

Abingworth Management Inc.

**3000 Sand Hill Road, B4-145
Menlo Park, CA 94025, USA**

August 31, 2022

This brochure provides information about the qualifications and business practices of Abingworth Management Inc. (“**AMI**”). If you have any questions about the contents of this brochure, please contact AMI’s Chief Compliance Officer (“**CCO**”), John Heard at +44 20 7534 1500 or by email at

legal@abingworth.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority. Registration of an investment adviser does not imply that AMI or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Item 2. Material Changes

The last Annual Update of this Brochure was filed by Abingworth Management Inc. with the SEC on September 29, 2021. This brochure serves as both the Annual Update, as well as an Other-Than-Annual Update, pursuant to certain material changes that have occurred since the last Annual Update. The following are the material changes that have occurred since the last Annual Update filing:

- (i) On August 1, 2022, Abingworth group (“**Abingworth**”) comprising Abingworth LLP (“**ALLP**” or the “**Manager**”) and its affiliates, including AML, was acquired by The Carlyle Group (“**Carlyle**”) to offer investors broader-based investment management services in life sciences and healthcare investing, which complement Carlyle’s product set. AML is wholly-owned by Carlyle.
- (ii) On August 7, 2022, Carlyle announced that its Board of Directors and its Chief Executive Officer, Kewsong Lee, have mutually agreed that Mr. Lee will step down as Chief Executive Officer and a member of the Board of Directors, effective August 7, 2022. Mr. Lee will serve as a Senior Advisor through the end of the year to assist with the transition. The Board of Directors appointed William E. Conway Jr. to serve as interim Chief Executive Officer until a permanent successor to Mr. Lee has been appointed. Mr. Conway is a Co-Founder of the Company and Co-Chairman of the Board.

IMPORTANT NOTE ABOUT THIS BROCHURE

This brochure is not:

- an offer or agreement to provide advisory services to any person
- an offer to sell interests (or a solicitation of an offer to purchase interests) in any fund referred to in this brochure
- a complete discussion of the features, risks or conflicts associated with any fund referred to in this brochure or any advisory service.

As required by the Investment Advisers Act of 1940, as amended (“**Advisers Act**”), AML provides this brochure to current and prospective Advisory Clients (as defined in this brochure). Additionally, this brochure is available through the Securities and Exchange Commission’s (“**SEC’s**”) Investment Adviser Public Disclosure website.

Abingworth Management Inc.
Form ADV Part 2A

Although this publicly available Brochure describes investment advisory services and products of AMI, persons who receive this Brochure (whether or not from AMI) should be aware that it is designed solely to provide information about AMI as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant offering materials. In addition, more complete information about each fund sub-advised by AMI, as well as AMI's investment advisory services, is included in relevant offering materials, certain of which may be provided to current and eligible prospective Advisory Clients or investors only by AMI's relying adviser, Abingworth LLP.

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Item 4. Advisory Business

A. Background

Abingworth Management Inc. (“**AMI**”), a Maryland corporation organized in April 1997 with its principal place of business in Menlo Park, California is part of the Abingworth group (“**Abingworth**”) comprising Abingworth LLP (“**ALLP**” or the “**Manager**”) and its affiliates. AMI is wholly owned ALLP. ALLP is based in London and is an English limited liability partnership registered in England and Wales on June 6, 2006. ALLP is authorized and regulated by the UK Financial Conduct Authority. AMI is a sub-adviser to ALLP which is a relying adviser of AMI as per the SEC guidance in the 2012 ABA No-Action Letter.

On August 1, 2022, Abingworth was acquired by Carlyle to offer investors broader-based investment management services in life sciences and healthcare investing, which complement Carlyle’s product set. AMI is wholly-owned by Carlyle. Abingworth will become a part of Carlyle’s Global Private Equity business segment, for which Carlyle Investment Management L.L.C. and its relying advisers (together, “**CIM**”) provides advisory services.

The Carlyle Group

Carlyle, founded in 1987, is a global investment firm offering specialized investment funds and other investment vehicles that invest private capital across a range of industries, geographies, asset classes and investment strategies. Carlyle operates its business, through CIM and several other Carlyle-affiliated investment advisers, across three segments: (i) Global Private Equity, (ii) Global Credit and (iii) Global Investment Solutions.

