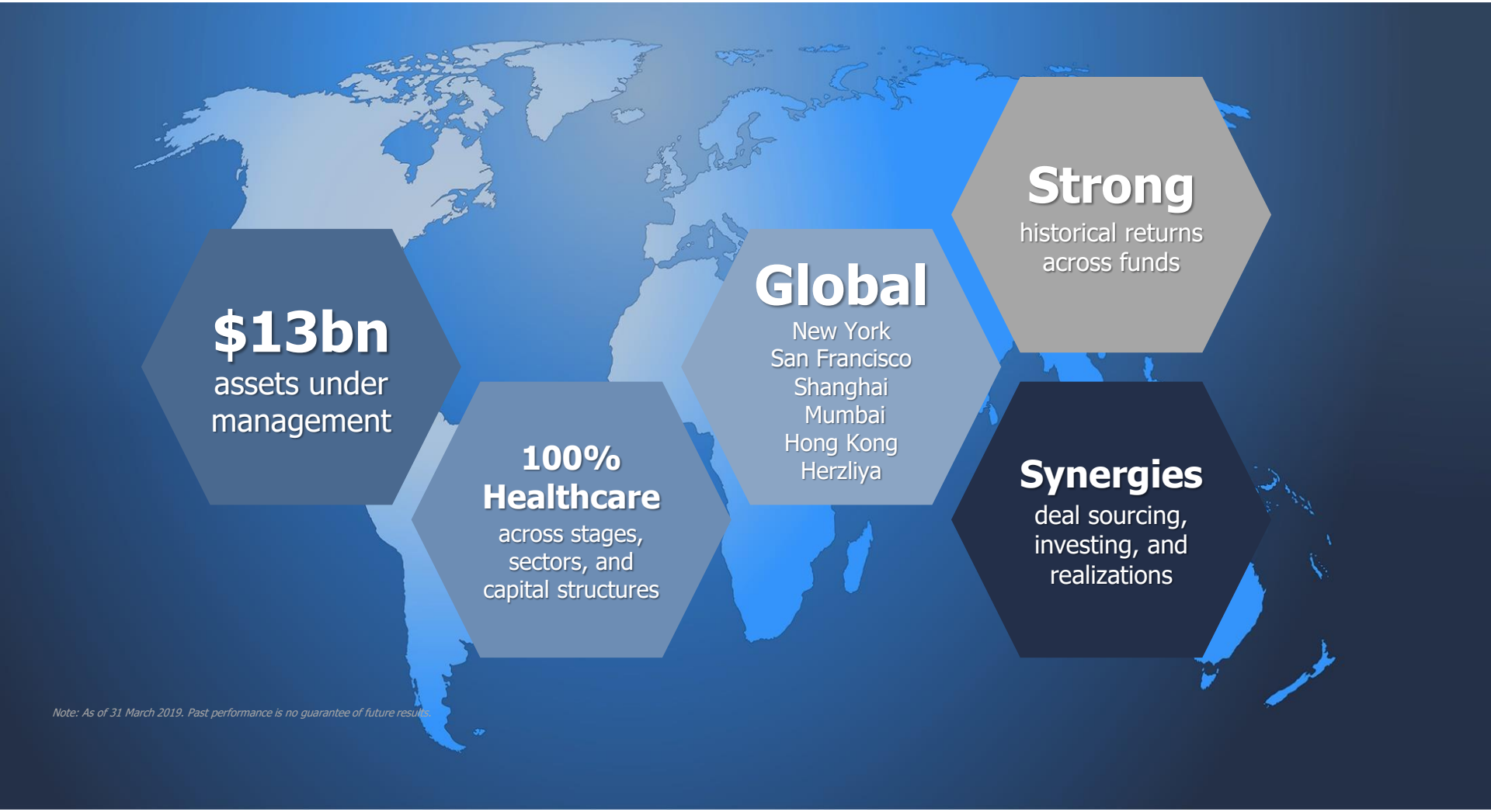
OrbiMed
Healthcare Fund Management

The Biotech Growth Trust

Annual General Meeting

11 July 2019

OrbiMed – A Leading Healthcare-Dedicated Investment Firm



Note: As of 31 March 2019. Past performance is no guarantee of future results.

OrbiMed Healthcare Fund Management

OrbiMed – BIOG Investment Team

Geoffrey Hsu, CFA
Portfolio Manager (since 2005)

A.B. Chemistry, Harvard University
M.D. Program, Harvard Medical School (2 years)
M.B.A: Harvard University
Prior: Lehman Brothers

Richard Klemm, Ph.D., CFA
Portfolio Manager (since 2005)

B.A. Molecular and Cell Biology, UC Berkeley
Ph.D.: Molecular Biology, M.I.T.

Michael Metschl
Biotechnology

B.B.A: Finance, University of Notre Dame
Prior: Citigroup

William Sawyer
Specialty Pharmaceuticals

B.S. Pharmacy, Rutgers University
M.B.A.: New York University
Prior: Leerink, Merrill Lynch, Lehman

Jeehyea Choi, Ph.D., CFA
Biotechnology

BSc: Biochemistry, King's College London
Ph.D.: Biochemistry, King's College London
Prior: Merrill Lynch

Alexandria Huynh, Ph.D.
Biotechnology

B.S. Biology, CSU Los Angeles
Ph.D.: Immunology, Harvard University
Prior: Cowen

Iris (Ting) Wang, CFA
Emerging Markets

B.S. Biological Science, Peking University
M.B.A: Columbia University
Prior: Credit Suisse, McKinsey, A.T. Kearney

Raj Patel
Biotechnology

BSE: Chemical Engineering, University of Michigan
Prior: Leerink

OrbiMed Healthcare Fund Management

Investment Themes

OrbiMed
Healthcare Fund Management

Fundamentals of Biotech Remain Strong

Despite political noise, industry fundamentals remain strong

Politics — **Drug pricing rhetoric may continue, but manageable**

- Trump pricing proposals so far largely benign for industry
- Split congress likely precludes any substantial change

FDA — **Another record setting pace for new drug approvals**

- Scott Gottlieb has transformed the FDA approval process
- 2018 was a record year for new drug approvals

Science — **The "Golden Era" of innovation continues**

- Gene therapy
- RNA interference
- Cellular Therapy
- Bispecific antibodies
- Precision Medicine
- Immunotherapy

M&A — **Pace of biotech M&A may be picking up**

OrbiMed Healthcare Fund Management

U.S. Drug Pricing Proposals Manageable for Biotech Industry

Trump Proposals Thus Far: High on Rhetoric, Low on Expected Impact

Alex Azar
HHS Secretary

Donald J. Trump
US President

May 2018 → Trump announces official "blueprint" for lowering drug prices

- The plan emphasized increasing competition, lowering out-of-pocket costs for patients, shifting drugs from Medicare Part B to Part D to increase discounting, and increasing price transparency
- Plan largely viewed as benign to the biopharmaceutical industry

October 2018 → Introduces the "IPI" (International Pricing Index)

- Trump upset that drug prices are higher in the U.S. than in other countries
- Proposal uses foreign drug prices to set Medicare Part B drug prices for a subset of drugs
- Full implementation cannot be passed by executive action; will need support by Congress
- Pilot project would not take effect until 2020 (at earliest); Peak effect not until 2025 (at best)

Jan 2019 → HHS Proposal on Drug Rebates (most likely to gain traction)

- HHS has proposed lowering drug costs by targeting the drug rebate system (the current system creates perverse incentives for drug companies to raise their list prices)
- The "rebate" system would shift to a "discount" delivered to customers at the point of sale
- Encourages manufacturers to pass discounts directly on to patients, instead of providing them to pharmacy benefit managers (PBMs). PBMs would be paid a fixed fee in lieu of rebates
- List prices would come down, but net prices to drug manufacturers may not change that much

Split Congress likely precludes any significant change that would be negative for biotech

Political Rhetoric on Drug Pricing Likely into 2020 Election

But meaningful change and "Medicare for All" unlikely to come to fruition

Headline "noise" may persist in near-term but dramatic change unlikely

- Drug pricing rhetoric may persist as 2020 election approaches
- Multiple hearings on drug pricing have already occurred in the House and Senate
- Many progressive Democratic candidates have also proposed versions of "Medicare for All," which in its most extreme form is a single-payor government-run healthcare system
- Recent underperformance in the healthcare sector broadly (including biotech) has been linked to fears of "Medicare for All" coming to fruition. We think this is highly unlikely for the following reasons:
  - Joe Biden, a centrist candidate, is currently the frontrunner for the Democratic nomination (not Bernie Sanders, the leading progressive candidate). As former Vice President in the Obama administration, Biden has said he favors incremental changes to Obamacare rather than an extreme "Medicare for All" proposal
  - Unseating an incumbent President like Trump is difficult; most Presidents win a 2nd term
  - It's highly unlikely the Democrats would sweep the House, Senate, and Presidency in 2020
  - Passage of "Medicare for All" would require a large increase in taxes to pay for it, which presents another significant political barrier
  - Proposal faces significant opposition from hospitals, doctors, insurance companies, the drug industry, and even many centrist Democrats

Sector rebound likely as healthcare reform headlines abate

2020 Presidential Election

Election Day: Tuesday, November 3rd, 2020

Donald J. Trump
President

Source: NYTimes.com

Democrats likely maintain a majority of the House

Republicans likely maintain a majority of the Senate

Regardless of who wins the presidency, a split Congress will preclude any significant reform

OrbiMed Healthcare Fund Management

FDA Regulatory Climate Remains Favorable

Agency has been proactive about approving drugs

Trump: Using the FDA to Combat Drug Pricing by Increasing Competition

Former FDA commissioner Scott Gottlieb instituted many policies to expedite drug approvals

