



# RTW Biotech Opportunities Ltd

## 2023 Interim Results & Outlook



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- it is possible that the performance of the investment described in this Presentation has been partially affected by exchange rate movements during the period of the investment;
- differences between the Company's circumstances and the circumstances in which the Track Record information was generated may include all or certain of: actual acquisitions and investments made, investment objective, fee arrangements, structure (including for tax purposes), terms, leverage, geography, performance targets and investment horizons. All of these factors can affect returns and impact the usefulness of performance comparisons and as a result, none of the historical information contained in this Presentation is directly comparable to the Company's current performance;
- the Company may be subject to taxes on some or all of its earnings in the various jurisdictions in which it invests. Any taxes paid or incurred by the Company will reduce the proceeds available from the sale of an investment to make future investments or distributions and/or pay the expenses and other operating costs of the Company; and
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# RTW: London Capital Markets Day

*Tuesday 14<sup>th</sup> November at Numis' offices, 45 Gresham Street, London EC2V 7BF*



**Sir John Bell**

Regius Professor of  
Medicine  
University of Oxford



**Baroness Nicola  
Blackwood**

Chairman of the Board  
Genomics England



**Gaurav Shah, MD**

Chief Executive Officer / Co-  
Founder  
Rocket Pharmaceuticals



**Sandy Mou**

Chief Executive Officer  
JIXING Pharmaceuticals



**Wilfred Frost**

Contributor  
CNBC



**Rod Wong, MD**

Chief Investment Officer /  
Managing Partner  
RTW Investments



**Naveen Yalamanchi, MD**

Portfolio Manager / Partner  
RTW Investments



**Stephanie Sirota**

Chief Business Officer /  
Partner  
RTW Investments



**Peter Fong, PhD**

Chief Development Officer /  
Partner  
RTW Investments



**Chris Seiter**

Chief Corporate Finance  
Officer  
RTW Investments



# RTW is a leading specialist healthcare investor



## SCIENCE-LED

Deep research led investing in innovative biotech and medtech companies

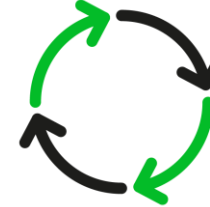
c.75 experienced scientific, commercial and business professionals



## STRATEGY

Support companies with growth capital through their full lifecycle

Long-term investing to maximize value-capture



## INFRASTRUCTURE

Private fund manager with c. \$6B AUM

Business builders: in-house operational and transactional expertise

Offices in New York, London and Shanghai

# RTW's team *is built to identify transformational innovations, engage in deep research to unlock value, build new companies around promising licenses and offer support through full life cycle investment*

## Leadership



## Asset Selection

THERAPEUTICS, MEDTECH



32 ppl

## Strategic Partnerships

INVESTOR RELATIONS, MARKETING, COMMUNICATIONS



10 ppl

## Asset Development & Finance

STRUCTURING, COMPANY CREATION



14 ppl

## Firm Services

FUND ACCOUNTING + OPERATIONS, COMPLIANCE + REGULATORY, VALUATION, TAX



20 ppl

RTW Team

75+ ppl

Investment  
Team

26 ppl

Advanced  
Degrees

50%+

MD or PhD

# RTW Biotech Opportunities Ltd (RTWBIO)

*An LSE-listed investment company that powers breakthrough therapies that aim to transform patient lives*



RTW BIO most clearly expresses  
RTW’s full life cycle approach  
with the flexibility and duration to invest  
opportunistically  
while avoiding the pitfalls and  
structural constraints  
of venture-only or  
public-only vehicles

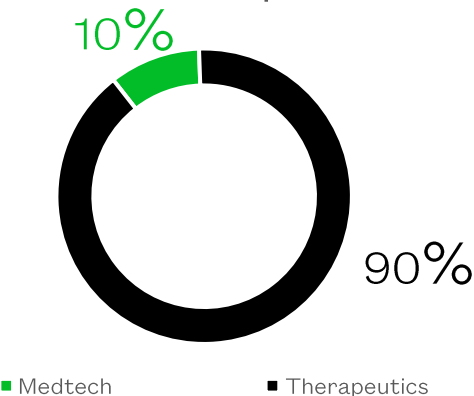
## RTWBIO facts

LSE admission	2019, October
Ordinary NAV	\$340.9m
NAV per ordinary share	\$1.61
Price per ordinary share	\$1.24
Market capitalization	\$267.3