Various entities affiliated with The Carlyle Group, Inc. (the “**Public Company**”) (Nasdaq: CG), an affiliate of CIM, directly and indirectly own and control CIM. On January 1, 2020, The Carlyle Group, L.P. completed its conversion (together with related restructuring steps and transactions, the “**Conversion**”) from a Delaware limited partnership to a Delaware corporation named The Carlyle Group, Inc. Pursuant to the Conversion, each common unit of The Carlyle Group, L.P. converted into one share of common stock of the Public Company (“**Common Stock**”) and each special voting unit and general partner unit was canceled for no consideration. In addition, holders of the partnership units in Carlyle Holdings I L.P., Carlyle Holdings II L.P., and Carlyle Holdings III L.P. (collectively, “**Carlyle Holdings**”) exchanged such units for an equivalent number of shares of Common Stock and certain other internal restructuring steps occurred. In connection with the Conversion, senior Carlyle professionals and certain of the other former

limited partners of Carlyle Holdings who became holders of shares of Common Stock in connection with the Conversion were generally required to grant an irrevocable proxy to Carlyle Group Management L.L.C., which is wholly owned by Carlyle's founders and other senior Carlyle professionals. This proxy entitles Carlyle Group Management L.L.C. to vote such shares of Common Stock until the earlier of (i) such time as Carlyle Group Management L.L.C. ceases to have voting power over shares of Common Stock representing at least 20% of the total voting power of all the then outstanding shares of capital stock of the Public Company entitled to vote in the election of directors and (ii) January 1, 2025. As of December 31, 2021, Carlyle Group Management L.L.C. held voting power for approximately 43% of Common Stock. CIM does not hold any economic interest in the Public Company, although certain of its officers and supervised persons hold Common Stock. From and after the consummation of the Conversion, the Public Company holds directly and indirectly all of the outstanding equity interests in Carlyle Holdings, whose subsidiaries operate and control all of the business and affairs of Carlyle and its affiliates.

A group of senior management professionals establishes the management structures and policies and procedures for the operation and development of the firm, guided by the strategic direction set by the Board of Directors of the Public Company. William E. Conway, Jr., Co-Founder, interim Chief Executive Officer, and Co-Chairman of the Public Company Board, Curtis L. Buser, Chief Financial Officer, Peter J. Clare, Chief Investment Officer for Corporate Private Equity and Chairman of the Americas Private Equity, Jeffrey W. Ferguson, General Counsel, Christopher Finn, Chief Operating Officer, and Bruce Larson, Chief Human Resources Officer, comprise this group of executives.

Additional information about the Public Company is available in its current public filings with the SEC. Unless specifically stated otherwise, references in this Brochure to CIM do not include Carlyle, the Public Company or any of Carlyle's other affiliated entities.

Carlyle Investment Management L.L.C.

CIM, a Delaware limited liability company formed in 1996, is registered with the SEC as an investment adviser. It provides investment advisory services, either directly or through co- and sub-advisory arrangements, to various Carlyle-sponsored investment vehicles and managed accounts (each an **"Advisory Client"**¹). In the context of Carlyle's structured credit investment activities, CIM, through its

¹"Advisory Client" means any fund, pooled investment vehicle or account for which CIM or Abingworth directly or indirectly provides investment advice and/or places trades on a discretionary or nondiscretionary basis. For the purposes of this brochure, Advisory Client includes Abingworth's funds described in Item 4.B. The investors and other persons who invest in Abingworth's Advisory Clients are generally referred to herein as "investors." Unless otherwise expressly stated herein, the term "Advisory Clients" does not include "investors", and the term

relying advisers Carlyle CLO Management L.L.C. (“**Carlyle CLO**”), CBAM CLO and CBAM CLO Europe, generally provides advisory services directly to the investment vehicle as collateral/investment manager. CBAM CLO and CBAM CLO Europe were acquired by Carlyle in March 2022.

As of December 31, 2021, CIM managed approximately \$198.2 billion of assets in respect of which CIM has full investment discretion (subject to the CIM Advisory Client’s established investment guidelines). As of December 31, 2021, CIM also managed approximately \$3.9 billion of assets in respect of which CIM does not have full investment discretion.

