rtw Biotech Opportunities

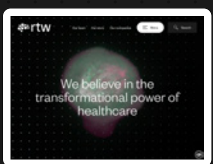
Identifying transformative assets

RTW Biotech Opportunities Ltd
Half-Yearly Report and Unaudited Consolidated Financial Statements
For the period ended 30 June 2024

Registered number: 66847

RTW Biotech Opportunities Ltd (“RTW Bio”) is a life sciences and investment innovation fund focused on identifying transformative assets with high growth potential across the biopharma and medtech sectors. With the Group’s capital and the Investment Manager’s expertise, we’re powering medical breakthroughs that will transform the wellbeing of people around the world.

Defined terms used in the Interim Report are defined in the Glossary.



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rtwfunds.com

30 June 2024 Financial Highlights

US$655.4M
Ordinary NAV
(30 June 2023: US$356.5 million)

US$1.95
NAV per Ordinary Share
(30 June 2023: US$1.68)

+87.7%
Ordinary NAV growth since inception
(30 June 2023: +61.5%)

+48.6%
Total shareholder return since admission
(30 June 2023: +19.7%)

+3.0%
Ordinary NAV per share growth YTD
(30 June 2023: +9.3%)

+10.1%
Total shareholder return YTD
(30 June 2023: +2.9%)

1.04 Leverage
(30 June 2023: 0.88)

US$1.55
Price per Ordinary Share[1]
(30 June 2023: US$1.25)

1 The share price was US$1.52 at 11 September 2024.

Portfolio Highlights in the period

2
Significant capital markets events in the core portfolio[1]: 1 IPO, 1 reverse merger
(30 June 2023: 2 take-outs, 2 IPOs, 1 SPAC merger, 1 reverse merger, 2 announced strategic financings)

14
14 new core portfolio companies added, no core public portfolio exited in the period[2]
(30 June 2023: 5 added, 5 exited)

78%
Of NAV invested in core portfolio companies
(30 June 2023: 51%)

9/50
Core companies have commercial products[3]

8/50
Core companies are pre-clinical[3]

50
Core portfolio companies in total: 30 private, 2 royalty, 18 public
(30 June 2023: 37 total, 22 private, 2 royalty, 12 public)

30/50
Core companies have clinical programs[4]
(30 June 2023: 24/37)

1 Core portfolio generally consists of companies that were initially added to the portfolio as private investments, reflecting the key focus of the Group’s strategy. As initially private investments continue to be held beyond IPO, the core portfolio consists of both privately-held and publicly-listed companies.
2 New core portfolio companies include five new privates, five positions acquired from Arix Bioscience and four that were previously classified “other public”.
3 Statistic was not measured at the previous interim reporting period end.
4 One core company is a specialty clinical laboratory offering testing services, and another is a device company whose technology is based on magnetic force spectroscopy that reveals biomolecular interactions; clinical programs are not applicable.

OUR PURPOSE AND LONG-TERM STRATEGY

Transforming the lives of millions

RTW's long-term strategy is anchored in identifying sources of transformational innovations with significant commercial potential by engaging in deep scientific research and a rigorous idea generation process, which is complemented by years of investment, company building, and both transactional and legal expertise.

Our strategic focus

1 Identify transformational innovations

RTW has developed expertise through a comprehensive study of industry and academic efforts in targeted areas of significant innovation. Thanks to the decoding of the human genome, there is more clarity around the causes of disease. Coupled with exciting new modalities that can address genetic diseases in a targeted way, drug innovation is accelerating.

2 Engage in deep research to unlock value

RTW has developed repeatable internal processes, combining technology and manpower to comprehensively cover critical drivers of innovation across the globe. We seek to identify, through rigorous scientific analysis, biopharmaceutical and medical technology assets that have a high probability of becoming commercially viable products, dramatically changing the course of treatment, and bringing effective, or in some cases, even fully curative outcomes to patients.

3 Build new companies around promising academic licences

RTW has capabilities to partner with universities and in-license academic programs, by providing capital and infrastructure to entrepreneurs to advance scientific programs. Particularly in rare disease, there is often little existing research and few treatment options, so forming a rare disease-focused company is a way of shining a light on this space and creating a roadmap to developing potentially curative treatments.

4 Support investments through the full life cycle

A key part of RTW's competitive advantage is the ability to determine at which point in a company's life cycle we should support the target asset or pipeline. As a full life cycle investor, RTW provides growth capital, creative financing solutions, capital markets expertise, and guidance. Taking a long-term, full life cycle approach and having an evergreen structure enables us to avoid the pitfalls and structural constraints of venture-only or public-only vehicles. RTW's focus is on becoming the best investors and company builders we can be, delivering exceptional results to shareholders and making a positive impact on patients' lives.

Identifying transformative assets with growth potential

William Simpson
Chair of the Board

Once again, I am pleased to report that the Investment Manager ("RTW") has achieved a solid performance for the Group. The Group's NAV returned +3.0% over the six-month period, outperforming the Russell 2000 Biotech Index ("RGUSHSBT") and only narrowly underperforming the Nasdaq Biotech Index ("NBI") which returned +1.7% and +4.0%, respectively.

The Group's NAV has beaten the returns of its biotech benchmarks over one year and three years and, since admission in October 2019, the Group's NAV has significantly outperformed them both, returning +87.7% vs. +6.5% and +34.6% for the RGUSHSBT and the NBI. The Company's share price has lagged NAV growth, however. With a +48.6% return, it too has outpaced the benchmarks, but the shares fell to a discount to NAV in 2022, alongside many of our peers, after having traded at a small premium for most of the prior years since admission. Pleasingly, the discount has narrowed in the first half of the year, particularly after the closing of the Arix transaction. The increased scale and liquidity has attracted new buyers on top of the considerable shareholder efforts made last year, which included a rebranding, a name change, the initiation of a capital allocation plan, our first Capital Markets Day and the addition of new joint corporate broker and an investor relations and distribution partner.

H1 2024 Overview and Outlook

As always, there was plenty of activity in the portfolio to report. One of the benefits of having a full life cycle approach is that there are always opportunities and events including private financing rounds, go-public events, take-outs, clinical developments and royalty distributions. There were two go-public events from core private positions in the first half: Kyverna and Lenz. The average step up from holding value in these two events was 1.4x and the average multiple on invested capital was 1.8x. There was one take-out: Numab, a core private position. A core private take-out is somewhat unusual, as biotech M&A normally occurs in the more advanced public domain, but it shows that large pharma companies are still active and keen to acquire high quality assets wherever they are. It still being a private position meant that the impact on the Group was less than it might have been had it occurred after the company was public when we normally take bigger positions, but it was a more than 2.6x uplift from the holding value, which underlines the value of the portfolio's private holdings.

There are always a handful of material clinical events from our core public investments every quarter that have the potential to drive the Group's returns. This semi-annual period saw two such events from Avidity Biosciences alone. Firstly, Avidity announced positive long-term data showing reversal of disease progression in people living with myotonic dystrophy type 1 (DM1), a progressive, and often fatal, disease. On the back of

> "The market environment for the biotech sector is improving and the opportunity set for stock picking is encouraging. The sector's recovery is still early, though."

this data, the FDA supported using a novel regulatory endpoint for a Phase 3 trial, which could speed up the delivery of this much needed therapy to patients, and Avidity completed an oversubscribed private placement, which RTW co-led. This financing and Avidity's share price performance elevated the position to the top of the portfolio. Later in the period under review, Avidity then announced "unprecedented" data from its facioscapulohumeral muscular dystrophy (FSHD) program, another muscular dystrophy with no approved drugs that ends with patients in wheelchairs. Avidity's share price was +351% in the first half, making it a very rewarding investment from a shareholder perspective, all the way from our original investment in their 2019 crossover round. Should Avidity succeed through subsequent trials and regulatory approval, it will also be a very rewarding investment from a patient impact perspective.

The Company's royalty investments are performing well and provide a differentiated income stream that is uncorrelated to equity markets. Further, in the current yield environment and with the capital available to biotech companies still relatively constrained, the risk adjusted returns are very attractive and highly complementary to the rest of the portfolio.

At the end of the period, the Group had fifty core portfolio holdings, a material increase from the start of the year as several new private and public positions were added on top of the new private positions from Arix. The core portfolio now represents 78% of NAV, compared to 51% at the previous interim period. The "other public" portfolio (a replica of the long names held in RTW's private funds, devised to mitigate the performance drag of setting aside cash for future deployment into core positions) made up the remainder.

The market environment for the biotech sector is improving and the opportunity set for stock picking is encouraging. The sector's recovery is still early, though. Changes in interest rate expectations are adding periods of volatility, but good data and good products are being rewarded. Medical science innovation is accelerating, and the FDA appears willing to support it. Financing and M&A activities are improving overall, and valuations are attractive. Despite this, sector fund flows remain negative, as they have for several years, although the pace has slowed considerably. Perhaps generalist investors are waiting for the US presidential election to pass before returning. Either way, the setup is good, so only a small pivot away from Big Tech or the first obesity drug winners could mean outsized flows into the small and mid-cap biotech sector.

With a growing pipeline of interesting opportunities at attractive valuations, our private investing activity has returned to normal after a couple of years when it was more optimal to focus on public market opportunities. With market conditions improving, all parts of our full life cycle portfolio are well positioned.

RTW Biotech Opportunities Ltd continues to provide investors with exposure to the most innovative and exciting parts of the healthcare sector via a range of public, private and royalty investments. This full life cycle approach gives our shareholders access to a wider range of investment opportunities that would otherwise be hard to exploit, thus making the Company a valuable core satellite holding alongside more mainstream passive, fund or direct equity healthcare exposures.

Arix Bioscience Integration, New Board Member & Shareholder Activity

We are delighted to have completed the acquisition of Arix Bioscience Plc's assets and welcome new shareholders to our register. At the outset, the Arix transaction was expected to be accretive, as the cancellation of shares previously owned by Acacia would offset the transaction costs, while the share conversion ratio was set on a NAV-for-NAV basis. However, the Company's NAV appreciated materially versus Arix's between the deal announcement and closure, leading to a small dilution on closing, including the revaluation of Arix's private positions. Despite this, we firmly believe that the deal rationale has been vindicated and will continue to be so. The combination has added capital and scale to our best-in-class platform. RTW Bio is now one of the largest biotech investment companies quoted on the London Stock Exchange and the increased scale, liquidity and awareness has attracted several new buyers and helped narrow the discount.

The increased scale of the Company following strong performance and the Arix transaction has also allowed us to appoint a new Non-Executive Director with considerable life sciences experience. Baroness Nicola Blackwood is a leader in science and entrepreneurship. She is a member of the House of Lords, and Chair of Genomics England and Oxford University Innovation. Since 2023, she has been a Supervisory Board member of the biotechnology company, BioNTech. Nicola served as Minister for Innovation in the Department for Health and Social Care under two Prime Ministers where she led on Lifesciences, NHS Data and Digital Transformation, and Global Health Security. She was the first female MP for Oxford and was elected by MPs of all parties to Chair the Commons Science and Tech Committee. She remains one of the youngest committee chairs in British history and the only woman to have chaired the Commons Science & Tech Committee. We are delighted to welcome Nicola, believing that her contribution will help us further develop our mission to harness innovation in biotech to the advantage of patients and shareholders.

Around the time of the Arix closing, the Board increased the previously announced share buyback capacity by up to US$20 million, to help manage any short-term changes in the shareholder base around the deal. Any buybacks are considered against multiple factors, most importantly, our core objective to deliver long-term capital growth for shareholders. In total, to the end of the reporting period, the Group had bought back 10,253,791 shares for a consideration of US$13,433,717.

On behalf of the Board, I would like to express our gratitude for your continued support and wish you all the best for the remainder of 2024.

William Simpson
Chair of the Board of Directors
RTW Biotech Opportunities Ltd
12 September 2024

NAV returned over the past six months

+3.0%

Share price return

+48.6%

Driven by deep scientific expertise

Roderick Wong, MD
Managing Partner

Executive summary

Since listing on the London Stock Exchange in October 2019, the Group has grown the NAV attributable to Ordinary Shareholders from US$168.0 million to US$655.4 million as of 30 June 2024 and the NAV per Ordinary Share has increased by 87.7% from US$1.04 to US$1.95.

Disappointingly, the share price has not kept pace with NAV, returning +48.6%, as the shares fell to a discount in early 2022 with both the Biotech and Investment Companies sectors falling into bear markets. The discount narrowed in the first six months of the year, particularly after the closing of the Arix deal with the share price +10.1% and the NAV +3.0%. With continued NAV outperformance versus the market and our peers, and with the sector continuing its recovery, we would expect the discount to narrow further.

Financial Highlights, Performance Drivers and Significant Events

Table 1. Financial Highlights

RTW Biotech Opportunities Ltd	Interim reporting period (01/01/2024-30/06/2024)	Previous Interim reporting period (01/01/2023-30/06/2023)	Admission (30/10/2019)-30/06/2024
Ordinary NAV – start of period	US$399.3 million	US$326.1 million	US$168.0 million
Ordinary NAV – end of period	US$655.4 million	US$356.5 million	US$655.4 million
NAV per Ordinary Share – start of period	US$1.90	US$1.54	US$1.04
NAV per Ordinary Share – end of period	US$1.95	US$1.68	US$1.95
NAV movement per Ordinary Share	**+3.0%**	**+9.3%**	**+87.7%**
Price per Ordinary Share – start of period	US$1.40	US$1.21	US$1.04
Price per Ordinary Share – end of period	US$1.55	US$1.25	US$1.55
Share price return (i)	**+10.1%**	**+2.9%**	**+48.6%**
Benchmark returns (ii)			
Russell 2000 Biotech	+1.7%	+5.3%	+6.5%
Nasdaq Biotech	+4.0%	-3.2%	+34.6%

(i) Total shareholder return is an alternative performance measure.
(ii) Source: Capital IQ

RTW Investments, LP, the "Investment Manager", a leading global healthcare-focused investment firm with a strong track record of supporting companies developing life-changing therapies, created the Group as an investment fund focused on identifying transformative assets with high growth potential across the biopharmaceutical and medical technology sectors. Driven by deep scientific expertise and a long-term approach to building and supporting innovative businesses, we invest in companies developing transformative next-generation therapies and technologies that can significantly improve patients' lives while creating significant value for our shareholders.

NAV performance in the first half of 2024 has been driven by the core public positions. This is how the portfolio is designed to function. As full life cycle investors, our belief is that the majority value creation in biotech happens in the public market, however, it is valuable and important to position oneself and build conviction before an IPO. Core public position Avidity Biosciences is a case in point this reporting period. We co-led the crossover round at the end of 2019 and supported the IPO in 2020. Since then, the company experienced some challenges until reporting great data from two of its programs this year. The share price was +351% in the first half and we co-led an oversubscribed US$400m private placement in March where we added to our position.

Rocket, Immunocore and Cargo were the largest detractors amongst the core public positions. Rocket's progress towards its first approval for Kresladi, for the treatment of LAD-1, was delayed after the FDA issued a complete response letter requesting additional manufacturing information. The delay should only be modest, and investors consider the program to be financially immaterial. Immunocore reported melanoma data at ASCO showing a disappointing sub-20% response rate. It is important to note that both Rocket and Immunocore are multi-pipeline companies, so even if one asset disappoints there are other shots on goal. There was no material fundamental news on Cargo, but with the next catalyst not until 2025, the share price gave back much of the gains it made since its IPO in November 2023.

The core private positions made a small contribution led by Numab. Kyverna completed a successful IPO in February. The gross multiple on invested capital (MOIC) on our initial investment in Kyverna in November 2021 to the IPO was approximately 2.6x. Numab announced in May that Johnson & Johnson will acquire its lead drug candidate for US$1.25bn. The Company's holding value was increased by approximately 2.9x to reflect the deal, which is expected to close in the second half.

The royalty positions and "other public" positions both made small positive contributions. At the outset, the Arix transaction was expected to be accretive, as the cancellation of shares previously owned by Acacia would offset the transaction costs, while the share conversion ratio was set on a NAV-for-NAV basis. However, the Company's NAV appreciated materially versus Arix's between the deal announcement and closure, leading to a small NAV per share dilution on closing, including the revaluation of Arix's private positions, which was finalised in the second quarter. Artios, Evoimmune and Ensoma increased in value, while we wrote down the values of Depixus, Sorriso and Amplyx. We believe the long-term benefits of the increase in scale and potential future accretion of the acquired positions will far outweigh the short-term costs.

Since admission, the Group has made sixty-five core private investments. On 30 June 2024, thirty of these positions had had liquidity events (i.e., go-public or acquisition). The average holding period as private was twelve months and the average MOIC to the liquidity event was 2.0x. Sixteen of these positions have either concurrently or subsequently been exited in full at an average MOIC of 3.0x.

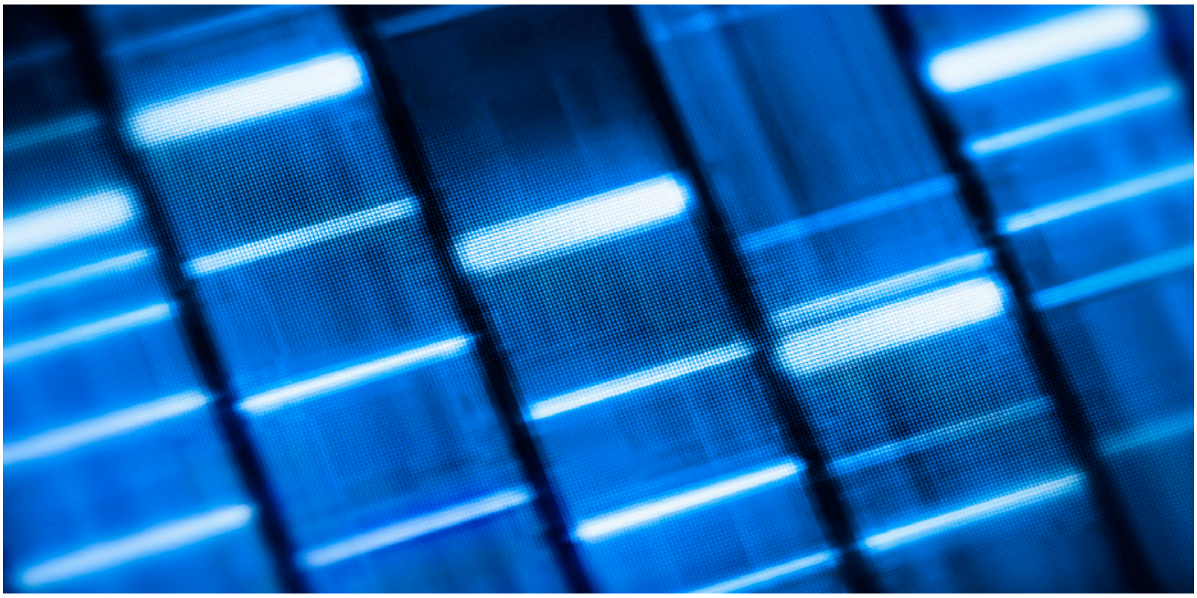
Table 2. Performance breakdown in H1 2024

		NAV contribution %
Core private		+0.5%
Core public		+6.6%
Avidity Biosciences	+15.6%	
Kyverna Therapeutics	+0.7%	
Rocket Pharmaceuticals	-3.6%	
Immunocore	-3.0%	
Cargo Therapeutics	-1.5%	
Royalties		+0.6%
"Other public"		+0.9%
Fees and other MTD P&L		-1.1%
Arix transaction and share buybacks		-4.5%
YTD return		**3.0%**

Following the Board's increase to the share buyback program in January, there followed several intra-month share buybacks throughout the period. In addition, the intra-month acquisition of Arix Bioscience significantly increased shares outstanding in mid-February. Due to these fluctuations in weighted average shares outstanding during the period, and because the Company's NAV is calculated on a monthly basis, the above breakdown of NAV contributions by portfolio segment is an estimate for the period 1 January to 30 June.

Number of private investments since admission

65



Key updates for Core Portfolio companies during H1 2024:

JAN

FINANCIAL MILESTONES

JIXING
Bayer AG and RTW Investments announced the US$162 million initial closing of a Series D financing in JIXING. Bayer and JIXING concurrently announced a new strategic collaboration focused on cardiovascular diseases and ophthalmology in China.

FEB

FINANCIAL MILESTONES

Kyverna Therapeutics
priced its $US319 million IPO and began trading on Nasdaq Global Select Market under the ticker "KYTX". On the first day of trading, Kyverna's share price traded up by 36.4% to close at $30.00 per share. The gross multiple on invested capital (MOIC) on the initial investment in November 2021 to the IPO was approximately 2.6x.

BioAge Labs
the Group participated in the US$170 million Series D financing round of BioAge Labs. The capital will be used to fund Phase 2 trials for Azelaprag, an oral drug with the potential to increase weight loss and prevent muscle loss when used together with a GLP.