- Promote and reward innovative drug development
- Lower the time and cost to develop new drugs
- More frequent & earlier engagement with drug co.s to streamline development
- Modernize FDA's evaluation and analytical tools
- More lenient efficacy/safety standards for FDA approvals
- Increased use of biomarkers and surrogate endpoints
- Increased generic approvals

In March, Gottlieb announced his resignation, but new FDA commissioner Ned Sharpless (former director of the National Cancer Institute at NIH) has publicly stated he expects to continue Gottlieb's policies

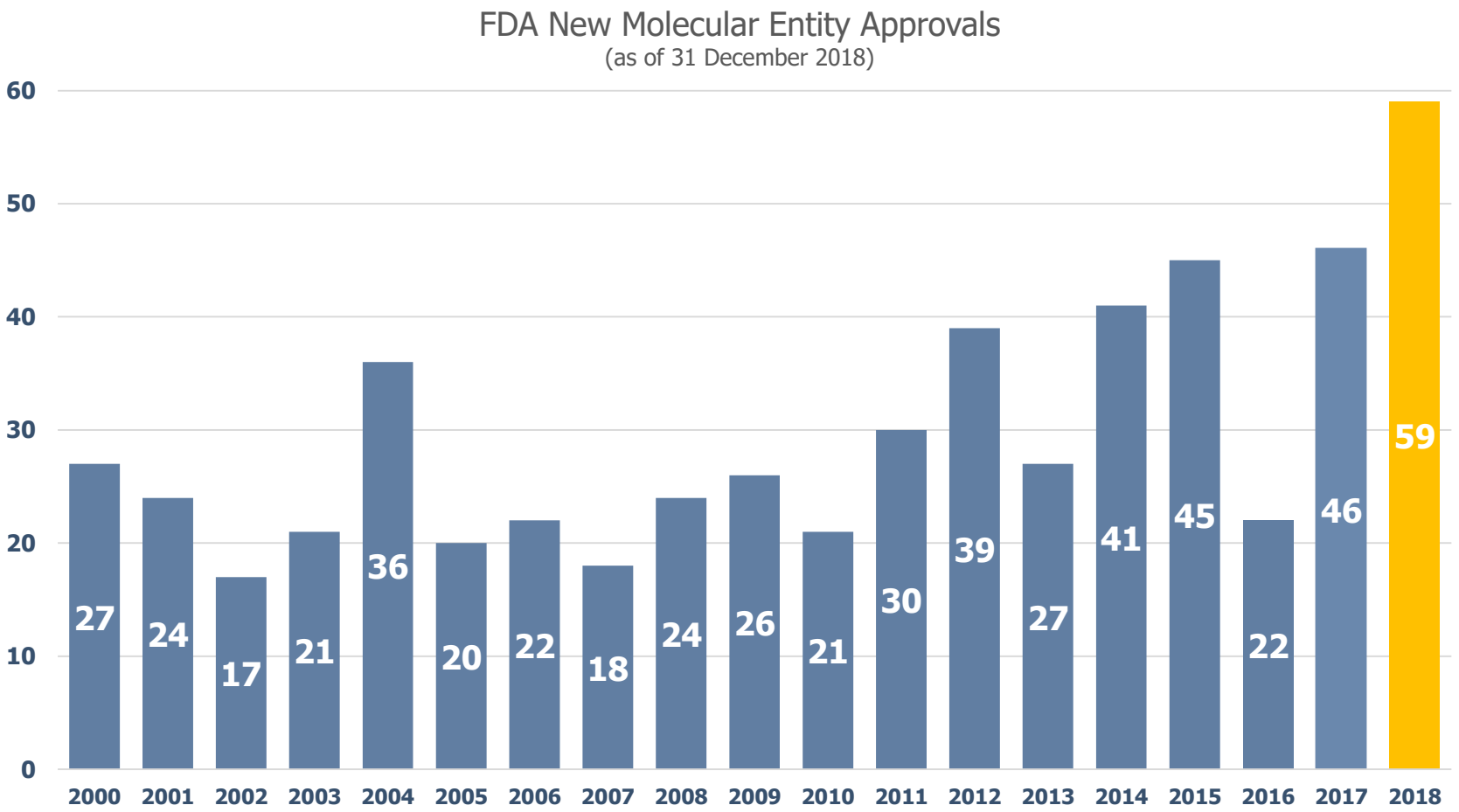
A friendly FDA over recent years has reduced the time, cost, and approval risk for new drugs in development, which has benefited the biotech industry

As more approved drugs increase competition, innovation becomes more important.

Source: Scott Gottlieb speeches, fda.gov

FDA Supporting the Innovation Engine

Scott Gottlieb's push for drug approvals led to a record year in 2018



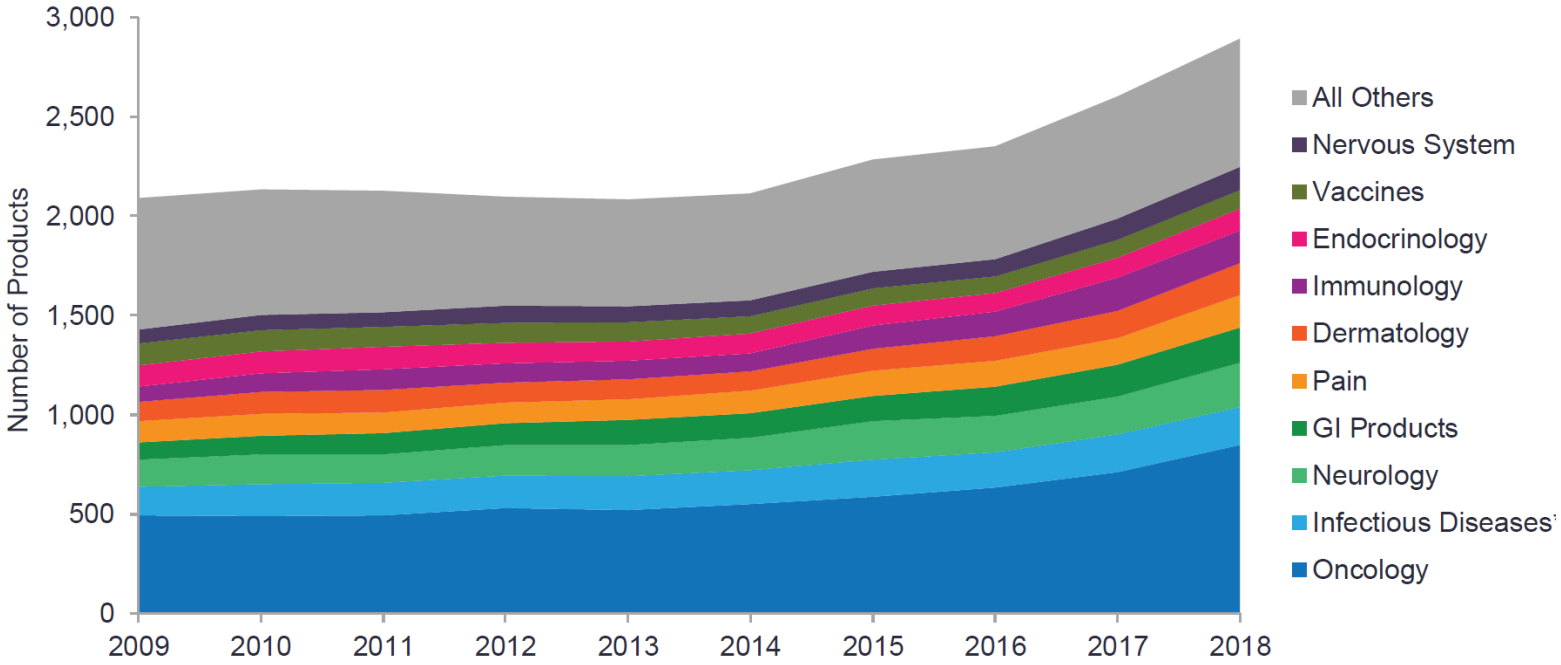
Source: FDA, Washington Analysis

OrbiMed Healthcare Fund Management

Innovation – Pipeline as Full as it's Ever Been

"Golden era" of innovation increasing number of drugs in development

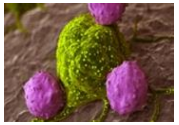
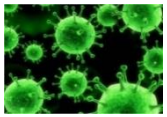
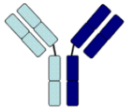
Number of Late-Stage Pipeline Products by Therapeutic Drug Class (2009-2018)



Source: IQVIA Pipeline Intelligence, Dec 2018; IQVIA Institute, Mar 2019

OrbiMed Healthcare Fund Management

Novel Technologies at Early Stages of Reaching the Market

Science	Clinical Practice	Company	Product
Protein Corrector 	Vertex has reported Phase 3 data for triple combo regimens that will transform the treatment of cystic fibrosis and may enable 90% of patients to live near normal lives. Filing expected in 3Q19.	VERTEX	symdeko (tezacaftor/ivacaftor and ivacaftor); ORKAMBI (lumacaftor/ivacaftor)
Cellular Therapy 	Two CAR-T products from Novartis and Kite (acquired by Gilead) have been approved, a game-changing treatment for blood cancers. "Off-the-shelf" cellular therapies are also in development.	GILEAD; Kite; NOVARTIS	YESCARTA (axicabtagene ciloleucel); KYMRIAH (tisagenlecleucel)
Gene Therapy 	First gene therapy approved in the US in 2017 (Luxturna for a rare eye disease leading to blindness). Zolgensma for spinal muscular atrophy (SMA) just approved in US; Zynteglo for beta-thalassemia just approved in EU. Significant progress has also been made in hemophilia and muscular dystrophy.	Spark THERAPEUTICS; avexis; bluebirdbio	LUXTURNA voretigene neparvovec-rzyl; zolgensma (onasemnogene abeparvovec-xioi); zynteglo
RNA Therapies 	Recently approved antisense drugs include Biogen's Spinraza for SMA and Ionis' Tegsedi for polyneuropathy caused by amyloidosis. Alnylam's Onpattro was the first RNAi drug to be approved, also for polyneuropathy caused by amyloidosis.	Biogen; IONIS; Alnylam PHARMACEUTICALS	SPINRAZA (nusinersen); Tegsedi (inotersen); onpattro (patisiran)
Bispecific Antibodies 	Amgen and others are developing bispecific antibodies for cancer immunotherapy.	AMGEN; Genmab; REGENERON	BLINCYTO (blinatumomab) for injection 35 mcg single-dose vial

The Next Big Thing?

