

# Mythos Biotechnology Fund

Investment Analyst Program

Updated April 2020

# Disclaimers

- The sole purpose of the investment analyst program is to provide training for our partners and others who are new to biotech investing.
  - Deliverables produced through this program are not investment recommendations and the information presented may be inaccurate or out-of-date.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.

# Directive

- Mythos has established small teams of investment analysts for the purpose of identifying compelling market opportunities and performing diligence on behalf of the fund.
  - These teams have a focus on a disease area or technology type
  - The program runs as 3-4 month cycles
- Candidates must have:
  - Serious commitment to learning about biotech investing
  - Strong technical or domain-specific expertise
  - Willingness to work with others

# Operations

- The management will provide guidance and support for the analyst teams, but the teams should have full ownership of developing investment theses.
- Team responsibilities:
  - Given discretion on when to hold meetings and how often
  - Ensure team is on track to achieving milestones
  - Arrange for one or more team members to attend monthly general meetings
- Analyst responsibilities:
  - Have the initiative in finding information and sharing with the team
  - Quickly kill bad investment opportunities

# Milestones

1. Analyst team formation
  - Program orientation with the management
  - Team leads identify meeting times, frequency, location, and communications
2. Report on new market opportunities
  - Team presents new opportunities in the space (20 min)
3. Conduct deep diligence on a single stock
  - Team presents a thorough assessment of 1 stock worth buying (45 min)

# Outcomes

- Mythos investment analysts will make steady progress spanning between market survey of a disease area or technology type to preparing a full pitch on a compelling investment opportunity
  - Opportunity for analysts to work together and learn from one another
  - Opportunity for analysts to present investment theses and address risks
- Mythos will have improved its potential as a fund and partners can learn more about different therapeutic spaces and investment opportunities
  - Opportunity for the fund to expand its bandwidth in conducting diligence
  - Opportunity for the fund to strengthen its partnership and train new partners

# Milestone 1 | Report on new market opportunities

Cortexyme

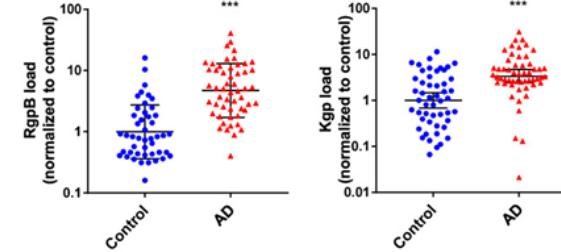
\$CRTX  
Market cap: \$1B  
Cash: \$63M

Cortexyme is currently testing its lead small molecule **COR388** in a Phase 2/3 clinical study for the treatment of Alzheimer's disease. (topline due by end of 2021)

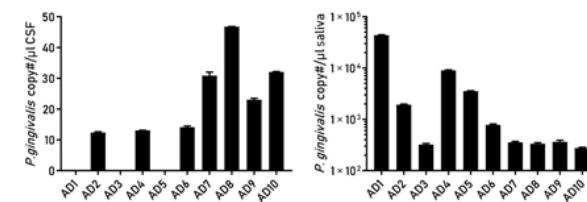
**COR388** is a novel virulence factor inhibitor targeting gingipains from *P. gingivalis* that have been found in the brain of Alzheimer's patients. Infection of mice with *P. gingivalis* results in brain infiltration and downstream pathology of AD including Abeta42 production, neuroinflammation and neurodegeneration that can be blocked by **COR388**.

Additional compounds from the proprietary protease inhibitor library are moving forward in preclinical development.

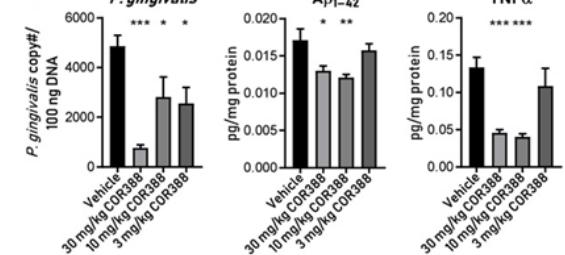
Gingipain load is correlated with AD pathology in patients' brain



*P. gingivalis* DNA is detectable from CSF and saliva of subjects with probable AD



COR388 reduces *P. gingivalis*, Abeta1-42 (amyloid plaques), and TNFalpha (inflammation)



Dominy, Stephen S., et al. "Porphyromonas gingivalis in Alzheimer's disease brains: Evidence for disease causation and treatment with small-molecule inhibitors." *Science advances* 5.1 (2019): eaau3333.

Introduce and indicate company info: ticker, lead asset(s) & indication(s), market cap, cash position  
Therapeutic pipeline and upcoming clinical trials

Describe scientific basis and clinical rationale for lead asset(s)  
Conclude with ranked list and leads for further diligence

# Milestone 2 | Deep diligence on a single stock

- Present a thorough assessment of 1 stock worth buying
  - Investment thesis and supporting information
    - Timeline of catalysts (e.g. clinical readouts)
  - Explanation of drug candidate, key experiments, clinical data
    - Background information on the underlying science
    - Current standard of care and competition landscape
    - Likelihood of clinical trial success
  - Evaluation of the opportunity
    - Possible risks (e.g. weak cash position, lack of preclinical data)
    - Exit opportunities
    - Base/bull/bear cases
- Ad hoc Q&A during presentation