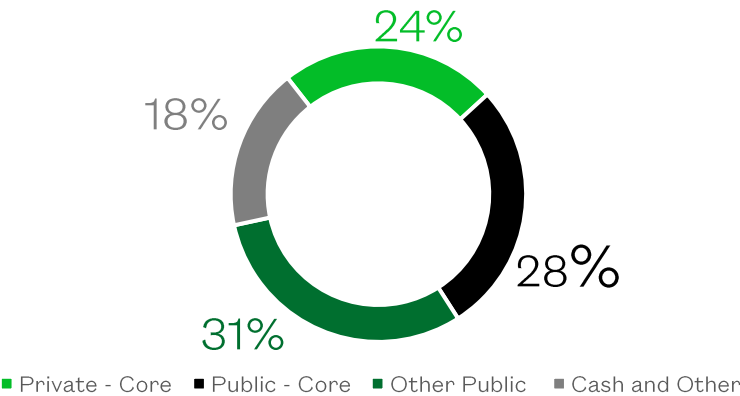
# RTWBIO gives investors access to a diversified portfolio of...

*Innovative biotech and medtech companies*

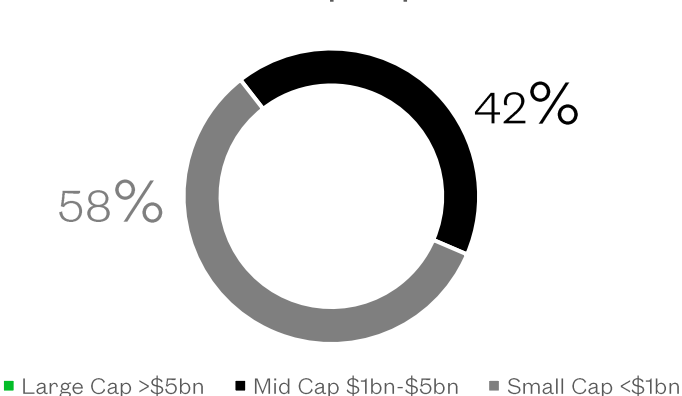
Subsector Exposure



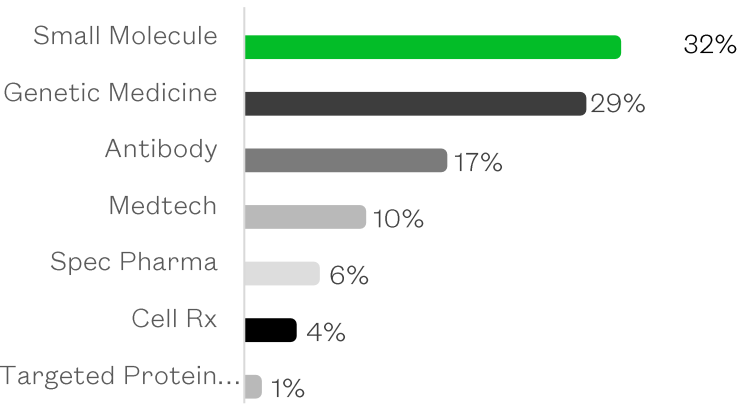
Portfolio Breakdown



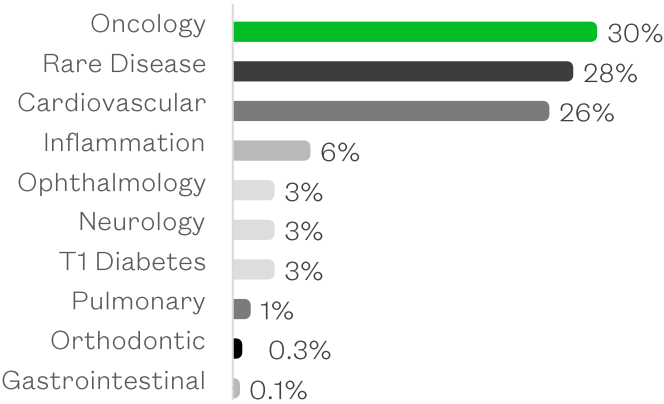
Market Cap Exposure



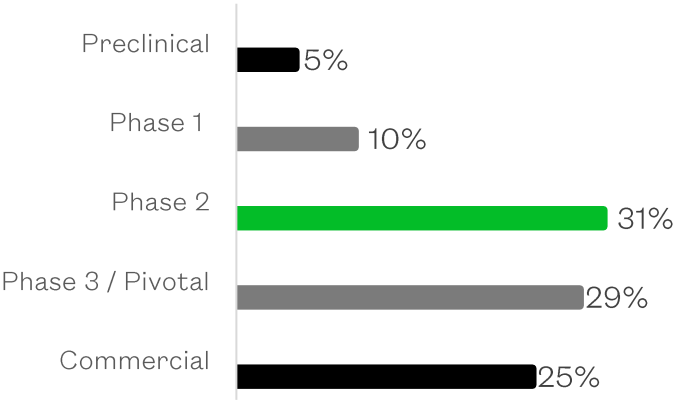
Modality



Disease Area



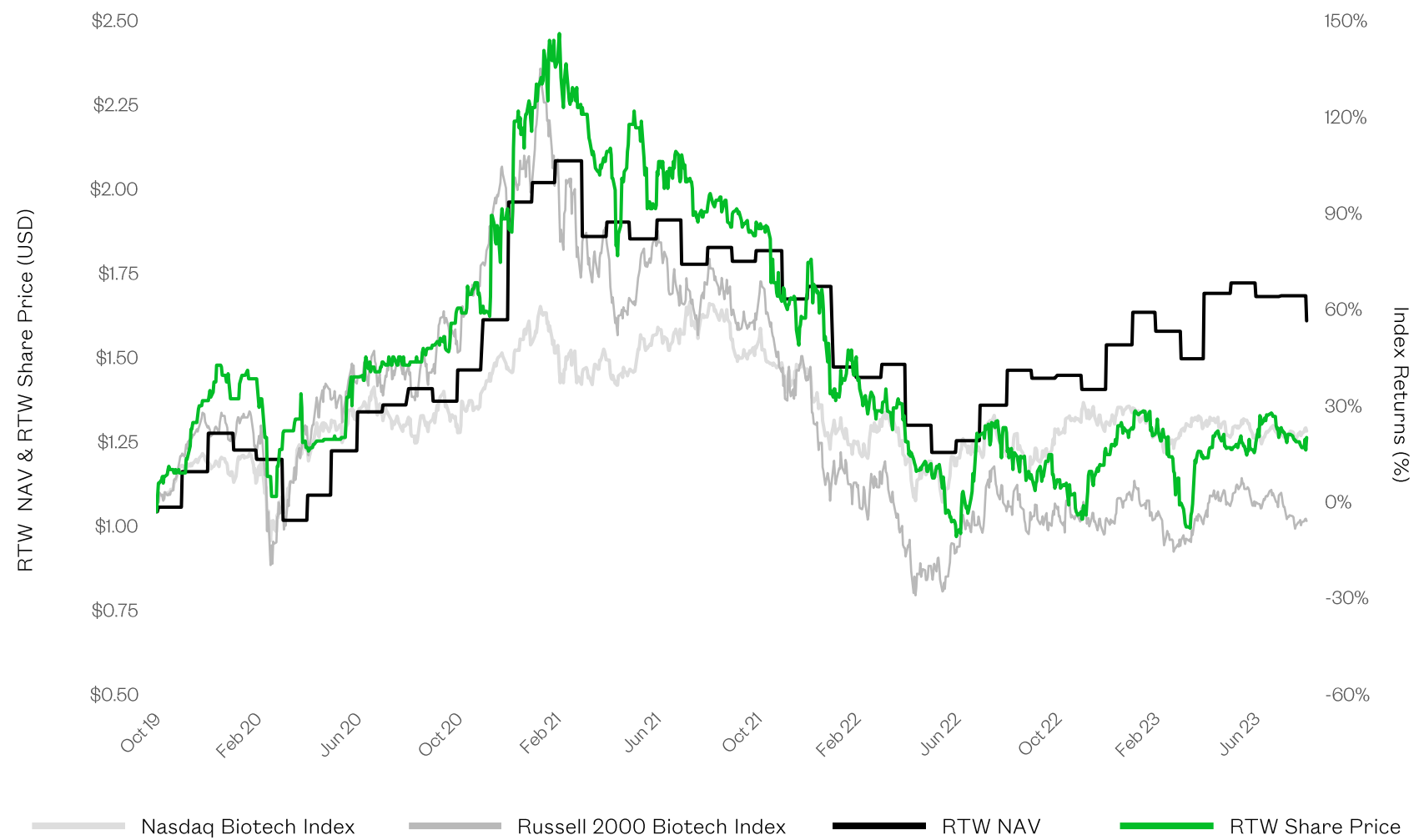
Development Stage



Data as of June 30, 2023. Above exposures are calculated on the core portfolio which consists of holdings initiated as privates or any other position deemed by the Investment Manager to belong