CIM is a separately-registered investment adviser that generally operates independently of other Carlyle-affiliated investment advisers. CIM acts as a co-investment adviser with certain affiliated investment advisers, and also acts as a sub- or co-investment adviser with unaffiliated investment advisers for certain investment vehicles that are joint ventures between Carlyle and unaffiliated entities with respect to certain legacy energy and renewables funds. CIM’s status as part of the larger Carlyle organization raises certain actual and potential conflicts of interest, some of which may pertain to AMI and are discussed more fully in Items 8 and 10.

Through a series of delegation agreements, CIM provides portfolio management services with respect to certain private investment funds that are managed by CIM Europe S.ar.l. (the “**CIM AIFM**”), an affiliated alternative investment fund manager licensed with the Luxembourg Commission de Surveillance du Secteur Financier (the “**CSSF**”) under the Directive (as defined below).

In providing its services to each CIM Advisory Client, CIM and its related persons provide advice with respect to the investment and reinvestment of each CIM Advisory Client’s assets, and may assist in coordinating reports to investors. CIM manages the assets of each CIM Advisory Client in accordance with the terms of the governing documents (or investment management agreement in the case of a separately managed account) applicable to such CIM Advisory Client.

Interests in Carlyle-sponsored investment vehicles advised by CIM are privately offered only to eligible investors pursuant to exemptions available under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and the regulations promulgated thereunder. Such investment vehicles, including parallel and co-investment vehicles, are not registered with the SEC as investment companies based on specific exclusions from the United States Investment Company Act of 1940, as amended (the “**1940**

“investors” does not reference stockholders or debtholders, as applicable, of the Public Company or TCG BDC, Inc.

Act”). Typically, interests in such investment vehicles are offered to institutional investors, high net worth individuals as well as non-U.S. investors investing in a non-U.S. investment vehicle. Additionally, Carlyle, its affiliates and equity owners, and certain of their respective professionals typically invest in or alongside CIM Advisory Clients. Other qualified individuals who generally are not employees of Carlyle, but who have or had business relationships with Carlyle or industry expertise in the sector in which a particular CIM Advisory Client may be investing (including, without limitation, operating executives, operating advisors, consultants, former employees, senior advisors, and other similar professionals) are also expected to invest in or alongside CIM Advisory Clients. Some of these outside investors and industry experts are current or former executives of portfolio companies in which an investment vehicle will invest.

B. Advisory Services

AMI provides investment advisory services in relation to companies in the life sciences and healthcare sectors across all stages of company development including early and late-stage venture financing, clinical co-development, and public companies.

AMI provides investment advisory services under a sub-advisory agreement with ALLP regarding its management of privately offered investment funds. The following funds are currently being managed by ALLP and sub-advised by AMI.

- Abingworth Bioventures V LP.
- Abingworth Bioventures V Co-Invest Growth Equity Fund LP.
- Abingworth Bioventures VI LP (“**ABV VI**”).
- Abingworth Clinical Co-Development Fund LP (“**ACCD**”).
- Abingworth Bioventures VII LP (“**ABV 7**”);
- Abingworth Bioventures 8 LP (“**ABV 8**”);
- ABV 8 Strategic UK LP;
- Abingworth Clinical Co-Development Fund 2 LP (“**ACCD2**”); and
- Abingworth Clinical Co-Development Fund 2 Co-Investment LP.

The Abingworth Bioventures Funds and ABV 8 Strategic UK LP are collectively referred to as the “**Bioventures Funds**” and ACCD, ACCD2 and Abingworth Clinical Co-Development Fund 2 Co-Investment LP are collectively referred to as the “**CCD Funds**”.

Advisory services are rendered by AMI to the Manager as requested, and include:

- Advice on opportunities for investments by the Advisory Clients.
- Analysis and review of (i) businesses in which an Advisory Client has invested (each, a “**Portfolio Company**”) or prospective Portfolio Companies and (ii) structured finance investments, being, in the context of ACCD and ACCD 2, investments in underlying vehicles that finance clinical trials of drugs and directly or indirectly hold contractual rights to pre-agreed payments in the event of the approval by a Regulatory Agency of the relevant drugs (“**Clinical Co-Development Investments**”).
- Advice concerning the purchase and sale of Portfolio Company securities and matters relating to an Advisory Client’s holding of such securities.
- Periodic reports on the progress of Portfolio Companies and Clinical Co-Development Investments.
- Designating a person to represent the interest of any of the Advisory Clients by serving as a director or observer of a Portfolio Company or investment fund or Clinical Co-Development Investment.
- Designating a person to meet investors and prospective investors, and to assist the Manager in promoting investment funds and support investor due diligence;
- Designating a person or persons to participate in management and board meetings of ALLP either in person in the United Kingdom or by telephone or video conference; and
- Such other services as may be required from time to time.