There are numerous new emerging platform technologies and therapeutic classes that could yield $10 Billion+ annual revenue drugs in the years ahead

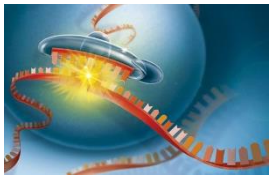
Cellular Therapy

NOVARTIS

cellectis Celgene

GILEAD

RNA Modification



Biogen

IONIS Alnylam

ProQR PTC THERAPEUTICS

Cystic Fibrosis

VERTEX ELO Eloxx Pharmaceuticals

TranslateBIO

Gene Therapy

BIOMARIN

Spark THERAPEUTICS SAREPTA THERAPEUTICS

bluebirdbio MEIRAGTx

Gene Editing

Intellia THERAPEUTICS

editas MEDICINE

CRISPR THERAPEUTICS

- - - Overall Market Potential - - -

$8B+	$10B+	$10B+	$10B+	$25B+

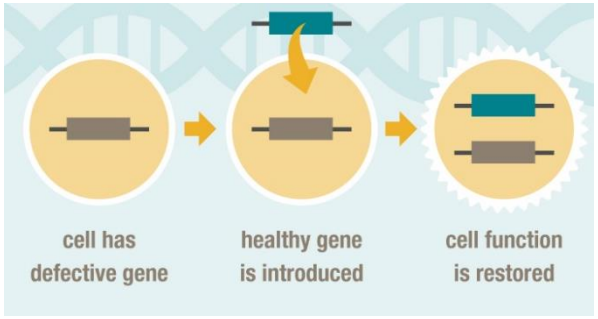
Source: Various broker research reports, company reports and analysis by OrbiMed. Overall Market Potentials are estimates of aggregate potential peak sales for all drugs launched or expected to be launched in the relevant category. Such estimates are based on various assumptions and are subject to the occurrence of future events.

OrbiMed Healthcare Fund Management

Gene Therapy Achieving Breakthroughs

Platform technology could lead to "one-time" cures for patients

Gene Therapy

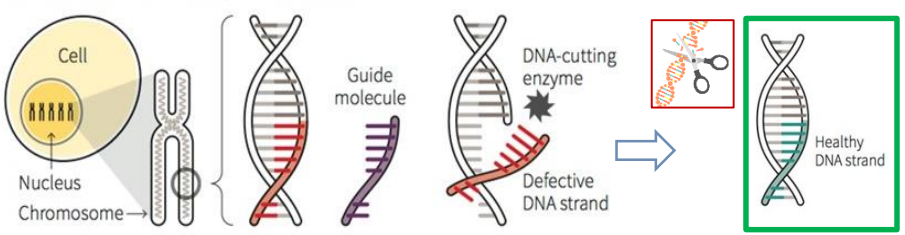


REGENXBIO, MEIRAGTx, AUDENTES, uniQure, Voyager Therapeutics, Sangamo, bluebirdbio, ADVERUM, Orchard therapeutics, SOLID BIOSCIENCES, PTC THERAPEUTICS, SAREPTA, HOMOLOGY Medicines, Inc., axovant GENE THERAPIES, Tocagen, ultragenyx, BIOMARIN, Prevail, Abeona THERAPEUTICS, AVROBIO, Amicus Therapeutics, rocket pharma, Krystal, iVERIC bio

Acquired Companies

Spark, avexis, nightstar THERAPEUTICS

Gene Editing



CRISPR THERAPEUTICS, editas MEDICINE, Intellia THERAPEUTICS, LogicBio THERAPEUTICS

First proof-of-concept trial for CRISPR-Cas9 gene editing (Vertex and CRISPR Therapeutics' CTX001 for beta thalassemia) expected 4Q19

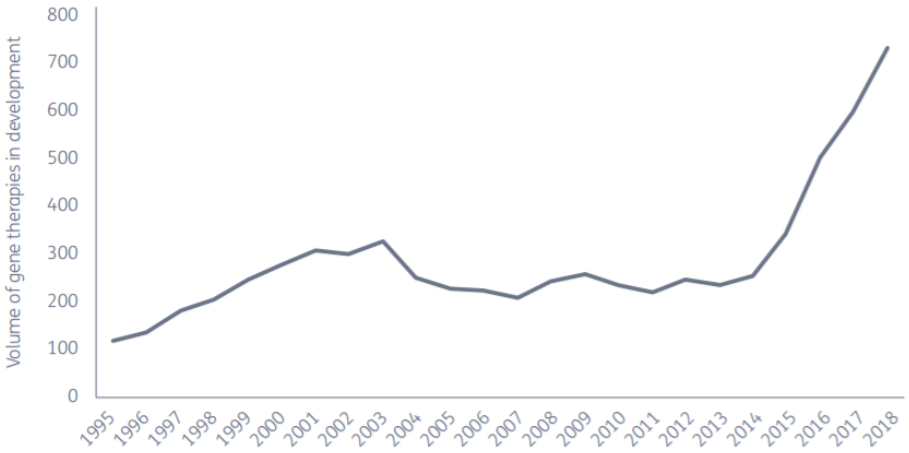
Indications:

- spinal muscular atrophy
- sickle cell disease
- beta thalassemia
- Duchenne muscular dystrophy
- choroideremia
- hemophilia
- Huntington's disease
- ornithine transcarbamylase deficiency
- epidermolysis bullosa
- Fanconi anemia
- Fabry disease
- achromatopsia
- Parkinson's disease
- alpha-1 antitrypsin deficiency
- phenylketonuria
- glioma
- wet age-related macular degeneration

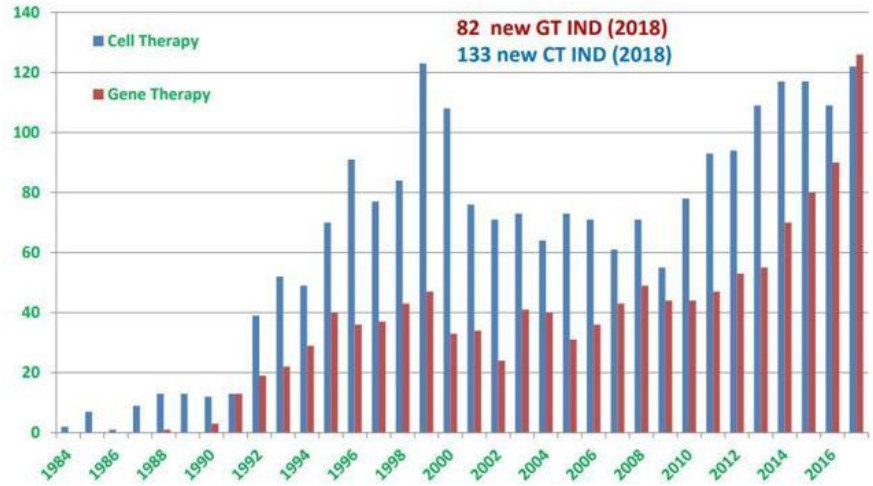
OrbiMed Healthcare Fund Management

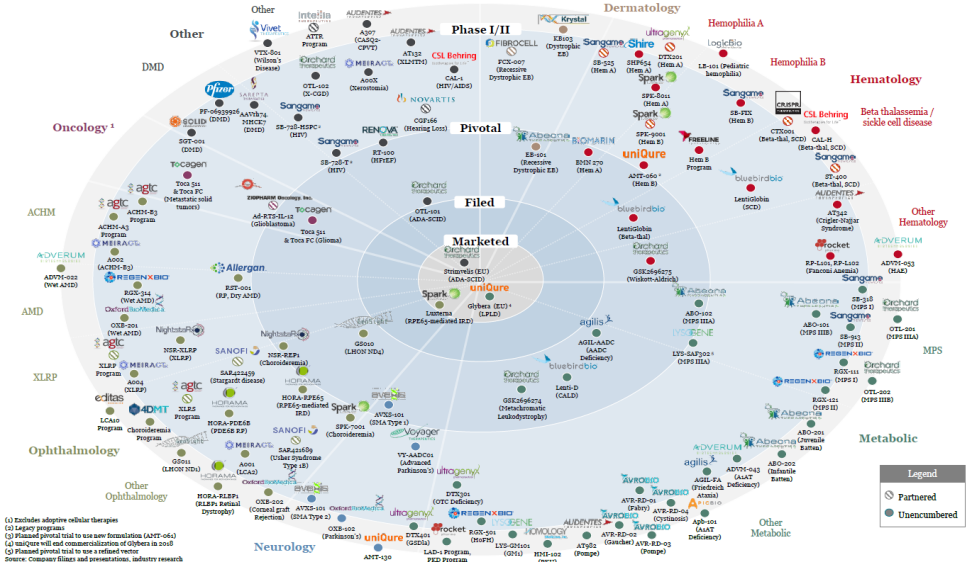
Growing Pipeline of Gene Therapy Development Candidates

