

LSP Life Sciences Fund

Monthly Report May 2019



NAV per Share € 225.41

Performance

YTD	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years
5.1%	-7.8%	-7.4%	-11.5%	10.6%	17.2%	45.8%

NAV of Fund	62,848,040
Number of Shares	278,809
Valuation Date	31/05/2019

Top-5 performers

1. Uniqure	5.6%
2. GW Pharmaceuticals	2.3%
3. CytomX Therapeutics	1.6%
4. Aerie Pharmaceuticals	1.2%
5. Blueprint Medicines	0.5%

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

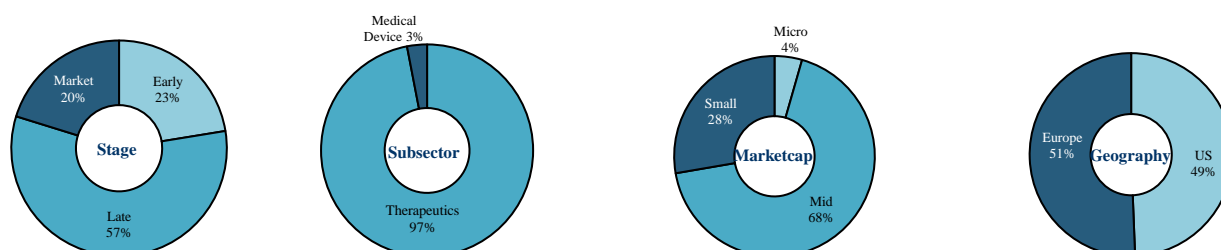
Investment strategy

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 May proved to be a relatively negative month for equities, driven by the ongoing trade tensions between the US and China. All indices were down for the month and volatility was high. In spite of the fact that the fund followed that downward trend, the portfolio developed according to plan, with all holdings but one, showing excellent progress. The one negative performer during the month was the Danish medical device company Ambu, which – in a surprise move – got rid of its CEO in early May. This announcement and the communication thereafter were badly handled and led the market to sell the stock on the news. A new CEO was appointed within two weeks who swiftly reconfirmed outlook for 2020. A number of breakthrough products were confirmed to be launched this year and financial targets were confirmed to be attainable. As such, the original investment case still stood and we decided to hold our position. It remains to be seen how the new CEO will handle things going forward. As per the end of May and as of the announcement of the departure of the CEO, the stock lost some 40% of its value, contributing to a loss on the fund's holding in Ambu. All other companies did very well during the month. Most notably, Amarin – the cardiovascular company that has a key upcoming FDA milestone scheduled in September – showed strong sales in Q1 and Evotec – the German biotech company that has built a unique service, R&D business and a promising proprietary drug pipeline as well – beat consensus and announced very solid financial performance year-on-year. Evotec also strengthened its position in biologic therapeutics through its bolt-on acquisition of privately held Just Therapeutics. During the month, there were also many positive clinical data points released for a number of our portfolio holdings: German biotech Morphosys, Swiss biotech Obseva and Dutch biotech Uniqure all published new and additional data providing further support to the potential of their respective products in development. We expect further data and events to drive the value of the portfolio in the coming months.

Portfolio breakdown



LSP Life Sciences Fund



Portfolio breakdown

Company	Stage	Subsector	Marketcap	%
Galapagos	Late	Therapeutics	Mid	11.8%
Uniqure	Late	Therapeutics	Mid	11.4%
argenx	Late	Therapeutics	Mid	10.7%
Amarin Corp	Market	Therapeutics	Mid	8.7%
Evotec	Early	Therapeutics	Mid	7.0%
Stemline Therapeutics	Market	Therapeutics	Small	5.9%
ObsEva	Late	Therapeutics	Small	5.6%
Merus	Early	Therapeutics	Small	4.8%
Morphosys	Late	Therapeutics	Mid	4.7%
Cocrystal Pharma	Early	Therapeutics	Micro	4.6%
FibroGen	Late	Therapeutics	Mid	4.1%
CytomX Therapeutics	Early	Therapeutics	Small	3.8%
Marinus Pharmaceuticals	Late	Therapeutics	Small	3.7%
Blueprint Medicines	Late	Therapeutics	Mid	3.7%
Foamix Pharmaceuticals	Late	Therapeutics	Small	3.6%
GW Pharmaceuticals	Market	Therapeutics	Mid	3.2%
Ambu	Market	Medical Device	Mid	3.1%
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.