

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

Half yearly results announced 21 September 2017

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 August 2017

Ordinary shares		Assets	
Share price	\$1.12	Market capitalisation	\$849.5m
NAV per share	99.68 cents	Net assets	\$759.4m
Premium to NAV	11.86%	Fees	
Shares in issue	761.9m	Management fee	1% of NAV per annum
		Performance fee	10% ¹

HIGHLIGHTS FOR THE QUARTER

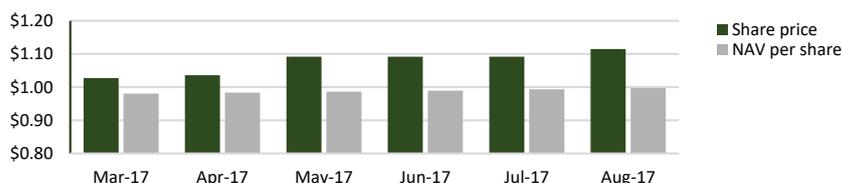
- On 27 July 2017, BioPharma Credit PLC (the "Company") received a scheduled payment of \$11.1 million from RPS BioPharma Investments, LP on the RPS Note, a senior secured loan backed by royalties on 21 products, of which \$6.1 million represented repayment of principal. As of 31 August 2017, the outstanding balance on the RPS Note was \$130.8 million (excluding accrued interest) and the Company continues to believe the RPS Note will be fully repaid by the end of 2018.
- On 31 July 2017, Vivus paid 53.3% of its outstanding balance on its loan with BioPharma III. BioPharma Credit holds 46% of the Vivus capped royalty through its limited partnership interest in BioPharma III.
- On 1 August 2017, the Company received \$12.6 million from BioPharma III in the form of a scheduled distribution to its limited partners.
- On 7 August 2017, Depomed reiterated its intention to refinance its senior secured loan by 30 September. The Company's remaining balance on the Depomed loan was \$46.0 million as at 31 August 2017.
- 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)
498.1	130.0	130.8
487.2	141.3	130.8
■ 31/8/2017	■ 31/7/2017	

PERFORMANCE

Cumulative Performance

	1 month	2 months	3 months	Since launch
Share price	2.11%	2.11%	2.11%	11.50%
NAV per share ²	0.34%	0.76%	1.03%	1.71%



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, Channel Islands Securities 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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