

LSP Life Sciences Fund



Monthly Report June 2019

NAV per Share € 247.13

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years
15.2%	9.6%	-1.9%	-2.2%	16.1%	45.2%	54.2%

NAV of Fund	68,997,449
Number of Shares	279,186
Valuation Date	30/06/2019

Top-5 performers

1. Uniqure	31.8%
2. FibroGen	24.7%
3. Blueprint Medicines	24.1%
4. Stemline Therapeutics	16.7%
5. CytomX Therapeutics	16.1%

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

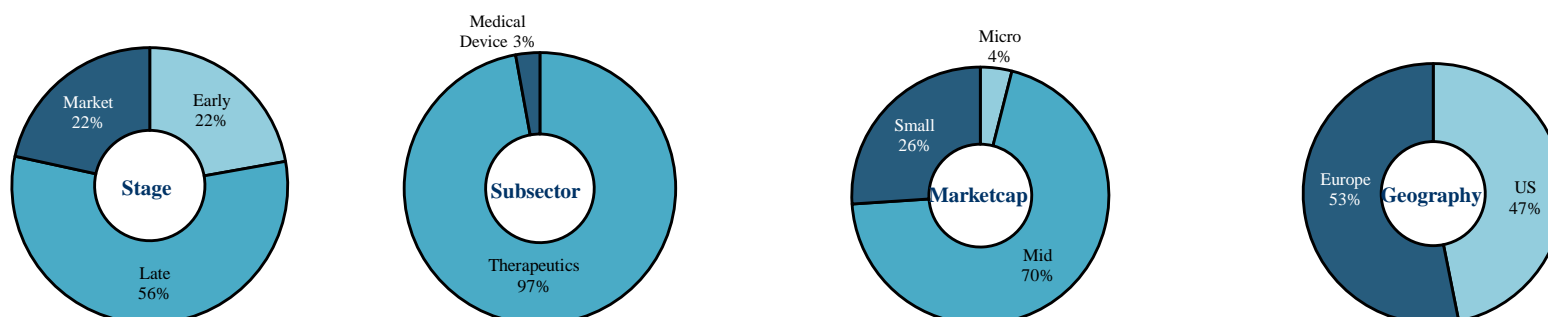
Investment strategy

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

The month of June turned out to be very strong for the fund, with a return of 9.6%. That brings the YTD performance as per the end of the first half of the year to more than 15% (net). The strong performance during the month was driven by multiple positive catalysts in the portfolio. Dutch gene therapy company UniQure lead the way with its share price boosted by more than a third during the month, following reports and speculation that the company is in the midst of strategic discussions and could become the subject of M&A. Such speculation is not surprising, given the company's area of focus (amongst other Haemophilia) and technology (gene therapy). Such an M&A may or may not happen - who knows - but more importantly, the company's most advanced product targeting Haemophilia B has shown very strong clinical data so far with more to come soon. Another of the Fund's holdings for which sentiment improved, is FibroGen. Its shares rebounded almost 25% during the month. We expect more news from the company in Q3 regarding filing plans for their lead drug Roxadustat, a drug that is in late stage testing (Phase 3) - targeting a blood disorder. The other strong performers during the month were all oncology companies: Blueprint Medicines, Stemline Therapeutics and CytomX Therapeutics. The largest cancer conference of the year (ASCO) took place in early June, where these companies all presented new incrementally positive data on their cancer programs. Furthermore, Genmab and Morphosys also had positive newsflow: Genmab and their pharma partner Johnson&Johnson received approval to treat newly diagnosed multiple myeloma patients, the so called first line patients, with Darzalex. This expands the market for Darzalex considerably and also supports the company's revenue guidance for the year. Morphosys met the primary endpoint of its pivotal study for MOR208 (tafasitamab) which supports its filing for accelerated approval in a subset of leukemia patients (r/r DLBCL). The only negative news in the portfolio came from Danish medical device company Ambu. Following the dismissal of the CEO, which took the market by surprise, the new CEO took the opportunity to reset guidance for the year. This caused a selloff in the stock. The stock has started to correct, once it was announced that the new CEO has bought shares in the company to show his commitment and belief in the company. Fundamentally, the story has not changed. Also, a new company was added to the portfolio at the end of the month. We participated in a stock offering of the Swedish company Oncopeptides. The FDA recently gave the go-ahead for this company to file for accelerated approval of its lead asset, Melflufen, based on an on-going Phase 2 study. This was ahead of expectation and considerably shortens the time to market. The company has several clinical trials ongoing which will read out in the coming year. This ensures a steady flow of triggers for the stock as it moves closer to having its first product approved in the US by the end of 2020.

Portfolio breakdown



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Portfolio breakdown

Company	Stage	Subsector	Marketcap	%
Uniqure	Late	Therapeutics	Mid	13.4%
Galapagos	Late	Therapeutics	Mid	12.0%
argenx	Late	Therapeutics	Mid	10.9%
Amarin Corp	Market	Therapeutics	Mid	10.0%
Evotec	Early	Therapeutics	Mid	7.2%
Stemline Therapeutics	Market	Therapeutics	Small	6.1%
FibroGen	Late	Therapeutics	Mid	4.5%
Merus	Early	Therapeutics	Small	4.5%
ObsEva	Late	Therapeutics	Small	4.5%
Blueprint Medicines	Late	Therapeutics	Mid	4.1%
Cocrystal Pharma	Early	Therapeutics	Micro	4.1%
CytomX Therapeutics	Early	Therapeutics	Small	4.0%
Marinus Pharmaceuticals	Late	Therapeutics	Small	3.2%
Foamix Pharmaceuticals	Late	Therapeutics	Small	3.1%
Genmab	Market	Therapeutics	Mid	3.0%
Ambu	Market	Medical Device	Mid	2.9%
Morphosys	Late	Therapeutics	Mid	1.8%
Viking Therapeutics	Early	Therapeutics	Mid	1.7%
Eloxx Pharmaceuticals	Early	Therapeutics	Small	1.3%

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.