B: 3M LIBOR[2] + 7.50%	No Coupon / Expected high single digit return	9.00%	9.00%	High single digit floating coupon (uncapped)	3M LIBOR[2] + 7.50%	3M LIBOR[2] + 7.50%
Amortization:	Quarterly payments applied to principal after interest	N/A (Various)	3% per quarter, beginning 24 months from Close	N/A	Bullet at Maturity	Bullet at Maturity	Quarterly, as per defined schedule	Four year interest only, then quarterly	Thirty months interest only, then quarterly
Fees:	N/A	Various	2% of Tranche A + 2% of Tranche B (draw)	N/A	Not disclosed - in line with comparable deals	N/A	Not disclosed - in line with comparable deals	2.0%	2.00%
Prepayment:	N/A	Most of BP-III loans had makewholes and prepayment premiums	2 year make whole plus 3%, 2% or 1% if prepaid before 2nd, 3rd or 4th anniversary of Tranche A	N/A	3 year makewhole plus 2% or 1% if prepaid prior to 4th or 5th anniversary of Tranche A closing date	2.5 year makewhole plus 2% or 1% if prepaid prior to the 3rd or 4th anniversary	Not disclosed - in line with comparable deals	Not disclosed - in line with comparable deals	Not disclosed - in line with comparable deals

Notes:

[1] Original values, excludes impact of amortizations to date

[2] Subject to undisclosed floor and cap

[3] Estimate - will depend on sales of reference drugs over the first 8 quarters

[4] Tranche B subject to minimum sales hurdle

$25m equity plus up to $80m senior secured corporate loan to BioDelivery Sciences

BioDelivery Sciences Corporate Overview

- **Description:** BioDelivery Sciences International, Inc. ("BDSI") is a specialty pharmaceutical company focused on pain management and addiction medicine. The company provides its products based on its patented BioErodible MucoAdhesive drug delivery technology, a small erodible polymer film for application to the buccal mucosa. BDSI also markets Symproic which it acquired the US rights to from Shiniogi.
- **Market Cap:** $416m as of 30 June 2019
- **Cash Balance:** $57.2m
- **Product sales:**
  2017**:** $34.9m
  2018: $51.4m
  2019 Guidance: $92 to $100m
  Long-term guidance: $325-$400m

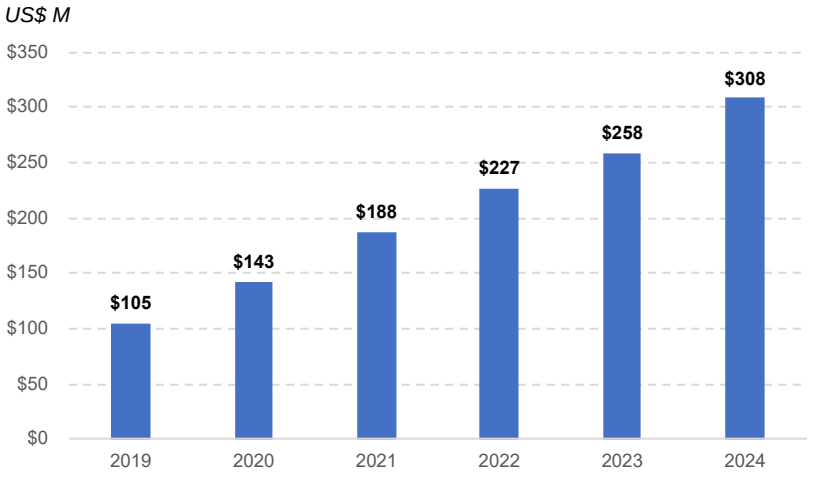
Description of key products

- **BELBUCA (buprenorphine buccal film)** – approved in October 2015 for the management of severe chronic pain that requires daily around-the-clock, long-term opioid treatment. Buprenorphine is a Schedule III medicine, considered by the Drug Enforcement Agency (DEA) to have less potential for abuse than Schedule II medicines. BELBUCA is a safer alternative for the ~11.5 million patients that are prescribed opioids for chronic pain.
- **SYMPROIC (naldemedine)** – approved in March 2017 for treating opioid-induced constipation in adults with non-cancer pain. Opioid induced constipation effects more than 40% of patients on chronic opioid therapy. Symproic competes with Movantik (AstraZeneca) and Relistor (Bausch Health).