in the core portfolio. As a full life cycle investor, the Company retains these positions beyond IPO. The "Other Public" exposure is deployed into a portfolio of liquid public equity investments that mirror holdings in the investment manager's private funds instead of holding cash for future deployment into the core portfolio. \*\*Includes gene and RNA-based therapies. \*\*\*TPD stands for targeted protein degradation. Prior to this presentation, exposures were shown using number of holdings as opposed to percentage of NAV. Exposures are adjusted to be presented out of 100%.



# RTWBIO's performance since admission to 31<sup>st</sup> August 2023



Performance since admission	
NAV growth	+54.5%
Share price	+21.2%
Russell 2000 Biotech Index	-6.2%
Nasdaq Biotech Index	+21.8%

Source: Capital IQ as of 31 August 2023  
RTW was admitted to the London Stock Exchange on 30 October 2019



# 2023 Interim Results Summary

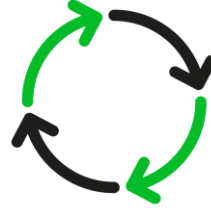


# Interim results summary...



## PORTFOLIO

- 51% of NAV in core portfolio
- 27 core private positions
- 10 core public
- 5 new core portfolio positions
- 5 core portfolio exits



## FINANCING

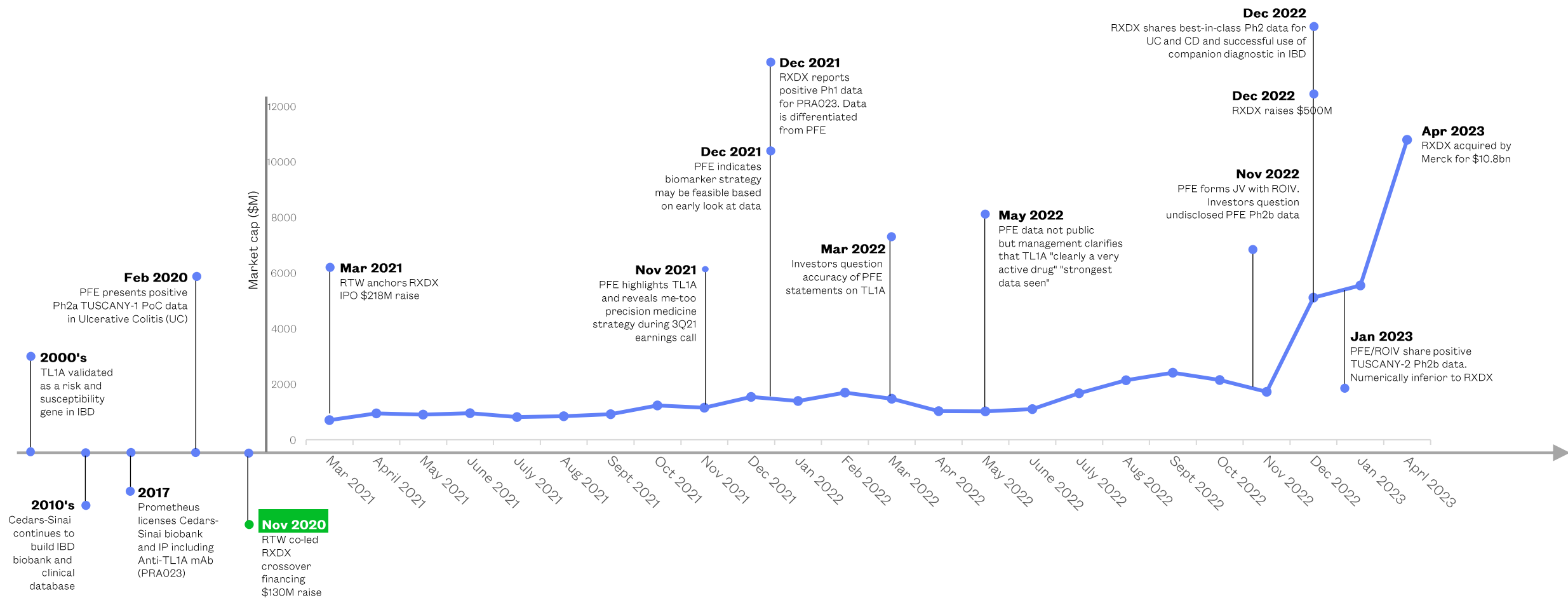
- 2x IPO
- 2x takeouts
- 2x strategic financings (announced)
- 1x SPAC merger
- 1x reverse merger (announced)



