

LSP Life Sciences Fund

Monthly Report May 2018



NAV per Share € 254.79

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years
8.4%	3.5%	0.4%	25.0%	32.5%	18.6%	64.8%

NAV of Fund	80,908,781
Number of Shares	317,545
Valuation Date	31/05/2018

Top-5 performers

1. Aduro Biotech	27.5%
2. GW Pharmaceuticals	21.1%
3. Cocystal Pharma	20.5%
4. Galapagos	16.2%
5. Stemline Therapeutics	14.2%

Inception date:	27/04/2011
Currency:	Euro
Domicile:	The Netherlands
Legal Structure:	Dutch NV with variable capital
Listing:	Euronext Amsterdam
Euronext code:	LSP
ISIN Code:	NL0009756394
Bloomberg:	LSP NA

Investment strategy

The Fund's primary investment objective is to achieve capital appreciation by investing in a diversified, yet concentrated portfolio of publicly listed life sciences companies (including biopharmaceutical-, specialist pharmaceutical-, medical device-, drug delivery-, vaccine- and diagnostic companies). The majority of the Fund's portfolio will consist of European companies listed on one of the (main) European stock exchanges, with a market capitalization of below € 2.5 billion at the time of investment.

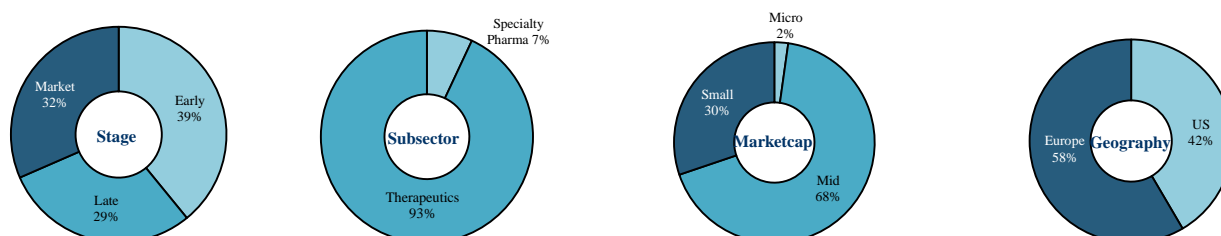
Manager's comments

May was a busy month for the fund as we added several new positions. We participated in an equity offering for Cocystal Pharma. Cocystal is using cutting edge technology to develop next generation anti-viral drugs with an initial focus on Hepatitis C viral infections (HCV) and influenza. Although at an early stage of development, the company has an A-team in charge of its science and drug development. This small cap company is based on science from 2 Nobel Prize winning laureates and its Chairman developed the most successful drugs for the treatment of both HIV and HCV.

Dova Pharmaceuticals was also added to the portfolio in May. Shortly after we made our initial investment, the company announced FDA approval of its lead product, Doptelet. This is the first drug approved for the treatment of thrombocytopenia in adult patients with chronic liver disease who are scheduled to undergo a medical procedure. They launched the drug within 2 weeks after this FDA go-ahead and will soon file for approval in a larger indication, chronic immune thrombocytopenia or ITP. We expect Doptelet to have significant advantages over other treatments on the market for ITP.

The third company we added to the portfolio was oncology company Verastem. Its lead compound, Duvelisib, has shown excellent results in the treatment of lymphomas, CLL and FL. The Company has filed for approval in the US and the drug could be approved in October of this year. In addition to new companies, the portfolio gained 3.5% in the month. GW Pharmaceuticals (epilepsy) had its lead drug candidate, Epidiolex, discussed at an FDA advisory committee meeting at the end of April which resulted in a unanimous vote in favour of approval of the drug. The FDA will issue its official decision at the end of June. In May, we saw the company's share price start to reflect the value of this event. Aduro Biotech was the biggest % performer in the month. The share price of this small innovative oncology company has been volatile in recent months. The share price increase in May was a correction of the dip in April and anticipation ahead of the large oncology medical meeting ASCO, scheduled for early June.

Portfolio breakdown



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Portfolio breakdown

Company	Stage	Subsector	Marketcap	%
argenx	Early	Therapeutics	Mid	11.4%
CytomX Therapeutics	Early	Therapeutics	Small	8.4%
Evotec	Early	Therapeutics	Mid	7.4%
Zogenix	Late	Therapeutics	Mid	7.2%
Stemline Therapeutics	Early	Therapeutics	Small	7.1%
Clinigen Group	Market	Specialty Pharma	Mid	7.0%
GW Pharmaceuticals	Market	Therapeutics	Mid	6.8%
Galapagos	Market	Therapeutics	Mid	6.5%
Morphosys	Late	Therapeutics	Mid	6.0%
Zealand Pharma	Market	Therapeutics	Mid	5.9%
Genmab	Market	Therapeutics	Mid	5.7%
Aerie Pharmaceuticals	Late	Therapeutics	Mid	4.4%
Verastem	Late	Therapeutics	Small	4.3%
Aduro Biotech	Late	Therapeutics	Small	2.9%
Merus	Early	Therapeutics	Small	2.9%
Dova Pharmaceuticals	Late	Therapeutics	Small	2.5%
Erytech Pharma	Late	Therapeutics	Small	2.4%
Cocrystal Pharma	Early	Therapeutics	Micro	2.2%

Important information

LSP Advisory B.V. (as Fund Manager) and the LSP Life Sciences Fund N.V. (the Fund) have a license and are registered pursuant to the Dutch Act on Financial Supervision and are supervised by the Stichting Autoriteit Financiële Markten (Dutch Authority for the Financial Markets) and De Nederlandsche Bank N.V. (the Dutch Central Bank). This presentation is solely for information purposes and is not intended as advice in any way. The Fund Manager and the Fund cannot be held liable or responsible for the content of this presentation. Potential investors are advised to contact their investment- and fiscal advisor prior to taking an investment decision. There are risks involved in the investment. The value of the investment can fluctuate. Results achieved in the past offer no guarantee for the future. A Key Investor Information Document is also available for this product with information about the product, the costs and the risks involved. Read it before you invest in the product. The prospectus and the Key Investor Information Document of the LSP Life Sciences Fund can be downloaded via www.lspvc.com/funds/public.html

In Switzerland, the Fund may only be offered or distributed to qualified investors. For this, the Fund has appointed as Swiss Representative Oligo Swiss Fund Services SA, Av. Villamont 17, 1005 Lausanne, Switzerland, Tel: +41 21 311 17 77, email: info@oligofunds.ch. The Fund's paying agent is Banque Cantonale de Genève. Any Fund Documentation may be obtained free of charge from the Swiss Representative in Lausanne.