Key terms of Loan

- **Size of facility:** $25m equity plus $80m to be funded in two tranches
  - Tranche A: $60m
  - Tranche B: $20m (BDSI's option)
- **Funding fee:** 2%
- **Interest rate:** L+7.5%
- **Maturity:** 6 years
- **Amortization:** 3-year interest only then thirteen (13) equal payments
- **Make-whole and Prepayment Fees:** In line with comparable investments

Median Analyst consensus[1] sales estimates



Source: Pharmakon Advisors, BioDelivery Sciences public disclosures, Wall Street Analysts
1 – estimates as 15 August 2019

$150m senior secured corporate loan to Amicus Therapeutics

Amicus Corporate Overview

- **Description:** Amicus Therapeutics, Inc. (FOLD) is a biopharmaceutical company focused on orphan diseases. Amicus markets Galafold for Fabry disease and is developing AT-GAA for Pompe disease.
- **GALAFOLD (migalastat) –** approved in the EU in May 2016, Japan in May 2018 and the US in August 2018 a pharmacological chaperone taken every other day for the treatment of adults with Fabry disease and an amenable galactosidase alpha gene (GLA) variant.
- **Market Cap**: $3.1 bn as of 30 June 2019
- **GALAFOLD sales**
  2017**:** $37m (mostly EU)
  2018: $91m (mostly EU)
  2019 guidance: $160m – $180m

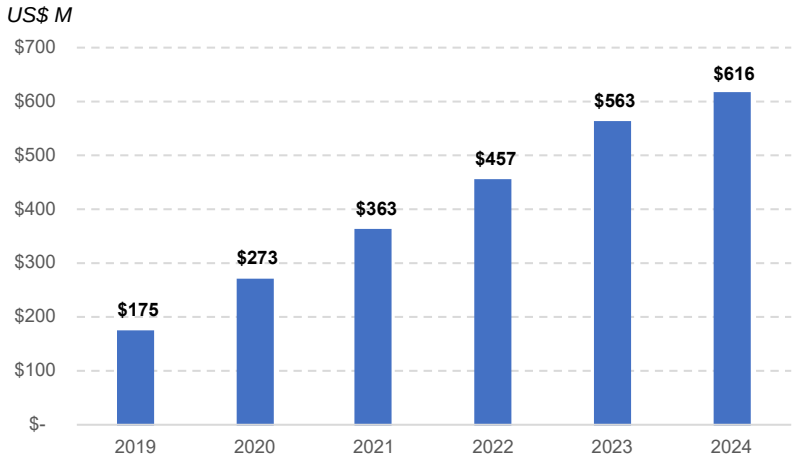
Key terms of Loan

- **Size of facility:** $150m to be funded in one tranche
- **Funding fee:** 2%
- **Interest rate:** L+7.5% (subject to a 1% floor and cap of 1.5% above Libor on funding date)
- **Maturity:** 5 years
- **Amortization:** 4-year interest only then four quarterly payments equal to 12.5% followed by 50.0% at maturity
- **Make-whole and Prepayment Fees:** In line with comparable investments

Key Products

- Fabry disease is a rare, progressive genetic disorder characterized by a defective gene (GLA) that causes an enzyme deficiency. This enzyme is responsible for breaking down disease substrate that, when deficient in patients with Fabry disease, builds up in the kidneys, one of the organ systems impacted by Fabry disease.
- There are approximately 8,000 patients worldwide with Fabry disease of which ~ 3,800 – 5,500 are amenable to Galafold treatment
- Galafold competes with Shire's Replagal and Genzyme's Fabrazyme, both enzyme replacement therapies that require infusion and had combined worldwide sales of ~$1.4 billion during 2018
  - Fabrazyme (Genzyme): $892m worldwide
  - Replagal (Shire): $498m – not approved in the US

Galafold median Analyst consensus[1] estimates ($M)



Source: Pharmakon Advisors, Amicus public disclosures, Wall Street Analysts
1 – estimates as 15 August 2019

