

# Mythos

## Biotechnology Fund

2020 Vision Memo

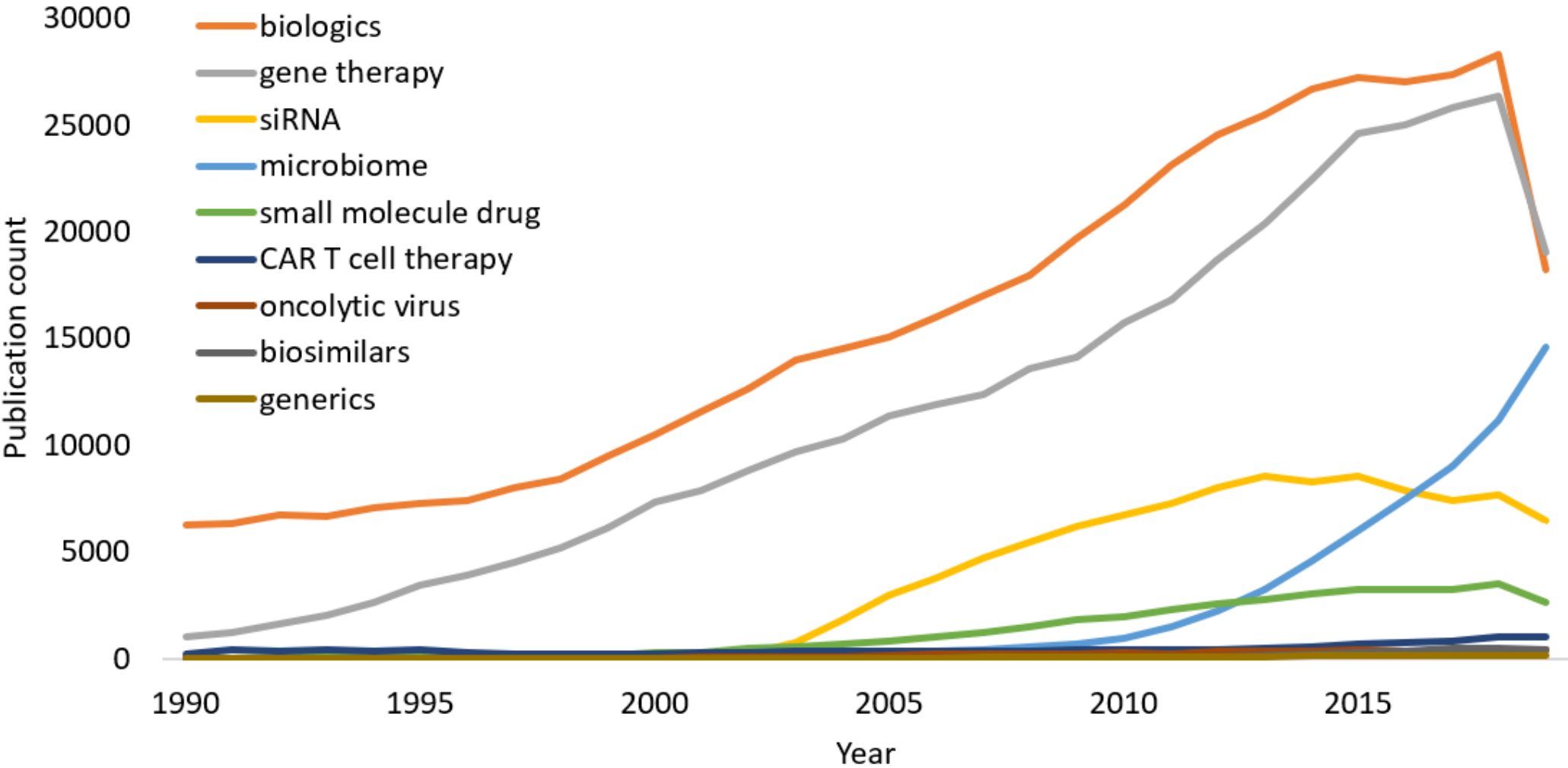
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January 2020

# Disclaimers

- The sole purpose of the memo is to provide educational information for our partners and others who are new to biotech investing.
  - The contents of the memo are not investment recommendations and the information presented may be inaccurate or out-of-date.
  - We do not offer professional investment advice. We recommend that readers conduct independent due diligence on the stock.
- Mythos operates as a general partnership and does not have limited partners. Our activities are centered around education in biotech investing.
  - Past performance is not indicative of future results. Any investment involves considerable risk. Individual partners are not liable for capital losses incurred by the Mythos Biotechnology Fund.