Figure 1. Gene therapy pipeline volume, preclinical through pre-registration phase, 1995–2018



INDs/IDEs Received per Calendar Year in OTAT





OrbiMed Healthcare Fund Management

Fund's Gene Therapy Holdings Span Variety of Disease Areas

Trust has meaningful exposure to this transformative technology

Eye

MEIRAGTx Spark THERAPEUTICS

- RPE65 Deficiency
- X-linked Retinitis Pigmentosa
- Achromatopsia

Liver

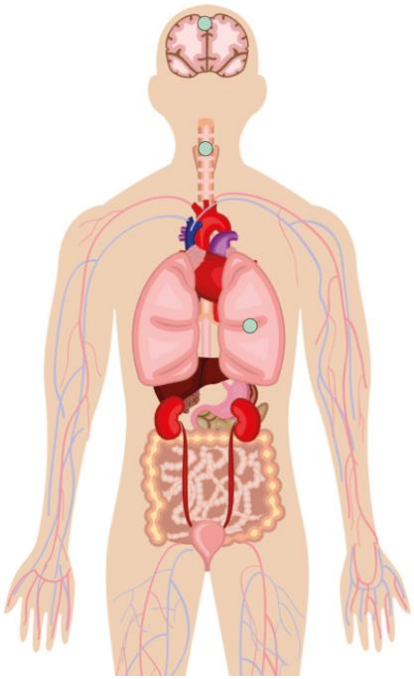
uniQure ultragenyx pharmaceutical

- Hemophilia A
- Hemophilia B
- Glycogen Storage Disease Type 1A

Muscle

SAREPTA THERAPEUTICS

- Duchenne Muscular Dystrophy
- Limb-Girdle Muscular Dystrophy



Companies with gene therapy programs represent ~25% of portfolio as of June 30

Brain

Neurocrine BIOSCIENCES PTC THERAPEUTICS Amicus Therapeutics

- Huntington's Disease
- Parkinson's Disease
- AADC Deficiency
- Batten Disease

Skin

Krystal

- Epidermolysis Bullosa
- Ichthyosis

Ex vivo

AVROBIO

- Fabry Disease
- Gaucher Disease

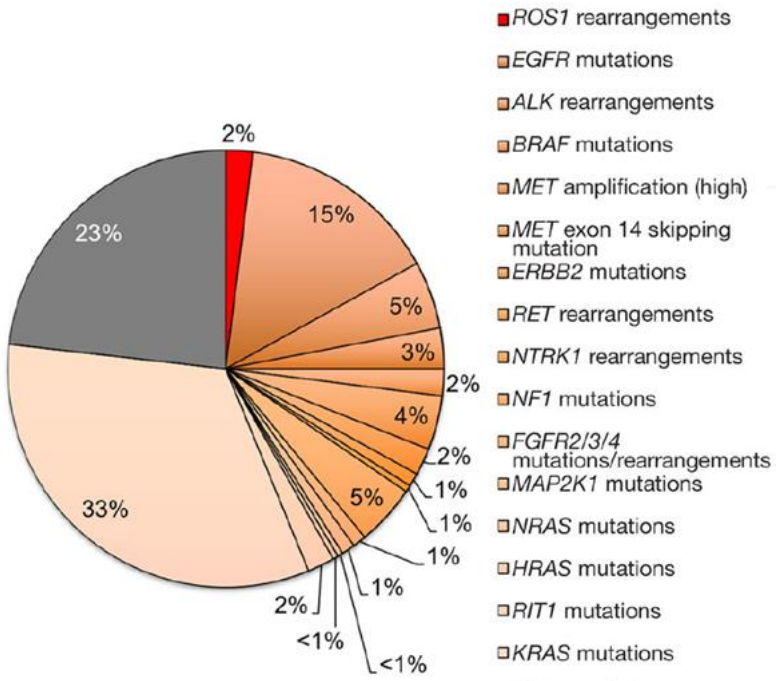
Precision Medicine for Cancer

Using Genome Sequencing to Expand "Targeted Therapies"

Genome sequencing of tumors has identified "driver mutations" responsible for promoting cancer growth

- Cancer is uncontrolled cell growth caused by genetic mutations.
- The declining cost of gene sequencing has allowed for better characterization of the specific gene mutations contributing to tumor growth.
- For example, common driver mutations have been identified within about 75% of non-small cell lung cancers
- Many of these mutations can be targeted by drugs
- Rather than treat a patient with a non-specific chemotherapeutic, a patient can receive "targeted therapies" specifically tailored to the genetic mutations causing that patient's individual cancer.

Prevalence of lung cancer mutations



Source: Cancer Therapy Advisor

OrbiMed Healthcare Fund Management

Precision Medicine for Cancer: Current Status

- Targeted therapies are now approved for over a dozen driver mutations. Yet a number of known mutations are not yet addressed, providing fertile ground for drug development.
- Traditionally, the FDA has approved cancer drugs based on the organ in which the tumor is found (e.g. drug X approved for lung cancer, drug Y approved for breast cancer). But some mutations are found across tumor types. The FDA has now begun approving mutation-specific drugs with tissue-agnostic indications (e.g. Vitrakvi approved for all tumors with NTRK mutation).
- Patients responding to targeted therapies eventually relapse, often acquiring additional mutations which cause resistance to the drug. Therefore, there are opportunities for next generation inhibitors targeting resistant populations.

Targeted therapy companies in the portfolio:

Turning Point Therapeutics
ROS1, NTRK, RET, and MET inhibitors for various cancers

deciphera
C-KIT inhibitor for GI stromal tumors

AMGEN
KRAS inhibitor for various cancers

Sequencing company in the portfolio:

illumina
Leader in gene sequencing equipment

M&A Appetite Still Strong, Pace May Be Picking Up

There is still a significant appetite for management teams to do deals…

"We continue to focus on how can we find opportunities to augment our pipeline and our portfolio by looking to external innovation and finding the best science wherever we can find it to bring it in-house to augment the strong organic pipeline we're developing. And our preference is to continue to do that primarily through bolt-on acquisitions as well as strategic collaborations."

- Robert M. Davis, CFO
Merck (6/20/19)

"I would repeat what Albert has already said about the reorientation of our focus of opportunities to really strengthening our pipeline with clinical stage assets. I think, if you were to look into the future, I think you'll see us continue to be very active in business development, but I think with our focus generally on earlier to mid stage opportunities where clinical risk may be higher as data is less mature, but we believe that the opportunity for value creation is greater."

- John Young, CBO
Pfizer (4/30/19)

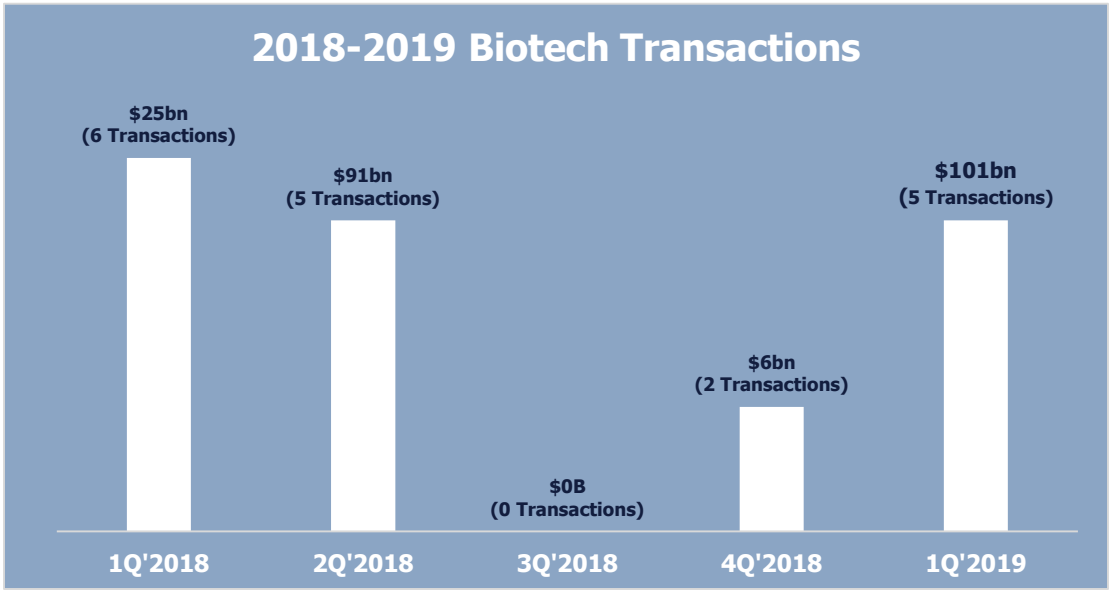
"We recently announced the acquisition of Xiidra, which continues our focus on bolt-on acquisitions…We're going to have to stay on top of the latest cutting edge science that emerges in this industry. We cannot miss one of the big breakthroughs."

- Vasant Narasimhan, CEO
Novartis (5/23/19)

After a lull in M&A activity in 2H18, there are signs that M&A activity is picking up

- Competitive threats have increased to legacy products at Big Pharma and Big Biotech, so there is a greater urgency to acquire next-generation products and technologies (e.g. gene therapy)
- P/E multiples for large cap biotech are at historic lows
  - Celgene takeout shows that large-cap biotech companies are vulnerable as targets
  - Large cap company share prices can benefit whether they acquire growth assets (via earnings and P/E multiple expansion) or are themselves acquired

Recent Biotech M&A Activity



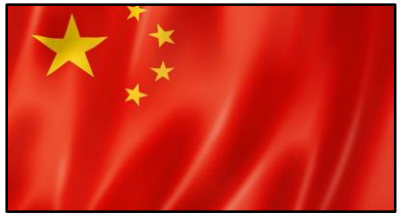
Selected biotech acquisitions (announced in 2019)

- **Bristol-Myers Squibb's $74 billion acquisition of Celgene (54% premium)**
- **Eli Lilly's $8 bn acquisition of Loxo Oncology (68% premium)**
- **Roche's $4.8 bn acquisition of Spark Therapeutics (122% premium)**
- **Biogen's $800 mm acquisition of Nightstar Therapeutics (68% premium)**
- **Pfizer's $10.6 bn acquisition of Array Biopharma (62% premium)**

Biotech Opportunities Emerging in China

Innovation emerging in second largest pharmaceutical market in the world

While most of the biotech innovation historically has occurred in the US and Europe, we are seeing a trend towards increased innovation in China.



