



A BRIEF OVERVIEW OF ÓSKARE CAPITAL

ÓSKARE CAPITAL

UNLOCKING THE ENDOCANNABINOID SYSTEM

ÓSKARE CAPITAL, has launched the first **AIFM** and **ESG** compatible Venture Capital fund with an investment focus on innovative companies and teams in **Europe** working on **novel therapeutics** that target the **endocannabinoid system** (plant and synthetic based cannabinoids and other novel molecules) and the associated **ecosystem** of services and products to service this fast growing **global market**.

2022
NON-CONFIDENTIAL

CURRENT INVESTMENTS*



STRATEGIC PARTNER



OSKARE FUND I PARTNERS



*At first closing, warehoused investments will be rolled into the fund at **a discount** to LPs on total FMV

1 A PIONEER IN A NEW AND FAST GROWING MARKET



BRUCE LINTON (Founder of Canopy Growth) - Óskare Capital Chairman
"Rational regulations, scientific expertise and an emerging ecosystem are driving this next and most significant wave of durable wealth creation"

- Developing the **untapped** therapeutic potential of the **Endocannabinoid System (ECS)**, the importance and impact of which is compared to the immune system
- Cannabinoids and other novel molecules (synthetics) can interact with the **ECS** for a wide scope of treatments in: **Cancer, Pain management, Anxiety, Epilepsy, Sleep, Depression, Rare diseases, ADHD, ...**
- Medical cannabis (cannabinoids) market in EU: 300 M€ in 2018, 2.8 B€ in 2024 to **15 B€ in 2029 (53 B€ globally)**
- **ECS related treatments** (including medical cannabis) target an existing market with **total market size of 438 B€** that goes beyond medical cannabis and incorporates synthetic molecules as well
- Favourable **legal** and regulatory landscape + **state run healthcare**
- **Geography:** 70% Europe, 30% Rest of World
- **Stage:** 50-60% Spin-Off / Seed / Series A | 40-50% Series B+
- **Primary Targets:** 50% Life Sciences & Wellness | 50% "Picks and Shovels" (ecosystem)
- **Secondary Targets:** Wellness | AgTech | Sustainability | BioTech
- **Red Lines:** **Not investing** in Recreational Cannabis or Production
- Projected **IRR >30%** (diversified portfolio of approx 15-20 targets)
- Fund target size is **150 M€**
- Key target market 10 year CAGRs range from **40% - 80%**
- Over **400 companies** in deal flow pipeline
- **AIFM** domiciled in Dublin, **ESG** compliant

2 THE BEST TEAM IN THE MARKET

ÓSKARE CAPITAL is the **only** team that has **experience** working together in **Venture Capital, Life Sciences and Industry** and brings a track record of **excellent returns**

- BRUCE LINTON**
CO-FOUNDER | CHAIRMAN
- ALEXANDRE QUIMET-STORRS**
PRESIDENT | MANAGING PARTNER | CO-FOUNDER
- DR. JOHN ROGERS**
CMO | CO-FOUNDER
- GAETANO INSALACO**
MANAGING PARTNER | CO-FOUNDER
- NICOLA BROUGHTON**
VENTURE PARTNER | CO-FOUNDER (UK Fund)
- OLIVER LAMB**
INVESTMENT MANAGER | CO-FOUNDER
- JD WECHSLER**
MANAGING PARTNER | AMERICAS
- JOSH GOODMAN-LEVY**
OPERATING PARTNER | UK
- ZSOLT LENKEI**
OPERATING PARTNER | Research Neuroscientist
- DR. OLIVIER BRANDICOURT**
ADVISOR - Former CEO of Sanofi
- JOSEPH SWANSON**
ADVISOR - Senior MD at Houlihan Lokey
- BRENDAN KENNEDY**
ADVISOR - Founder and former CEO of Tilray

SCIENCE

MARKET

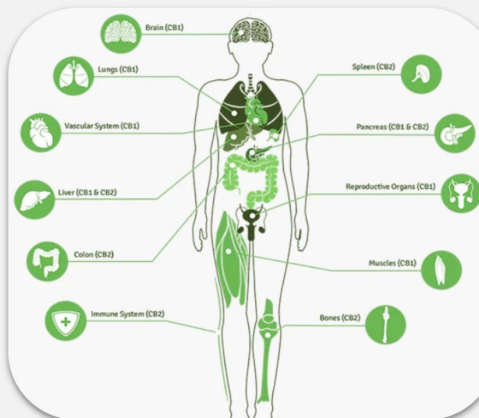
STRATEGY

RETURNS

3
WELL POSITIONED TO CAPTURE SHARES IN LARGE MARKETS

Beyond "medical cannabis", the real opportunity is in exploiting the **endocannabinoid system:** targeting unmet needs, new indications, rare diseases and alternatives to current therapies **in markets that exist today but are ripe for disruption**