# Emergence of new therapeutic modalities



Source: Publication count collected from PubMed

# Strong year for both biotech and general markets



# Winner of 2019 biotech



- Massive return in 2019 (\$AXSM)
  - Stock price grew from \$2.68 to \$103.36 = **3757%** return

Product Candidate	Preclinical	Phase 1	Phase 2	Phase 3
AXS-05 (DM + BUP)	Treatment Resistant Depression: Fast Track Designation			Ongoing
	Major Depressive Disorder: Breakthrough Therapy Designation			Ongoing
	Agitation in Alzheimer's Disease: Fast Track Designation			Ongoing
	Smoking Cessation			
AXS-07 (MoSEIC™ Mx + Riz)	Migraine: Special Protocol Assessment			Ongoing
AXS-12 (Reboxetine)	Narcolepsy; U.S. Orphan Designation			Ongoing
AXS-09 (DM + S-BUP)	CNS Disorders			

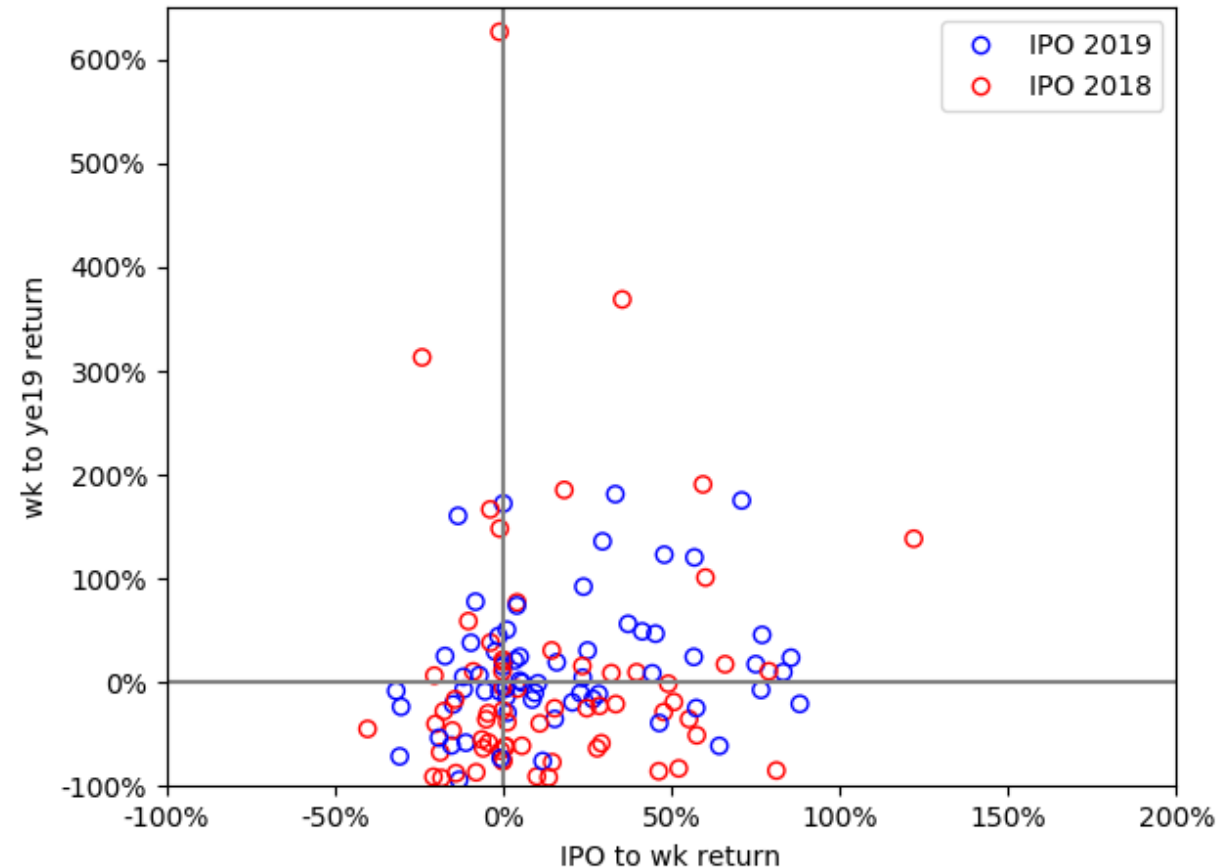
Abbreviations: BUP = Bupropion; CNS = Central Nervous System; DM = Dextromethorphan; Mx = Meloxicam; Riz = Rizatriptan; S-BUP = Esbupropion.