MAR

CLINICAL AND COMMERCIAL MILESTONES

Avidity Biosciences
the Group's largest portfolio holding, announced positive long-term data showing reversal of disease progression in people living with myotonic dystrophy type 1 (DM1), across multiple endpoints. Having been impressed by Avidity's initial patient data, the FDA supported using hand opening time, a sensitive and early marker of change, as the primary endpoint for a Phase 3 trial.

Apogee Therapeutics
reported interim Phase 1 data supportive of best-in-class convenience for its long-acting IL-13 antibody, a target that Eli Lilly has validated for atopic dermatitis (AD).

Tarsus Pharmaceuticals
reported in their results announcement that they saw sales from Xdemvy (the first and only FDA-approved treatment to directly target demodex mites, the root cause of demodex blepharitis) more than double consensus expectations in its first full quarter since launch.

FINANCIAL MILESTONES

Lenz Therapeutics
went public through the completion of a merger with Graphite Bio and now trades on the Nasdaq Global Market under the ticker "LENZ".

Mirador Therapeutics
the Group participated in the Series A financing round of Mirador Therapeutics, raising over US$400 million for its launch. The Group has worked with Mirador's team previously, when they led Prometheus Biosciences to its acquisition by Merck for US$10.8 billion in 2023.

APR

CLINICAL AND COMMERCIAL MILESTONES

Lenz Therapeutics
announced positive topline data from its Phase 3 presbyopia trial, which is expected to support a New Drug Application submission later in 2024.

FINANCIAL MILESTONES

Obsidian Therapeutics
the Group participated in the US$160.5 million Series C financing round of Obsidian Therapeutics, a clinical stage biotech pioneering engineered cell and gene therapies.

MAY

FINANCIAL MILESTONES

Santa Ana Bio
the Group participated in Santa Ana Bio's Series A financing round that raised $US168 million. Santa Ana is a biotech company developing a pipeline of innovative therapeutics and leveraging its multi-omics platform to unlock the full potential of precision medicines.

JUN

CLINICAL AND COMMERCIAL MILESTONES

Avidity Biosciences
announced "unprecedented" AOC 1020 data from its Phase 1/2 clinical trial. AOC 1020 is an investigational therapy that targets DUX4, the root cause of facioscapulohumeral muscular dystrophy (FSHD). Avidity plans to accelerate initiation of registrational cohorts in its Phase 1/2 trial.

Rocket Pharmaceuticals'
progress toward its first approval for Kresladi, for the treatment of LAD-1, was delayed after the FDA issued a Complete Response Letter requesting additional manufacturing information. In our view, the delay should be modest, and the subsequent share price recovery suggests that the market shares this view.

Merus
at ASCO, the premier oncology conference, Merus reported stunning proof-of-concept data in combination with PD1 therapies for the treatment of head and neck cancer. The data demonstrated a 60+% response rate, further evidencing the drug's potential to redefine front-line standard of care.

Immunocore's
melanoma data showed a sub-20% response rate at ASCO.

FINANCIAL MILESTONES

Hercules
the Group invested in its newest company creation, nicknamed Hercules, one of the largest biotech company creations of the year. Its clinical stage pipeline includes an injectable GLP-GIP and an oral GLP in-licensed from Hengrui, one of China's leading biopharma companies.

Numab Therapeutics
announced that Johnson & Johnson will acquire its wholly owned subsidiary, Yellow Jersey Therapeutics, for $US1.25 billion in cash. Yellow Jersey Therapeutics holds the rights to Numab's NM26, a first-in-class, bi-specific antibody targeting two clinically proven pathways in atopic dermatitis, the most common inflammatory skin disease.

Portfolio Breakdown and New Investments

Core public positions are typically investments that were added to the portfolio as private investments, reflecting the key focus of the Group's strategy. Our investment approach is defined as full life cycle and, therefore, involves retaining private investments beyond their IPOs; hence the core portfolio consists of both privately-held and publicly-listed companies and royalty investments.

As of 30 June 2024, the Group's core positions accounted for 78% of NAV (H1 2023: 51%) and included fifty investments (H1 2023: 37) in private and public biotech and medtech companies and royalty investments. We selected these investments based upon our rigorous assessment of scientific, commercial potential and valuations. Table 6 shows the top ten portfolio investments at the end of the reporting period.

Core private investments accounted for 24% of NAV at 30 June 2024 across thirty investments. The increase in exposure and number of investments in the reporting period reflects the addition of five new private positions (Obsidian, Santa Ana, Mirador, Hercules and BioAge) alongside five new private investments from Arix (Ensoma, Evommune, Depixus, Sorriso and Amplyx), less Kyverna, which went public via an IPO and Lenz, which went public via a reverse merger with Graphite Bio.

Core public investments accounted for 47% of NAV across eighteen positions. The slight increase in exposure reflects performance, the graduation of Kyverna and Lenz to the public markets and the addition of Akero, Urogen, 89Bio and Merus.

Royalties accounted for 7% of NAV across two investments: RTW's 4010 Royalty Fund and RTW Royalty 2, which is a royalty deal based on the revenues of Urogen's Jelmyto and UGN-102. The 4010 Royalty Fund is currently invested in two royalty deals with Allurion Technologies and Avadel Pharmaceuticals. These investments are cash generative, providing life sciences exposure that is uncorrelated to the volatility of the equity markets, and have limited scientific risk due to their being typically constructed around commercial products.

22% of the Group's NAV is invested in "other public" listed companies, which is approximately the same level as the start of the reporting period. The "other public" portfolio segment is designed as a cash management strategy to mitigate the drag of setting aside cash for future deployment into core positions and to provide ready cash as needed for those purchases. This portfolio segment has been carefully selected, mostly matching, on a pro-rata basis, the long investments held in our private funds, and generally rebalanced on a monthly basis. The investments represented in this portfolio are similarly categorised as innovative biotechnology and medical technology companies developing and commercialising potentially disruptive and transformational products.

As of 30 June 2024, our "full life cycle" portfolio (see table 3) was diversified across treatment modalities, therapeutic focus, clinical stage, and capital position (i.e., equity and royalty) giving it multiple, differentiated return levers and horizons. By constructing the portfolio in such a way, investors get exposure to the most innovative parts of a highly specialised sector with the explosive potential of companies that successfully navigate clinical, regulatory or commercial inflection points.

While the portfolio is still majority invested in US-based companies, we are committed to adding UK and EU investments in an effort to support the best assets across the globe and help foster local biotech ecosystems. When we first came to market in October 2019, we had zero exposure to the UK, now two of our top ten positions are based in the UK: Immunocore (public: "IMCR") and Artios (private).

Looking forward, we expect the total portfolio sector allocation to remain close to 80% biopharmaceutical assets and 20% medical technology assets. In line with prospectus guidance, we anticipate two-thirds of new private investments will be made in mid- to later-stage venture companies and one-third focused on active company building around the discovery and development or licensing and distribution of promising assets. Royalty investments will be limited to approximately 15% of NAV.

Table 3: A full life cycle portfolio has multiple, differentiated return levers and horizons

Private
20-40% of NAV

- 5-20 most compelling private investment opportunities per year.
- Majority invested in mid-to-late-stage venture or crossover rounds where we expect a go-public event within six to eighteen months.
- As a leading US crossover firm, RTW is sought out by the best private biotechs as they look towards the public markets. We expect to lead about half of these rounds, setting the terms and building the syndicates.
- About one third is invested in early-stage venture and RTW company creations where we expect a go-public event in three to five years.
- Initial position size: <2%.

Core Public
30-60% of NAV

- The main portfolio driver over the medium and long term.
- Biotech companies tend to IPO at around $500m. As a result, much of the valuation realisation occurs in the public markets. To capture as much value as possible, it is expected that most private portfolio companies will be retained after going public.
- Retention and subsequent investment decisions subject to constant risk-reward assessment.
- Successful investments could be held for 3-5 years with multiple value inflection points along the way.
- Typical position size: 1-10%.

Royalties
5-15% of NAV

- Uncorrelated, cash generative life sciences exposure with limited scientific risk.
- Royalty-backed launch financing for newly approved life sciences products. In exchange for an upfront payment, RTW receives quarterly cash payments based on a negotiated percentage of the products' sales.
- Downside protection through deal structuring
- Expect to have principal repaid within six years, then a harvest period. Term/return can be capped or uncapped.

Cash Management ("Other Public")
0-30% of NAV

- Innovative biotechs are generally cash flow negative, requiring investment for clinical trials and commercial launches. Therefore, a portion of the portfolio is retained in cash and liquid investments, ready for future financing rounds.
- Excess cash is invested in the "other public" portfolio, designed to mitigate the drag of setting aside cash for future deployment into core positions.
- The "other public" assets have been carefully selected, matching, on a pro-rata basis, the long investments held in RTW's private funds.
- Ability to hedge individual positions and use modest leverage.

Table 4. NAV capital breakdown as of 30 June 2024 compared to 30 June 2023

Portfolio grouping	% of NAV 30 June 2024	% of NAV 30 June 2023
Core Private	24.3%	21.2%[1]
Core Public	47.1%	29.5%
Royalties	6.5%	0.5%[1]
"Other Public"	22.1%	30.8%
Available Cash	-0.1%	18.0%
Total	**100.0%**	**100.0%**

1 At 30 June 2023, Royalties exposure was included within Core Private.

Table 5. Investments added to the core portfolio in the first half of 2024[1]

Company name	Public/Private	Description	% NAV
BioAge Labs	Private	Harnessing the biology of human aging to develop new therapies for obesity and other metabolic diseases.	0.3%
Hercules	Private	RTW new company creation based on a pipeline of injectable GLP-GIP and oral GLP drugs in-licensed from Hengrui Pharmaceuticals, one of China's leading biopharma companies.	2.1%
Ensoma Inc.[2]	Private	Genomic medicines company developing one-time, in vivo treatments that precisely engineer any cell of the hematopoietic system for immuno-oncology, genetic disease and other therapeutic applications.	2.5%
Evommune[2]	Private	Clinical stage biotechnology company developing novel therapies to treat immune-mediated chronic inflammatory diseases.	1.3%
Mirador	Private	Next-generation precision medicine company focused on immunology and inflammation.	0.2%
Obsidian	Private	Clinical-stage biotech pioneering engineered cell and gene therapies to deliver transformative outcomes for patients with intractable diseases.	0.3%
Santa Ana Bio	Private	Biotech company developing innovative therapeutics and leveraging a multi-omics platform to unlock the full potential of precision medicines.	0.1%
	Total Private		**6.8%**
89Bio Inc.	Public	Clinical-stage biopharmaceutical company developing innovative therapies to treat patients with liver and cardiometabolic diseases.	1.5%
Akero Therapeutics	Public	Clinical-stage company developing treatments for patients with serious metabolic diseases, including metabolic dysfunction-associated steatohepatitis (MASH).	3.2%
Merus Pharma	Public	Public, clinical-stage oncology company developing full-length human bispecific and trispecific antibody therapeutics with a broad application for human disease, with a focus on head and neck cancer.	0.4%
Urogen Pharma	Public	Biopharmaceutical company developing treatments for people living with urological cancers.	1.5%
	Total Public		**6.6%**

1 Includes new privates, re-designations from "other public" to core public and material Arix acquisition positions.
2 Arix-acquired position.

Core portfolio breakdown

Figure 1. Core Portfolio exposure breakdown as a percentage of NAV, adjusted to be out of 100%, by (A) Therapeutic Focus, (B) Modality, (C) Clinical Stage and (D) Geography as of 30 June 2024. Therapeutic Focus, Modality and Geography do not include royalty vehicles.

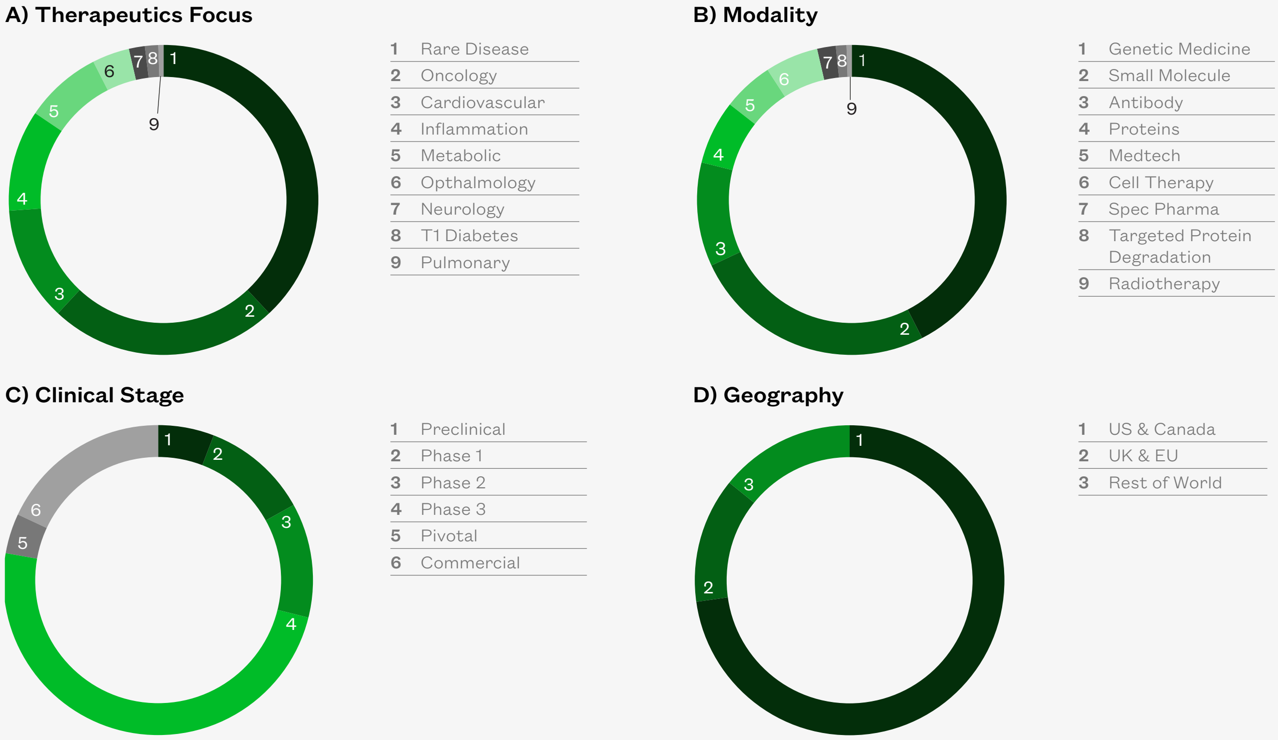


Table 6. Top ten core portfolio positions as of 30 June 2024

Portfolio company	Description	Ticker	Therapeutic area	Clinical stage of lead program	Expected catalysts	% NAV
Avidity Biosciences	Antibody conjugated RNA medicines company. Lead program for myotonic dystrophy.	RNA	Rare Disease	Phase 3	Data in Q3	19.2%[1]
Rocket Pharmaceuticals	Gene therapy platform company for rare paediatric diseases. Four clinical programs for Fanconi anaemia, Danon, LAD, and PKD	RCKT	Rare Disease	Phase 3	BLA filing in H2	8.1%
Artios	Developing breakthrough cancer treatments that target DNA Damage Response pathways. RTW Bio position increased as part of Arix transaction.	private	Oncology	Phase 2	Data in Q3	5.3%
JIXING	RTW incubated company focused on acquiring rights from innovative therapies for development and commercialisation in China.	private	Cardiovascular	Phase 3	Series D 2024	5.0%
RTW Royalty Fund	RTW created private fund aimed at generating returns from rights to royalty stream distributions from biopharma & medtech life sciences companies.	private	Neurology	Commercial	Refile MIST NDA Q3 2024	4.2%
Akero	Clinical-stage company developing treatments for patients with serious metabolic diseases, including non-alcoholic steatohepatitis.	AKRO	Metabolic	Phase 3	Data Q1 2025	3.3%
Ensoma	Genomic medicines company developing one-time, in vivo treatments that precisely engineer any cell of the hematopoietic system for immuno-oncology, genetic disease and other therapeutic applications.	private	Oncology	Preclinical	Data Q3 2025	2.5%
Tarsus Pharma	Biotech developing first-in-class therapeutics for ophthalmic conditions.	TARS	Ophthalmology	Commercial	Launch updates quarterly	2.5%
Immunocore	T-cell receptor therapy company focused on oncology and infectious disease.	IMCR	Oncology	Commercial	PRAME data Q3 2024	2.5%
RTW Royalty 2	RTW-Urogen royalty deal based on revenues of both Jelmyto and UGN-102	private	Oncology	Commercial	Quarterly sales updates	2.3%

1 Consists primarily of common stock and pre-funded warrants

Table 7. Core portfolio positions greater than 50 bps, as of 30 June 2024 and 30 June 2023[1]

Portfolio Company	Private or Public[2]	% of Group's net assets at 30/06/2024	% of Group's net assets at 30/06/2023
Avidity[3]	Public	19.2%	1.8%
Rocket	Public	8.1%	12.5%
Artios	Private	5.3%	0.2%
JIXING	Private	5.0%	7.3%
RTW Royalty Fund	Private	4.2%	–
Akero	Public	3.3%	–
Ensoma	Private	2.5%	–
Tarsus	Public	2.5%	1.1%
Immunocore	Public	2.5%	7.3%
RTW Royalty 2	Private	2.3%	4.0%
Apogee	Public	2.2%	0.6%
Hercules	Private	2.1%	–
Cargo	Public	1.6%	0.4%
89Bio	Public	1.5%	–
Urogen	Public	1.5%	–
Milestone[3]	Public	1.3%	2.5%
Evommune	Private	1.3%	–
Orchestra[4]	Public	1.2%	1.8%
Beta Bionics	Private	1.2%	1.3%
Kyverna	Public	0.9%	0.5%
Lycia	Private	0.9%	0.3%
Numab	Private	0.9%	0.5%
Ancora	Private	0.9%	1.1%
NiKang	Private	0.8%	1.2%
GH Research	Public	0.6%	1.0%

1 The aggregate exposure of names below 50 bps, consisting of 26 positions, is 4.5% of the Group's NAV.
2 Names in which the fund owns both private and public securities of a public company are categorised as public.
3 Includes pre-funded warrants.
4 Includes shares held in the initial SPAC vehicle (HSAC2) that merged with Orchestra in January 2023.

Table 8. RTW representation on portfolio companies' boards as of 30 June 2024

Portfolio company[1]	RTW representative on the board
Artios	Chris Liu
Depixus	Ovid Amadi
Ensoma	Piratip Pratumsuwan
Hercules	Gotham Makker
JIXING	Rod Wong, Peter Fong, Gotham Makker
Magnolia	Ovid Amadi
Nikang	Chris Liu
Rocket	Rod Wong, Gotham Makker, Naveen Yalamanchi
Yarrow	Rod Wong, Peter Fong, Gotham Makker

1 In aggregate these positions represent 24% of the Group's NAV as at 30 June 2024.

Table 9. Top 5 "Other Public" portfolio segment holdings as of 30 June 2024

Position	Ticker	% of NAV	Description
Madrigal Pharmaceuticals	MDGL	7.3%	Biopharmaceutical company focused on improving care for patients with non-alcoholic steatohepatitis (NASH) and metabolic dysfunction associated steatohepatitis (MASH).
Dyne Therapeutics	DYNE	5.7%	Biotechnology company developing oligonucleotide therapies for rare diseases that affect muscle tissue.
Stoke Therapeutics	STOK	2.4%	Clinical stage biotech developing RNA treatments for severe genetic diseases.
Spyre Therapeutics	SYRE	1.4%	Developing potential best-in-class antibodies, rational therapeutic combinations, and precision immunology approaches to create efficacious and convenient Inflammatory Bowel Disease (IBD) therapies.
Fulcrum Therapeutics	FULC	1.0%	Biotech company developing drugs to treat genetically defined diseases by modulating gene expression.

Private Portfolio Valuations and Cash Runway Analysis

The core private, core public and royalty positions are the foundation of the Group's strategy. They are built on our rigorous assessment of the best investment opportunities we can find. We have always been highly selective in this area, focusing only on companies with both well-founded science and attractive commercial opportunities. We have benefitted from this discipline as we continue to emerge from a challenging capital markets environment. We have a private portfolio that is well-sized and well-funded.

As of 30 June 2024, the average cash runway of our core private companies was approximately two years, which provides them with sufficient time to focus on clinical development plans. About one third have less than six months of runway, two of which are RTW company creations, which is by design, as RTW's funds have the flexibility to inject cash when necessary. Of the remainder, only one is in a more challenging financial position and has been written down in our portfolio to an insignificant level, while others are working on various capital raising solutions.

