

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 BioPharma Credit targets an annual dividend of 7 cents per share and net total return on NAV of 8% to 9% per annum in the medium term.

UPCOMING EVENTS

Payment of interim dividend	20 September 2019
Annual results announced	March 2020

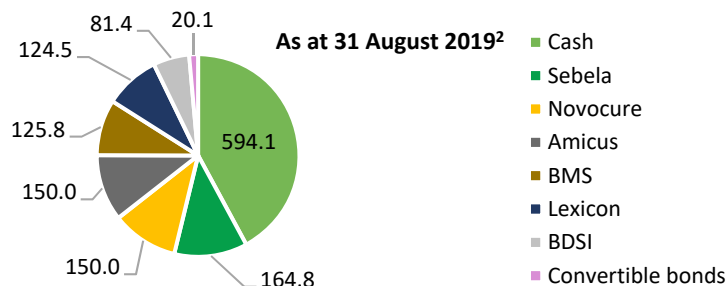
TRUST FACTS

As at 31 August 2019

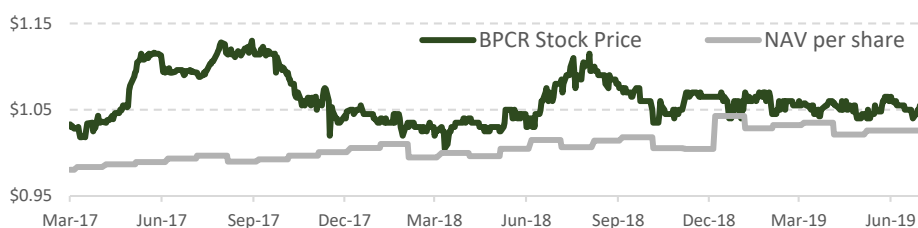
Ordinary shares	Assets		
Share price	\$1.02	Market capitalisation	\$1,401.4m
NAV per share	101.40 cents	Net assets	\$1,393.2m
Premium to NAV	0.59%	Fees	
Shares in issue	1,373.9m	Management fee	1% of NAV per annum
		Performance fee	10% ¹

RECENT HIGHLIGHTS

- On 4 September 2019, the Company announced its half yearly results for the period ended 30 June 2019. The report is available on the Company's website at www.bpcruk.com/investor-materials.
- On 10 September 2019, Lexicon Pharmaceuticals, Inc. ('Lexicon') announced the termination of its alliance with Sanofi for the development and commercialization of Zynquista (sotagliflozin) and the settlement of its related disputes with Sanofi, each effective 9 September 2019. In connection with the termination, Lexicon will regain all rights to Zynquista and assume full responsibility for the worldwide development and commercialization of Zynquista in both type 1 and type 2 diabetes. Under the terms of the settlement, Sanofi will pay Lexicon \$260 million, of which \$208 million is payable upfront and the remainder is payable within twelve months, and coordinate with Lexicon in the transition of responsibility for ongoing clinical studies and other activities.
- On 12 September 2019, the Company entered into a senior secured note purchase agreement for the issuance and sale of senior secured notes in an aggregate original principal amount of up to \$150 million by OptiNose US, Inc. alongside BioPharma-V. The Company's share of the transaction will be up to \$82.5 million and the Company initially funded \$44.0 million on 12 September 2019. Senior secured notes in an aggregate original principal amount of up to \$150 million will be issued and sold in up to four tranches, each maturing in September 2024 and bearing interest at 10.75 per cent. per annum along with a one-time additional consideration of 0.75 per cent. of the aggregate original principal amount of senior secured notes which the Company and BioPharma-V are committed to purchase under the facility and approximately 800,000 warrants exercisable into common stock of OptiNose, Inc.
- Below is a summary of the Company's closing portfolio balances (\$ in millions) for the period.



SHARE PERFORMANCE



Cumulative Performance

	3 month	6 months	12 months	Since launch
Share price	(2.39%)	(2.39%)	(6.85%)	2.00%
NAV per share ³	(0.71%)	(1.40%)	0.74%	3.47%

- 1 The performance fee is calculated as 10% of outperformance above 0% return, subject to High Watermark and a 6% preferred return hurdle with 50% catch up.
- 2 Chart shows total portfolio value as of the month end. The variance between the total portfolio value and the net asset value is due to other short term assets and liabilities.
- 3 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 opening NAV per share of 98 cents on the date of IPO.

INVESTMENT TEAM



Pedro Gonzalez de Cosio
Investment Manager



Martin Friedman
Investment Manager



Pablo Legorreta
Investment Manager

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	Stephanie Leouzon
ISIN	GB00BDGKMY29
SEDOL	BDGKMY2
Bloomberg	BPCR LN

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