# Highlights of 48 novel drugs approved by the FDA in 2019

Drug	Indication	Company	YS19 Price	YE19 Price	Return
Caplyta <i>lumateperone</i>	Schizophrenia	Intra-cellular Therapies \$ITCI	\$11.52	\$34.31	198%
Oxbryta <i>voxelotor</i>	Sickle cell disease	Global Blood Therapeutics \$GBT	\$41.13	\$79.49	93%
Givlaari <i>givosiran</i>	Acute hepatic porphyria	Alnylam Pharmaceuticals \$ALNY	\$72.76	\$115.17	58%
Brukinsa <i>zanubrutinib</i>	Mantle cell lymphoma	BeiGene \$BGNE	\$136.03	\$165.76	22%
Sunosi <i>solriamfetol</i>	Narcolepsy	Jazz Pharmaceuticals \$JAZZ	\$125.13	\$149.28	19%
Vyleesi <i>bremelanotide</i>	Hypoactive sexual desire	AMAG Pharmaceuticals \$AMAG	\$15.74	\$12.17	-23%

# Analysis of recently IPO'd biotech stocks

- 1-week returns are somewhat correlated with YE19 returns
  - Spearman correlation of 0.215
  - Early performance does not necessarily predict future performance
- Returns tend to be catastrophic losses or significant gains
  - Most 2018 biotech stocks are below valuation at IPO
  - Many 2019 biotech stocks will likely drop in valuation as trials fail



# Recently IPO'd stocks ranked by 1-week and YE19

Ticker	IPO	IPO-wk	wk-ye19	wk-ye18	Ticker	IPO	IPO-wk	wk-ye19	wk-ye18
ALLK	2018	122%	139%	31%	KOD	2018	-1%	627%	-28%
ADPT	2019	88%	-21%		THOR	2018	35%	369%	17%
RAPT	2019	86%	24%		CNST	2018	-24%	313%	-65%
SILK	2019	83%	10%		INSP	2018	59%	191%	66%
SLDB	2018	81%	-85%	-8%	EIDX*	2018	18%	186%	-32%
TCDA	2018	79%	11%	-31%	NXTC	2019	33%	182%	
SWAV	2019	77%	46%		KRTX*	2019	71%	175%	
ETNB	2019	77%	-7%		APLT	2019	0%	172%	
BBIO*	2019	75%	18%		ARVN	2018	-4%	167%	-17%
KRTX*	2019	71%	175%		BNTX	2019	-13%	161%	



# Board of Trustees at Stanford University Portfolio

Stock	Shares held	Market value	% portfolio	% ownership	First owned	Est. avg. price	YE19 price
PSNL	1,427,219	\$20.9M	2.27	4.58	Q2 2019	\$27.15	\$10.90
LOGC	949,443	\$10.3M	1.11	4.22	Q4 2018	\$10.51	\$7.20
KOD	691,767	\$9.9M	1.08	1.87	Q4 2018	\$7.10	\$71.95
EIDX	265,670	\$9.6M	1.04	0.72	Q2 2018	\$16.96	\$57.39
BCEL	437,240	\$5.4M	0.58	1.56	Q2 2019	\$18.84	\$15.47
FTSV	703,273	\$4.5M	0.49	1.67	Q2 2018	\$16.00	\$39.37
ARAV	146,966	\$1.1M	0.12	0.41	Q4 2018	\$3.52	\$13.67
PRNB	9,045	\$0.3M	0.03	0.04	Q4 2018	\$27.39	\$54.78

# 2020 Vision for the Mythos Biotechnology Fund

- Monthly general meetings
  - Tracking the fund's performance and de-risking investments
  - Discussion of ongoing clinical trials and drug discovery
- Investment analyst program
  - Conduct diligence with other analysts
  - Evaluation of market opportunities
  - Progressive reports on noteworthy biotech stocks
- Networking opportunities
  - Connect with biotech professionals from around the Bay Area
  - Connect with Mythos partners and community members