Which brings us to our private valuations. The Board delegates valuation of the portfolio to the Investment Manager. We hold our private company investments at 'fair value' i.e., the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. This is assessed in accordance with US GAAP, utilising valuation techniques consistent with the International Private Equity and Venture Capital Guidelines including, but not limited to, the income approach and the market approach. Valuations are adjusted both during regular valuation cycles and on an ad hoc basis in response to 'trigger events', which may include changes in fundamentals, an intention to carry out an IPO, or changes to the valuations of comparable public companies. Our valuation process ensures that private companies are valued in both a fair and timely manner.

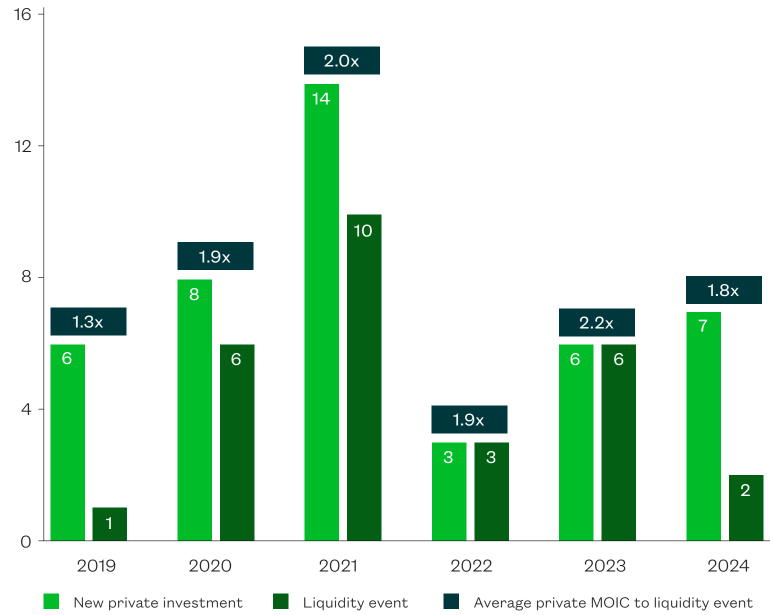
The process is overseen at the Investment Manager by the RTW Valuation Committee. The Committee is supported by RTW's valuation team that is independent from the investment team and receives advice from two independent third-party valuation firms. The Committee approves valuations of private company investments on a monthly basis and utilises the analysis of an independent third-party valuation firm no less frequently than twice a year in helping to determine the fair value of each material private investment. The integrity of the valuation process is overseen by the Audit Committee of the Board, which conducts an independent review of the Investment Manager's valuation policies and procedures. The valuations are also reviewed twice per year by the Audit Committee as part of the interim and annual reporting process and are subject to the scrutiny of KPMG.

The core private positions have seen a total of thirty-five valuation adjustments so far in 2024. In the first half, twelve positions (not including the Arix positions) were marked up by an average of 27% (excluding Numab, which was marked up by 240% to reflect the deal with Johnson & Johnson, the average was +7%); 10 positions were marked lower by an average of 17%. The balance remained unchanged. 30% of the markdowns were primarily driven by changes to relative comparables or market-based inputs. 50% of the markups were primarily driven by comparables, and 50% were primarily driven by idiosyncratic company performance, a financing round or transaction. At the half year end, the average time since the last third-party valuation was seven weeks and an average of seventeen months had elapsed since the last financing round.

Of the positions acquired from Arix, we wrote up the values of Artios, Evommune and Ensoma and we look forward to seeing them develop further in the future. We wrote down the values of Depixus, Sorriso and Amplyx which are immaterial in the context of the whole portfolio.

We believe that the value of the private portfolio is best demonstrated by go-public events or transactions. In the first half of the year, the two such events saw an average step up from our holding value to the event of 41.7%. The average MOIC to the event was 1.8x. This is consistent with our historical averages (figure 3).

Figure 2. New private investments, private liquidity events and private MOIC



1 Liquidity event = IPO, SPAC merger, reverse merger, acquisition from private.
2 Multiple of Invested Capital ("MOIC") represents the ratio of total value to the corresponding amount of total capital invested, expressed as a multiple. Gross MOIC is utilised, which is calculated before giving effect to management fees, carried interest, taxes and other expenses, which would reduce performance and the rate of return.
3 2024 liquidity events include one IPO and one reverse merger.
4 2024 new privates include BioAge, Mirador, Obsidian, Santa Ana Bio, Hercules and two newly acquired Arix positions greater than 50bps.

Figure 3. Core private portfolio – approximate cash runway as of 30 June 2024

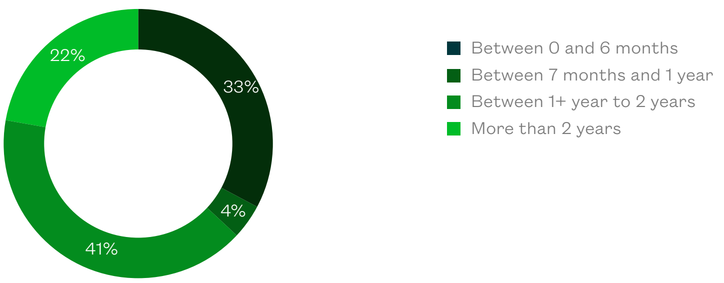


Table 10. Private Valuation Statistics for H1 2024

Statistic	H1 2024
Number of revaluations	35
Average time since last third-party valuation	7 weeks
Average time since last financing round	1.4 years
Average valuation change[1]	+5.8%
Average write-up[1]	+26.6%
Average write-down[1]	-16.8%
Average step-up to IPO price	41.7%
Average MOIC to IPO price	1.8x

1 Does not include positions acquired in the Arix transaction.

Figure 4: US Biopharma Financing Market – IPOs and Follow-Ons

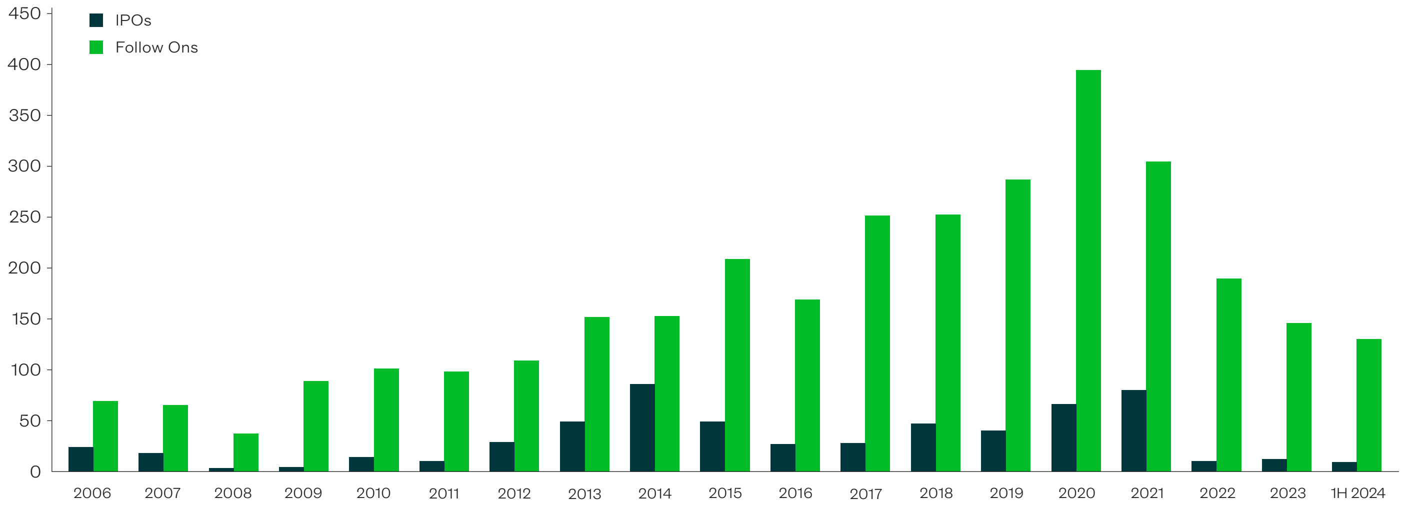


Figure 5: Proportion of US, small- and midcap biotech companies trading at less than cash on their balance sheets at 30 June 2024

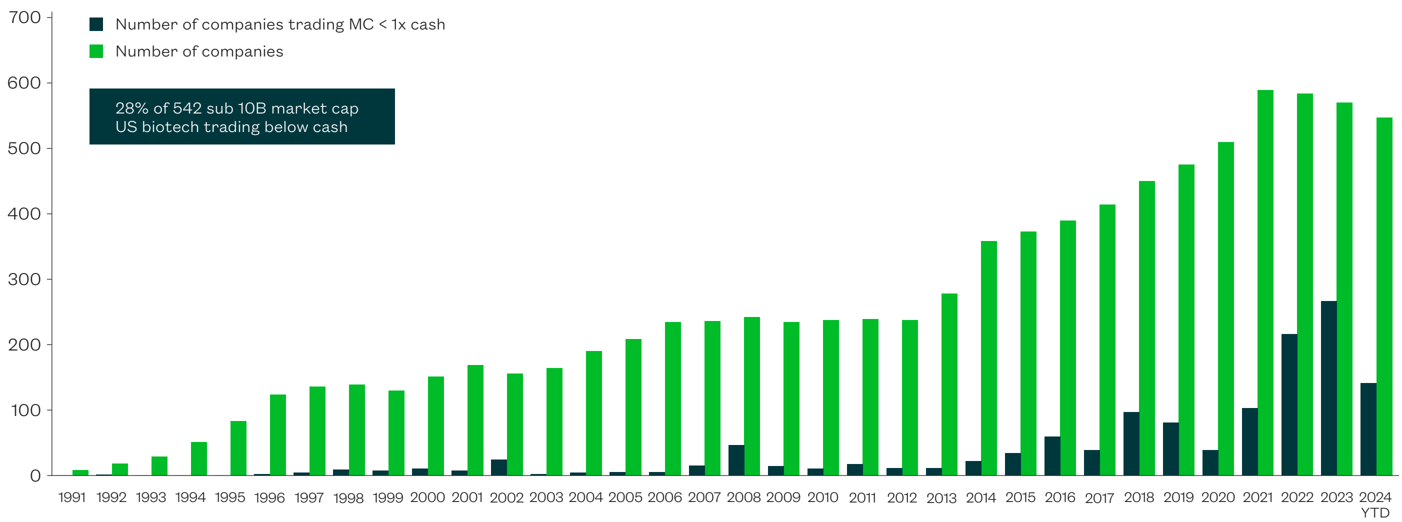
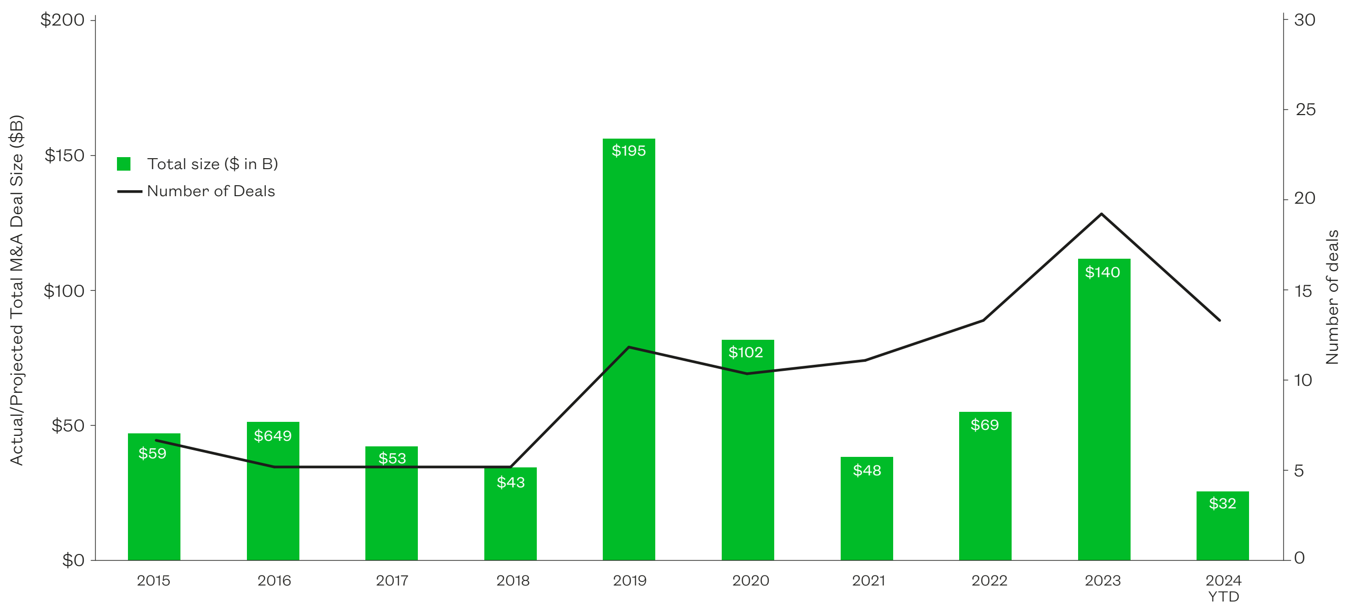


Figure 6: US biotech M&A deal volumes and value



Sector review and outlook

The Russell 2000 Biotech Index and the Nasdaq Biotech Index returned +1.7% and +4.0% respectively in the first half. Much of the first quarter continued the strong recovery which started in November last year. Small caps outperformed large caps and IPOs picked up materially. Public financing activity was also strongly up on last year, especially PIPEs (Private Investments in a Public Equity), which hit an all-time high of US$7.8 billion raised in the quarter. Several small acquisitions were announced. Johnson & Johnson's acquisition of Ambrx and AstraZeneca's acquisition of Fusion suggest that pharmas are still keen on Antibody Drug Conjugates (ADCs) and radiotherapy. Both have the potential for more durable pricing in the post Inflation Reduction Act world where Medicare can negotiate the prices for selected high-cost drugs used in their program. Sanofi and Gilead announced tuck-in acquisitions in rare disease: Inhibrx and CymaBay, respectively. In medtech, Boston Scientific announced the US$3.7 billion acquisition of Axonics to add to its neuromodulation business. This was all suggestive of a more normal market environment.

However, the start of the second quarter saw the sector swoon once more as the Fed adjusted its market signals in response to inflation data. Though painful, it was not long-lived, and in June positive news from four closely watched sector flag bearers boosted the sector. The FDA's Peter Marks granted Sarepta's Duchenne gene therapy full approval despite a failed Phase 3, standing firm on his push for regulatory flexibility. Zealand reported competitive weight loss for petrelintide, the most promising alternative to GLP1s. Argenx's Vyvgart received approval for CIDP, its second blockbuster disease indication. And Alnylam's Amvuttra cut the risk of adverse cardiovascular outcomes by nearly 30% in its landmark TTR cardiomyopathy Phase 3. All four companies posted strong gains.

There were two US biotech IPOs in the second quarter, bringing the year-to-date total to nine, compared to twelve for the whole of last year. There were also three M&A deals over US$1 billion in value, bringing the year-to-date total to thirteen. Despite the quarter-over-quarter slowdown after a bumper first quarter, the year-over-year trend remains positive and public and private financing rounds are significantly up year-over-year. Not all financings are performing well after the event, however, so a selective approach is needed, but the markets are rewarding positive catalysts and companies can finance their pipelines on the back of good news.

The public market is still digesting the massive wave of new companies that went public in 2020 and 2021, many of which should probably not have done so. Twenty-eight percent of US biotech companies with a market cap over US$10 billion trade at less than the cash on their balance sheets, and about one third of Nasdaq-listed biotech companies have less than a year of cash. Despite that, we are cautiously optimistic that the IPO market will continue to improve through this year and into next. Some will try to get ahead of the US election others may wait until early next year. M&A may follow a similar pattern around the election, but the fundamental reason for it remains unchanged as large pharma companies need to replace their revenues lost to patent cliffs. And with Lilly's and Novo's obesity drug profits likely burning holes in their pockets, it seems possible or probable that they may join the list of potential buyers for quality assets. Lilly's US$3.2 billion acquisition of Morphic just after the end of the reporting period could be a harbinger of things to come.

The regulatory environment appears relatively sanguine. Drug pricing reform is seemingly not at the top of the political agenda heading into the US presidential election in November. That could change, but Biden's 2022 Inflation Reduction Act may have drawn the sting, with Medicare given authority to negotiate prices for prescription drugs that had been expensive for the federal health program. The results of negotiations for the first batch of drugs selected were announced on 1st August and were better than worst case expectations. Meanwhile, the FTC's gaze seems to have been averted from pharma deals to Pharmacy Benefit Managers with a recently published interim report assessing their impact on access to and affordability of medicines. On the FDA side, we are encouraged that it continues to show openness to novel regulatory endpoints that can speed up getting compelling new products to patients. This is particularly true in Peter Marks' Center for Biologic Evaluation and Research (CBER) division, which recently announced another initiative called the "Rare Disease Innovation Hub", which aims to unify the agency's approach in a bid to speed up rare disease medicines.

In summary, the overall backdrop for stock picking continues to improve. Good data and good products are getting rewarded. While rate changes continue to periodically inject volatility, correlations overall have declined. The sector's recovery is still in the early innings. Biotech fund flows remain negative, -5% year to date, suggesting a lack of retail interest and overall market leadership is narrow and dominated by Big Tech and the GLP-1 leaders, Lilly and Novo. We are optimistic that attractive valuations coupled with increasing new drug approvals set the sector up well for when capital returns.

Key portfolio company events post period end

On 19th July 2024, Artiva Biotherapeutics (0.13% of NAV as of 30 June), a clinical-stage biotechnology company focused on developing natural killer (NK) cell-based therapies whose mission is to develop effective, safe, and accessible cell therapies for patients with devastating autoimmune diseases and cancers, had its initial public offering (IPO), raising US$167 million. The company started trading on the Nasdaq Global Market under the ticker symbol "ARTV".

RTW Investments, LP
12 September 2024

1 Impact focus:

Avidity Biosciences

NAV

19.2%

(30 June 2023: 1.8%)

Ticker

RNA

Portfolio company ownership

<1%

(30 June 2023: <1%)

The need

Myotonic dystrophy type 1 (DM1) is a progressive and often fatal neuromuscular disease with no approved therapies. More than 40,000 people are affected by DM1 in the U.S. alone.

Facioscapulohumeral muscular dystrophy (FSHD) is muscle-weakening condition marked by pain, fatigue, and disability. FSHD affects approximately 16,000 to 38,000 people in the U.S. alone.

Duchenne muscular dystrophy (DMD) is a genetic condition that is characterised by progressive muscle damage and weakness. DMD primarily affects males, with 1 in 3,500 to 5,000 born with it.

Mission

Avidity Biosciences, Inc. is a biopharmaceutical company committed to delivering a new class of RNA therapeutics called Antibody Oligonucleotide Conjugates (AOCs™). Avidity aims to revolutionise healthcare by advancing RNA therapeutics that effectively target underlying genetic causes of diseases. Utilising a proprietary AOC platform, Avidity demonstrated the first successful delivery of RNA into muscle tissue. They currently are in clinical development for three rare muscle disorders.

Status

Avidity has been a part of the Company's portfolio since November 2019 when the Company, together with other investment vehicles managed by the Investment Manager, led the Series C financing round and later went on to support Avidity through its IPO. In March of this year, Avidity announced positive long-term data showing reversal of disease progression in people living with DM1 across multiple endpoints.

In June, the company shared what it called "unprecedented" Phase 1 data for its second program, FSHD. Treatment improved muscle damage markers and increased muscle strength. After some struggles the past couple years, second generation RNA medicines are now delivering exciting breakthroughs.

Next milestone

Duchenne Muscular Dystrophy Phase 1 data update expected in Q3 2024.

Learn more about Avidity Biosciences
avidityblosciences.com

"We are thrilled to support Avidity in their effort to develop AOC 1001, a potentially first-in-class and disease-modifying therapy for patients with myotonic dystrophy. We also look forward to supporting the Avidity team as they work towards clinical trials execution for AOC 1001 and pipeline programs of antibody conjugated oligonucleotides for rare neuromuscular diseases."

Piratip Pratumsuwan
Research Analyst and Managing Director
RTW Investments LP

Duchenne muscular dystrophy patient

"I think that it's amazing that when I was diagnosed, I was told there's no treatment, no cure. The study has given me a lot of hope. I would love for that to be able to be shared with other people in the community who have DM1."

Trial participant

"My strength was better, my outlook was better, my hands were working. I had more strength, and I could stretch them out. I could open things and I could turn door knobs and all these things that were harder."

❷ Impact focus:

Merus N.V.

NAV
0.4%
(30 June 2023: 0.2% (in "other public" portfolio))

Ticker
MRUS

Portfolio company ownership
<1%
(30 June 2023: <1%)

The need

Head and neck squamous cell carcinoma (HNSCC) describes a group of cancers that develop in the squamous cells that line the mucosal surfaces of the mouth, throat, and larynx. These cancers begin when healthy cells change and grow in an unchecked manner, ultimately forming tumours. HNSCC is generally associated with tobacco consumption, alcohol use and/or HPV infections. It is the sixth most common cancer worldwide and it is estimated that there were more than 930,000 new cases and over 465,000 deaths from HNSCC globally in 2020.[1] The incidence of HNSCC continues to rise and is anticipated to increase by 30% to more than 1 million new cases annually by 2030[2], representing a potential US$3-4 billion global commercial opportunity at peak sales, typically 4-6 years from launch for an oncology drug.