$316m senior secured corporate loan to help finance Sebela's acquisition of Braintree Laboratories

Sebela Corporate Overview

- **Description:** Sebela Pharmaceuticals is a privately-held US focused specialty pharmaceutical company with therapeutic franchises in gastroenterology, women's health, and dermatology along with a number of non-promoted mature branded products and royalties
- **Market Cap:** Private
- **Key product sales (2018 pro forma):** $250m
- **Leverage:** Less than 4x Debt to EBITDA

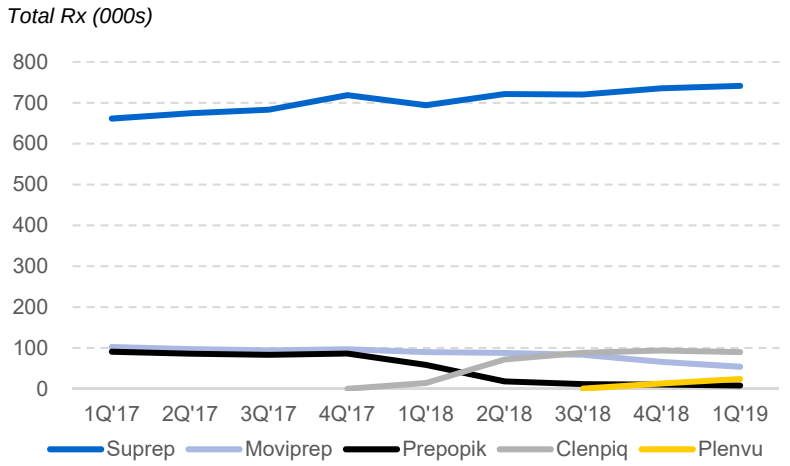
Key Products

- **Suprep –** osmotic laxative indicated for cleansing of the colon in preparation for colonoscopy in adults
- **Brisdelle –** first line therapy to reduce moderate to severe hot flashes associated with menopause
- **Analpram –** first line therapy for treatment of hemorrhoids
- **Naftin –** first line therapy for treatment of interdigital tinea pedis
- **Lotronex –** IBS for females

Key terms of Loan

- **Size of facility:** $194m out of $316m
  - Balance: $165 out of $268 as of 30 June 19
- **Funding fee:** 1.5%
- **Interest rate:**
  - High single-digit floating coupon
- **Amortization:** Began after the 3rd quarter 2018
- **Duration:** 5 years

Script Trends for Top Colonoscopy Prep Products



Source: Pharmakon Advisors, Sebela Senior Secured Loan presentation, Sebela, IQVIA

$150m senior secured corporate loan to Novocure

Novocure Corporate Overview

- **Description:** Novocure is a commercial stage oncology company developing a profoundly different cancer treatment utilizing a proprietary therapy called TTFields
- **Market Cap:** $6.1bn as of 30 June 2019
- **Approvals:** FDA approval in December 2011 for use as a monotherapy treatment for adult patients with GBM following confirmed recurrence after chemotherapy. In October 2015, received FDA approval for the treatment of adult patients with newly diagnosed GBM in combination with temozolomide
  - Also approved in Germany, Switzerland, Japan and others.
- **Product sales:**
  2017**:** $177m
  2018: $248m
  No 2019 guidance