君实生物 TopAlliance

康希诺生物股份公司 CanSino Biologics Inc.

豪森药业 HANSOH PHARMA

Historically, the Chinese domestic drug market has been focused on specialty generics and traditional Chinese medicines, but a number of recent developments are encouraging innovation:

1. The Chinese FDA has tightened its approval standards to eliminate substandard products and also introduced initiatives to expedite approval of innovative drugs
2. The Hong Kong stock exchange recently relaxed its listing requirements so that biotech companies without revenue can go public, increasing the financing options for Chinese biotech
3. The multinational drug industry has increasingly focused on China as a promising growth market, so they are bringing expertise to the country and investing in drug development infrastructure
4. Innovative drugs are able to secure preferential pricing in the Chinese market

The Biotech Growth Trust has participated in three recent IPOs that have performed well (as of 30 June 2019):

- Shanghai Junshi Biosciences - an oncology company with the first domestic PD-1 drug approved in China
- CanSino Biologics - vaccine manufacturer serving the private-pay market
- Hansoh Pharmaceuticals - leading biopharma company selling drugs in CNS, oncology and anti-infectives

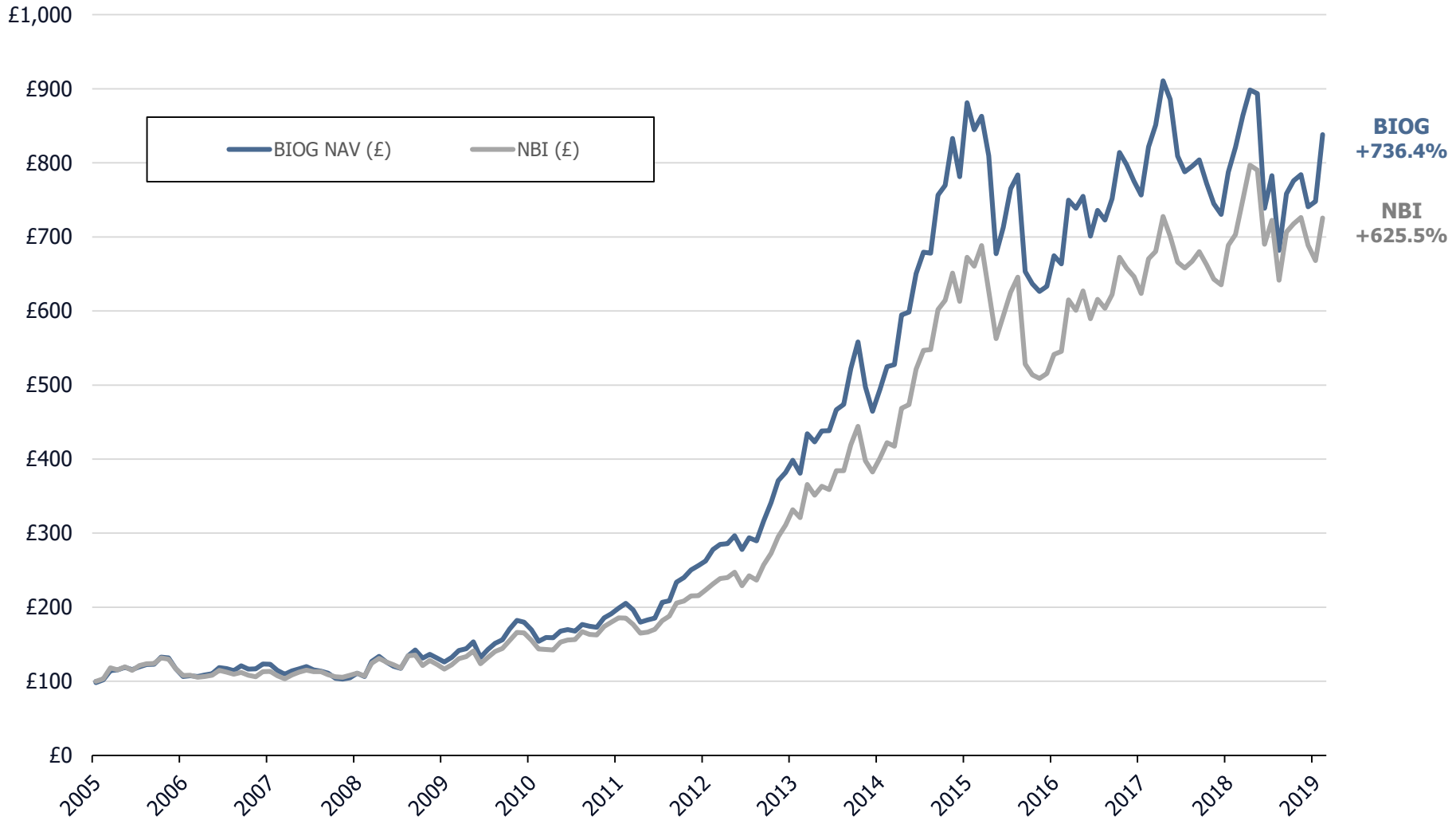
We have two public equity research analysts who work out of our Hong Kong and Shanghai offices

With a local research team in China, OrbiMed is well-positioned to capitalize on innovation in China

The Biotech Growth Trust

OrbiMed
Healthcare Fund Management

BIOG Inception Performance
18 May 2005 through 30 June 2019

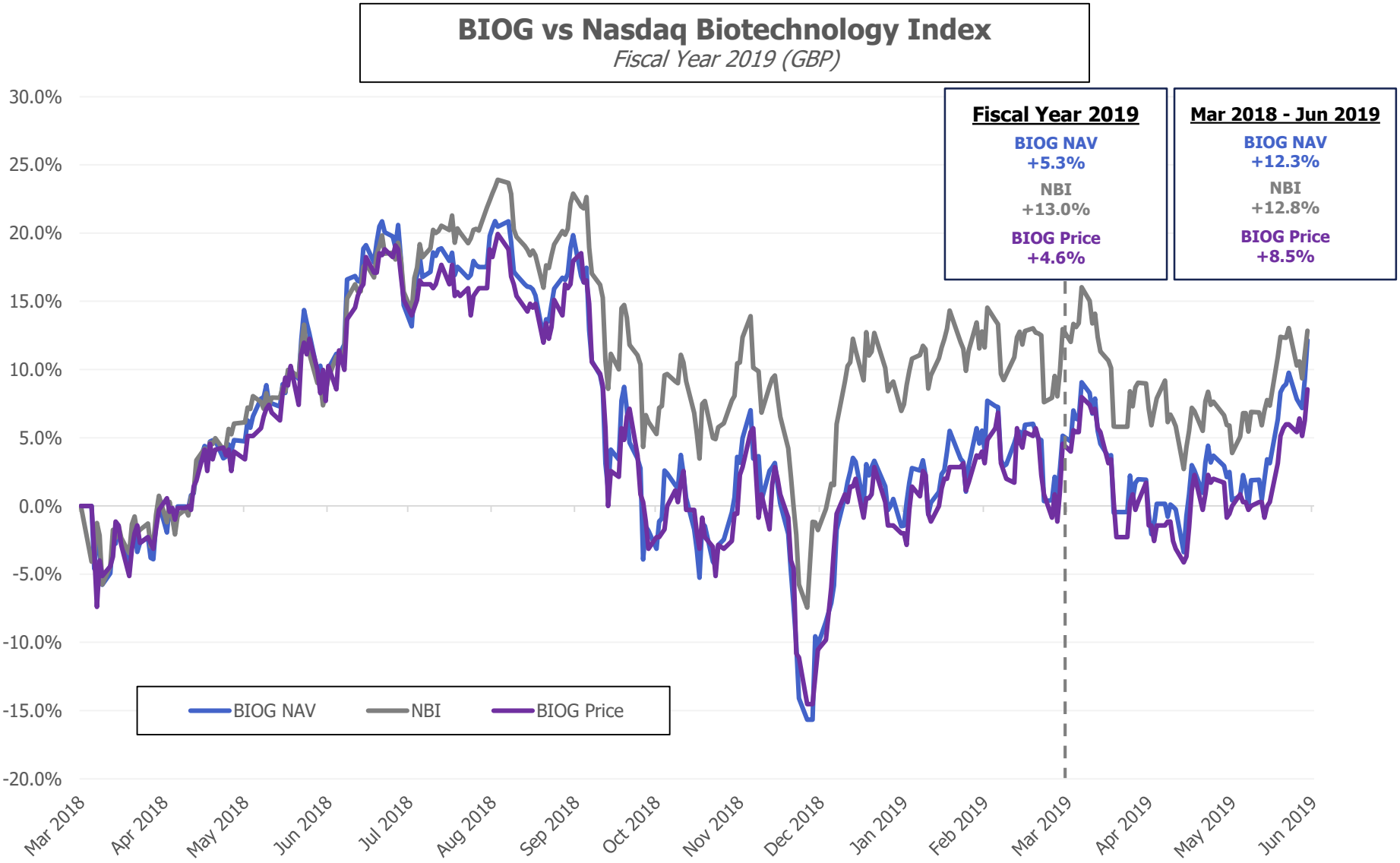


Note: See Endnotes for additional information, including with regard to the calculation of these results and the index shown above.