Mission

Closing in on cancer. Merus is a public, clinical-stage oncology company based in the Netherlands, developing innovative full-length human bispecific and trispecific antibody therapeutics, referred to as Multiclonics®, with a broad application for human disease. Its lead program, petosemtamab, is a novel bispecific antibody for head and neck cancer that it believes could become a new standard of care for patients with HNSCC.

Status

In May, Merus announced interim data from its Phase 1/2 trial of petosemtamab in combination with pembrolizumab, demonstrating a stunning 67% response rate. The company also announced plans to initiate a Phase 3 registrational trial of petosemtamab in combination with pembrolizumab, regardless of HPV status, in first line, PD-L1 expressing, head and neck cancer, which is expected to start by the end of 2024. The company has also initiated a Phase 3 registrational trial of petosemtamab monotherapy in 2/3L HNSCC.

Next milestone

Phase 1/2 update in Q3 2024 of petosemtamab monotherapy in 2/3L HNSCC. The data could further support that petosemtamab could become a new standard of care for patients with HNSCC.

Learn more about Merus
merus.nl

"We are impressed by the robust clinical data of petosemtamab, Merus' lead bispecific antibody, in head and neck cancer, a disease with high unmet medical need and limited treatment options. We believe that petosemtamab has the potential to transform the standard of care for patients with this devastating cancer and are excited to follow the progress of the ongoing and planned Phase 3 trials."

Chris Liu
Senior Research Analyst
RTW Investments

1 Sung et al. CA Cancer J Clin, 71:209-49, 2021.
2 Johnson, D.E., Burtness, B., Leemans, C.R. et al. Head and neck squamous cell carcinoma. Nat Rev Dis Primers 6, 92 (2020).

rtw Foundation

The Investment Manager's social commitment extends beyond the core business.

Founded in 2018 as the philanthropic arm of RTW Investments, LP, RTW Foundation powers rare disease research, medical innovation, and local community collaborations to improve the health of underserved communities.

"One of the hallmarks of our community partnerships is that we go beyond just financial support. Our team truly engages with communities and serves alongside our partners."

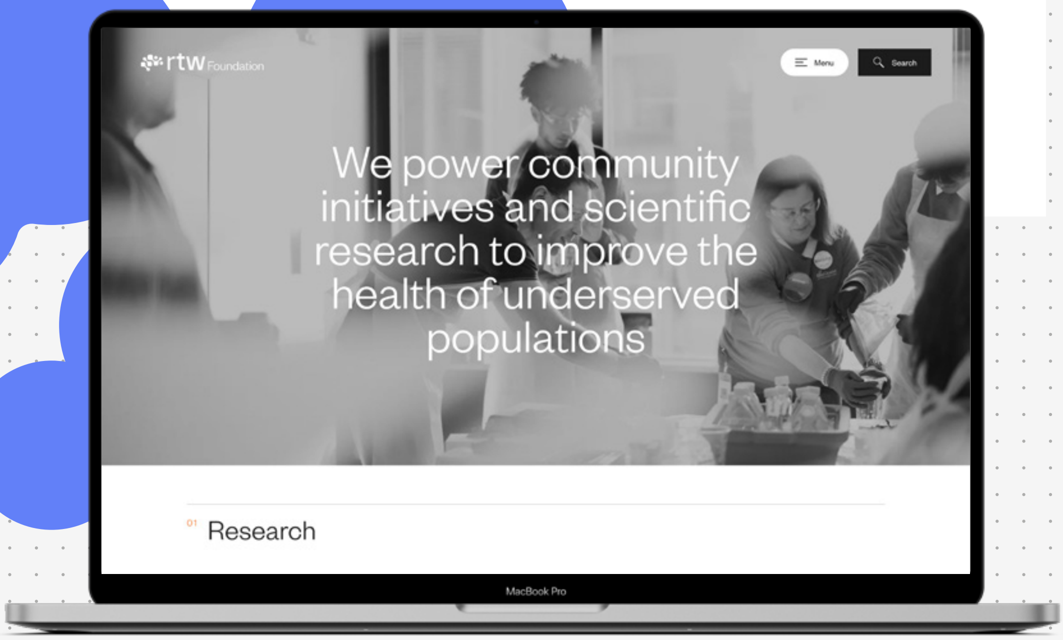
Rod Wong
Chief Investment Officer
RTW Investments LP

Mission:
To power community initiatives and scientific research to improve the health of underserved populations.

Through data-driven science, partnership collaboration, and meaningful impact, the RTW Foundation seeks to fund research that helps develop pathways for therapies for ultrarare diseases.

Research grants provide up to $150,000 of funding to conduct early-stage research.

The Foundation also builds partnerships with local organisations to advance health equity and health access.



Statement of Principal Risks and Uncertainties for the Remaining Six Months of the year to 31 December 2023

As described in the Group's annual consolidated financial statements for the year ended 31 December 2023, the Group's principal and emerging risks and uncertainties include the following:

- Failure to achieve investment objective;
- Unfavourable tax exposure;
- Counterparty risk;
- The Investment Manager relies on key personnel;
- Portfolio companies may be subject to litigation;
- Exposure to global political and economic risks;
- Clinical development and regulatory risks;
- Imposition of pricing controls for clinical products and services;
- Inflation;
- Availability of capital;
- Sustainability reporting; and
- Liquidity risk.

The Board believes that these risks are unchanged in respect of the remaining six months of the year to 31 December 2024.

Further information in relation to these principal risks and uncertainties may be found on pages 34 to 36 of the Group's annual report and audited consolidated financial statements for the year ended 31 December 2023.

These inherent risks associated with investments in the biotech and pharmaceutical sector could result in a material adverse effect on the Group's performance and value of the Ordinary Shares.

Risks are mitigated and managed by the Board through continual review, policy setting and regular reviews of the Group's risk matrix by the Audit Committee to ensure that procedures are in place with the intention of minimising the impact of the above-mentioned risks. The Board carried out a formal review of the risk matrix at the Audit Committee meeting held on 30 July 2024. The Board relies on periodic reports provided by the Investment Manager and Administrator regarding risks that the Group faces. When required, experts will be employed to gather information, including tax and legal advisers.

Statement of Directors' Responsibilities

The Directors confirm to the best of their knowledge that:

- the unaudited interim consolidated financial statements have been prepared in conformity with US generally accepted accounting principles and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- the interim management report (which includes the Chair's Statement, Report of the Investment Manager and Statement of Principal Risks and Uncertainties) together with the unaudited interim consolidated financial statements include a fair review of the information required by:

  a. DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the unaudited interim consolidated financial statements; and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

  b. DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place during the first six months of the financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website (https://www.rtwfunds.com/rtw-biotech-opportunities-ltd). Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

William Simpson
Chair
12 September 2024

Paul Le Page
Director
12 September 2024

Independent Review Report to RTW Biotech Opportunities Ltd

Conclusion

We have been engaged by RTW Biotech Opportunities Ltd (the "Company") to review the consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2024 of the Company and its subsidiary (together, the "Group"), which comprises the unaudited interim consolidated statement of assets and liabilities including the unaudited interim consolidated condensed schedule of investments, the unaudited interim consolidated statements of operations, changes in net assets and cash flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the consolidated financial statements in the half-yearly financial report for the period ended 30 June 2024 do not give a true and fair view of the financial position of the Group as at 30 June 2024 and of its financial performance and its cash flows for the six month period then ended, in accordance with U.S. generally accepted accounting principles and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE (UK) 2410") issued by the Financial Reporting Council for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the consolidated financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Scope of review section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However future events or conditions may cause the Group and the Company to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group and the Company will continue in operation.

Director's responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim financial report in accordance with the DTR of the UK FCA.

The consolidated financial statements included in this interim report have been prepared in accordance with U.S. generally accepted accounting principles.

In preparing the half-yearly financial report, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless liquidation is imminent.

Our responsibility

Our responsibility is to express to the Company a conclusion on the consolidated financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the scope of review paragraph of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement letter to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Andrew J. Salisbury
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants
Guernsey

12 September 2024

Unaudited Interim Consolidated Statement of Assets and Liabilities as at 30 June 2024 and 31 December 2023

(Expressed in United States Dollars)

	30 June 2024 (unaudited)	31 December 2023 (audited)
ASSETS:		
Investments in securities, at fair value (cost at 30 June 2024: $443,811,113; 31 December 2023: $244,056,637)	577,548,507	367,611,231
Derivative contracts, at fair value (cost at 30 June 2024: $58,029,782; 31 December 2023: $6,271,193)	132,009,700	15,463,820
Cash and cash equivalents	6,757,859	2,721,553
Due from brokers	52,834,678	57,887,214
Receivable from unsettled trades	6,786,057	-
Other assets	1,268,194	2,550,609
TOTAL ASSETS	**777,204,995**	**446,234,427**
LIABILITIES:		
Securities sold short, at fair value (proceeds at 30 June 2024: $15,969,628; 31 December 2023: $1,399,242)	14,884,837	1,197,921
Derivative contracts, at fair value (proceeds at 30 June 2024: $nil; 31 December 2023: $nil)	9,794,166	8,390,327
Due to brokers	67,433,468	5,329,681
Accrued expenses	803,864	2,293,541
TOTAL LIABILITIES	**92,916,335**	**17,211,470**
TOTAL NET ASSETS	**684,288,660**	**429,022,957**
NET ASSETS attributable to Ordinary Shares (shares at 30 June 2024: 335,713,649; 31 December 2023: 210,635,347)	**655,393,270**	**399,283,811**
NET ASSETS attributable to Non-Controlling Interest	**28,895,390**	**29,739,146**
NAV per Ordinary Share	**1.9522**	**1.8956**

The unaudited interim consolidated financial statements of the Group were approved and authorised for issue by the Board of Directors on 12 September 2024 and signed on its behalf by:

William Simpson
Chair

Paul Le Page
Director

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Condensed Schedule of Investments as at 30 June 2024

(Expressed in United States Dollars)

Descriptions	Number of Shares	Cost	Fair Value	Percentage of Net Assets
Investments in securities, at fair value				
Common stocks				
United States				
Healthcare				
Rocket Pharmaceuticals, Inc.	2,400,755	8,188,796	51,688,255	7.56
Madrigal Pharmaceuticals, Inc.	177,360	38,891,799	49,689,178	7.26
Dyne Therapeutics, Inc.	1,110,636	33,551,435	39,194,344	5.73
Avidity Biosciences, Inc.	904,558	12,334,501	36,951,194	5.40
Others*		138,493,434	141,735,738	20.71
Total United States		**231,459,965**	**319,258,709**	**46.66**
Netherlands				
Healthcare		6,648,649	10,413,490	1.52
Ireland				
Healthcare		6,676,508	6,137,405	0.90
Cayman Islands				
Healthcare		1,162,220	1,188,540	0.17
Financials		46,790	53,668	0.01
Total Cayman Islands		**1,209,010**	**1,242,208**	**0.18**
British Virgin Islands				
Healthcare		776,929	837,505	0.12
China				
Healthcare				
Ji Xing Pharmaceuticals Ltd.	541,205	216,482	757,905	0.11
Canada				
Healthcare		2,872,398	416,817	0.06
Japan				
Healthcare		64,326	79,845	0.01
Total common stocks		**249,924,267**	**339,143,884**	**49.56**
Convertible preferred stocks				
United States				
Healthcare*		69,503,919	82,014,697	11.98
China				
Healthcare				
Ji Xing Pharmaceuticals Ltd.	14,177,776	25,664,114	32,279,426	4.71
Others		4,110,583	3,943,070	0.58
Total China		**29,774,697**	**36,222,496**	**5.29**
United Kingdom				
Healthcare				
Artios Pharma Limited	21,991,191	13,135,198	35,899,284	5.25
Switzerland		1,729,518	5,806,232	0.85
Healthcare				
Total convertible preferred stocks		**114,143,332**	**159,942,709**	**23.37**

* No individual investment security or contract constitutes greater than 5 per cent. of net assets.

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Condensed Schedule of Investments (continued) as at 30 June 2024

(Expressed in United States Dollars)

Descriptions	Number of Shares	Cost	Fair Value	Percentage of Net Assets
Investments in securities, at fair value (continued)				
Investment in private investment companies				
Cayman Islands				
Healthcare		23,892,851	28,475,884	4.17
Ireland				
Healthcare		11,814,933	16,019,112	2.34
United Kingdom				
Healthcare		12,957,658	2,897,822	0.42
Total investment in private investment companies		**48,665,442**	**47,392,818**	**6.93**
American depository receipts				
United Kingdom				
Healthcare		14,379,554	16,877,288	2.47
Netherlands				
Healthcare		2,194,616	2,564,329	0.37
Cayman Islands				
Healthcare		102,795	76,891	0.01
Total American depository receipts		**16,676,965**	**19,518,508**	**2.85**
Convertible notes				
Canada				
Healthcare		7,512,664	7,301,551	1.07
United States				
Healthcare		5,571,113	2,923,623	0.43
China				
Healthcare				
Ji Xing Pharmaceuticals Ltd.	131,733	1,317,330	1,325,414	0.19
Total convertible notes		**14,401,107**	**11,550,588**	**1.69**
Total investments in securities, at fair value		**443,811,113**	**577,548,507**	**84.40**

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Condensed Schedule of Investments (continued) as at 30 June 2024
(Expressed in United States Dollars)

Descriptions	Number of contracts	Cost	Fair Value	Percentage of Net Assets
Derivative contracts – assets, at fair value				
Warrants				
United States				
Healthcare				
Avidity Biosciences, Inc.	2,208,114	36,431,673	90,199,249	13.18
Rocket Pharmaceuticals, Inc.	170,764	2,565,561	3,445,034	0.50
Others*		15,444,856	15,720,374	2.30
Total United States		**54,442,090**	**109,364,657**	**15.98**
Canada				
Healthcare		3,121,272	1,275,034	0.19
Total warrants		**57,563,362**	**110,639,691**	**16.17**
Equity swaps				
United States				
Healthcare				
Avidity Biosciences, Inc.	196,429		5,099,841	0.75
Others*			15,129,968	2.20
Total United States			**20,229,809**	**2.95**
British Virgin Islands				
Healthcare			322,241	0.05
Total equity swaps			**20,552,050**	**3.00**
Contingent value rights				
United States				
Healthcare		466,420	817,959	0.12
Total contingent value rights		**466,420**	**817,959**	**0.12**
Total derivative contracts – assets, at fair value		**58,029,782**	**132,009,700**	**19.29**

* No individual investment security or contract constitutes greater than 5 per cent. of net assets.

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Condensed Schedule of Investments (continued) as at 30 June 2024
(Expressed in United States Dollars)

Descriptions	Proceeds	Fair Value	Percentage of Net Assets
Securities sold short, at fair value			
Common stocks			
United States			
Healthcare	14,628,291	13,690,758	2.01
British Virgin Islands			
Financials	1,238,157	1,117,188	0.17
Total common stocks	**15,866,448**	**14,807,946**	**2.18**
American Depository receipts			
Cayman Islands			
Healthcare	103,180	76,891	0.00
Total securities sold short, at fair value	**15,969,628**	**14,884,837**	**2.18**

Descriptions	Fair Value	Percentage of Net Assets
Derivative contracts – liabilities, at fair value		
Equity swaps		
United States		
Healthcare	9,794,166	1.43
Total United States	**9,794,166**	**1.43**
Total derivative contracts – liabilities, at fair value	**9,794,166**	**1.43**

See accompanying notes to the unaudited interim consolidated financial statements.

Audited Consolidated Condensed Schedule of Investments as at 31 December 2023
(Expressed in United States Dollars)

Descriptions	Number of Shares	Cost	Fair Value	Percentage of Net Assets
Investments in securities, at fair value				
Common stocks				
United States				
Healthcare				
Rocket Pharmaceuticals, Inc.	2,400,755	8,188,796	71,950,627	16.77
Others*		87,817,542	121,224,790	28.26
Total United States		**96,006,338**	**193,175,417**	**45.03**
Netherlands				
Healthcare		5,570,915	6,878,343	1.60
Ireland				
Healthcare		6,090,973	3,974,203	0.93
China				
Healthcare				
Ji Xing Pharmaceuticals Ltd.	541,205	216,482	798,382	0.19
Others*		402,213	677,342	0.16
Total China		**618,695**	**1,475,724**	**0.35**
Canada				
Healthcare		2,953,012	646,323	0.15
British Virgin Islands				
Healthcare		776,929	477,179	0.11
Cayman Islands				
Financials		46,790	51,001	0.01
Total common stocks		**112,063,652**	**206,678,190**	**48.18**
Convertible preferred stocks				
China				
Healthcare				
Ji Xing Pharmaceuticals Ltd.	14,177,776	25,664,114	33,052,656	7.70
Others*		4,110,584	4,168,056	0.97
Total China		**29,774,698**	**37,220,712**	**8.67**
United States				
Healthcare*		40,654,612	36,321,860	8.47
Ireland				
Healthcare		1,093,042	1,854,238	0.43
Switzerland				
Healthcare		1,729,518	1,723,249	0.40
United Kingdom				
Healthcare		774,317	760,071	0.18
Total convertible preferred stocks		**74,026,187**	**77,880,130**	**18.15**

* No individual investment security or contract constitutes greater than 5 per cent. of net assets.

See accompanying notes to the unaudited interim consolidated financial statements.

Audited Consolidated Condensed Schedule of Investments (continued) as at 31 December 2023
(Expressed in United States Dollars)

Descriptions	Number of Shares	Cost	Fair Value	Percentage of Net Assets
Investments in securities, at fair value (continued)				
Investment in private investment companies				
Cayman Islands				
Healthcare				
4010 Royalty Offshore FNT Fund, LP		23,892,852	25,982,258	6.06
Ireland				
Healthcare		11,814,933	15,873,635	3.70
Total investment in private investment companies		**35,707,785**	**41,855,893**	**9.76**
American depository receipts				
United Kingdom				
Healthcare				
Immunocore Holdings plc	462,249	11,872,691	31,580,852	7.36
Netherlands				
Healthcare		1,331,626	1,434,221	0.33
Ireland				
Healthcare		161,953	198,555	0.05
Total American depository receipts		**13,366,270**	**33,213,628**	**7.74**
Convertible notes				
Canada				
Healthcare		7,512,664	7,566,259	1.76
United States				
Healthcare		1,380,079	417,131	0.10
Total convertible notes		**8,892,743**	**7,983,390**	**1.86**
Total investments in securities, at fair value		**244,056,637**	**367,611,231**	**85.69**

See accompanying notes to the unaudited interim consolidated financial statements.

Audited Consolidated Condensed Schedule of Investments (continued) as at 31 December 2023
(Expressed in United States Dollars)

Descriptions	Number of Contracts	Cost	Fair Value	Percentage of Net Assets
Derivative contracts – assets, at fair value				
Equity swaps				
United States				
Healthcare			7,185,030	1.67
United Kingdom				
Healthcare				
Immunocore Holdings plc	12,498		280,979	0.07
British Virgin Islands				
Healthcare			9,793	0.00
Total equity swaps			**7,475,802**	**1.74**
Warrants				
United States				
Healthcare				
Rocket Pharmaceuticals, Inc.	170,764	2,565,561	4,800,495	1.12
Others*		1,242,926	1,764,580	0.41
Total United States		**3,808,487**	**6,565,075**	**1.53**
Canada				
Healthcare		2,462,706	881,237	0.21
Total warrants		**6,271,193**	**7,446,312**	**1.74**
Contingent value rights				
United States				
Healthcare			541,706	0.13
Total contingent value rights			**541,706**	**0.13**
Total derivative contracts – assets, at fair value		**6,271,193**	**15,463,820**	**3.61**

* No individual investment security or contract constitutes greater than 5 per cent. of net assets.

See accompanying notes to the unaudited interim consolidated financial statements.