## SHAREHOLDERS

- Name change
- Distribution Partner
- Broker
- Capital Allocation Plan incl. share buyback

# Prometheus Biosciences – the value of full life cycle investing



Source: RTW proprietary data, Capital IQ as of April 16, 2023.

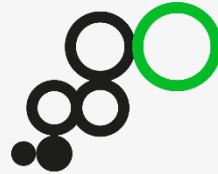
# Announced capital allocation plan

*In light of the successful investment in Prometheus demonstrating the value RTWBIO's full life cycle strategy*



## CORE PORTFOLIO

- Attractive valuations
- Maturing science
- M&A picking up



## ROYALTIES

- Right time to market
- Leverage's RTW scale
- Unique positioning
- Compliment core portfolio



## SHARE BUYBACK

- Material undervaluation
- NAV accretive
- Capital allocation discipline

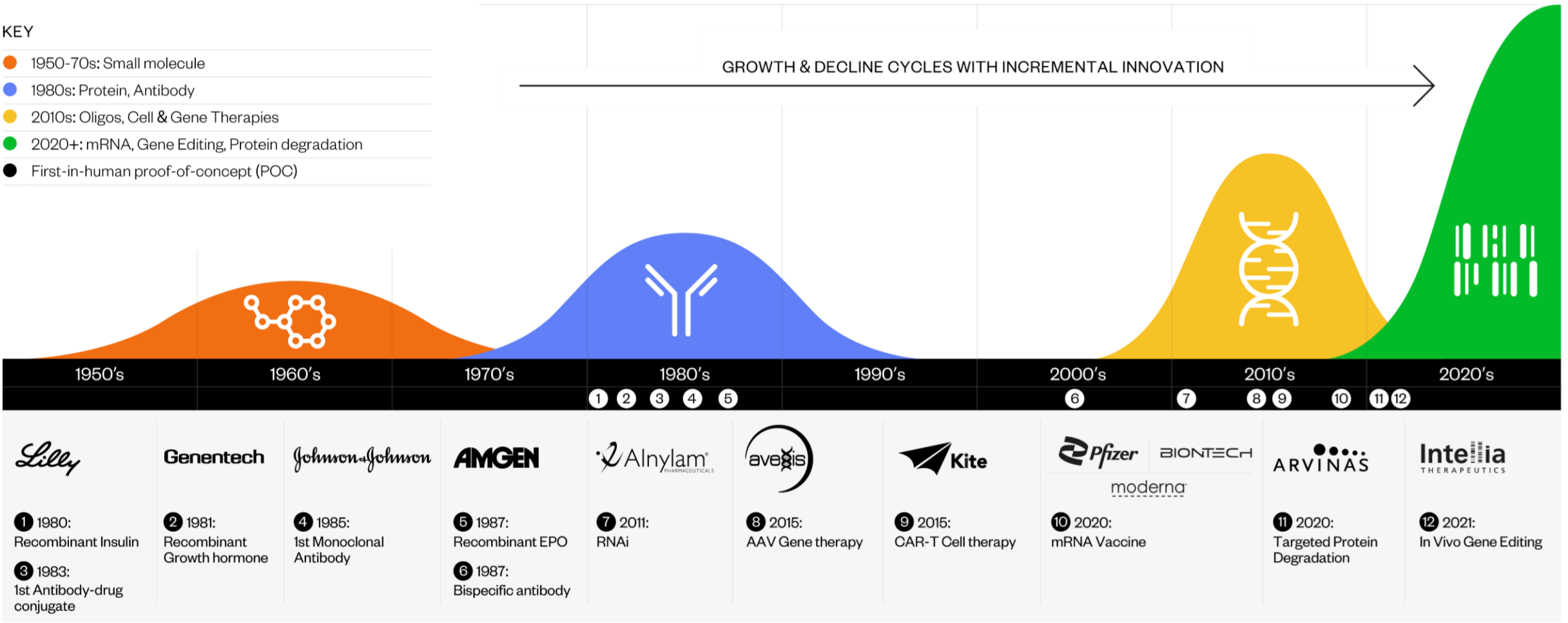


## Backdrop & Outlook



# We believe that we are living in a golden age of healthcare innovation

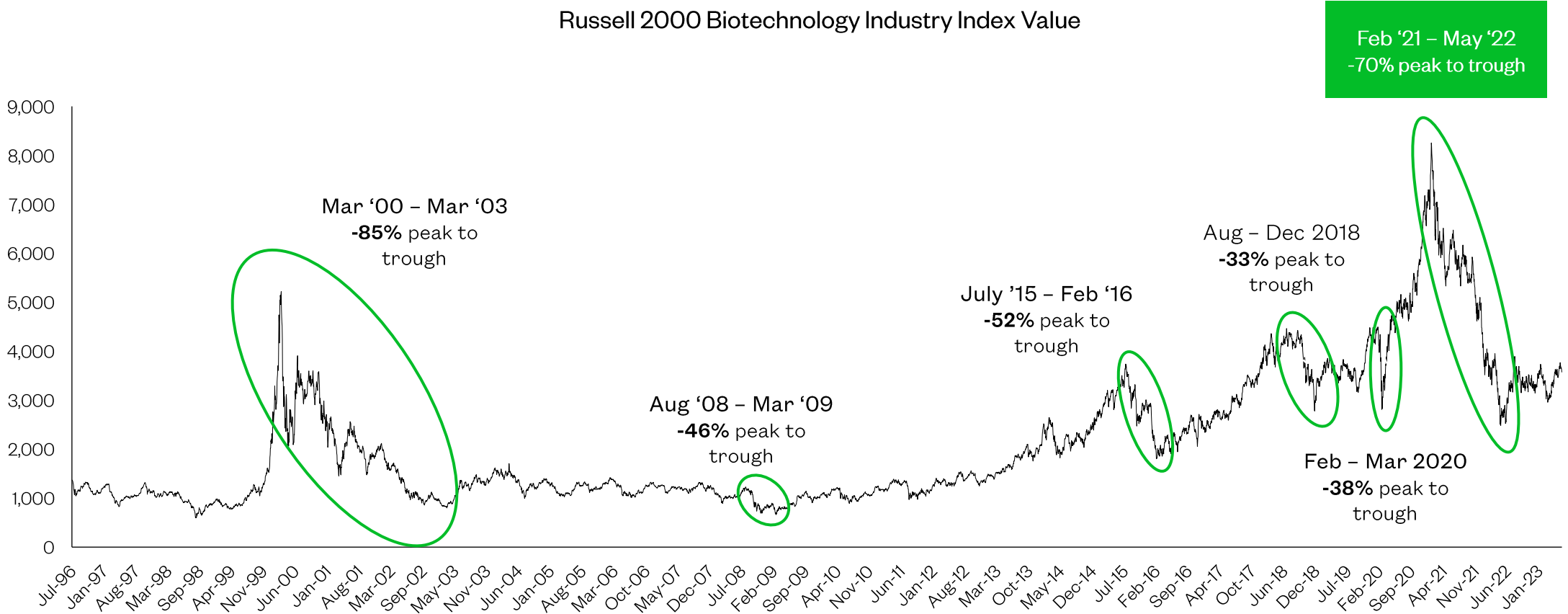
*Paradigm shifts with radical/disruptive innovation*



Source: Modified from Kelvin Stott article, 2017; RTW research as of June 30, 2021.