Source: Frostrow, Bloomberg.

OrbiMed Healthcare Fund Management

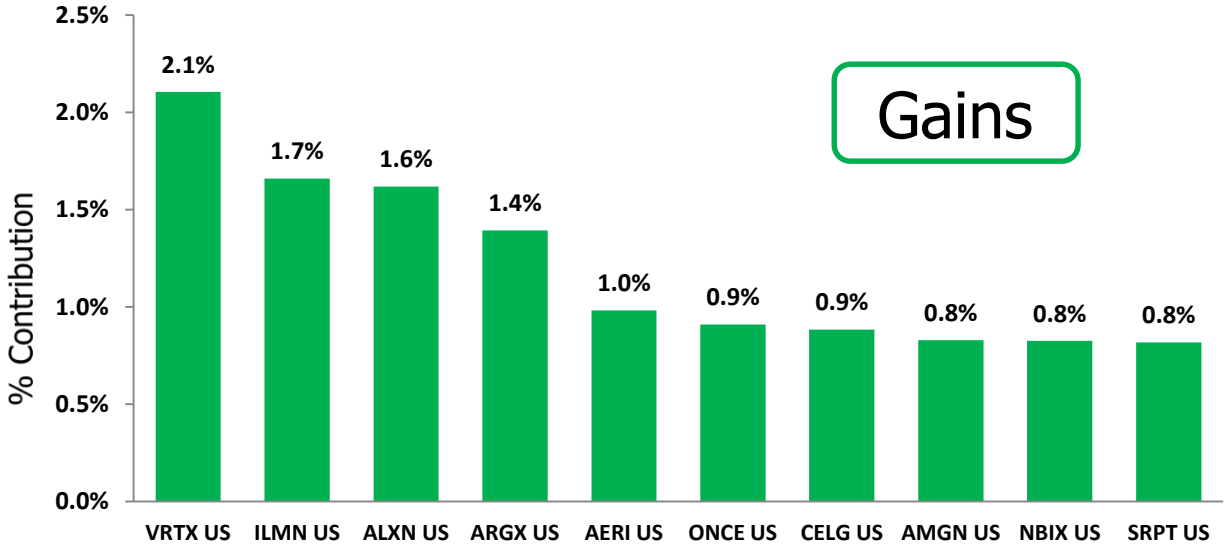
BIOG vs NBI – Fiscal Year 2019 (GBP)



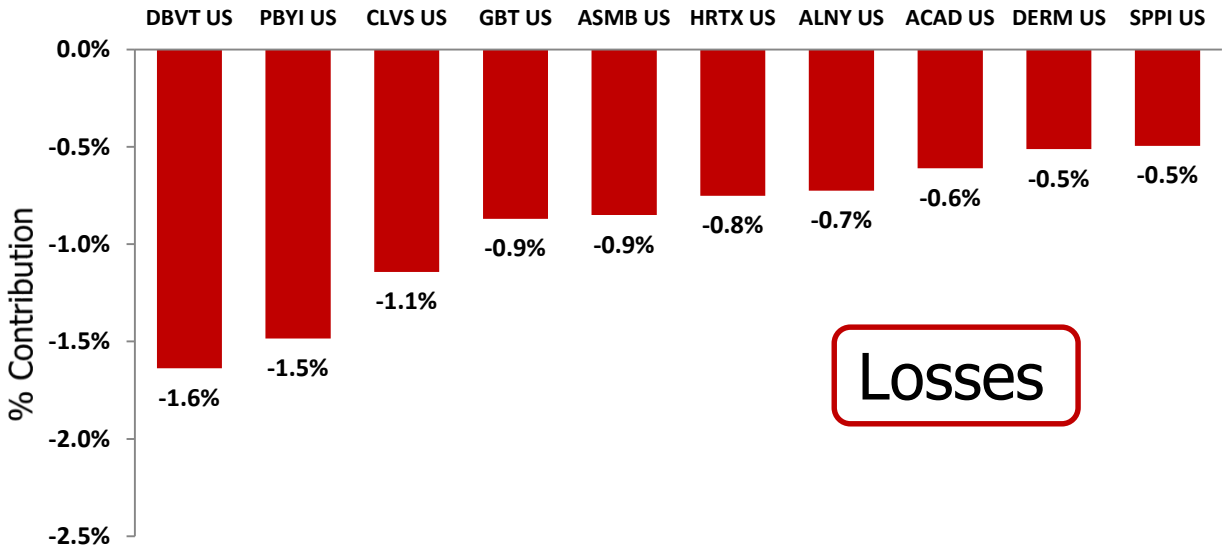
OrbiMed Healthcare Fund Management

Major Movers in Fiscal Year 2019 (Portfolio Contribution%)

31 March 2018 through 31 March 2019



Ticker	Name
VRTX US	Vertex Pharmaceuticals Inc
ILMN US	Illumina Inc
ALXN US	Alexion Pharmaceuticals Inc
ARGX US	Argenx SE
AERI US	Aerie Pharmaceuticals Inc
ONCE US	Spark Therapeutics Inc
CELG US	Celgene Corp
AMGN US	Amgen Inc
NBIX US	Neurocrine Biosciences Inc
SRPT US	Sarepta Therapeutics Inc



Ticker	Name
DBVT US	DBV Technologies SA
PBYI US	Puma Biotechnology Inc
CLVS US	Clovis Oncology Inc
GBT US	Global Blood Therapeutics Inc
ASMB US	Assembly Biosciences Inc
HRTX US	Heron Therapeutics Inc
ALNY US	Alnylam Pharmaceuticals Inc
ACAD US	ACADIA Pharmaceuticals Inc
DERM US	Dermira Inc
SPPI US	Spectrum Pharmaceuticals Inc

Past Performance is not indicative of future results. Please see Endnotes for additional information. Contribution is measured in GBP

Source: Bloomberg PORT

OrbiMed Healthcare Fund Management

Explanation of Recent Performance vs. Benchmark

Fiscal 2019 results were disappointing relative to our benchmark index.

Major factors explaining performance include:

Stock prices of many commercial emerging biotech companies have underperformed dramatically

- Newly commercial biotech companies have historically been likely acquisition targets, but fears over competition, concerns about peak sales potential, and lack of M&A have hampered performance of many of these names
- Names like Puma Biotech and Clovis Oncology (both potential M&A targets) have especially hurt the portfolio
- We have become more careful about investing in "launch stories," recognizing that certain assets will not be able to achieve their theoretical sales potential unless they are marketed by larger companies
- Sentiment could improve for the commercial emerging biotech companies if some M&A does occur

Underweighting of non-therapeutics companies relative to the index

- Though we had a significant position in gene sequencing leader Illumina, we did not hold many of the non-therapeutics companies in the index.
- Life science tools companies and contract research organizations (CROs) (service companies that help biopharma companies conduct clinical trials) in the index performed especially well during the fiscal year. We believe this is in part due to their lack of exposure to drug pricing concerns.
- We are maintaining our emphasis on therapeutics companies and believe that over the long run, they should outperform.

+6.8% fund outperformance versus the benchmark since March 31, 2019 reflects early stages of returning to historical outperformance