Audited Consolidated Condensed Schedule of Investments (continued) as at 31 December 2023
(Expressed in United States Dollars)

Descriptions	Proceeds	Fair Value	Percentage of Net Assets
Securities sold short, at fair value			
Common stocks			
United States			
Healthcare	1,353,107	1,146,920	0.28
Cayman Islands			
Financials	46,135	51,001	0.01
Total common stocks	**1,399,242**	**1,197,921**	**0.29**
Total securities sold short, at fair value	**1,399,242**	**1,197,921**	**0.29**

Descriptions	Fair Value	Percentage of Net Assets
Derivative contracts – liabilities, at fair value		
Equity swaps		
United States		
Healthcare	8,390,327	1.96
Total United States	**8,390,327**	**1.96**
Total derivative contracts – liabilities, at fair value	**8,390,327**	**1.96**

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Statement of Operations
For the six month periods ended 30 June 2024 and 30 June 2023
(Expressed in United States Dollars)

	1 January 2024 to 30 June 2024 (unaudited)	1 January 2023 to 30 June 2023 (unaudited)
Investment income		
Interest (net of withholding taxes of $nil; 30 June 2023: $nil)	1,926,737	1,089,563
Dividends (net of withholding taxes of $4,258; 30 June 2023: $nil)	108,997	455,581
Other	837,160	341,807
Total investment income	**2,872,894**	**1,886,951**
Expenses		
Management fees	3,436,352	2,115,840
Interest	1,679,406	1,106,575
Professional fees	411,615	388,034
Administrative fees	356,696	199,914
Research costs	341,711	247,998
Audit fees	186,995	235,641
Directors' fees	117,976	87,798
Other expenses	654,822	234,829
Total expenses	**7,185,573**	**4,616,629**
Net investment income/(loss)	**(4,312,679)**	**(2,729,678)**
Realised and change in unrealised gain/(loss) on investments, derivatives and foreign currency transactions		
Net realised gain/(loss) on securities and foreign currency transactions	10,237,597	81,097,820
Net change in unrealised gain/(loss) on securities and foreign currency translation	11,361,132	(43,904,533)
Net realised gain/(loss) on derivative contracts	5,155,442	(544,139)
Net change in unrealised gain/(loss) on derivative contracts	63,383,452	(1,428,302)
Net realised and unrealised gain/(loss) on investments, derivatives and foreign currency transactions	**90,137,623**	**35,220,846**
Net increase/(decrease) in net assets resulting from operations	**85,824,944**	**32,491,168**

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Statement of Changes in Net Assets
For the six month period ended 30 June 2024
(Expressed in United States Dollars)

	Ordinary Share Class	Non-Controlling Interest
Net assets, beginning of period	**399,283,811**	**29,739,146**
Operations		
Net investment income/(loss)	(4,312,679)	–
Net realised gain/(loss) on securities and foreign currency transactions	10,237,597	–
Net change in unrealised gain/(loss) on securities and foreign currency translation	11,361,132	–
Net realised gain/(loss) on derivative contracts	5,155,442	–
Net change in unrealised gain/(loss) on derivative contracts	63,383,452	–
Income/(loss) attributable to Non-Controlling Interest	843,756	(843,756)
Net change in net assets resulting from operations	**86,668,700**	**(843,756)**
Capital transactions		
Issuance of Ordinary Shares (net of issuance cost of US$6,473,897)	180,781,065	–
Share buyback (Gross of $22,681 transaction costs; 30 June 2023: $nil) (Note 9)	(11,340,306)	–
Net change in net assets resulting from capital transactions	**169,440,759**	**–**
Net assets, end of period	**655,393,270**	**28,895,390**

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Statement of Changes in Net Assets
For the six month period ended 30 June 2023
(Expressed in United States Dollars)

	Ordinary Share Class	Non-Controlling Interest
Net assets, beginning of period	**326,079,521**	**21,844,468**
Operations		
Net investment income/(loss)	(2,729,678)	–
Net realised gain/(loss) on securities and foreign currency transactions	81,097,820	–
Net change in unrealised gain/(loss) on securities and foreign currency translation	(43,904,533)	–
Net realised gain/(loss) on derivative contracts	(544,139)	–
Net change in unrealised gain/(loss) on derivative contracts	(1,428,302)	–
Income/(loss) attributable to Non-Controlling Interest	(2,039,956)	2,039,956
Net change in net assets resulting from operations	**30,451,212**	**2,039,956**
Net assets, end of period	**356,530,733**	**23,884,424**

See accompanying notes to the unaudited interim consolidated financial statements.

Unaudited Interim Consolidated Statement of Cash Flows
For the six month periods ended 30 June 2024 and 30 June 2023
(Expressed in United States Dollars)

	1 January 2024 to 30 June 2024 (unaudited)	1 January 2023 to 30 June 2023 (unaudited)
Cash flows from operating activities		
Net increase/(decrease) in net assets resulting from operations	85,824,944	32,491,168
Adjustments to reconcile net change in net assets resulting from operations to net cash provided by/(used in) operating activities:		
Net realised (gain)/loss on securities and foreign currency transactions	(10,237,597)	(81,097,820)
Net change in unrealised (gain)/loss on securities and foreign currency translation	(11,361,132)	43,904,533
Net realised (gain)/loss on derivative contracts	(5,155,442)	544,139
Net change in unrealised (gain)/loss on derivative contracts	(63,383,452)	1,428,302
Effect of exchange rate changes on cash and cash equivalents	(109,564)	(86,823)
Purchases of investments in securities	(350,475,670)	(62,998,246)
Proceeds from sales of investments in securities	220,618,160	126,303,452
Proceeds from securities sold short	38,323,325	20,627,975
Payments for securities sold short	(12,818,107)	(9,246,930)
Proceeds from derivative contracts	16,122,019	4,325,394
Payments for derivative contracts	(60,925,651)	(5,392,097)
Accretion of bond discount	(1,628)	–
Changes in operating assets and liabilities:		
Other assets	1,655,862	(162,824)
(Receivable from)/payable for unsettled trades	(6,786,057)	(2,799,071)
Due to brokers	62,103,787	(17,716,626)
Accrued expenses	(1,489,677)	(70,312)
Net cash provided by/(used in) operating activities	**(98,095,880)**	**50,054,214**
Cash flows from financing activities		
Net proceeds from issuance of shares*	108,419,956	–
Share buyback	(11,340,306)	–
Net cash provided by/(used in) financing activities	**97,079,650**	**–**
Net change in cash and cash equivalents	(1,016,230)	50,054,214
Cash, cash equivalents, and restricted cash, beginning of the period	**60,608,767**	**29,161,624**
Cash, cash equivalents, and restricted cash, end of the period	**59,592,537**	**79,215,838**
At 30 June 2024, the amounts categorised in cash, cash equivalents, and restricted cash include the following:		
Cash and cash equivalents	6,757,859	9,471,726
Due from brokers	52,834,678	69,744,112
Total	**59,592,537**	**79,215,838**
Supplemental disclosure of cash flow information		
Cash paid during the period for interest	1,406,135	1,149,630
Cancellation of shares in RTW Biotech Opportunities Ltd received in Arix acquisition	59,221,117	–
*** In kind financing activities:**		
Non-cash assets received from Arix acquisition, comprised of:		
Investments in securities	129,409,264	–
Derivative contracts	1,799,515	–
Other assets	373,447	–

Refer to notes 1 and 9 for further details regarding the Arix acquisition.

See accompanying notes to the unaudited interim consolidated financial statements.

Notes to the Unaudited Interim Consolidated Financial Statements
For the six month period ended 30 June 2024
(Expressed in United States Dollars)

1. Nature of operations and summary of significant accounting policies

RTW Biotech Opportunities Ltd (the "Company") is a publicly listed Guernsey non-cellular company limited by shares. The Company was originally incorporated in the State of Delaware, United States of America, and re-domiciled into Guernsey under the Companies Law on 2 October 2019 with registration number 66847 on the Guernsey Register of Companies. On 30 October 2019, all of the issued Ordinary Shares of the Company were listed and admitted to trading on the Specialist Fund Segment of the London Stock Exchange under the ticker symbol: RTW. Subsequently, on 6 August 2021, the Company's Ordinary Shares were admitted to trading on the Premium Segment of the London Stock Exchange with the additional ticker symbol: RTWG denoting the Sterling price. The original ticker, RTW, continues to denote the US Dollar price.

In 2022, the Company transferred its right to the profits and losses attributable to the Group's portfolio of assets to its wholly owned subsidiary, RTW Biotech Opportunities Operating Ltd (the "Subsidiary"). All the income and expenses of the Subsidiary are consolidated with the income and expenses of the Group.

On 13 February 2024, the Group completed the acquisition of the assets of Arix Bioscience plc. To facilitate the acquisition, the Subsidiary formed RTW Biotech UK Limited as a wholly owned subsidiary of the Subsidiary to manage and integrate the Arix Bioscience plc acquired entities and assets, based on the regulatory and operational landscape in the UK. The transaction was announced on 1 November 2023 and was effected through a scheme of reconstruction and the voluntary winding- up of Arix under section 110 of the Insolvency Act 1986. The details around this transaction are further disclosed within the unaudited interim consolidated statement of cash flows and within Note 9.

The Group seeks to use equity capital (from the net proceeds of any share issuance or, where appropriate, from the net proceeds of investment divestments or other related profits) to provide seed and additional growth capital to the private investments. To mitigate cash-drag, the uninvested portion is invested across public stocks largely replicating the public stock portfolios of RTW's existing US-based funds. The Group focuses on creating, building, and supporting world-class life sciences, biopharmaceutical and medical technology companies. The Group's investment objective is to generate attractive risk-adjusted returns through investments in securities, both equity and debt, long and short, of companies with a focus on the pharmaceutical sector.

Pursuant to an investment management agreement, the Group is managed by RTW Investments, LP, a Delaware limited partnership, to provide the Group with discretionary portfolio management, risk management services and certain other services. The Investment Manager is an investment adviser registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940.

Basis of presentation

The unaudited interim consolidated financial statements are expressed in United States Dollars. The unaudited interim consolidated financial statements which give a true and fair view and have been prepared in accordance with US generally accepted accounting principles ("US GAAP") and are in compliance with the Companies (Guernsey) Law, 2008. The entities comprised within the Group are investment companies and follow the accounting and reporting guidance in Financial Accounting Standards Board's ("FASB") Accounting Standards Codification Topic 946, Financial Services – Investment Companies.

The Directors consider that it is appropriate to adopt a going concern basis of accounting in preparing the unaudited interim consolidated financial statements. In reaching this assessment, the Directors have considered a wide range of information relating to present and future conditions including the balance sheets, future projections, cash flows and the longer-term strategy of the business.

Principles of consolidation

The unaudited interim consolidated financial statements include accounts of the Company consolidated with the accounts of the Subsidiary. All inter-group balances have been eliminated upon consolidation. The Subsidiary is incorporated in Guernsey.

Non-Controlling Interest

An affiliate of the Investment Manager, RTW Venture Performance LLC, holds an interest in the Subsidiary. The Non-Controlling Interest captures both Performance Allocation and mark to market movements on the New Performance Allocation Share held by RTW Venture Performance LLC in the Subsidiary. For the period ended 30 June 2024, $840,033 of the income attributable to the Non-Controlling Interest was comprised of mark to market movements of Notional Ordinary Shares (31 December 2023: $5,137,836), with $1,683,789 of the income related to a reversal of uncrystallized performance allocation from Ordinary Shareholders to the Performance Allocation Share Class (31 December 2023: allocation of $2,756,842).

Cash, cash equivalents, and restricted cash

Cash represents cash deposits held at financial institutions. Cash equivalents include short-term highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash equivalents are carried at cost plus accrued interest, which approximates fair value. Cash equivalents are held for the purpose of meeting short-term liquidity requirements, rather than for investment purposes. As at 30 June 2024 and 31 December 2023, the Group had no cash equivalents.

Restricted cash is subject to a legal or contractual restriction by third parties as well as a restriction as to withdrawal or use, including restrictions that require the funds to be used for a specified purpose and restrictions that limit the purpose for which the funds can be used. The Group considers cash pledged as collateral for securities sold short, cash collateral posted with counterparties for derivative contracts and further amounts due from brokers to be restricted cash, as outlined in Note 3.

Notes to the Unaudited Interim Consolidated Financial Statements (continued)
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1. Nature of operations and summary of significant accounting policies (continued)

Fair value – definition and hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the 'exit price') in an orderly transaction between market participants at the measurement date.

In determining fair value, the Group uses various valuation techniques. A fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs are to be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Group.

Unobservable inputs reflect the Group's assumptions about the inputs market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy is categorised into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Group has the ability to access. Valuation adjustments are not applied to Level 1 investments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these investments does not entail a significant degree of judgement.

Level 2 – Valuations based on inputs, other than quoted prices included in Level 1, that are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Investments in private investment companies measured using net asset value as a practical expedient are not categorised in the fair value hierarchy.

The availability of valuation techniques and observable inputs can vary from investment to investment and is affected by a wide variety of factors, including the type of investment, whether the investment is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgement. Those estimated values do not necessarily represent the amounts that may be ultimately realised due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed. Accordingly, the degree of judgement exercised by the Group in determining fair value is greatest for investments categorised in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Group's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Group uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many investments. This condition could cause an investment to be reclassified to a lower level within the fair value hierarchy.

Fair value – valuation techniques and inputs

Investments in securities and securities sold short

Listed investments

The Group values investments in securities including exchange traded funds and securities sold short that are freely tradable and are listed on a national securities exchange or reported on the NASDAQ national market at their closing sales price as of the valuation date. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorised in Level 1 of the fair value hierarchy. Securities traded on inactive markets or valued by reference to similar instruments or where a discount may be applied are categorised in Level 2 or 3 of the fair value hierarchy.

Unlisted investments

Unlisted investments are valued at fair value by the Directors following a detailed review and appropriate challenge of the valuations proposed by the Investment Manager. As part of their valuation process, the Investment Manager engages Independent Valuers to challenge their assessed fair value on certain unlisted investments. The Investment Manager's unlisted investment valuation policy applies techniques consistent with the IPEV Guidelines.

The valuation techniques applied are either a market-based approach, an income approach such as discounted cash flows, or where available, a net asset value practical expedient approach. A combination of the valuation techniques mentioned may also be utilised. The IPEV Guidelines recognise that the price of a recent transaction, if resulting from an orderly transaction, generally represents fair value as at the transaction date and may be an appropriate starting point for estimating fair value at subsequent measurement dates. Consideration is given to the facts and circumstances as at the subsequent measurement date including changes in the market and/or performance of the investee company. Milestone analysis is used where appropriate to incorporate operational progress at the investee company level. In addition, a trigger event such as a subsequent round of financing by the investee company would influence the market technique used to calibrate fair value at the measurement date. Where appropriate, a probability-weighted expected return method ("PWERM") may be employed when different potential outcomes (e.g. IPO, round of financing, stay private, dissolution, etc.) are utilised to derive the value of investments held.

1. Nature of operations and summary of significant accounting policies (continued)

The market approach utilises guideline public companies relying on projected revenues and/or earnings metrics to derive an indicative enterprise value. Due to the nature of the investments, being in the early stages of development, the projected revenues are typically used as a proxy for stable state revenue. A selected multiple is then applied based on the observed market multiples of the guideline public companies. To reflect the risk associated with the achievement of the projected financial metrics and the early development stage of each of the investments, the indicative enterprise value is discounted at an appropriate rate.

The income approach utilises the discounted cash flow method. Projected cash flows for each investment are discounted to determine the enterprise value.

Where applicable, the indicative enterprise value has been determined using a back-solve model based on the pricing of the most recent round of financing. The internal rate of return for each investment is compared to the selected venture capital rate applied in the market approach to assess the reasonableness of the indicated value implied by each financing round. The derived enterprise value is allocated to the equity class on either a fully diluted basis or using an option pricing model. The resulting indicative value on a per share basis is then multiplied by the number of shares to derive the fair market value.

American depository receipts

The Group values investments in American depositary receipts that are freely tradable and are listed on a national securities exchange or reported on the NASDAQ national market at their last reported sales price as of the valuation date. These investments are categorised in Level 1 of the fair value hierarchy.

Convertible notes

The Group values investments in convertible notes in accordance with the unlisted investments section above. As of 30 June 2024, these investments are all categorised in Level 3 of the fair value hierarchy.

Convertible preferred stock

The Group values Level 1 investments in convertible preferred stock that are listed on a national securities exchange at their closing sales price as of the valuation date. Level 2 investments in convertible preferred stock are valued with certain adjustments to the underlying public stocks closing sales price that is listed on a national securities exchange. Level 3 investments in convertible preferred stock are valued in accordance with the unlisted investments section above. As of 30 June 2024, these investments are categorised in Level 2 and Level 3 of the fair value hierarchy.

Investment in private investment companies

The Group values investment in private investment companies using the net asset values provided by the underlying private investment companies as a practical expedient. The Group applies the practical expedient to its private investment companies on an investment-by-investment basis and consistently with the Group's entire position in a particular investment, unless it is probable that the Group will sell a portion of an investment at an amount different from the net asset value of the investment.

Private investment in public equity

Private investment in public equity ("PIPE") cannot be offered for sale to the public until the issuer complies with certain statutory or contractual requirements. Such securities traded on inactive markets or valued by reference to similar instruments or where a discount may be applied are generally categorised in Level 2. However, to the extent that significant inputs used to determine liquidity discounts are unobservable, PIPE may be categorized in Level 3 of the fair value hierarchy.

Derivative contracts

Equity swaps

Equity swaps may be centrally cleared or traded on the over-the-counter market. The fair value of equity swaps is calculated based on the terms of the contract and current market data, such as changes in fair value of the reference asset. The fair value of equity swaps is generally categorised in Level 2 of the fair value hierarchy.

Warrants

Warrants that are listed on major securities exchanges are valued at their last reported sales price as of the valuation date. The fair value of over-the-counter ("OTC") warrants is determined using the Black-Scholes option pricing model, a valuation technique that follows the income approach. This pricing model takes into account the contract terms (including maturity) as well as multiple inputs, including time value, implied volatility, equity prices, interest rates and currency rates. Warrants are categorised in all levels of the fair value hierarchy.

Contingent value rights

Contingent value rights that are not traded on an organized facility are valued using a market approach or such other analysis and information as the Group may determine.

Notes to the Unaudited Interim Consolidated Financial Statements (continued)
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(Expressed in United States Dollars)

1. Nature of operations and summary of significant accounting policies (continued)

Fair value – valuation processes

The Group establishes valuation processes and procedures to ensure that the valuation techniques are fair and consistent, and valuation inputs are supportable. The Group designates the Investment Manager's Valuation Committee to oversee the entire valuation process of the Group's investments. The Valuation Committee comprises various members of the Investment Manager, including those separate from the Group's portfolio management and trading functions, and reports to the Board.

The Valuation Committee is responsible for developing the Group's written valuation processes and procedures, conducting periodic reviews of the valuation policies, and evaluating the overall fairness and consistent application of the valuation policies.

The Investment Manager's Valuation Committee meets on a monthly basis or more frequently, as needed, to determine the valuations of the Group's Level 3 investments. Valuations determined by the Valuation Committee are required to be supported by market data, third-party pricing sources, industry-accepted pricing models, counterparty prices or other methods they deem to be appropriate, including the use of internal proprietary pricing models.

The Group periodically tests its valuations of Level 3 investments by performing back-testing. Back-testing involves the comparison of sales proceeds of those investments to the most recent fair values reported and, if necessary, uses the findings to recalibrate its valuation procedures.

On a regular basis, the Group engages the services of third-party valuation firms, the Independent Valuers, to perform an independent review of the valuation of the Group's Level 3 investments and the Group may adjust its valuations based on the recommendations from the Investment Manager's Valuation Committee.

Translation of foreign currency

Assets and liabilities denominated in foreign currencies are translated into United States Dollar amounts at the period end exchange rates. Transactions denominated in foreign currencies, including purchases and sales of investments, and income and expenses, are translated into United States Dollar amounts on the transaction date. Adjustments arising from foreign currency transactions are reflected in the unaudited interim consolidated statement of operations.

The Group does not isolate that portion of the results of operations arising from the effect of changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of investments held. Such fluctuations are included in net realised and change in unrealised gain/(loss) on securities, derivatives and foreign currency transactions in the unaudited interim consolidated statement of operations.

Reported net realised gain/(loss) from foreign currency transactions arise from sales of foreign currencies; currency gains or losses realised between the trade and settlement dates on securities transactions; and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Group's books and the United States Dollar equivalent of the amounts actually received or paid.

Net change in unrealised gain/(loss) from foreign currency translation of assets and liabilities arises from changes in the fair values of assets and liabilities, other than investments in securities at the end of the period, resulting from changes in exchange rates.

Investment transactions and related investment income

Investment transactions are accounted for on a trade date basis. Realised gains and losses on investment transactions have been calculated on a specific identification method.

Dividends are recorded on the ex-dividend date and interest is recognised on the accrual basis.

Withholding taxes on foreign dividends have been provided for in accordance with the Group's understanding of the applicable country's rules and rates.

Offsetting of amounts related to certain contracts

Amounts due from and to brokers are presented on a net basis, by counterparty, to the extent the Group has the legal right to offset the recognised amounts and intends to settle on a net basis.

The Group has elected not to offset fair value amounts recognised for cash collateral receivables and payables against fair value amounts recognised for derivative positions executed with the same counterparty under the same master netting arrangement. At 30 June 2024, the Group had cash collateral receivables of $27,254,447 (31 December 2023: $23,793,429) (see Note 3) with derivative counterparties under the same master netting arrangement.