The Manager uses AMI’s services in the advice to or management of the Advisory Clients. The principal activity of the Advisory Clients is to acquire, hold and dispose of equity securities of companies active in the life sciences and healthcare fields.

C. Customisation of Advisory Services

The limited partnership agreement or other operating agreement as applicable of each Bioventures Fund and CCD Fund (each a “**Partnership Agreement**”) is negotiated with investors as a group (the “**Investors**”) and defines the Advisory Client’s investment policies and restrictions. Abingworth prepares offering materials with respect to each Advisory Client which materials contain more detailed information of the investment objectives and strategies employed and related restrictions and limitation.

None of the Advisory Clients is tailored to meet the individual investment needs of a particular Investor except for ABV 8 Strategic UK LP and Abingworth Clinical Co-Development Fund 2 Co-Investment LP.

AMI provides advice to the Manager with respect to the Advisory Clients and not with respect to any Investor.

D. Wrap Fee Programs

Not applicable.

E. Client Assets

As of June 30, 2022, Abingworth had approximately \$1,731,882,540 of regulatory assets under discretionary management.

Item 5. Fees and Compensation

A. Compensation

Abingworth's compensation is negotiable and varies, but typically Abingworth charges each Advisory Client an annual management fee. In addition, Abingworth affiliates that serve as general partners of each of the Bioventures Funds and the CCD Funds (the "**General Partners**") receive a percentage of net profits distributed to the Investors in such Advisory Client as its "carried interest".

AMI receives a negotiated service fee from ALLP equal to a percentage of the operating expenses incurred by AMI in the course of performing its duties. The expected operating expenses of AMI are set forth in a mutually agreed upon budget prior to the beginning of the fiscal year.

Please note that pursuant to Carlyle's acquisition of Abingworth, Abingworth's compensation practice is anticipated to change in the future. Such changes will be reflected in the respective Advisory Client(s)' offering materials and / or amended brochure(s), as applicable.

Bioventures Funds and CCD Funds' fees

The General Partners of the Bioventures Funds generally receive a 2% management fee in the form of "General Partner's Share" in accordance with the Partnership Agreement. Such management fees are a percentage of an Advisory Client's total commitments during such Advisory Client's investment period (generally 5 years) and are then reduced over time as set out in the Fund's Partnership Agreement.

The General Partner of ACCD2 receives management fees during the Advisory Client's investment period ranging from 0.75% to 1.50% of total commitments to the Advisory Client, plus 0.5% to 0.75% of cumulative amounts invested, committed or reserved in connection with specific investments, depending

on the category of Investor. After the investment period the Advisory Client's management fees range from 1.0% to 1.5% of cumulative amounts invested, committed or reserved in connection with specific investments, depending on the category of Investor. The General Partner of Abingworth Clinical Co-Development Fund 2 Co-Investment LP receives a fixed annual management fee.

Such management fees are negotiated with the Investors in each Advisory Client. The Manager's fees are funded out of the General Partner's Share and there are no charges for the Advisory Client in this regard.

B. Billing

The Bioventures Funds and the CCD Funds' management fees are payable quarterly in advance from the commencement date of the Advisory Client.

C. Other expenses

Each of the Bioventures Funds and the CCD Funds is responsible for and does incur other expenses in addition to the management fee payable. These expenses typically include establishment costs, legal, tax, administrators and audit fees, the cost of Investor and advisory committee meetings and third- party costs arising from transactions whether completed or uncompleted. The expenses are set out in the Partnership Agreement.

D. Advancement of Fees

See B. above.

E. Other Compensation to Supervised Persons from Sales of Securities or Other Investment Products

Not applicable.