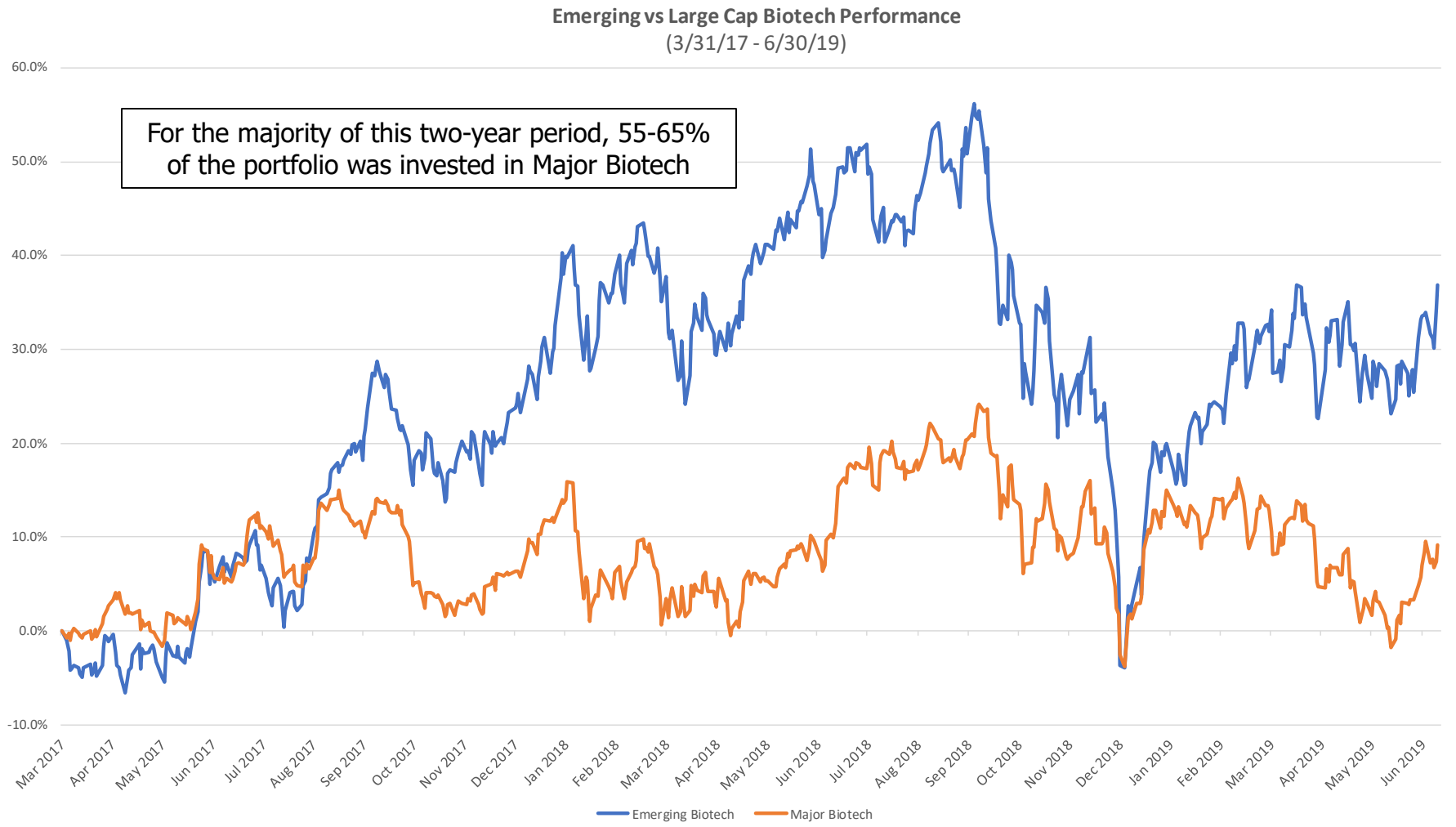
BIOG Performance vs. Benchmark

Periods Ending 30 June 2019	Calendar YTD	5 Year Annualized Return	10 Year Annualized Return	OrbiMed Inception Annualized Return	BIOG OrbiMed Inception *(18 May 2005)*
BIOG NAV (£)	22.7%	9.8%	20.3%	16.4%	736.4%
NASDAQ Biotech Index (£)	13.1%	11.4%	19.5%	15.2%	625.5%
Excess Returns vs NBI (£)	**9.6%**	**-1.6%**	**0.8%**	**1.2%**	**110.9%**
FTSE All-Share Index TR (£)	13.0%	6.3%	10.3%	7.4%	172.8%
Excess Returns vs FTSE TR (£)	**9.8%**	**3.5%**	**10.0%**	**9.0%**	**563.6%**

** OrbiMed commenced investment management of BIOG on 18 May 2005. Numbers are estimated, provided by Frostrow.*
Note: See Endnotes for additional information, including with regard to the calculation of these results and the indices shown above.

Source: Frostrow, Bloomberg

Nasdaq Biotech Index – Emerging vs Large Cap Performance

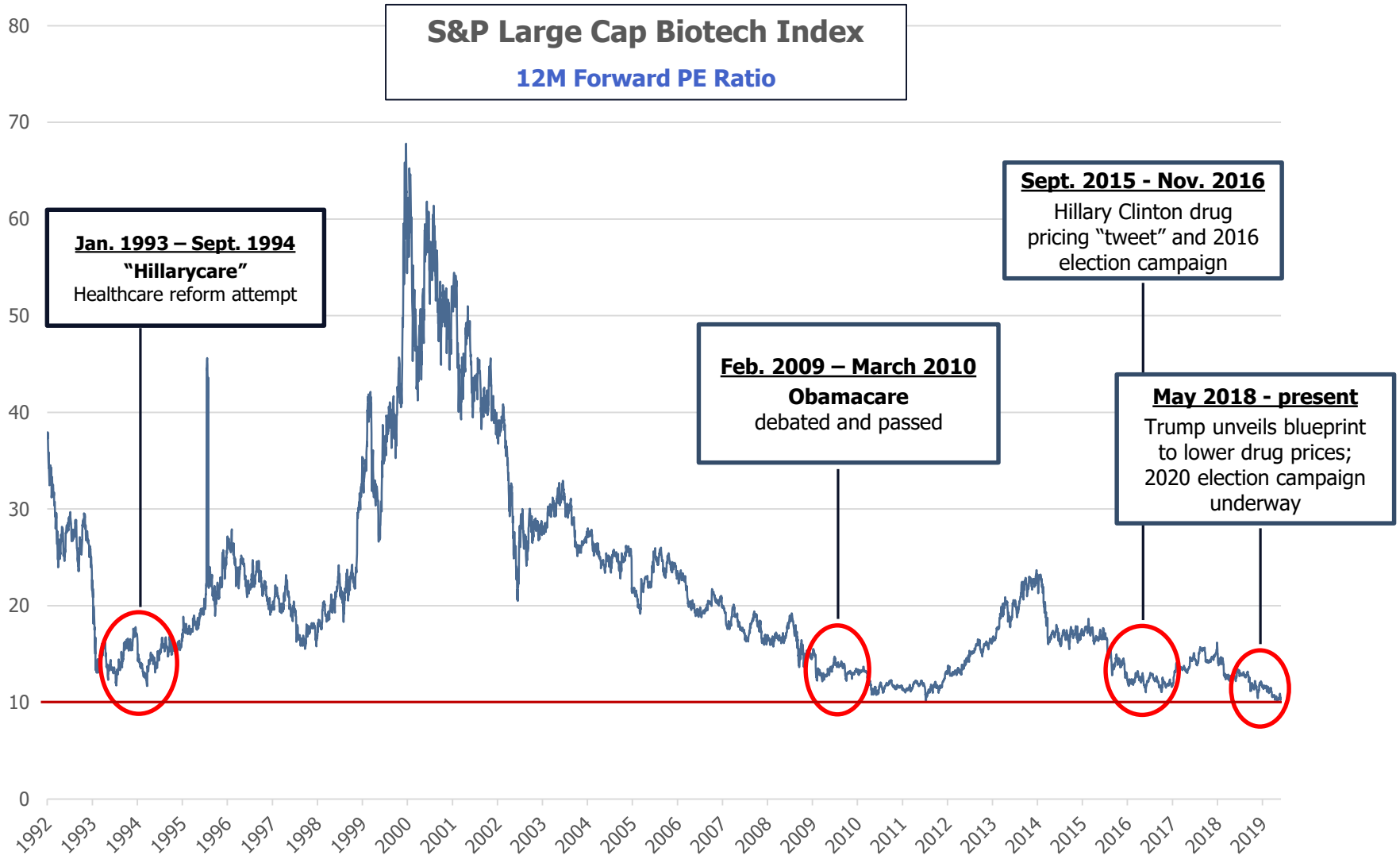


Note: Performance is calculated by taking the equal-weighted performance of all NBI members in FY 2018.

Source: Bloomberg

OrbiMed Healthcare Fund Management

Large Cap Biotech Trading at Record Low PEs



Note: 12M Forward PE Ratios since inception of S5BIOT Index as of 6.28.19

OrbiMed Healthcare Fund Management

Large Cap Biotech Valuations at Attractive Historic Lows

Biotechnology's P/E: Attractive on a Relative and Historical Basis

	Biotech	S&P 500	Healthcare	Utilities	Cons Stapl	Cons Disc	Telecom	Tech	Industrials	Financials	Energy	Materials
1993	17.2	14.7	14.0	13.3	14.2	16.7	20.3	16.0	15.2	9.8	16.5	19.3
1994	16.2	12.3	14.4	10.7	13.7	12.1	16.3	13.5	12.5	8.2	15.6	12.1
1995	25.7	13.9	19.1	12.9	11.8	14.8	17.4	12.7	14.7	10.6	16.2	10.7
1996	20.4	16.2	20.3	12.5	13.6	16.4	16.7	19.1	17.2	12.6	17.4	15.9
1997	17.9	17.8	24.4	14.3	14.5	18.8	20.0	18.6	17.7	15.4	17.8	16.1
1998	30.0	22.5	32.3	16.0	15.1	25.5	29.5	25.5	19.9	15.8	24.2	19.9
1999	55.1	24.3	25.6	12.8	17.9	26.7	33.2	44.3	22.6	14.3	22.5	16.9
2000	49.0	21.0	30.8	17.6	19.1	19.9	25.2	18.4	20.6	15.8	17.4	13.9
2001	41.7	19.9	24.9	11.1	16.9	26.4	21.1	22.5	14.4	14.1	18.9	21.9
2002	27.3	14.7	18.0	10.1	14.2	16.4	15.6	15.3	11.1	11.3	15.9	18.0
2003	26.2	16.8	18.3	13.6	16.7	19.3	16.5	13.4	19.4	12.5	17.1	20.9
2004	25.4	15.4	17.0	14.7	16.7	18.4	17.9	15.0	19.0	12.0	13.1	15.2
2005	23.7	14.5	17.2	14.3	16.8	16.4	14.3	18.2	15.9	12.1	9.9	14.3
2006	20.1	14.9	16.5	15.3	17.3	18.3	15.5	18.4	15.5	12.7	10.8	13.6
2007	16.3	14.4	15.1	16.7	17.5	14.6	14.2	18.1	15.2	11.0	12.3	15.0
2008	15.2	11.3	10.6	10.9	12.7	17.6	10.8	11.3	10.7	10.3	10.0	12.8
2009	12.9	14.1	11.7	12.3	13.8	15.6	14.1	15.6	15.8	14.3	12.9	16.9
2010	11.5	13.0	10.9	12.5	13.9	14.4	15.2	12.8	14.6	12.0	12.7	14.3
2011	12.2	11.6	11.3	14.6	14.4	13.3	16.7	11.0	12.1	9.8	10.1	11.3
2012	15.5	12.3	12.5	14.1	14.5	14.2	16.9	10.9	12.7	11.2	10.9	12.7
2013	22.6	15.1	16.6	15.0	16.9	17.7	14.4	14.3	16.6	13.4	13.1	16.2
2014	16.8	16.4	17.2	18.0	19.1	17.7	13.7	15.5	16.4	14.5	17.7	16.2
2015	14.4	16.0	15.9	15.4	19.6	17.5	12.3	15.3	15.4	13.4	28.3	15.2
2016	11.7	16.8	14.3	17.1	19.0	17.5	14.1	15.7	17.6	14.0	31.9	16.8
2017	14.4	18.0	16.5	17.5	19.6	20.2	13.0	17.5	19.2	14.7	25.0	18.2
2018	11.2	14.3	14.8	16.3	16.6	17.4	14.7	14.4	13.4	10.4	13.4	13.6
2019	**10.1**	16.0	**14.7**	18.2	18.7	19.3	15.8	18.7	15.1	11.4	13.9	15.9
Average	21.9	15.9	17.7	14.2	16.0	17.8	17.3	17.0	16.0	12.5	16.6	15.7

