

LSP Life Sciences Fund

Monthly Report February 2019



NAV per Share € 243.30

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years
13.4%	4.9%	2.3%	-4.1%	28.3%	58.6%	14.1%

NAV of Fund	81,818,513
Number of Shares	336,276
Valuation Date	28/02/2019

Top-5 performers

1. Uniqure	57.6%
2. Aerie Pharmaceuticals	43.9%
3. argenx	26.3%
4. Genmab	19.7%
5. Amarin Corp	17.0%

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

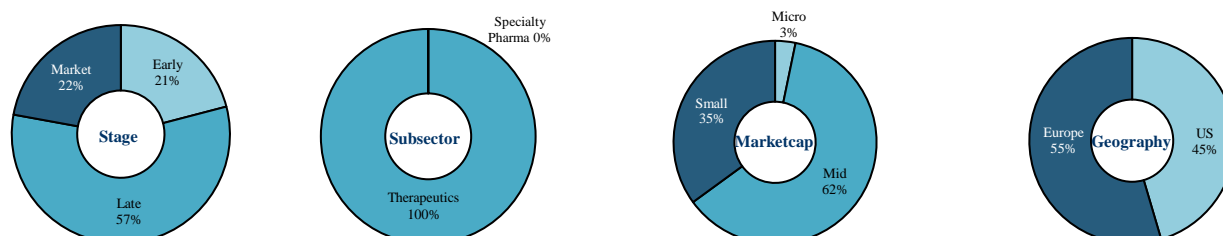
Investment strategy

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

In February we saw another month packed with good news in the portfolio and a lot of activity in the sector. In particular, gene therapy is finally coming of age which is great for our top pick in the space, the Dutch company UniQure. We started to add UniQure to the portfolio as of October last year. We invested in the company after a sell-off in the shares and ahead of important data from their Hemophilia B program. Hemophilia B is a genetic blood clotting disorder causing easy bruising and bleeding, an indication in need for safer and more efficacious treatment. While we saw a nice uptick in the share price after we invested following excellent data for this program made public in November, the real boost came from the Roche acquisition of Spark Therapeutics in late February. On the 25th of the month, Roche announced it would acquire all of Spark's outstanding shares for USD 4.8 billion in an all-cash deal. Spark is a competitor to UniQure in the gene-therapy space. We believe that technology and manufacturing capabilities will be critical competitive factors going forward, and we believe that UniQure is well positioned for success also in that area. Further, in the portfolio, eye disease company Aerie Pharmaceuticals, also performed well in February. Aerie launched its first new treatment for glaucoma in 2018, Rhopressa, and will get a response from the FDA on its new combination product for glaucoma, Roclatan soon. The PDUFA date is set for March. The recent increase in the share price is likely in part associated with the approaching FDA approval and also the better than expected launch of Rhopressa. Genmab, a long time portfolio holding, also got off to a great start to the year with several incrementally positive news items. Data from a new subcutaneous formulation of Darzalex was positive – this means that there is the potential to give the drug by a single skin injection as opposed to an infusion. This is very advantageous for patients and care givers. The Company also gave better than expected revenues guidance for 2019, underpinning their confidence in Darzalex sales. Turning to the sector: it had a tremendous start to the year, recovering from the significant 4Q18 dip. The stream of multi-billion dollar healthcare M&A since the beginning of the year is certainly helping the sentiment and we anticipate additional important news-flow from our portfolio in the coming months.

Portfolio breakdown



LSP Life Sciences Fund



Portfolio breakdown

Company	Stage	Subsector	Marketcap	%
argenx	Late	Therapeutics	Mid	11.7%
Uniqure	Late	Therapeutics	Small	9.4%
Amarin Corp	Market	Therapeutics	Mid	9.1%
Genmab	Market	Therapeutics	Mid	7.7%
Evotec	Early	Therapeutics	Mid	7.6%
Galapagos	Late	Therapeutics	Mid	7.4%
Morphosys	Late	Therapeutics	Mid	6.1%
Aerie Pharmaceuticals	Market	Therapeutics	Mid	5.2%
ObsEva	Late	Therapeutics	Small	5.0%
FibroGen	Late	Therapeutics	Mid	4.9%
Stemline Therapeutics	Late	Therapeutics	Small	4.4%
Foamix Pharmaceuticals	Late	Therapeutics	Small	4.4%
Merus	Early	Therapeutics	Small	3.6%
Verastem	Late	Therapeutics	Small	3.3%
Cocrystal Pharma	Early	Therapeutics	Micro	3.2%
CytomX Therapeutics	Early	Therapeutics	Small	2.8%
Eloxx Pharmaceuticals	Early	Therapeutics	Small	1.8%
Viking Therapeutics	Early	Therapeutics	Mid	1.7%

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.