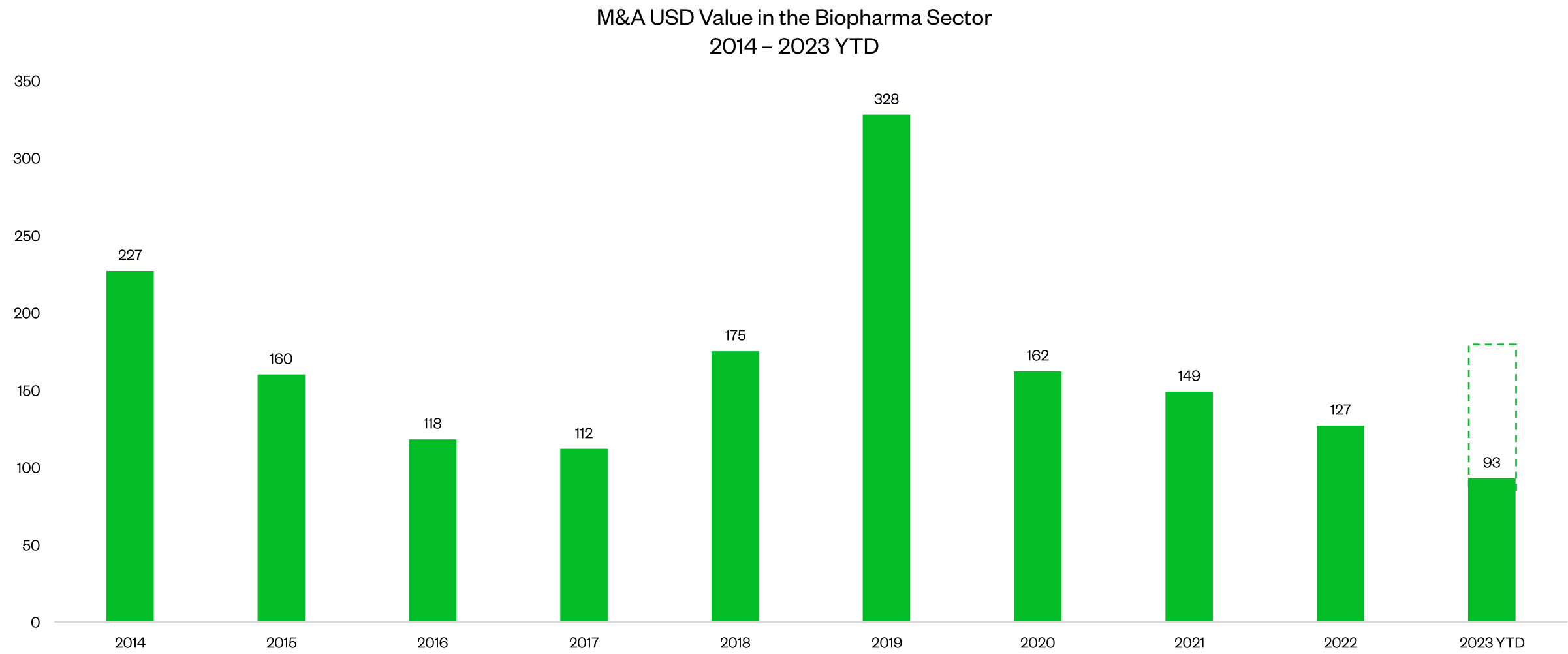
# Russell 2000 Biotech Index is still only just recovering...

*After its second worst bear market ever*



Source: CapitalIQ as of 6/23/2023.

# M&A is on track for its third best year ever



Source: Stifel as of 06/26/2023.

# Key assumptions for continued M&A

*Though not without some headwinds, we expect to see continued M&A to replenish the patent-cliff revenue loss*

## Patent Cliffs

Patent expiration wave starts 2025 – 2030. Large cap pharma is looking for revenues to replace those lost to patent cliffs

## Plentiful Cash

6 large cap pharmas should generate \$260B in the 2023-2025 timeframe. This makes deal capacity between \$300-440B<sup>1</sup>

## IRA Impacts

Large cap pharmas need to consider the potential impact IRA could have on their small molecule portfolios

## FTC Fears Overblown

Scrutiny might cause a small shift toward slightly earlier / smaller deals

## Historically cheap

Valuations are currently trading bottom quartile historically for the majority of the biotech industry

Source: Wells Fargo report 6/21/2023.

1. Assuming 2-3x debt to EBITDA leverage.



# RTW: London Capital Markets Day

*Tuesday 14<sup>th</sup> November at Numis' offices, 45 Gresham Street, London EC2V 7BF*

**2:00pm**

REGISTRATION & WELCOME REMARKS

**2:45pm**

PANEL: LIFE SCIENCES IN THE UK

**3:30pm**

RTW COMPANY CREATION CEO SPOTLIGHT: ROCKET & JIXING

**4:15pm**

PANEL: WHY BIOTECH? WHY RTW?

Q&A

**5:00pm**

NETWORKING RECEPTION

## INVESTOR ENQUIRIES

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