- Hepatocellular Carcinoma and Lung Cancer **\$25bn**
- Cardiomyopathy and Congestive Heart Failure **\$92bn**
- Chronic Pain including Breakthrough Pain (cancer) **\$78bn**
- Improve Cognitive Function in the Elderly and those with Dementia **\$12bn**
- Improve Concentration for those with ADD and other Mental Health Issues **\$10bn**



- \$1bn** Improve Cognitive function in those with Down's Syndrome
- \$29.5bn** Uveitis and Inflammatory Eye Disease
- \$15.5bn** Atopic Dermatitis and Psoriasis
- \$5.5bn** Athletic Performance and Recovery
- \$8.5bn** Anxiety (including geriatric care)

\$161 bn

Rare and Orphan Diseases

TOTAL MARKET SIZE OF 429 B€*: TARGETED OUTCOMES (376 B€ in 2020) + MEDICAL CANNABIS (53 B€ in 2029)

CONTACT
ÓSKARE CAPITAL
FOR MORE
INFORMATION

*Prohibition Partner 2020 Medical Cannabis Report and [TOTAL MARKET SIZE OF TARGET OUTCOMES](#)



- ❖ AIFM ICAV
- ❖ Domiciled in **Dublin**
- ❖ ESG Compliant
- ❖ 2% Fees
- ❖ 7% Hurdle Rate
- ❖ 80/20 Carry
- 8 Years Extension (1+1)
- 150M€ Fund Target
- >30% IRR Projected

2021

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4 IDEAL TIMING

EARLY ACCESS WINDOW

2015 - 2017

2017 - 2019

2020 - 2022

PRODUCTION

North America (NA) facilitated early entrants to the production market in Canada and 7 US States

RECREATIONAL

Many NA producers integrated retail brands, large hype around recreational market in Canada/US and European entrants established CBD products

MEDICAL

- Culmination of factors that have created a **tipping point** in this sector
- **Favorable regulatory conditions for global market expansion:** the UN removed cannabis from Schedule IV in 1961 Single Convention and EU court decision stating CBD is not a narcotic
- In 2020, Medical Cannabis Cards started being issued to an estimated **1.4 million** eligible patients in the UK
- In 2021, France started its 2 year Medical Cannabis project

EARLY ACCESS MULTIPLE

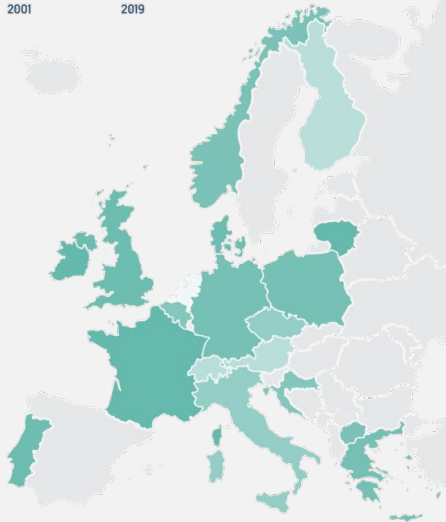
15X

13X

15X

5 CLEAR LEGAL FRAMEWORK

DATE OF LEGALISATION
2001 2019

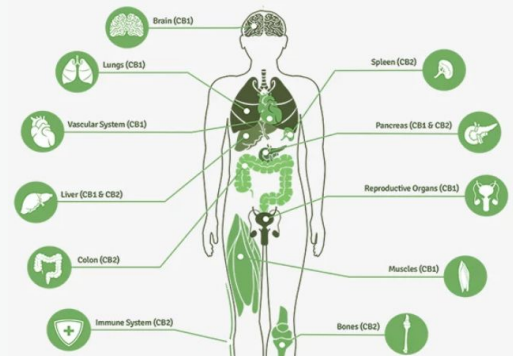


Medical Cannabis has been legal in Europe for several years and regulated products will come in majority from Europe as research in US has been hindered as its federally illegal.

Global champions such as GW Pharma will emerge from Europe

6 BACKED BY SCIENCE

THE ENDOCANNABINOID SYSTEM



Discovered in 1992, this system is found in man and **all vertebrate species**. It has been used as the body's way to create **homeostasis and adapt to environmental stress and changes**.