Key Products

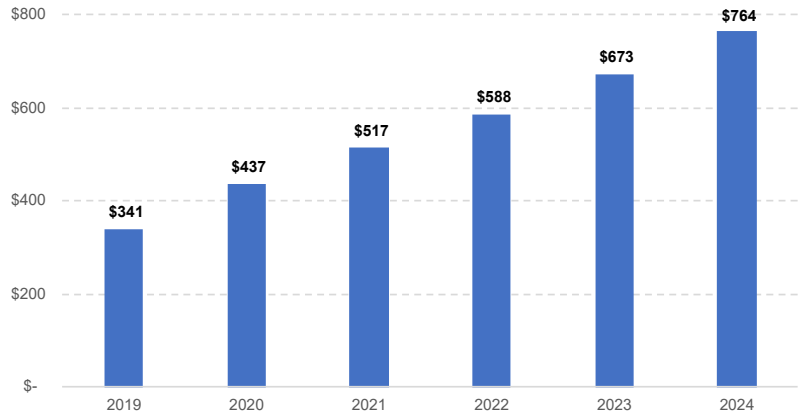
- **Optune System** – a cancer treatment centered on a proprietary therapy called TTFields, which involves the use of electric fields tuned to specific frequencies to disrupt solid tumor cancer cell division.
- In October 2015, Optune received FDA approval for the treatment of adult patients with newly diagnosed GBM in combination with temozolomide. In May 2019, Optune received FDA approval for the treatment of Malignant Pleural Mesothelioma in combination with chemotherapy.
- **Pipeline** – Novocure invests meaningfully in R&D and has late stage trials (Phase III pilot studies) underway for TTFields in brain metastases, non-small cell lung cancer and pancreatic cancer.

Key terms of Loan

- **Size of facility:** $150m to be funded in one tranche
  - Note: $100m was used to repay loan held by BioPharma-III resulting in a $46m distribution to BioPharma Credit
- **Funding Fee:** None
- **Interest rate:** 9.0%
- **Amortization:** Principal amount 5 years post funding date
- **Duration:** 5 years
- **Prepayment:** 2% prior to third anniversary and 1% prior to the fourth anniversary
- **Make-whole:** 2 years

Median Analyst consensus[1] current indication sales estimates

US$ M



Source: Pharmakon Advisors, Novocure public disclosures, Wall Street Analysts
1 – estimates as 15 August 2019

$140m-$160m purchase and sale agreement with Bristol Myers Squibb

Transaction Overview

- **Description:** On 8 December 2017, a wholly-owned subsidiary of BPCR entered into a purchase, sale and assignment agreement with a wholly-owned subsidiary of Royalty Pharma Investments ("RPI"), for the purchase of a 50% interest in a stream of payments (the "Purchased Payments") acquired by RPI's subsidiary from Bristol Myers Squibb. The Purchased Payments are linked to tiered worldwide sales of Onglyza and Farxiga, diabetes agents marketed by AstraZeneca, and related products.
- **Product sales:**
  2017**:** $1,357m
  2018: $1,634m
  No 2019 guidance

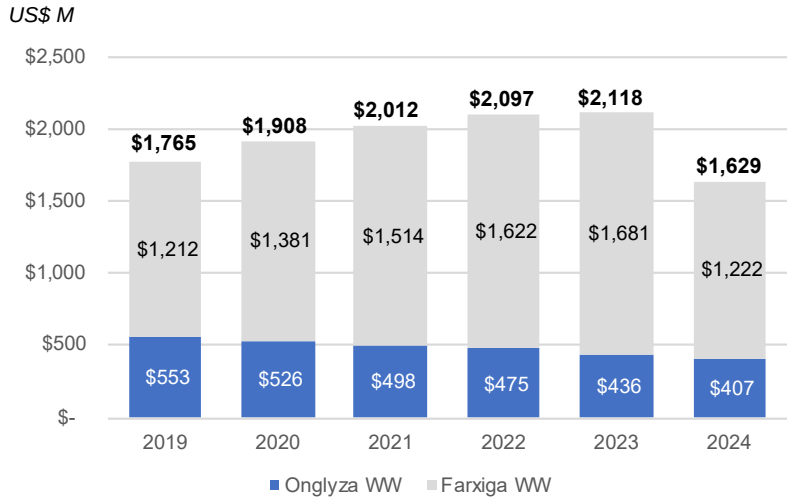
Key Products

- **FARXIGA (dapagliflozin)** – a sodium-glucose cotransporter 2 (SGLT2) inhibitor indicated as an adjunct to diet and exercise to improve glycemic control in adults with type 2 diabetes mellitus
- **ONGLYZA (saxagliptin)** – a dipeptidyl peptidase-4 (DPP4) inhibitor indicated as an adjunct to diet and exercise to improve glycemic control in adults with type 2 diabetes mellitus

