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15 January 2026

RTW Biotech Opportunities Ltd
Monthly Valuation Update and Factsheet

RTW Biotech Opportunities Ltd (the "Company") announces that its monthly factsheet and fourth quarter as at 31 December 2025 is now available at <https://www.rtwbio.com/factsheets-letters/>.

The Company's unaudited net asset value attributable to its ordinary shares as at 31 December 2025 was US 2.45 per share, a decrease of -4.2% from the previous month vs -1.9% for the Nasdaq Biotech Index and +0.5% for the Russell 2000 Biotech Index. The Company has delivered +14.5% annualised NAV per ordinary share performance since launch in October 2019.

Top 10 Positions

Holding	Public / Private	% NAV
PTC	Public "PTCT"	11.6%
Corxel	Private	6.2%
Stoke	Public "STOK"	5.2%
UroGen	Public "URGN"	5.0%
Insmed	Public "INSM"	3.9%
Kailera	Private	3.4%
Tarsus	Public "TARS"	2.8%
Immatics	Public "IMTX"	2.7%
argenx	Public "ARGX"	2.2%
Madrigal	Public "MDGL"	1.9%

Top YTD Contributors and Detractors

Holding	% NAV	Contribution
Avidity	0.0%	+9.5%
PTC	11.6%	+5.1%
Stoke	5.2%	+4.9%
Rocket	1.0%	(3.9%)
Artios	1.6%	(2.9%)
Dyne	0.0%	(1.9%)

Note: % NAV as at period end based on economic exposure.

Company Update

Following a series of successful M&A transactions across the portfolio, on 20 October the Company announced an additional 15 million allocation to NAV-accretive share buybacks under the Capital Allocation Plan. This decision reflects the material gains arising from recent portfolio take-outs and the continued demonstration of value within the Company's public and private assets. The new allocation is incremental to the previously announced 30 million programme, of which 24.2 million was deployed and 5.8 million remained outstanding at the point of announcement.

The Company's Capital Allocation Plan remains unchanged, anchored in the core objective of long-term capital growth while recognising that maintaining sufficient liquidity is critical to protect and grow value in our portfolio companies over time. We believe that the sector is likely now entering the second inning of a new cyclical bull market, with net flows and generalist investors returning. This is an ideal time to deploy investors' capital into exciting opportunities at an attractive value inflection point.

The Company held its first webinar exclusively for existing and potential retail shareholders on 2 December. It was presented by the chair of the Company, William Simpson, along with Woody Stileman and Oliver Kenyon of RTW Investments. The webinar recording can be found on the Company's website.

On 4 December, the Company's Ordinary Shares were included in the FTSE 250 Index. This follows their inclusion in the FTSE All-Share Index on 22 September. We believe that inclusion in the FTSE 250 Index is likely to further enhance liquidity in our shares, deepen our investor base, and develop greater UK and international investor awareness of the Company.

In the quarter, RTW Senior Independent Director, Baroness Blackwood, was appointed by the UK Government as Chair of the Health Data Research Service (HDRS), which is supported by up to £600 million in funding from the Government and the Wellcome Trust. HDRS will provide a secure, centralised gateway to NHS datasets, reduce administrative barriers, and uphold stringent privacy and ethical standards to accelerate research and the development of innovative treatments.

Performance Update

Over the fourth quarter, the Company's NAV per share returned +15.5% vs +29% for the Russell 2000 Biotech Index (R2kB), +17% for the Nasdaq Biotech Index (NBI), and +10.1% for the AIC Biotechnology and Healthcare sector. Year to date, the Company's NAV per share has returned +35.7% vs. +44.6% for the R2kB, +32.4% for the NBI, and +18.4% for the AIC Biotechnology and Healthcare sector.

The Company's NAV per share has delivered an annualised return of 14.5% per annum since launch on 30 October 2019, outperforming the R2kB 7.2% p/a, the NBI 8.6% p/a, and the AIC Biotechnology and Healthcare sector 4.2% p/a.

Sector Update

After a record four years of underperformance vs the S&P and Nasdaq ('21-24 total returns: NBI -6.5%, R2kB -43.1%, S&P 500 +66.3%, Nasdaq +54.7%), biotech indices finished this year ahead (NBI +32.4%, R2kB +44.6%, S&P 500 +16.4%, Nasdaq +20.4%).

Declining policy uncertainty got things started. In the summer, multinational pharmas avoided tariffs by committing to reshore over 300B in manufacturing. In September, Pfizer laid the blueprint for most-favoured-nation (MFN) drug pricing deals. Shortly after, the first Medicare negotiations under Trump resulted in only modestly higher discounts. While Ozempic saw the biggest price cuts, the White House packaged this with Medicare coverage for obesity for the first time.

Combined with a friendlier FTC, by fall, pharmas had enough policy clarity to pursue larger deals. RBC reports 105B in M&A, more than double the year prior and fourth highest in the last decade.

The recovery is likely still in the early innings. Fear dominated for much of the year, resulting in significant net capital outflows. Biotech remains under-owned and attractively valued. Potential near-term tailwinds include accommodative monetary policy and growing appreciation of the maturation of science. Generalist growth investors should find it increasingly hard to ignore the growing number of new 50B+ market cap biotechs (latest additions: Alnylam, ArgenX, UCB). At the same time, AI tools and lower cost Chinese R&D are mega-trends that should materially increase drug discovery productivity and accelerate the pace of innovation. Over time, it is possible industry revenue growth and/or operating margins could improve.

FDA leadership instability is the key remaining policy uncertainty. CDER Director, George Tidmarsh, was let go three months into the job. His replacement, Richard Pazdur, resigned after less than a month. The drama has the White House concerned, which at some point should increase the odds of definitive action. We think the worst case is a reduction in the approval of edge cases, which disproportionately impacts cell and gene therapy for rare disease. For context, this would probably translate into a loss of a handful of new medicines per year, less than the impact the Inflation Reduction Action had on cancer small molecules.

In summary, Q4 2025 marked a decisive turnaround for biotech. The bear market endured over four consecutive years ended, with major biotech indices outperforming both the S&P 500 and the Nasdaq and biotech ETF net inflows turning positive for the year (~ 918m). The sector benefited from a more predictable policy environment, strong equity market performance, and a sharp uptick in M&A. While IPO activity was subdued, follow-on and PIPE markets were robust, and investor discipline remained high. We have an optimistic outlook for 2026 and expect biotech to outperform broader markets, driven by continued innovation, a strong financing environment, and further M&A.

Portfolio Update - December

On 18 December, the Company announced an investment into Yarrow Bioscience, a clinical-stage private biotechnology company founded to develop transformative therapies for autoimmune thyroid diseases. The Company invested 5.9 million in the Series A financing, representing 0.7% of NAV as of 30 November. Yarrow is the seventh company creation by RTW Investments, LP. On 17 December, Yarrow announced that it had entered into a definitive merger agreement with VYNF Therapeutics, expected to close in the second quarter of 2026.

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About RTW Biotech Opportunities Ltd:

RTW Biotech Opportunities Ltd (LSE: RTW) is an investment fund focused on identifying transformative assets with high growth potential across the biopharmaceutical and medical technology sectors. Driven by a long-term approach to support innovative businesses, RTW Biotech Opportunities Ltd invests in companies developing next-generation therapies and technologies that can significantly improve patients' lives. RTW Biotech Opportunities Ltd is managed by RTW Investments, LP, a leading healthcare-focused entrepreneurial investment firm with deep scientific expertise and a strong track record of supporting companies developing life-changing therapies.

Visit the website at www.rtwfunds.com/rtw-biotech-opportunities-ltd for more information.

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