1. Nature of operations and summary of significant accounting policies (continued)

Income taxes

The Company and Subsidiary are exempt from taxation in Guernsey and were each charged an annual exemption fee of GBP1,200, which has increased to GBP1,600 per annum with effect from 1 January 2024. The Group will only be liable to tax in Guernsey in respect of income arising or accruing from a Guernsey source, other than from a relevant bank deposit. It is not anticipated that such Guernsey source taxable income will arise. The Group is managed so as not to be resident in the UK for UK tax purposes.

The Group recognises tax benefits of uncertain tax positions only where the position is more likely than not to be sustained assuming examination by a tax authority based on the technical merits of the position. In evaluating whether a tax position has met the recognition threshold, the Group must presume the position will be examined by the appropriate taxing authority and that taxing authority has full knowledge of all relevant information. A tax position meeting the more likely than not recognition threshold is measured to determine the amount of benefit to recognise in the Group's unaudited interim consolidated financial statements. Income tax and related interest and penalties would be recognised as a tax expense in the unaudited interim consolidated statement of operations if the tax position was deemed to meet the more likely than not threshold.

The Investment Manager has analysed the Group's tax positions and has concluded no liability for unrecognised tax benefits should be recorded related to uncertain tax positions. Further, management is not aware of any tax positions for which it is reasonably possible the total amounts of unrecognised tax benefits will significantly change in the next twelve months.

The Company and the Subsidiary each file income tax returns in the US federal jurisdiction and, as applicable, in US state or local jurisdictions, or non-US jurisdictions. Generally, the Group was subject to income tax examinations by major taxing authorities for each tax period since inception. Based on its analysis, the Group determined that it had not incurred any liability for unrecognised tax benefits as of 30 June 2024 or 31 December 2023.

Use of estimates

Preparing unaudited interim consolidated financial statements in accordance with US GAAP requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities, including the fair value of investments, and disclosure of contingent assets and liabilities as of the date of the unaudited interim consolidated financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Notes to the Unaudited Interim Consolidated Financial Statements (continued)
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2. Fair value measurements

The Group's assets and liabilities recorded at fair value have been categorised based upon a fair value hierarchy as described in the Group's significant accounting policies in Note 1.

The following table presents information about the Group's assets and liabilities measured at fair value as of 30 June 2024:

	Level 1 (unaudited)	Level 2 (unaudited)	Level 3 (unaudited)	Investments measured at net asset value* (unaudited)	Total (unaudited)
Assets (at fair value)					
Investments in securities					
Common stocks	337,441,584	843,434	858,866	–	339,143,884
Convertible preferred stocks	–	2,460	159,940,249	–	159,942,709
Investment in private investment companies	–	–	–	47,392,818	47,392,818
American depository receipts	19,518,508	–	–	–	19,518,508
Convertible notes	–	–	11,550,588	–	11,550,588
Total investments in securities	**356,960,092**	**845,894**	**172,349,703**	**47,392,818**	**577,548,507**
Derivative contracts					
Warrants	650	109,844,319	794,722	–	110,639,691
Equity swaps	–	20,552,050	–	–	20,552,050
Contingent value rights	–	–	817,959	–	817,959
Total derivative contracts	**650**	**130,396,369**	**1,612,681**	**–**	**132,009,700**
	356,960,742	**131,242,263**	**173,962,384**	**47,392,818**	**709,558,207**
Liabilities (at fair value)					
Securities sold short					
Common stocks	14,807,946	–	–	–	14,807,946
American depository receipts	76,891	–	–	–	76,891
Total securities sold short	**14,884,837**	**–**	**–**	**–**	**14,884,837**
Derivative contracts					
Equity swaps	–	9,794,166	–	–	9,794,166
Total derivative contracts	**–**	**9,794,166**	**–**	**–**	**9,794,166**
	14,884,837	**9,794,166**	**–**	**–**	**24,679,003**

* The Group's investment in private investment companies that are valued at their net asset value are not categorised within the fair value hierarchy.

2. Fair value measurements (continued)

The following table presents information about the Group's assets and liabilities measured at fair value as of 31 December 2023:

	Level 1 (audited)	Level 2 (audited)	Level 3 (audited)	Investments measured at net asset value* (audited)	Total (audited)
Assets (at fair value)					
Investments in securities					
Common stocks	204,773,131	1,000,720	904,339	–	206,678,190
Convertible preferred stocks	1,854,238	2,836,628	73,189,264	–	77,880,130
Investment in private investment companies	–	–	–	41,855,893	41,855,893
American depository receipts	33,213,628	–	–	–	33,213,628
Convertible notes	–	–	7,983,390	–	7,983,390
Total investments in securities	**239,840,997**	**3,837,348**	**82,076,993**	**41,855,893**	**367,611,231**
Derivative contracts					
Equity swaps	–	7,475,802	–	–	7,475,802
Warrants	5,247	6,743,593	697,472	–	7,446,312
Contingent value rights	–	–	541,706	–	541,706
Total derivative contracts	**5,247**	**14,219,395**	**1,239,178**	**–**	**15,463,820**
	239,846,244	**18,056,743**	**83,316,171**	**41,855,893**	**383,075,051**
Liabilities (at fair value)					
Securities sold short					
Common stocks	1,146,920	51,001	–	–	1,197,921
Total securities sold short	**1,146,920**	**51,001**	**–**	**–**	**1,197,921**
Derivative contracts					
Equity swaps	–	8,390,327	–	–	8,390,327
Total derivative contracts	**–**	**8,390,327**	**–**	**–**	**8,390,327**
	1,146,920	**8,441,328**	**–**	**–**	**9,588,248**

* The Group's investment in private investment companies that are valued at their net asset value are not categorised within the fair value hierarchy.

Transfers between Levels 2 and 3 generally relate to whether significant relevant observable inputs are available for the fair value measurements in their entirety. See Note 1 for additional information related to the fair value hierarchy and valuation techniques and inputs. For the period ended 30 June 2024, the Group had net transfers into Level 2 of $nil from Level 3 (for the year ended 31 December 2023: $161,322) and transfers into Level 1 of $3,411,345 from Level 3 due to conversion into publicly traded common stocks (for the year ended 31 December 2023: $12,846,527). Transfers between levels are deemed to occur at period/year end.

Notes to the Unaudited Interim Consolidated Financial Statements (continued)
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2. Fair value measurements (continued)

The following tables summarise the valuation techniques and significant unobservable inputs used for the Group's investments that are categorised within Level 3 of the fair value hierarchy as of 30 June 2024 and 31 December 2023:

	Fair value at 30 June 2024 (unaudited)	Valuation techniques	Significant unobservable inputs	Range of inputs
Assets (at fair value)				
Investments in securities				
Convertible preferred stocks	63,845,966	Recent transaction price	n/a	n/a
	49,210,945	Discounted cash flow	WACC	13% – 40%
		and/or market approach	Revenue multiples	1.8x – 4.0x
			Market rate of returns	(13)% – 15%
	46,767,986	Probability-weighted expected return method ("PWERM")	WACC Revenue multiples Market step-up multiple	20% – 22% 4.0x 0.8x – 2.0x
			Market rate of returns	(25)% – 10%
			Recovery rate	50%
	115,352	Liquidation value	n/a	n/a
Convertible notes	8,891,886	PWERM	Discount rate	5.5% – 5.6%
			Expected volatility	43% – 60%
	2,288,429	Recent transaction price	n/a	n/a
	370,273	Discounted cash flow	WACC	30%
		and/or market approach	Revenue multiples	4.0x
			Market rate of returns	(5)%
Common stocks	758,053	Recent transaction price	n/a	n/a
	100,813	Market approach	Revenue multiples	0.6x – 0.7x
Total investments in securities	**172,349,703**			
Derivative contracts				
Contingent value rights	817,959	Recent transaction price	n/a	n/a
Warrants	775,184	Discounted cash flow	Expected volatility	40%
		and/or market approach		
		and option pricing model		
	19,538	PWERM and	Expected volatility	43%
		option pricing model		
Total derivative contracts	**1,612,681**			

2. Fair value measurements (continued)

	Fair value at 31 December 2023 (audited)	Valuation techniques	Significant unobservable inputs	Range of inputs
Assets (at fair value)				
Investments in securities				
Convertible preferred stocks	44,732,084	Recent transaction price	n/a	n/a
	19,614,346	Discounted cash flow	WACC	13% – 30%
		and/or market approach	Revenue multiples	2.8x – 4.0x
			Market rate of returns	(18)% – 10%
	8,727,481	Probability-weighted expected return method ("PWERM")	WACC Revenue multiples Market step-up multiple	12% – 20% 4.0x 0.7x – 1.8x
			Market rate of returns	(23)% – 10%
			Recovery rate	50%
	115,353	Liquidation value	n/a	n/a
Convertible notes	7,566,258	PWERM	Discount rate	5% –7%
			Expected volatility	60%
	352,904	Discounted cash flow	WACC	26%
		and/or market approach	Revenue multiples	4.0x
			Market rate of returns	(3)%
	64,228	Recent transaction price	n/a	n/a
Common stocks	798,531	Recent transaction price	n/a	n/a
	105,808	Market approach	Revenue multiples	0.5x –0.6x
Total investments in securities	**82,076,993**			
Derivative contracts				
Warrants	697,472	Recent transaction price	Expected volatility	38% – 43%
		and option pricing model		
Contingent value rights	541,706	Recent transaction price	n/a	n/a
Total derivative contracts	**1,239,178**			

The significant unobservable inputs used in the fair value measurements of Level 3 common stock, convertible preferred stocks, convertible notes, and warrants include, but are not limited to, WACC, revenue and/or earnings multiple, market rate of return, and expected volatility. Increases in the WACC in isolation would result in a lower fair value for the security, and vice versa. Increases in multiples and/or market rate of returns in isolation would result in a higher fair value of the security, and vice versa. A change in volatility in isolation could result in a higher or lower fair value for the security.

Notes to the Unaudited Interim Consolidated Financial Statements (continued)
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2. Fair value measurements (continued)

The below table presents additional information about Level 3 assets and liabilities measured at fair value. Both observable and unobservable inputs may be used to determine the fair value of positions that the Group has classified within the Level 3 category. As a result, the unrealised gains and losses for assets and liabilities within the Level 3 category may include changes in fair value that were attributable to both observable and unobservable inputs.

Changes in Level 3 assets and liabilities measured at fair value for the period ended 30 June 2024 were as follows:

	Balance beginning 1 January 2024 (unaudited)	Realised gains/ (losses)[a] (unaudited)	Change in Unrealised gains/ (losses)[a] (unaudited)	Purchases (unaudited)	Sales (unaudited)	Transfers into/ (from) Level 3[b] (unaudited)	Ending balance 30 June 2024 (unaudited)
Assets (at fair value)							
Investments in securities							
Common stocks	904,339	–	(45,473)	–	–	–	858,866
Convertible preferred stocks	73,189,264	–	43,567,395	46,594,935	–	(3,411,345)	159,940,249
Convertible notes	7,983,390	–	(1,941,167)	5,508,365	–	–	11,550,588
Total investments in securities	**82,076,993**	**–**	**41,580,755**	**52,103,300**	**–**	**(3,411,345)**	**172,349,703**
Derivative contracts							
Warrants	697,472	–	97,250	–	–	–	794,722
Contingent value rights	541,706	–	(190,167)	466,420	–	–	817,959
Total derivative contracts	**1,239,178**	**–**	**(92,917)**	**466,420**	**–**	**–**	**1,612,681**

Changes in Level 3 assets and liabilities measured at fair value for the year ended 31 December 2023 were as follows:

	Balance beginning 1 January 2023 (audited)	Realised gains/ (losses)[a] (audited)	Change in Unrealised gains/ (losses)[a] (audited)	Purchases (audited)	Sales (audited)	Transfers into/ (from) Level 3[c] (audited)	Ending balance 31 December 2023 (audited)
Assets (at fair value)							
Investments in securities							
Common stocks	3,364,557	–	(304,109)	–	–	(2,156,109)	904,339
Convertible preferred stocks	57,932,949	–	6,114,014	7,595,169	–	1,547,132	73,189,264
Convertible notes	10,052,833	–	(1,329,981)	11,536,901	–	(12,276,363)	7,983,390
Total investments in securities	**71,350,339**	**–**	**4,479,924**	**19,132,070**	**–**	**(12,885,340)**	**82,076,993**
Derivative contracts							
Warrants	476,911	–	21,813	321,257	–	(122,509)	697,472
Contingent value rights	–	–	541,706	–	–	–	541,706
Total derivative contracts	**476,911**	**–**	**563,519**	**321,257**	**–**	**(122,509)**	**1,239,178**

(a) Realised and unrealised gains and losses are included in net realised and change in unrealised gain/(loss) on investments, derivatives and foreign currency transactions in the unaudited interim consolidated statement of operations.
(b) Conversions of preferred stock into common stock.
(c) Includes conversion of convertible bonds into convertible preferred stock and convertible notes.

2. Fair value measurements (continued)

Changes in Level 3 unrealised gains and losses during the period for assets still held at period end were as follows:

	30 June 2024 (unaudited)	31 December 2023 (audited)
Common stocks	(45,473)	116,949
Convertible notes	(1,941,167)	(919,115)
Convertible preferred stocks	43,755,552	6,199,338
Contingent value rights	(190,167)	541,706
Warrants	97,250	21,813
Change in unrealised gains and losses during the period for assets still held at period end	**41,675,995**	**5,960,691**

Total realised gains and losses and unrealised gains and losses in the Group's investment in securities, derivative contracts and securities sold short are made up of the following gain and loss elements:

	30 June 2024 (unaudited)	31 December 2023 (audited)
Realised gains	50,077,664	127,739,248
Realised losses	(34,684,625)	(60,622,155)
Net realised gain on securities, derivative contracts and securities sold short	**15,393,039**	**67,117,093**

	30 June 2024 (unaudited)	31 December 2023 (audited)
Change in unrealised gains	192,910,829	132,672,225
Change in unrealised losses	(118,166,245)	(111,833,730)
Net change in unrealised gain/(loss) on securities, derivative contracts and securities sold short	**74,744,584**	**20,838,495**

As at 30 June 2024, the Group had commitments (subject to completion of certain parameters) to certain investments totalling $20,587,384 (31 December 2023: $59,732,160), which was mainly comprised of a $14,525,190 commitment to an existing portfolio company for a second tranche investment.

3. Due to/from brokers

Due to/from brokers includes cash balances held with brokers and collateral on derivative transactions. Amounts due from brokers may be restricted to the extent that they serve as deposits for securities sold short or cash posted as collateral for derivative contracts.

As at 30 June 2024, due from brokers totalled $52,834,678 (31 December 2023: $57,887,214). Included within due from brokers is $23,816,175 (31 December 2023: $34,093,785) which can be used for investment. The Group pledged cash collateral to counterparties to over-the-counter derivative contracts of $27,254,447 (31 December 2023: $23,793,429) which is included in due from brokers.

In the normal course of business, substantially all of the Group's securities transactions, money balances, and security positions are transacted with the Group's prime brokers and counterparties, Goldman Sachs & Co. LLC, Cowen Financial Products, LLC, UBS AG, Bank of America Merrill Lynch, Morgan Stanley & Co. LLC, Jefferies & Co. and J.P. Morgan Securities, LLC. The Group is subject to credit risk to the extent any broker with which it conducts business is unable to fulfil contractual obligations on its behalf. The Group's management monitors the financial condition of such brokers and does not anticipate any losses from these counterparties.

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4. Derivative contracts

In the normal course of business, the Group utilises derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Group's derivative activities and exposure to derivative contracts are classified by the primary underlying risk, equity price risk and foreign currency exchange rate risk. In addition to its primary underlying risk, the Group is also subject to additional counterparty risk due to the inability of its counterparties to meet the terms of their contracts.

Warrants

The Group may receive warrants from its portfolio companies upon an investment in the debt or equity of a portfolio company. The warrants provide the Group with exposure and potential gains upon equity appreciation of the portfolio company's share price.

The value of a warrant has two components: time value and intrinsic value. A warrant has a limited life and expires on a certain date. As time to the expiration date of a warrant approaches, the time value of a warrant will decline. In addition, if the stock underlying the warrant declines in price, the intrinsic value of an "in the money" warrant will decline. Further, if the price of the stock underlying the warrant does not exceed the strike price of the warrant on the expiration date, the warrant will expire worthless. As a result, there is the potential for the Group to lose its entire investment in a warrant.

The Group is exposed to counterparty risk from the potential failure of an issuer of warrants to settle its exercised warrants. The maximum risk of loss from counterparty risk to the Group is the fair value of the contracts and the purchase price of the warrants. The Group considers the effects of counterparty risk when determining the fair value of its investments in warrants.

Equity swap contracts

The Group is subject to equity price risk in the normal course of pursuing its investment objectives. The Group may enter into equity swap contracts either to manage its exposure to the market or certain sectors of the market, or to create exposure to certain equities to which it is otherwise not exposed.

Equity swap contracts involve the exchange by the Group and a counterparty of their respective commitments to pay or receive a net amount based on the change in the fair value of a particular security or index and a specified notional amount.

Contingent value rights

The Group may receive contingent value rights during mergers, acquisitions, or divestitures. Contingent value rights are designed to provide the Group with additional compensation or benefits contingent upon the occurrence of specific future events, such as regulatory approvals, milestones related to product development or commercialization, or the achievement of certain financial targets. Contingent value rights are subject to the uncertainty of payout, as their value hinges on the occurrence of specific events. The Group considers the uncertainty when determining the fair value of its investments in contingent value rights.

Volume of derivative activities

The Group considers the average month-end notional amounts during the period, categorised by primary underlying risk, to be representative of the volume of its derivative activities during the period ended 30 June 2024:

	30 June 2024 (unaudited)		31 December 2023 (audited)	
	Long exposure	Short exposure	Long exposure	Short exposure
Primary underlying risk	Notional amounts	Notional amounts	Notional amounts	Notional amounts
Equity price				
Warrants[a]	68,437,147	–	3,963,562	–
Equity swaps	66,482,987	21,726,069	64,032,939	56,046,951
Contingent value rights	2,371,054	–	541,706	–
	137,291,188	**21,726,069**	**68,538,207**	**56,046,951**

(a) Notional amounts presented for warrants are based on the fair value of the underlying shares as if the warrants were exercised at each respective month end date.

4. Derivative contracts (continued)

Impact of derivatives on the unaudited interim consolidated statement of assets and liabilities and unaudited interim consolidated statement of operations

The following tables identify the fair value amounts of derivative instruments included in the unaudited interim consolidated statement of assets and liabilities as derivative contracts, categorised by primary underlying risk, at 30 June 2024 and 31 December 2023. The following table also identifies the gain and loss amounts included in the unaudited interim consolidated statement of operations as net realised gain/(loss) on derivative contracts and net change in unrealised gain/(loss) on derivative contracts, categorised by primary underlying risk, for the period ended 30 June 2024 and 30 June 2023.

	30 June 2024 (unaudited)			
Primary underlying risk	Derivative assets	Derivative liabilities	Realised gain/(loss)	Change in unrealised gain/(loss)
Equity price				
Warrants	110,639,691	–	(19,848)	51,901,210
Equity swaps	20,552,050	9,794,166	5,175,290	11,672,409
Contingent value rights	817,959	–	–	(190,167)
	132,009,700	**9,794,166**	**5,155,442**	**63,383,452**

	31 December 2023 (audited)		30 June 2023 (unaudited)	
Primary underlying risk	Derivative assets	Derivative liabilities	Realised gain/(loss)	Change in unrealised gain/(loss)
Equity price				
Equity swaps	7,475,802	8,390,327	(543,767)	(1,179,476)
Warrants	7,446,312	–	(372)	(790,532)
Contingent value rights	541,706	–	–	541,706
	15,463,820	**8,390,327**	**(544,139)**	**(1,428,302)**

5. Securities lending agreements

The Group has entered into securities lending agreements with its prime brokers. From time to time, the prime brokers lend securities on the Group's behalf. As of 30 June 2024 and 31 December 2023, no securities were loaned and no collateral was received.

6. Offsetting assets and liabilities

The Group is required to disclose the impact of offsetting assets and liabilities represented in the unaudited interim consolidated statement of assets and liabilities to enable users of the unaudited interim consolidated financial statements to evaluate the effect or potential effect of netting arrangements on its financial position for recognised assets and liabilities. These recognised assets and liabilities are financial instruments and derivative instruments that are either subject to an enforceable master netting arrangement or similar agreement or meet the following right of setoff criteria: the amounts owed by the Group to another party are determinable, the Group has the right to offset the amounts owed with the amounts owed by the other party, the Group intends to offset and the Group's right of setoff is enforceable by law.

