

RTW Venture Fund

Positive newsflow from major fund holding

RTW Venture Fund (RTWVF) is managed by global healthcare specialist RTW Investments (RTW). It has announced that on 7 December 2022 portfolio company Prometheus Biosciences (NASDAQ: RXDX, cap \$4.9bn) reported positive data on two of its clinical trials. At 31 October 2022, which is the date of RTWVF's last published NAV, Prometheus was its third-largest holding, making up c 7.5% of the fund. This company's share price rose by 165.7% on 7 December and by a further 22.4% on 8 December (despite the announcement of an upsized \$500m secondary offering). Prometheus is an example of RTW's long-term, full life cycle investment approach, which supports companies ranging from newco formation to mid-stage venture to pre-initial public offering (IPO) and public markets.

Prometheus is a clinical-stage biotechnology company pioneering a precision medicine approach for the discovery, development and commercialisation of novel therapeutic and companion diagnostic products for the treatment of immune-mediated diseases.

Its lead programme is PRA023, a monoclonal antibody that has been shown to block tumour necrosis factor-like ligand 1A (TL1A), which has the potential to substantially improve outcomes for moderate-to-severe inflammatory bowel disease patients predisposed to increased TL1A expression. Prometheus is developing PRA023 for the treatment of immune-mediated diseases including ulcerative colitis (UC), Crohn's disease (CD) and systemic sclerosis-associated interstitial lung disease.

On 7 December 2022, Prometheus reported results from its ARTEMIS-UC Phase II and APOLLO-CD Phase IIa studies of PRA023 demonstrating strong efficacy and favourable safety results in both studies. The ARTEMIS-UC clinical trial was a 12-week, double-blind, placebo-controlled, randomised study to evaluate the efficacy and safety of PRA023 in patients with moderate-to-severely active UC who have failed conventional or advanced therapy. The APOLLO-CD clinical trial was a 12-week, open-label study that enrolled 55 patients with moderate-to-severely active CD with endoscopically active disease who had failed conventional or biologic therapy. According to Prometheus's chairman and CEO, the performance of PRA023 in both UC and CD patients has surpassed the company's expectations. As a result of these positive data, Prometheus intends to advance PRA023 into Phase III studies for UC and CD in 2023.

RTWVF, along with other funds managed by RTW, participated in a \$130m financing round in Prometheus in November 2020 and then supported the company's IPO in March 2021.

Investment companies Biotechnology and medtech

9 December 2022

Price **\$1.15**
Market cap **\$244m**
Total assets **\$308m**

NAV* \$1.45

Discount to NAV** 20.7%

*At 31 October 2022. **Based on current share price and last published NAV.

Yield 0.0%

Ordinary shares in issue 212.4m

Codes RTW (\$), RTWG (£)

Primary exchange LSE

AIC sector Biotechnology & Healthcare

52-week high/low \$1.79 \$0.97

NAV* high/low \$1.71 \$1.22

*Including income

Fund objective

RTW Venture Fund (RTWVF) was launched on 30 October 2019 and is focused on identifying transformative assets with high growth potential across the biopharmaceutical and medical technology sectors. The portfolio contains private as well as publicly listed companies. RTWVF's performance is measured against an index of small-cap biotech stocks and the NASDAQ Biotechnology Index.

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