Research on this system is accelerating and its therapeutic potential is untapped

7 OPTIMAL GEOGRAPHY

A

Government Backing and Favorable Regulations

- **EU has unfair advantage vs US:** federal illegality in the US vs legality in Europe has made R&D favorable in the EU for this sector
- **Dedicated regulatory agencies for the sector and state run healthcare** set up in a number of European countries with clear and legal regulatory route for our investment thesis

B

Leading R&D

- **Fruition of R&D in Europe** and clinical trials proving **efficacy and patentability** of ECS medicines and medical cannabis therapeutics with companies emerging today in Europe
- **Access to Tier 1 research and management teams at a fraction of US cost**, while leveraging a favorable subsidy environment in Europe for non-dilutive capital

C

OPTIMAL INVESTMENT ENVIRONMENT

- **Great deals, deep market and excellent valuations:** +500 deals reviewed in Europe over last 12 months with low competition from incumbent sectorial US VCs in Europe and no dedicate fund in the sector in Europe creating a **"perfect storm"**
- **Creating a buyers market** in an alternative asset class poised for outsized returns, we can **"cherry pick"** deals





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2021

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CAPITAL

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8 A MOVING MARKET

<p>2018</p> <p>Lonza </p> <p>Emerald Health Pharmaceuticals and Lonza announce agreement for manufacturing of novel cannabinoid-derived drug candidate</p>	<p>2018</p> <p>Novartis </p> <p>Tilray signs a partnership with a division of Novartis AG to develop and distribute medical Cannabis in legal jurisdictions around the world</p>	<p>2020 (September)</p> <p>Nestlé </p> <p>Nestlé Health Science expands its CBD offering outside the US to the UK</p>	<p>2020 (September)</p> <p>FCA </p> <p>FCA publishes guidance on its approach to cannabis companies looking to list in the UK whilst 1.4 million Medical Cannabis Cards started being issued</p>	<p>2020 (December)</p> <p>UN </p> <p>UN removed cannabis from Schedule IV in 1961 Single Convention and EU court decision stating CBD is not a narcotic</p>
<p>2020 (December)</p> <p>Tilray </p> <p>Aphria and Tilray merge, capitalising on Tilray's European footprint</p>	<p>2021 (February)</p> <p>Jazz </p> <p>Jazz Pharma acquires GW Pharma (cannabinoid therapeutics for childhood epilepsy) for \$7.2 billion</p>	<p>2021 (March)</p> <p>Curaleaf </p> <p>Curaleaf enters European cannabis market with acquisition of EMMAC Life Sciences for \$286 million</p>	<p>2021 (June)</p> <p>DSM </p> <p>DSM invest in Brains Bioceutical, marking the first corporate venture from the food industry entering the space</p>	<p>2021 (December)</p> <p>Germany </p> <p>German coalition agrees to legalise recreational cannabis use</p>

RECENT UPDATE

2021, December:
Pfizer enters medical cannabis market with **\$6.7 billion** acquisition of Arena Pharmaceuticals, a biotech company with a pipeline dedicated to cannabinoid-type therapeutics.

9 A SAFE HARBOUR WITH GROWTH

DURABLE RECESSION VINTAGE BEST VALUATIONS

- **Life Science and Deep Tech** funds tend to perform well during economic downturns
- Sector will be growing over the next **3-5 years** versus a global economy that will be recovering slowly
- Performance Data from the **European Investment Fund** shows that upcoming fund vintages could resemble post **2008/2009 fund performances** (e.g. total average IRR of 15.63% in 2011)
- Early-stage companies the Fund will invest in will **mature over the next 3-5 years** to coincide with global market rebound
- **Covid 19 + 2019 valuation rebase** in the cannabis space have created a strong **buyers market**

TRANSACTIONS EARLY-STAGE RESULTS

- The team has carried out over **90 transactions** combined (over **135 MEUR**) with strong results (95 MEUR at 2.57 X and 14.6% IRR, the remainder subject to NDA)
- Experienced in **early-stage deals**, including University **spin-offs** and **company building**, providing access to good valuations with subsequent **large tickets**
- Projected **IRR 38%**
- **400+** in deal flow pipeline
- **Portfolio Simulation** available on request
- **Skin in the game:** 2 investments warehoused for fund
- **6 + deals** can be executed within **6 months**

10 VAST EXIT OPPORTUNITIES

WHY INVEST?

- A Better Deal Flow**
The Óskare team are based across Europe and all bring early access to **unique deal flow**
- B Sector Expertise**
Best in class expertise in each target investment area
- C Post-Deal Influence**
Board seats for every investment to maximise value and **investor protection**
- D Co-Investment Rights**
Rights dependant on ticket size, contact Óskare for more details
- E Managed Risk**
Diverse investments, experienced portfolio management and **exit expertise**

FURTHER INFORMATION AVAILABLE ON REQUEST

CONTACT:
ÓSKARE CAPITAL