Item 6. Performance-Based Fees and Side-By-Side Management

Certain of the members and employees of Abingworth receive carried interest in the Bioventures Funds and the CCD Funds in their capacity as partners of a General Partner. Carried interest is paid after all drawn down commitments have been repaid to the Investors. Investors are entitled to receive 80% of net profits in proportion to their commitments and the General Partner of each Bioventures Fund and ACCD is entitled to receive 20% of net profits as carried interest. Investors in ACCD2 are entitled to receive a range of 75% to 82.5% of net profits in proportion to their commitments depending on the category of Investor and amount of overall net profits and the General Partner of ACCD2 is entitled to receive a

range of 17.5% to 22.5% of net profits as carried interest, depending on the category of Investor and amount of overall net returns.

The carried interest is a “performance-based fee”. Performance based fee arrangements may create an incentive for Abingworth to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. As a general matter, Abingworth addresses conflicts by following a thorough, detailed, and consistent decision-making process and by regular reviews of investments.

Item 7. Types of Clients

AMI provides advice and services to the Manager for its use in managing the Advisory Clients. The Manager’s clients are the Advisory Clients. Investors in the Advisory Clients include sovereign wealth funds, pension funds, fund of funds, insurance companies, private banks, foundations, endowments, family offices, high net worth individuals and other institutions. The Advisory Clients qualify for exemption from the definition of “investment company” under Section 3(c) (1) or Section 3(c) (7) of the 1940 Act. Investors must meet the requirements for an “accredited investor” under the Securities Act of 1933, as amended (the “**1933 Act**”) and a “qualified purchaser” under the 1940 Act.

In general, the minimum investment in the Advisory Clients ranges from \$50,000 to \$25,000,000 with the General Partner reserving the right to accept capital commitments of lesser amounts at its discretion.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategy

Abingworth has taken a broad approach to investing in life sciences and healthcare in terms of geography, sector, and stage of investment. AMI provides its services to the Manager primarily in relation to US based investment opportunities and Portfolio Companies.

This investment strategy focusses on the life science and healthcare sectors in their broadest definition and investment in a range of business models. Although no allocations are made to specific sub-sectors, principal areas are:

- Biopharmaceuticals: small molecule (chemical) and large molecule (proteins and oligonucleotide), drug discovery and development, as well as vaccines.

- Clinical co-development partnerships: financing clinical trials for an agreed return on regulatory approval.
- Platform technologies: technologies that can lead to multiple pharmaceutical products or significantly reduce the time, cost and risk of pharmaceutical discovery and development.
- Devices and delivery: technology for drug delivery and novel surgical devices; and
- Other areas: including diagnostics, informatics and databases, instrumentation, and specialty pharmaceutical companies.

Abingworth invests at all stages of investment, including:

- Early stage
- Late stage venture
- Venture growth
- Clinical co-development
- Venture Investments in Public Equities (“**VIPEs**”)
- Public markets.

In relation to clinical co-development, ABV VI, ABV 7 and ABV 8 may typically (but not exclusively) co-invest with ACCD and ACCD2 during their respective investment periods, in clinical co-development transactions through a series of special purpose vehicles.

Refer to Item 4 of this Brochure for a description of the services provided by AMI to the Manager in pursuing this investment strategy.

B. Material, Significant, or Unusual Risks Relating to Investment Strategies

The principal risks of Abingworth’s investment strategy are as follows. The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in Abingworth’s Funds. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us. **Prior to making any investment decisions, investors should carefully review the offering documents and other governing documents of an applicable fund or product for a more complete description of the risk factors and actual and potential conflicts of interest associated with such fund or product.**