As of 30 June 2024 and 31 December 2023, the Group held financial instruments and derivative instruments that were eligible for offset in the unaudited interim consolidated statement of assets and liabilities and are subject to a master netting arrangement. The master netting arrangement allows the counterparty to net applicable collateral held on behalf of the Group against applicable liabilities or payment obligations of the Group to the counterparty. These arrangements also allow the counterparty to net any of its applicable liabilities or payment obligations they have to the Group against any collateral sent to the Group.

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6. Offsetting assets and liabilities (continued)

As discussed in Note 1, the Group has elected not to offset assets and liabilities in the unaudited interim consolidated statement of assets and liabilities. The following table presents the potential effect of netting arrangements for asset derivative contracts presented in the unaudited interim consolidated statement of assets and liabilities:

				30 June 2024 (unaudited) Gross amounts not offset in the unaudited interim consolidated statement of assets and liabilities		
Description	Gross amounts of recognised assets	Gross amounts offset in the unaudited interim consolidated statement of assets and liabilities	Gross amounts of recognised assets	Financial instruments[(a)]	Cash collateral received[(b)]	Net amount
Equity swaps						
Cowen Financial Products, LLC	16,501,383	–	16,501,383	(6,539,726)	–	9,961,657
Morgan Stanley & Co. LLC	2,206,495	–	2,206,495	(1,199,055)	–	1,007,440
Bank of America Merrill Lynch	1,288,543	–	1,288,543	(934,530)	–	354,013
Jefferies & Co.	555,629	–	555,629	(555,629)	–	–
	20,552,050	**–**	**20,552,050**	**(9,228,940)**	**–**	**11,323,110**

				31 December 2023 (audited) Gross amounts not offset in the consolidated statement of assets and liabilities		
Description	Gross amounts of recognised assets	Gross amounts offset in the consolidated statement of assets and liabilities	Gross amounts of recognised assets	Financial instruments[(a)]	Cash collateral received[(b)]	Net amount
Equity swaps						
Cowen Financial Products, LLC	6,235,319	–	6,235,319	(286,396)	–	5,948,923
Jefferies & Co.	1,058,293	–	1,058,293	(758,677)	–	299,616
Morgan Stanley & Co. LLC	129,527	–	129,527	(129,527)	–	–
Bank of America Merrill Lynch	52,663	–	52,663	(52,663)	–	–
	7,475,802	**–**	**7,475,802**	**(1,227,263)**	**–**	**6,248,539**

(a) Amounts related to master netting agreements (e.g. ISDA), determined by the Group to be legally enforceable in the event of default and if certain other criteria are met in accordance with applicable offsetting accounting guidance but were not offset due to management's accounting policy election.

(b) Amounts related to master netting agreements and collateral agreements determined by the Group to be legally enforceable in the event of default, but certain other criteria are not met in accordance with applicable offsetting accounting guidance. The collateral amounts may exceed the related net amounts of financial assets and liabilities presented in the unaudited interim consolidated statement of assets and liabilities. If this is the case, the total amount reported is limited to the net amounts of financial assets and liabilities with that counterparty.

6. Offsetting assets and liabilities (continued)

The following tables present the potential effect of netting arrangements for liability derivative contracts presented in the unaudited interim consolidated statement of assets and liabilities as of 30 June 2024 and audited consolidated statement of assets and liabilities 31 December 2023:

				30 June 2024 (unaudited) Gross amounts not offset in the unaudited interim consolidated statement of assets and liabilities		
Description	Gross amounts of recognised liabilities	Gross amounts offset in the unaudited interim consolidated statement of assets and liabilities	Gross amounts of recognised liabilities	Financial instruments(a)	Cash collateral pledged(b)	Net amount
Equity swaps						
Cowen Financial Products, LLC	6,539,726	–	6,539,726	(6,539,726)	–	–
Morgan Stanley & Co. LLC	1,199,055	–	1,199,055	(1,199,055)	–	–
Jefferies & Co.	1,120,855	–	1,120,855	(555,629)	(565,226)	–
Bank of America Merrill Lynch	934,530	–	934,530	(934,530)	–	–
	9,794,166	**–**	**9,794,166**	**(9,228,940)**	**(565,226)**	**–**

				31 December 2023 (audited) Gross amounts not offset in the consolidated statement of assets and liabilities		
Description	Gross amounts of recognised liabilities	Gross amounts offset in the consolidated statement of assets and liabilities	Gross amounts of recognised liabilities	Financial instruments(a)	Cash collateral pledged(b)	Net amount
Equity swaps						
Bank of America Merrill Lynch	4,382,764	–	4,382,764	(52,663)	(4,320,957)	9,144
Morgan Stanley & Co. LLC	2,962,490	–	2,962,490	(129,527)	(2,832,963)	–
Jefferies & Co.	758,677	–	758,677	(758,677)	–	–
Cowen Financial Products, LLC	286,396	–	286,396	(286,396)	–	–
	8,390,327	**–**	**8,390,327**	**(1,227,263)**	**(7,153,920)**	**9,144**

(a) Amounts related to master netting agreements (e.g. ISDA), determined by the Group to be legally enforceable in the event of default and if certain other criteria are met in accordance with applicable offsetting accounting guidance but were not offset due to management's accounting policy election.

(b) Amounts related to master netting agreements and collateral agreements determined by the Group to be legally enforceable in the event of default, but certain other criteria are not met in accordance with applicable offsetting accounting guidance. The collateral amounts may exceed the related net amounts of financial assets and liabilities presented in the unaudited interim consolidated statement of assets and liabilities. If this is the case, the total amount reported is limited to the net amounts of financial assets and liabilities with that counterparty.

7. Securities sold short

The Group is subject to certain inherent risks arising from its investing activities of selling securities short. The ultimate cost to the Group to acquire these securities may exceed the liability reflected in these unaudited interim consolidated financial statements.

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8. Risk factors

Some underlying investments may be deemed to be highly speculative investments and are not intended as a complete investment program. The Group is designed only for sophisticated persons who are able to bear the economic risk of the loss of their entire investment in the Group and who have a limited need for liquidity in their investment. The following risks are applicable to the Group:

Market risk

Certain events particular to each market in which Portfolio Companies conduct operations, as well as general economic and political conditions, may have a significant negative impact on the operations and profitability of the Group's investments and/or on the fair value of the Group's investments. Such events are beyond the Group's control, and the likelihood they may occur and the effect on the Group cannot be predicted. The Group intends to mitigate market risk generally by investing in Medtech and Biotech Companies in various geographies.

Portfolio Company products are subject to regulatory approvals and actions with new drugs, medical devices and procedures being subject to extensive regulatory scrutiny before approval, and approvals can be revoked.

The market value of the Group's holdings in public Portfolio Companies could be affected by a number of factors, including, but not limited to: a change in sentiment in the market regarding the public Portfolio Companies, the market's appetite for specific asset classes; and the financial or operational performance of the public Portfolio Companies.

The size of investments in public Portfolio Companies or involvement in management may trigger restrictions on buying or selling securities. Laws and regulations relating to takeovers and inside information may restrict the ability of the Group to carry out transactions, or there may be delays or disclosure requirements before transactions can be completed.

Equity prices and returns from investing in equity markets are sensitive to various factors, including but not limited to: expectations of future dividends and profits; economic growth; exchange rates; interest rates; and inflation.

Biotech/healthcare companies

The Portfolio Companies are biotechnology and medical technology companies, which are generally subject to greater governmental regulation than other industries at both the state and federal levels. Changes in governmental policies may have a material effect on the demand for or costs of certain products and services.

Any failure by a Portfolio Company to develop new technologies or to accurately evaluate the technical or commercial prospects of new technologies could result in it failing to achieve a growth in value and this could have a material adverse effect on the Group's financial condition.

Portfolio Companies may not successfully translate promising scientific theory into a commercially viable business opportunity. Further, the Portfolio Companies' therapies in development may fail clinical trials and therefore no longer be viable.

Portfolio Company products are subject to intense competition and there are many factors that will affect whether the new therapies released by the Portfolio Companies gain market share against competitors and existing therapies.

Portfolio Companies may be newer small and mid-size Medtech and Biotech Companies. These companies may be more volatile and have less experience and fewer resources than more established companies.

Concentration risk

The Group may not make an investment or a series of investments in a Portfolio Company that result in the Group's aggregate investment in such Portfolio Company exceeding 15 per cent. of the Group's gross assets, save for Rocket for which the limit is 25 per cent. as stated in the Group's Prospectus. Each of these investment restrictions will be calculated as at the time of investment. As such, it is possible that the Group's portfolio may be concentrated at any given point in time, potentially with more than 15 per cent. of gross assets held in one Portfolio Company as Portfolio Companies increase or decrease in value following such initial investment. The Group's portfolio of investments may also lack diversification among Medtech and Biotech Companies and related investments.

Concentration of credit risk

In the normal course of business, the Group maintains its cash balances in financial institutions, which at times may exceed US federal or UK insured limits, as applicable. The Group is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfil contractual obligations on its behalf. Management monitors the financial condition of such financial institutions and does not anticipate any losses from these counterparties.

Counterparty risk

The Group invests in equity swaps and takes the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty, the risk of settlement default, and generally, the risk of the inability of counterparties to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

In an effort to mitigate such risks, the Group will attempt to limit its transactions to counterparties which are established, well capitalised and creditworthy.

8. Risk factors (continued)

Liquidity risk

Liquidity risk is the risk that the Group cannot meet its financial commitments as they fall due. The Group's unquoted investments may have limited or no secondary market liquidity so the Investment Manager maintains a sufficient balance of cash and market quoted securities which can be sold if needed to meet its commitments.

The Group's investments in quoted securities may also be subject to sale restrictions on listing and when the Investment Manager is subject to close periods or privy to confidential information by virtue of their active involvement in the management of portfolio companies.

Derivative transactions may not be liquid in all circumstances, such that in volatile markets it may not be possible to close out a position without incurring a loss. The illiquidity of the derivatives markets may be due to various factors, including congestion, disorderly markets, limitations on deliverable supplies, the participation of speculators, government regulation and intervention, and technical and operational or system failures.

Foreign exchange risk

The Group will make investments in various jurisdictions in a number of currencies and will be exposed to the risk of currency fluctuations that may materially adversely affect, amongst other things, the value of the Portfolio Company or the Group's investment in such Portfolio Company, or any distributions received from the Portfolio Company. Under its investment policy, the Group does not intend to enter into any securities or financially engineered products designed to hedge portfolio exposure or mitigate portfolio risk as a core part of its investment strategy.

9. Share capital

During the period ended 30 June 2024, the Company share activity was as follows:

	30 June 2024 (unaudited)	30 June 2024 (unaudited)	31 December 2023 (audited)	31 December 2023 (audited)
	Number of Ordinary Shares	Number of Treasury Shares	Number of Ordinary Shares	Number of Treasury Shares
As at 1 January	210,635,347	1,753,791	212,389,138	–
Share issuance	133,578,302	–	–	–
Share buyback	(8,500,000)	8,500,000	(1,753,791)	1,753,791
As at 30 June/31 December	**335,713,649**	**10,253,791**	**210,635,347**	**1,753,791**

During the period ended 30 June 2024, the Company bought back 8,500,000 (31 December 2023: 1,753,791) Ordinary Shares at an average price of US$1.33 (31 December 2023: $1.19) for a total cost of US$11,340,306 (31 December 2023: $2,093,411), including transaction costs of $22,681 (31 December 2023: $4,178). At the date of approval of these consolidated financial statements, all 10,253,791 of repurchased Ordinary Shares were held as treasury shares (31 December 2023: 1,753,791).

During the period ended 30 June 2024, the Company issued 181,901,165 new shares to facilitate the acquisition of Arix Bioscience plc in an all-share transaction for $246,476,079 with associated issuance costs of $6,473,897. Of the 181,901,165 new shares, 48,322,863, with a value of $59,221,117, were issued to the Group as existing shareholders of Arix Bioscience plc, and were subsequently cancelled. The details around this transaction are further disclosed within the unaudited interim consolidated statement of cash flows and within Note 1.

Ordinary Shares carry the right to receive all income of the Company attributable to the Ordinary Shares and to participate in any distribution of such income made by the Company. Such income shall be divided pari passu among the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.

Ordinary Shares shall carry the right to receive notice of and attend and vote at any general meeting of the Company, and at any such meeting on a show of hands, every holder of Ordinary Shares present in person (includes present by attorney or by proxy or, in the case of a corporate member, by duly authorised corporate representative) and entitled to vote shall have one vote, and on a poll, subject to any special voting powers or restrictions, every holder of Ordinary Shares present in person or by proxy shall be entitled to one vote for each Ordinary Share, or fraction of an Ordinary Share, held.

On 1 December 2022, the Performance Allocation Share held by RTW Venture Performance LLC was surrendered in exchange for a New Performance Allocation Share issued by the Subsidiary. The New Performance Allocation Share issued by the Subsidiary has identical terms to the original Performance Allocation Share issued by the Company. From 1 December 2022, the Performance Allocation Amount is now allocated at the Subsidiary level, and is presented in the Group's financial statements as part of the Non-Controlling Interest. The sole New Performance Allocation Share is held by RTW Venture Performance LLC. As at 30 June 2024, there were no Performance Allocation Shares of the Company in issue (31 December 2023: nil) and one New Performance Allocation Share of the Subsidiary in issue (31 December 2023: one).

New Performance Allocation Shares of the Subsidiary carry the right to receive, and participate in, any dividends or other distributions of the Subsidiary available for dividend or distribution. New Performance Allocation Shares are not entitled to receive notice of, to attend or to vote at general meetings of the Company or the Subsidiary.

For all share classes, subject to compliance with the solvency test set out in the Companies Law, the Board may declare and pay such annual or interim dividends and distributions as appear to be justified by the position of the Group. The Board may, in relation to any dividend or distribution, direct that the dividend or distribution shall be satisfied wholly or partly by the distribution of assets, and in particular of paid-up shares or reserves of any nature as approved by the Group.

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10. Related party transactions

Management Fee

The Investment Manager receives a monthly management fee, in advance, as of the beginning of each month in an amount equal to 0.104% (1.25% per annum) of the net assets of the Group (the "Management Fee"). For purposes of determining the Management Fee, private investments will be valued at the fair value. The Management Fee will be prorated for any period that is less than a full month. The Management Fees charged for the period ended 30 June 2024 amounted to $3,436,352 (period ended 30 June 2023: $2,115,840) of which $nil (31 December 2023: $nil) was outstanding at the period end.

Performance Allocation

The Performance Allocation Share held by RTW Venture Performance LLC was surrendered in exchange for a New Performance Allocation Share issued by the Subsidiary. The New Performance Allocation Share issued by the Subsidiary has identical terms to the original Performance Allocation Share issued by the Company.

In respect of each Performance Allocation Period, the Performance Allocation Amount shall be allocated at the Subsidiary level and disclosed on the Group's financial statements within the Non-Controlling Interest, subject to the satisfaction of a hurdle condition.

The Performance Allocation Amount relating to the Performance Allocation Period, which is calculated solely at the Subsidiary, is an amount equal to:

((A-B) x C) x 20 per cent.
where:
A is the Adjusted Net Asset Value per Ordinary Share on the Calculation Date, adjusted by:
adding back (i) the total net Distributions (if any) per Ordinary Share (whether paid, or declared but not yet paid) during the Performance Allocation Period; and (ii) any accrual for the Performance Allocation for the current Performance Allocation Period reflected in the Net Asset Value per Ordinary Share; and deducting any accretion in the Net Asset Value per Ordinary Share resulting from either the issuance of Ordinary Shares at a premium or the repurchase or redemption of Ordinary Shares at a discount during the Performance Allocation Period;

B is the Adjusted Net Asset Value per Ordinary Share at the start of the Performance Allocation Period; and

C is the time weighted average number of Ordinary Shares in issue during the Performance Allocation Period.

The Hurdle Amount represents an 8 per cent. annualised compounded rate of return in respect of the Adjusted Net Asset Value per Ordinary Share from the start of the initial Performance Allocation Period through the then current Performance Allocation Period.

The Performance Allocation Share Class can elect to receive the Performance Allocation Amount in Ordinary Shares, cash, or a mixture of the two, subject to a minimum 50% as Ordinary Shares. The Performance Allocation Share Class entered into a letter agreement dated 21 April 2020, pursuant to which the Performance Allocation Share Class agreed to defer distributions of Ordinary Shares that would otherwise be distributed to the Performance Allocation Share Class no later than 30 business days after the publication of the Group's audited annual consolidated financial statements. Under that letter agreement, such Ordinary Shares shall be distributed to the Performance Allocation Share Class at such time or times as determined by the Boards of Directors of the Group.

The Group will increase or decrease the amount owed to the Performance Allocation Share Class based on its investment exposure to the Group's performance had such Performance Ordinary Shares been so issued. The Performance Allocation Amount for the period ended 30 June 2024 includes the residual, undistributed Performance Allocation Amounts from prior years that were previously converted into a total of 14,228,208 Notional Ordinary Shares. These Notional Ordinary Shares are subject to market risk alongside the Ordinary Shares and incurred a mark to market gain of $840,033 in 2024 (31 December 2023: mark to market gain of $5,137,836), which is included in Performance Allocation within the unaudited interim consolidated statement of changes in net assets. There was a reversal of uncrystallized performance allocation from Ordinary Shareholders to the Performance Allocation Share Class of $1,683,789 related to the Group's performance in the period (31 December 2023: allocation of $2,756,842).

10. Related party transactions (continued)

Performance Allocation (continued)

Until the Group makes a distribution of Ordinary Shares to the Performance Allocation Share Class, the Group will have an unsecured discretionary obligation to make such distribution at such time or times as the Board of Directors of the Group determines. RTW Venture Performance LLC has agreed to the deferral of the distributions of the Subsidiary's Ordinary Shares in connection with its own tax planning. The Group does not believe that the deferral of such distributions to the Performance Allocation Share Class will have any negative effects on holders of Ordinary Shares.

RTW Venture Performance LLC, an affiliate of the Investment Manager is a member of the Performance Allocation Share Class and will therefore receive a proportion of the Performance Allocation Amount. For the period ended 30 June 2024, the Board did not approve a cash distribution to the Performance Allocation Share Class (period ended 30 June 2023: $nil). At the period end, the Performance Allocation Share Class of the Subsidiary is reflected within the Non-Controlling Interest balance of $28,895,390 (31 December 2023: $29,739,146).

The Investment Manager is also refunded any research costs incurred on behalf of the Group.

On 6 July 2023, the Group signed a $25,000,000 commitment to 4010 Royalty Fund, a private fund created and managed by RTW Investments, LP. The Group subsequently funded $23,892,852 of this commitment on 20 July 2023 and had a remaining commitment of $1,107,148 at 30 June 2024. No management or performance fees are charged to the Group at the 4010 Royalty Fund.

Director fees and interests

One of the Directors of the Group, Stephanie Sirota, is also a partner and the Chief Business Officer of the Investment Manager.

As at 30 June 2024, the number of Ordinary Shares held by each Director was as follows:

	30 June 2024 (unaudited)	31 December 2023 (audited)
	Number of Ordinary Shares	Number of Ordinary Shares
William Simpson	200,000	200,000
Paul Le Page	128,000	128,000
William Scott	400,000	350,000
Stephanie Sirota	1,010,000	1,010,000

Roderick Wong is a major shareholder and a member of the Investment Manager. Roderick Wong serves on the boards of the following investments: Rocket, Ji Xing, and Yarrow Biotechnology. As at 30 June 2024, he held 38,636,606 Ordinary Shares in the Group (11.51% of the Ordinary Shares in issue) (31 December 2023: 29,693,872, 14.10% of the Ordinary Shares in issue).

The total Directors' fees expense for the period amounted to $117,976 (30 June 2023: $87,798) of which $67,677 was outstanding at 30 June 2024 (31 December 2023: $50,369) and is included within accrued expenses.

All of the Directors of the Company are also directors of the Subsidiary and each has served since the Subsidiary's incorporation on 23 November 2022.

Incubated Companies

The group invests in RTW incubated companies. Incubated companies are those portfolio companies that are formed and supported by RTW ("Incubated Companies"). Incubated Companies generally are small, emerging companies that are unseasoned, unprofitable and/or have no established operating history or earnings. These companies may also lack technical, marketing, financial and other resources or may be dependent upon the success of one product or service or the effectiveness of RTW and its management team.

Employees of RTW and employees of certain RTW affiliates are expected to serve as executives, officers, directors, members, consultants or employees of such companies. These individuals are eligible for compensation in the Incubated Companies in the form of founder shares or other forms of company securities. Certain RTW employees who perform specific executive functions for such Incubated Companies may also receive cash compensation directly or indirectly from those companies. For the avoidance of doubt, these employees do not receive such compensation from both RTW and the Incubated Company. These employees receive 100% of their compensation from RTW and RTW charges back to the Incubated Company for the applicable percentage of their time spent on executive functions at the Incubated Company. Employees of RTW and employees of certain RTW affiliates may also receive compensation in the form of stock options or other securities from certain Incubated Companies in connection with their delivery of specified products, research and consulting services. RTW believes this is an effective way to align incentives and motivate employees, while reducing the financial burden on the newly Incubated Companies by minimizing the need to hire external employees.