Source: Bloomberg, all sectors represented by S&P subsector definitions, updated through 30 June 2019

Cheap — Expensive

OrbiMed Healthcare Fund Management

Large Cap Exposure Has Held Back Performance

- Over the past 2 years, the fund's significant weighting in large cap biotech has held back performance
- Large cap biotech sentiment continues to be poor over concerns about sustainability of growth and competitive threats to key products; valuations remain depressed as investors take a "glass half-empty" view towards these companies' future prospects
- Involvement of generalist investors is required for this segment of the biotech industry to perform, but they have generally stayed away due to fears about slowing growth and uncertainty about government changes to drug pricing
- Value can be unlocked through pipeline developments, M&A, and new product launches
    - Biogen's Phase 3 Alzheimer's drug could have re-catalyzed interest in large cap biotech, but unfortunately the pivotal trial failed in March 2019
    - Takeda/Shire (+60% premium), Bristol-Myers/Celgene (+53% premium), and Abbvie/Allergan (+45% premium) indicate large scale M&A can occur
- We think there is very little downside to large cap stocks at current levels, but election-related drug pricing rhetoric may delay a re-rating and M&A is difficult to predict
- The fund's large cap exposure has been reduced over the past year in favor of emerging biotechs (including elimination of the Celgene position)

BIOG Holdings
As of 30 June 2019

UNITED STATES	Market Price $ Millions	Pct. Value
Emerging Biotechnology		
ACADIA Pharmaceuticals Inc	2.7	0.5
Adaptive Biotechnologies Corp	0.7	0.1
Alector Inc	1.7	0.3
Amicus Therapeutics Inc	6.5	1.3
Apellis Pharmaceuticals Inc	20.8	4.0
Arena Pharmaceuticals Inc	6.4	1.2
ArQule Inc	3.3	0.6
Assembly Biosciences Inc	1.9	0.4
Athenex Inc	26.3	5.1
Aurinia Pharmaceuticals Inc	10.9	2.1
Avrobio Inc	1.7	0.3
Clovis Oncology Inc	2.9	0.6
Deciphera Pharmaceuticals Inc	21.0	4.1
Dynavax Technologies Corp	2.3	0.5
Exelixis Inc	21.0	4.1
Flexion Therapeutics Inc	1.1	0.2
Immunomedics Inc	1.7	0.3
Karyopharm Therapeutics Inc	6.5	1.3
Krystal Biotech Inc	9.7	1.9
Medicines Co/The	5.5	1.1
MeiraGTx Holdings plc	23.2	4.5
Menlo Therapeutics Inc	4.0	0.8
MyoKardia Inc	11.4	2.2
Neurocrine Biosciences Inc	34.4	6.7
PTC Therapeutics Inc	9.9	1.9
Puma Biotechnology Inc	0.5	0.1
Sarepta Therapeutics Inc	36.3	7.0
Spero Therapeutics Inc	5.8	1.1
Stoke Therapeutics Inc	3.8	0.7
Turning Point Therapeutics Inc	4.8	0.9
Ultragenyx Pharmaceutical Inc	2.7	0.5
	291.7	**56.5**
Major Biotechnology		
Alexion Pharmaceuticals Inc	28.7	5.6
Amgen Inc	22.5	4.4
Biogen Inc	20.5	4.0
Gilead Sciences Inc	27.1	5.3
Illumina Inc	22.7	4.4
Regeneron Pharmaceuticals Inc	15.3	3.0
Vertex Pharmaceuticals Inc	54.0	10.5
	190.7	**36.9**
United States Total	**482.5**	**93.4**

INTERNATIONAL Europe	Market Price $ Millions	Pct. Value
Emerging Biotechnology		
Amarin Corp PLC	9.1	1.8
Argenx SE	12.1	2.3
Foamix Pharmaceuticals Ltd	3.2	0.6
Genfit	6.5	1.3
Prothena Corp PLC	0.6	0.1
uniQure NV	7.0	1.4
	38.4	**7.4**
Europe Subtotal	**38.4**	**7.4**
Far East		
Emerging Biotechnology		
CanSino Biologics Inc	8.5	1.7
OrbiMed Asia Partners	4.0	0.8
	12.5	**2.4**
Major Biotechnology		
Hansoh Pharmaceutical Group Co	14.1	2.7
	14.1	**2.7**
Far East Subtotal	**26.6**	**5.2**
International Total	**65.0**	**12.6**
Cash	**-31.1**	**-6.0**
Total Portfolio	**516.4**	**100.0**

2019 Strategy and Outlook

- **We regard the past 2 years of performance as a temporary setback and are confident we can restore outperformance**
  - Name count and gearing levels (5-10%) will remain roughly the same
  - Large cap exposure has been reduced in favor of small/midcap names
  - +9.6% outperformance versus the benchmark YTD

- **Large cap biotech continues to trade at a valuation discount**
  - Eventual rerating expected from M&A, pipeline developments, new product launches
  - But election-related drug pricing rhetoric could keep generalist sentiment on the group dampened in the near-term

- **Innovation remains strong in the sector, including transformative technologies like gene therapy**

- **Regulatory environment remains supportive of new drug approvals**
  - Clinical trial requirements have been reduced (less cost and time) and there is a higher probability of approval

- **M&A could pick up after a strong start to the year**
  - Targets could include Big Biotech as well as emerging companies

- **Political rhetoric on drug pricing may persist into 2020 elections, but ultimate impact on biotech likely not substantial**
  - Split Congress makes passage of transformative legislation unlikely

- **Opportunities outside of the US, like China, are becoming more interesting**

Endnotes

OrbiMed
Healthcare Fund Management

Endnotes

General Notes

1. The information presented herein relates to The Biotech Growth Trust PLC (the "Fund"). OrbiMed Capital LLC ("OrbiMed") is an investment adviser registered with the U.S. Securities and Exchange Commission (the "SEC") that specializes in the investment of clients' assets, including the Fund's assets, in healthcare and life sciences companies, including the biotechnology and pharmaceutical sectors, across a number of products and strategies. This presentation includes information specifically relating to the Fund, and potential OrbiMed clients or fund investors should be aware that such information may not be applicable to other OrbiMed funds, products or strategies. The information contained in this presentation is not intended to supplement or replace the disclosures made in Part 2 of OrbiMed's Form ADV filed with the SEC or in the prospectus or other offering document for any investment fund sponsored and/or managed by OrbiMed or its affiliates. SEC Registration does not imply a certain level of skill or training.

2. This document is confidential and may not be reproduced, in whole or in part, and may not be disclosed or distributed to any person other than the person to whom it was originally delivered and to such person's advisers without the prior written consent of OrbiMed.

3. Opinions and estimates may be changed without notice. This presentation is as of the date hereof and may be changed without notice, and nothing herein shall, under any circumstances, create any implication that there has been no change in the affairs of the Fund since the date hereof. OrbiMed does not warrant or guarantee the accuracy or completeness of the information presented herein.

4. This document does not constitute an offer to sell, or the solicitation of an offer to purchase, any security, fund or other investment product, including shares of the Fund ("Shares"). Any such offer or solicitation may only be made to qualified investors by means of the Fund's prospectus or other offering document. The Fund's governing documents, periodic reports and other relevant documents (collectively, "Fund Documents") are available upon the request of any qualified potential investor and should be reviewed carefully in their entirety, including any applicable risk factors and conflicts of interests sections thereof, before making any investment decision.

5. This document has been prepared solely for discussion purposes and should not be relied upon in evaluating the merits of investing in any securities, including Shares. It does not purport to be all inclusive or to contain all the information that a prospective investor may desire in investigating a potential purchase of Shares. Prospective investors are cautioned not to rely on the prior returns or other information set forth herein in deciding whether to purchase any Shares and must conduct and rely on their own evaluation of the Fund and the terms on which Shares may be offered or otherwise available for purchase, including the merits and risks involved, in making an investment decision with respect to the Shares.

Endnotes (continued)

Indices

Information about indices is provided to allow for comparison of the performance of the Shares to the Fund's benchmark and certain other recognized indices. Investors cannot invest directly in an index, which also does not take into account trading commissions and costs. The indices shown are unmanaged, do not charge fees or expenses and do not employ special techniques such as leveraging or short selling. The volatility of indices may be materially different from the performance of the Fund. In addition, the Fund's portfolio holdings may differ significantly from the securities that comprise such indices.

The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The NASDAQ Biotechnology Index includes securities of NASDAQ-listed companies classified according to the Industry Classification Benchmark as either Biotechnology or Pharmaceuticals which also meet other eligibility criteria, and is calculated under a modified capitalization-weighted methodology. The SPDR S&P Biotech ETF seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the S&P Biotechnology Select Industry. The FTSE All-Share Index is a market-capitalization weighted index representing the performance of all eligible companies listed on the London Stock Exchange's main market, which pass screening for size and liquidity. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.