- **Appropriate portfolio investments:** The success of each Advisory Client depends on the ability of the Manager to evaluate, acquire and realise appropriate investments for the portfolio. The Advisory Client will be competing for investments against other groups, including institutional investors, investment managers and industrial groups owned by large and well capitalised investors. There is no guarantee that suitable investments will be available or that any investments will be successful. The marketability and value of any such investment will depend upon many factors beyond the control of the Advisory Client or Manager.
- **Commercial risk:** Investment in companies that are at a relatively early stage in their development is subject to a high degree of financial and commercial risk. Certain of these companies are likely to have very little operating history and may operate at a loss or with substantial variations in operating results from period to period. Many of the companies may need substantial additional capital to support additional development activities, expansion or to achieve a competitive position.
- **Market risk:** Companies in which an Advisory Client invests may be sensitive to general downward swings in the overall economy or in the life sciences sector.
- **Unquoted companies:** Investments in unquoted companies may be difficult or impossible to realise. Investments in unquoted companies are intrinsically riskier than in quoted companies as unquoted companies may be smaller, more vulnerable to changes in markets and technology and dependent on the skills and commitment of a small management team.
- **Maturity:** There may be a significant period of time before an Advisory Client has made all of its investments. In addition, investments can take several years to mature and as a result, while long-term performance of the Advisory Client may be good, performance in the early years may be slow to develop and progress may not be reflected in interim valuations.
- **Minority investor:** Each Advisory Client, since it will normally be a minority investor, may not always be in a position to protect its interests effectively.
- **Concentration of investments:** The Advisory Clients will be focused on life science and healthcare investments, or in the case of CCD Funds, clinical co-development investments, and may not enjoy the reduced risks of a highly diversified portfolio. A specialised investment focus is inherently more risky and could cause the Advisory Clients' investment to be more susceptible to particular economic, political, regulatory or industry conditions or occurrences compared to a fund, or portfolio of funds, that is more diversified and has a broader industry focus.
- **Government approvals:** The success of the Portfolio Companies may be dependent upon obtaining certain government approvals. Companies in the life science industry typically require

the approval of agencies such as the Food and Drug Administration in the US and/or the European Medicines Agency prior to their products being available to the public. The approval process is very lengthy and very costly and there can be no guarantee that a Portfolio Company will obtain the necessary approvals for its products.

- **Patent protection:** Certain of the Portfolio Companies will need to obtain patent protection for products, both in the US and in other countries. The patent position of life science companies in many countries is highly uncertain and involves complex legal, scientific, and factual questions. There is no consistent policy regarding the permissible breadth of coverage of claims allowed in biotechnology patents.
- **Clinical co-development investments:** In relation to possible clinical co-development investments (i.e. in SPVs that finance late stage clinical trials):
 - such trials are financed at the risk of the relevant SPV. There is a risk that the clinical trial does not result in approval by a Clinical Regulatory Agency as a result of failure to demonstrate efficacy, safety concerns, failure to recruit trial subjects or unforeseen regulatory concerns. If the clinical trial does not result in approval, then it is highly likely that the Advisory Client will lose its entire investment in the project.
 - such investments will be exposed to losses if a counterparty fails to meet its obligation to make contractually agreed payments.
 - if such a trial achieves approval by a Clinical Regulatory Agency, the pharmaceutical partner's payment obligations will usually extend over a number of years. It may be possible to improve rates of return by monetising the payments, but this may not always be possible. Discount rates achievable for selling the payment streams will be dependent on general interest rates, and if these increases then the proceeds achievable from monetisation will reduce; and
 - the returns available from successful clinical co-development transactions may be capped by the terms agreed with the pharmaceutical counterparty.
- **Financing:** Portfolio Companies may require financing beyond that which can reasonably be provided by the Advisory Client and other co-investors. In that event and assuming such financing is even available from third parties, the Advisory Client's interest in any such companies will be diluted, possibly at unfavourable prices and on unfavourable terms.
- **Clinical co-development investments financing:** In relation to investments in clinical co-development investments, while clinical co-development transactions have relatively predictable financing requirements compared to many venture capital investments, and the

Manager will seek to ensure that the Advisory Client and co-investors have made appropriate provision for cost overruns, this may not be practicable or sufficient.