11. Administrative services

Elysium Fund Management Limited ("EFML") serves as Administrator to the Group, providing administration, corporate secretarial, corporate governance and compliance services. Morgan Stanley Fund Services USA LLC ("MSFS") serves as the Group's Sub-Administrator.

During the period ended 30 June 2024, EFML and MSFS charged administration fees of $185,359 and $171,337 respectively (period ended 30 June 2023: EFML charged $82,054 and MSFS charged $117,860), of which $31,769 and $123,028 (31 December 2023: EFML $18,465, MSFS $94,250) were outstanding at 30 June 2024, and were included within accrued expenses.

Notes to the Unaudited Interim Consolidated Financial Statements (continued)
For the six month period ended 30 June 2024
(Expressed in United States Dollars)

12. Financial highlights

Financial highlights for the six month period ended 30 June 2024, six month period ended 30 June 2023 and year ended 31 December 2023 are as follows:

	30 June 2024 (unaudited)	30 June 2023 (unaudited)	31 December 2023 (audited)
Per Ordinary Share operating performance			
Net Asset Value, beginning of period/year	$ 1.90	$ 1.54	$ 1.54
Issuance of Ordinary Shares	(0.23)	–	–
Share buybacks	0.03	–	–
Income from investments			
Net investment income/(loss)	(0.01)	(0.01)	(0.02)
Net realised and unrealised gain/(loss) on securities, derivatives and foreign currency transactions	0.26	0.16	0.42
Income/(loss) attributable to Non-Controlling Interest	0.00	(0.01)	(0.04)
Total from investment operations	**0.25**	**0.14**	**0.36**
Net Asset Value, end of period/year	**$1.95**	**$1.68**	**$1.90**
Total return			
Total return before Performance Allocation	2.49%	9.34%	24.27 %
Performance Allocation (excluding mark to market)	0.50%	- %	(0.80) %
Total return after Performance Allocation	**2.99%**	**9.34%**	**23.47 %**
Ratios to average net assets*			
Expenses	1.28 %	1.34 %	2.58 %
Performance Allocation (including mark to market)	(0.15) %	- %	2.28 %
Expenses and Performance Allocation	**1.13 %**	**1.34 %**	**4.86 %**
Net investment income/(loss)	(0.76) %	(0.79) %	(1.38) %
NAV total return for the period/year	**2.99 %**	**9.34 %**	**23.47 %**

* Ratios are not annualised.

Financial highlights are calculated for Ordinary Shares. An individual shareholder's financial highlights may vary based on the timing of capital share transactions. Net investment income/loss does not reflect the effects of the Performance Allocation.

13. Subsequent events

Effective 11 July 2024, the Company appointed Baroness Nicola Blackwood to the Board of Directors as an independent, Non-Executive Director.

These unaudited interim consolidated financial statements were approved by the Board of Directors on 12 September 2024. Subsequent events have been evaluated through this date.

Listing of portfolio company abbreviations used throughout this report

Shorthand Company Name	Legal Company Name
89Bio	89Bio, Inc.
Abdera	Abdera Therapeutics, Inc.
Acelyrin	Acelyrin, Inc.
Alcyone	Alcyone Therapeutics, Inc.
Akero	Akero Therapeutics, Inc.
Allurion	Allurion Technologies, Inc.
Amplyx	Amplyx Pharmaceuticals, Inc.
Ancora	Ancora Heart, Inc.
Apogee	Apogee Therapeutics, Inc.
Artios	Artios Pharma, Inc.
Artiva	Artiva Biotherapeutics, Inc.
Athira	Athira Pharma, Inc.
Avidity	Avidity Biosciences, Inc.
Basking	Basking Biosciences, Inc.
BioAge Labs	BioAge Labs, Inc.
Biomea	Biomea Fusion, Inc.
C4 Therapeutics	C4 Therapeutics, Inc.
Cargo	Cargo Therapeutics, Inc.
CinCor	CinCor Pharma, Inc.
Depixus	Depixus SAS
Encoded	Encoded Therapeutics, Inc.
Ensoma	Ensoma, Inc.
Evoimmune	Evoimmune, Inc.
Frequency	Frequency Therapeutics, Inc.
GH Research	GH Research PLC
Hercules	Hercules CM NewCo
HSAC2	Health Sciences Acquisition Corporation 2
Immunocore	Immunocore Limited
InBrace	Swift Health, Inc.
Iteos	iTeos Therapeutics, Inc.
Ji Xing or JIXING	Ji Xing Pharmaceuticals Limited
Kyverna	Kyverna Therapeutics, Inc.
Landos	Landos Biopharma, Inc.
Lenz	Lenz Therapeutics
Lycia	Lycia Therapeutics, Inc.
Magnolia	Magnolida Medical Technologies, Inc.
Merus	Merus N.V.
Milestone	Milestone Pharmaceuticals, Inc.
Mineralys	Mineralys Therapeutics, LLC
Mirador	Mirador Therapeutics, Inc.
Monte Rosa	Monte Rosa Therapeutics, Inc.
Neurogastrx	Neurogastrx, Inc.
Nikang	Nikang Therapeutics, Inc.
Nuance	Nuance Pharma
Numab	Numab Therapeutics, Inc.
Obsidian	Obsidian Therapeutics, Inc.
Orchestra	Orchestra BioMed, Inc.
OriCell	OriCell Therapeutics (Shangha) Co., Ltd

Shorthand Company Name	Legal Company Name
Prometheus	Prometheus Biosciences, Inc.
Prometheus Labs	Prometheus Laboratories, Inc.
Pulmonx	Pulmonx Corporation
Pyxis	Pyxis Oncology, Inc.
Rocket	Rocket Pharmaceuticals, Inc.
RTW Royalty 1	RTW Royalty Holdings LLC (royalty deal for Mavacamten)
RTW Royalty 2	RTW Fund 2 (royalty deal for Jelmyto)
RTW Royalty Fund	4010 Royalty Fund, a private fund created and managed by RTW Investments, LP.
Santa Ana	Santa Ana Bio, Inc.
Sorriso	Sorriso Pharmaceuticals
Tarsus	Tarsus, Pharmaceuticals, Inc.
Tenaya	Tenaya Therapeutics, Inc.
Third Harmonic	Third Harmonic Bio, Inc.
Tourmaline	Tourmaline Bio, Inc.
Umoja	Umoja Biopharma, Inc.
Urogen	Urogen Pharma
Ventyx	Ventyx Biosciences, Inc.
Visus	Visus Therapeutics, Inc.
Yarrow	RTW Holdings LLC

Glossary

Defined Terms

“Adjusted Net Asset Value”	the Net Asset Value adjusted by deducting the unrealised gains and unrealised losses in respect of private Portfolio Companies;
“Administrator”	refers to Elysium Fund Management Limited;
“Admission”	means admission of the Ordinary Shares to trading on the Main Market of the London Stock Exchange on 30 October 2019;
"AIC"	the Association of Investment Companies;
"AIC Code"	the AIC Code of Corporate Governance dated February 2019;
“AIFM”	means Alternative Investment Fund Manager;
“AIFMD”	the Alternative Investment Fund Managers Directive;
“Annual Report”	the Annual Report and audited financial statements;
“Antibody”	a large Y-shaped blood protein that can stick to the surface of a virus, bacteria, or receptor on a cell;
“Antibody-Oligonucleotide Conjugates” or “AOC”	molecules that combine structures of an antibody and an oligo;
“Arix”	Arix Biosciences plc, the company whose assets the Company acquired in February 2024;
“ASCO”	American Society of Clinical Oncology, also the name of the Society’s annual oncology conference;
“Autoimmune diseases”	conditions, where the immune system mistakenly attacks a body tissue;
“Calculation Date”	30 June or, if such date is not a business day, the previous business day;
“Cardiovascular disease”	conditions affecting heart and vascular system;
“Clinical stage” or “clinical trial”	a therapy in development goes through a number of clinical trials to ensure its safety and efficacy. Trials in human subjects range from Phase 1 to Phase 3;
“CNS”	Central Nervous System
“Companies Law”	the Companies (Guernsey) Law, 2008 (as amended);
“the Company”	RTW Biotech Opportunities Ltd (or RTW Bio) is a company incorporated in Guernsey as a closed-ended Investment Company;
“Core portfolio”	includes private companies and public companies that were initially added to the portfolio as private investments and any other position deemed by the Investment Manager to be in the core portfolio;
“Corporate Brokers”	Bank of America and Deutsche Numis;
“Crohn’s Disease”	a condition, in which a part(s) of digestive tract is inflamed;
“CRS”	Common Reporting Standard;
“Danon Disease”	a rare genetic heart condition in children, predominantly boys;
“Directors” or “Board”	the directors of the Company and the Subsidiary as at the date of this document and “Director” means any one of them;
“DTR”	Disclosure Guidance and Transparency Rules of the UK’s FCA;
“EU” or “European Union”	the European Union first established by the treaty made at Maastricht on 7 February 1992;
“Fanconi Anaemia”	a rare genetic blood condition in young children;
“FATCA”	the Foreign Account Tax Compliance Act;
“FCA”	the Financial Conduct Authority;
“FDA”	the United States Food and Drug Administration;
“FRC”	the Financial Reporting Council;
“FTC”	the Federal Trade Commission;
“Gene therapy”	a biotechnology that uses gene delivery systems to treat or prevent a disease;
“Genetic Medicine”	an approach to treat or prevent a disease using gene therapy or RNA medicines;
“GFSC”	the Guernsey Financial Services Commission;
"GFSC Code"	the GFSC Finance Sector Code of Corporate Governance as amended in June 2021;
“Greater China”	encompasses mainland China, Macau, Hong Kong and Taiwan;
“the Group”	the Company and its subsidiaries, RTW Biotech Opportunities Operating Ltd and RTW Biotech UK Ltd;
“HCM” or “Hypertrophic cardiomyopathy”	a cardiovascular disease characterised by an abnormally thick heart muscle;
“ImmTAC®”	bi-specific biologic molecules designed to fight cancer or viral infections;
“Infantile Malignant Osteopetrosis” or “IMO”	a rare genetic bone disease in young children, manifesting in an increased bone density;
“Investigational New Drug” or “IND”	the FDA’s investigational New Drug program is the means by which a pharmaceutical company obtains permission to start human clinical trials;

"Investment Manager"	RTW Investments, LP, also called RTW Investments or RTW;
"IPEV"	the International Private Equity and Venture Capital Valuation (IPEV) Guidelines set out recommendations, intended to represent current best practice, on the valuation of Private Capital Investments;
"IPO"	an initial public offering;
"IRA"	Inflation Reduction Act of 2022;
"IRR"	internal rate of return;
"ISDA"	International Swaps and Derivatives Association;
"Latest Practicable Date"	30 June 2024, being the latest practicable date for valuing an asset for inclusion in this report;
"Lentiviral vector or "LVV"	based gene therapy – a type of viral vector used to deliver a gene;
"Leukocyte adhesion deficiency" or "LAD-I"	a rare genetic disorder of immunodeficiency in young children;
"LifeSci Companies"	companies operating in the life sciences, biopharmaceutical, or medical technology industries;
"Listing Rules"	the listing rules made under section 73A of the Financial Services and Markets Act 2000 (as set out in the FCA Handbook), as amended;
"London Stock Exchange"	London Stock Exchange plc;
"LSE"	London Stock Exchange's main market for listed securities;
"MAGE-A4"	a protein expressed on certain types of tumours;
"Medtech"	medical technology subsector of healthcare;
"Menin"	a target for the treatment development in oncology;
"Merck"	Merck & Co., Inc.;
"MOC"	Multiple on capital is the ratio of realised and unrealised gains divided by the acquisition cost of an investment;
"Multi-omics"	a biological analysis approach in which the data sets are multiple "omes", such as the genome, proteome, transcriptome, epigenome, metabolome, and microbiome;
"Myotonic Dystrophy"	a genetic condition that affects muscle function;
"Nasdaq Biotech" or "NBI"	a stock market index made up of securities of NASDAQ-listed companies classified according to the Industry Classification Benchmark as either the Biotechnology or the Pharmaceutical industry;
"Net Asset Value" or "NAV"	the value of the assets of the Group less its liabilities, calculated in accordance with the valuation guidelines established by the Board;
"New Performance Allocation Shares"	performance allocation shares of no-par value in the capital of the Subsidiary;
"NewCo"	a company conceived and incubated by RTW Investments, LP;
"Notional Ordinary Shares"	Performance Ordinary Shares, in which receipt of such shares has been deferred;
"Official List"	the official list of the UK Listing Authority;
"Oligonucleotides" or "Oligos"	short DNA or RNA molecules that have a wide range of applications in genetic testing and research;
"Omics"	any of several areas of biological study defined by the investigation of the entire complement of a specific type of biomolecule or the totality of a molecular process within an organism. In biology the word omics refers to the sum of constituents within a cell. The omics sciences share the overarching aim of identifying, describing, and quantifying the biomolecules and molecular processes that contribute to the form and function of cells and tissues;
"Oncology"	a therapeutic area focused on diagnosis, prevention, and treatment of cancer;
"Ophthalmic conditions"	conditions affecting the eye;
"Ordinary Shares"	the Ordinary Shares of the Company;
"Other public portfolio"	the portion of the portfolio mostly matching, on a pro-rata basis, the long investments held in our private funds and designed to mitigate the drag of setting aside cash for future deployment into core positions;
"Performance Allocation Shares"	performance allocation shares of no-par value in the capital of the Company (prior to the 1 December 2022 reorganisation), or performance allocation shares of no-par value in the capital of the Subsidiary (with effect from the 1 December 2022 reorganisation);
"Performance Allocation Period"	each period ending on a Calculation Date and beginning on the business day immediately following the last Performance Allocation Period in respect of which a Performance Allocation has been allocated;
"PFIC"	Passive Foreign Investment Company;
"Pilot study"	a small-scale study;
"PIPE"	private investment in a public equity;

Portfolio Companies	private and public companies in the Group's portfolio;
"PRAME"	a cancer-testis antigen (CTA) that is highly expressed in a broad range of solid and hematologic malignancies;
"Premium Segment"	Premium Segment of the Main Market of the London Stock Exchange;
"Prospectus"	the prospectus of the Company, most recently updated on 5 January 2024 and available on the Company's website (www.rtwfunds.com/rtw-biotech-opportunities-ltd);
"Pulmonary conditions"	pathologic conditions that affect lungs;
"Pyruvate Kinase Deficiency" or "PKD"	a rare genetic disorder affecting red blood cells;
"Radiopharmaceuticals"	pharmaceutical consisting of a radioactive compound used in radiation therapy;
"Rare disease"	a disease that affects a small percentage of the population;
"Registrar"	MUFG Pension & Market Services (formerly Link Group);
"RNA medicines"	a type of biotechnology that uses RNA to treat a disease;
"RTW"	RTW Investments, LP, also referred to as the Investment Manager;
"Russell 2000 Biotechnology Index" or "RGUSHSBT"	a stock index of small cap biotechnology and pharmaceutical companies;
"Small molecule"	a compound that can regulate a biologic activity;
"SPAC"	Special Purpose Acquisition Company;
"Sub-Administrator"	Morgan Stanley Fund Services USA LLC;
"the Subsidiary" or "OpCo"	RTW Biotech Opportunities Operating Ltd;
"Tachycardia"	a heart rhythm disorder;
"Type 1 Diabetes" or "TD1"	a type of insulin resistance;
"Total shareholder return"	a measure of shareholders' investment in a company with reference to movements in share price and dividends paid over time;
"UK AIFMD"	refers to a domestic regime of laws regulating the management and marketing of alternative investment funds and fund managers in the UK, which generally maintains the rules set out in the European Union's AIFMD as implemented at the end of the transition period following Brexit;
"UK Code"	the UK Corporate Governance Code 2018 published by the Financial Reporting Council in July 2018;
"UK-Guernsey IGA"	The UK-Guernsey Intergovernmental Agreement for the Automatic Exchange of Information;
"Ulcerative Colitis"	an inflammatory bowel disease that causes sores in the digestive tract;
"US GAAP"	United States Generally Accepted Accounting Principles;
"Uveal melanoma"	a type of eye cancer;
"Valuation Committee"	Valuation Committee of the Investment Manager;
"WACC"	weighted average cost of capital;
"XBI"	the SPDR S&P Biotech ETF;
"XIRR"	an internal rate of return calculated using irregular time intervals.

Alternative Performance Measures

APM	Definition	Purpose	Calculation
Available Cash	Cash held by the Group's Bankers, Prime Broker and an ISDA counterparty.	A measure of the Group's liquidity, working capital and investment level.	Cash and cash equivalents, Due from brokers, Receivable from unsettled trades and other miscellaneous current assets, less Due to brokers, Payable for unsettled trades and other miscellaneous current liabilities on the Statement of Assets & Liabilities.
NAV per Ordinary Share	The Group's NAV divided by the number of Ordinary Shares.	A measure of the value of one Ordinary Share.	The net assets attributable to Ordinary Shares on the statement of financial position (US$356.5 million) divided by the number of Ordinary Shares in issue (212,389,138) as at the calculation date.
Price per share	The Company's closing share price on the London Stock Exchange for a specified date.	A measure of the supply and demand for the Company's shares.	Extracted from the official list of the London Stock Exchange.
NAV Growth	The percentage increase/decrease in the NAV per Ordinary share during the reporting period.	A key measure of the success of the Investment Manager's investment strategy.	The quotient of the NAV per share at the end of the period (US$1.68) and the NAV per share at the beginning of the period (US$1.54) minus one expressed as a percentage.
Share price growth/ Total Shareholder Return	The percentage increase(decrease) in the price per share during the reporting period.	A measure of the return that could have been obtained by holding a share over the reporting period.	The quotient of the price per share at the end of the period (US$1.25) and the price per share at the beginning of the period (US$1.21) minus 1.00 expressed as a percentage. The measure excludes transaction costs.
Share Price Premium/ (Discount)	The amount by which the Ordinary Share price is higher/lower than the NAV per Ordinary Share, expressed as a percentage of the NAV per ordinary share.	A key measure of supply and demand for the Company's shares. A premium implies excess demand versus supply and vice versa.	The quotient of the price per share at the end of the period (US$1.25) and the NAV per share at the end of the period (US$1.68) minus one expressed as a percentage.
Multiple on Invested Capital (MOIC or MOC)	The multiple that measures value that an investment has generated.	A measure to evaluate performance of the realised and unrealised investments.	The ratio between initial capital invested in a portfolio company and current (as of 30 June 2023) value of the investment. It is a gross metric and calculation is performed before fees and incentive.
Extended Internal Rate of Return (XIRR)	The percentage or single rate of return when applied to all transactions in a portfolio company.	A measure of return which is used when multiple investments have been made over time into a portfolio company.	The rate also expressed as a percentage that calculates the returns on the total investment made with increments through a given period (from initial investment date to 30 June 2023).
Ongoing Charges Ratio	The recurring costs that the Group has incurred during the period excluding performance fees and one-off legal and professional fees, expressed as a percentage of the Group's average NAV for the period.	A measure of the minimum gross profit that the Group needs to produce to make a positive return for shareholders.	Calculated in accordance with the AIC methodology detailed at the web link below: https://www.theaic.co.uk/sites/default/files/documents/AICOngoingChargesCalculationMay12.pdf
Leverage	As defined by the AIFMD, any method by which the AIFM increases the exposure of an AIF it manages, whether through borrowing of cash securities, or leverage embedded in derivative positions or by any other means.	A measure of the excess of the Group's investments exposure over its total net assets.	Calculated in accordance with the AIFMD's gross method formula detailed in Article 7 of the Delegated Regulation 231/2013: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32013R0231

General Group Information

Structure	Closed-end Investment Fund
Domicile	Guernsey
Listing	London Stock Exchange, Premium Segment
Launch date	30 October 2019
Dividend policy	To be reinvested
Management fee	1.25%
Performance fee	20% with an 8.0%, annualised and compounded-since-inception, hurdle
ISIN	GG00BKTRRM22
SEDOLs	BKTRRM2 and BNNXVW5
Tickers	RTW (USD) and RTWG (GBP)
LEI	549300Q7EXQQH6KF7Z84
Website	www.rtwfunds.com/rtw-biotech-opportunities-ltd

Schedule of Key Service Providers

Board of Directors
William Simpson (Chair, Chair of Management Engagement Committee, Chair of Sustainability Committee)

Paul Le Page
(Chair of Audit Committee)

William Scott
(Chair of Nomination & Remuneration Committee)

Nicola Blackwood (Independent NED)*

Stephanie Sirota (NED)

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* On 11 July 2024, Baroness Nicola Blackwood was appointed as an independent Non-Executive Director.

** The Group's share registrar, Link Group, was acquired by MUFG in May 2024.

Biotech Opportunities

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