Key terms of Investment

- **Size of facility:** $140-$160m in purchased payments
- **Funding Fee:** None
- **Expected Return:** High single digits
- **Duration:** 7 years
  - The first 8 quarters are payments from BPCR to BMS based on product sales from 2018-2019 and the remaining 20 quarters are payments from BMS to BPCR based on product sales from 2020-2025
- **Prepayment:** None

Median Analyst consensus[1] current indication sales estimates



Source: Pharmakon Advisors, Astrazeneca public disclosures, Wall Street Analysts
1 – estimates as 15 August 2019

$150m senior secured loan to Lexicon

Lexicon Corporate Overview

- **Description:** Lexicon Pharmaceuticals, Inc. (LXRX) is a biopharmaceutical company focused on developing drugs for cancer, diabetes, and pain including XERMELO for the treatment of Carcinoid Syndrome diarrhea and sotagliflozin for Type 1 and Type 2 diabetes
- **Market Cap:** $668m as of 30 June 2019
- **Product sales:**
  2017**:** $16m
  2018: $27m
- **License agreement:**

  On 26 July 2019, Lexicon announced Sanofi's notice of termination in relation to its collaboration and license agreement with Lexicon for the development and commercialization of Zynquista. Sanofi's actions do not impact XERMELO® which is marketed by Lexicon in the US and is partnered outside the US with Ipsen. Lexicon and Sanofi have not yet finalized the details of the termination and this process will take several weeks or months.

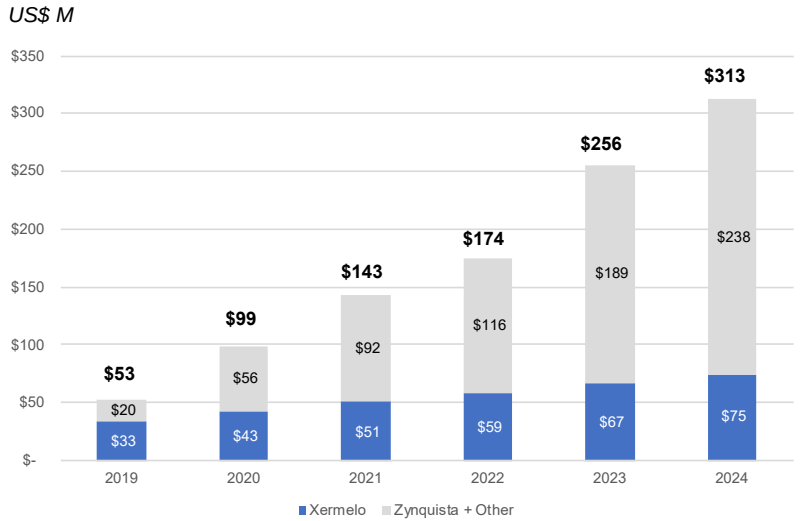
Key terms of Loan

- **Size of facility:** $150m
- **Funding Fee:** Not disclosed
- **Interest rate:** 9.0%
- **Amortization:** Principal amount 5 years post funding date
- **Duration:** 5 years
- **Prepayment:** 2% prior to 4th anniversary of Tranche A closing data and 1% after the fourth anniversary of the Tranche A closing date but prior to the 5th anniversary
- **Make-whole:** 3 years

Key Products

- **XERMELO (telotristat ethyl)** - an oral treatment that works with somatostatin analog (SSA) therapy to reduce the overproduction of serotonin hormone to control Carcinoid Syndrome diarrhea. XERMELO functions inside the neuroendocrine tumor to reduce the overproduction of serotonin. Lexicon granted Ipsen commercial rights to telotristat ethyl outside the US & Japan
- **Sotagliflozin (LX4211) –** an orally-delivered compound being developed with Sanofi for Type 1 and Type 2 diabetes. It received approval in Europe for Type 1 diabetes on 26 April 2019 and received a Complete Response Letter (CRL) in the US on 22 March 2019. The drug is still being evaluated for use in Type 2 patients with potential to generate substantial payments upon certain development and approval milestones.

Median Analyst consensus[1] sales estimates



Source: Pharmakon Advisors, Lexicon public disclosures, Sanofi public disclosures, Bloomberg
1 – estimates as of 15 August 2019