- **Past performance:** Past performance of similar investments is not necessarily a guide to the future performance of an Advisory Client's investments and there is no guarantee that suitable investments will be available or that the target returns of the Advisory Client will be achieved.
- **Currency risk:** As the Advisory Clients may invest in a number of currencies, returns will be subject to currency fluctuations.
- **Manager personnel:** Although the Manager will devote such time and effort as may be reasonably required to implement an Advisory Client's objectives, the members, directors, officers, employees and affiliates of Abingworth will not be required to devote their full time to an Advisory Client's affairs.
- **Dependence on key personnel:** An Advisory Client's success will depend in large part on the members of Manager personnel primarily responsible for its management and, in relation to clinical co-development investments, on the key executives of the SPVs. The loss of any of these individuals may have a significant adverse impact on the Advisory Client's business.
- **Litigation:** Each Advisory Client will be subject to a variety of litigation risks, particularly due to the possibility that one or more Portfolio Companies will face financial or other difficulties during the term of the Advisory Client. An Advisory Client may also participate in Portfolio Company financings at implicit valuations lower than the valuations implicit in preceding rounds of financing.
- **Board positions:** An Advisory Client typically will have observation or visitation rights or the right to designate director(s) to serve on the board of directors of the Portfolio Company. In addition, members of Abingworth personnel may serve, from time to time, as officers or directors of a Portfolio Company. The foregoing rights and activities, especially in light of new statutes and regulations relating to corporate governance and increased scrutiny of corporate boards, could expose an Advisory Client and the assets of the Advisory Client to regulatory action and/or claims by a Portfolio Company, its security holders and its creditors.
- **Fiduciary duty:** In their capacity as officers or directors, members of Abingworth personnel will be subject to fiduciary or other duties to the Portfolio Company, which may adversely affect the Advisory Client. For example, the Advisory Client may be prohibited from selling publicly traded securities of a Portfolio Company if a member of Abingworth personnel is in possession of material non-public information relating to such company.
- **Disposal of Portfolio Company or clinical co-development investments:** In connection with the disposal of a Portfolio Company, including in relation to the monetisation of a payment

stream through either sale of the payment stream or the SPV that owns the payment stream in respect of clinical co-development investments, an Advisory Client may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The Advisory Client may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Manager may establish reserves and escrows. In that regard, distributions may be delayed or withheld until such reserve is no longer needed or the escrow period expires.

Risk of Loss. No guarantee or representation is made that an Advisory Client's investment program, including, without limitation, an Advisory Client's investment objective, targeted returns, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred.

No Assurance of Investment Return. Abingworth cannot provide any assurance whatsoever that it will be able to choose, make and realize investments for any Advisory Client. There can be no assurance that any Advisory Client will (i) be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of investments in which such Advisory Client participates or (ii) make any distribution to its investors. Accordingly, an investment in an Advisory Client should only be considered by persons for whom a speculative, illiquid and long-term investment is an appropriate component of a larger investment program and who can afford a loss of their entire investment. Past activities of investment entities associated with Abingworth or any Advisory Client provide no assurance of future success. **Past performance is not necessarily indicative of future results and all investors should be prepared to lose the value of their investment. There can be no assurance that projected or targeted returns for any Advisory Client will be achieved.**

Coronavirus and Public Health Emergencies. As of the date hereof, there is an outbreak of a novel and highly contagious form of COVID-19, which the World Health Organization has declared to constitute a global pandemic. The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity, and contributed to significant volatility in certain equity, debt, derivatives and commodities markets. The extent and duration of such negative impact, to the private equity industry and global markets as a whole, is currently unknown. The global ramifications of the outbreak are rapidly evolving, and many countries have reacted by instituting (or strongly encouraging) quarantines, prohibitions on travel, the closure of offices, businesses, factories, schools, retail stores,

restaurants, hotels, courts and other public venues, and other restrictive measures designed to help slow the spread of COVID-19. Many businesses have also implemented similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, have created significant disruption in the global public and private markets, supply chains and economic activity and are especially impactful on transportation, hospitality, tourism, entertainment and other industries. Moreover, with the continued spread of COVID-19, in particular in certain nations and localities, governments and businesses are likely to take increasingly aggressive measures to help slow its spread. For this reason, among others, to the extent COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession (which recessions some financial experts opine have already arrived), are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could negatively impact an Advisory Client and its portfolio companies and could meaningfully affect an Advisory Client's ability to fulfill its investment objectives.

The extent of the impact of any public health emergency on an Advisory Client and its portfolio companies' operational and financial performance will depend on many factors, including but not limited to the duration and scope of such public health emergency, the extent of any related travel advisories and voluntary or mandatory government restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, the extent of government support and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. For this reason, valuations in this environment are subject to heightened uncertainty and subject to numerous subjective judgments, any or all of which could turn out to be incorrect with the benefit of hindsight. Furthermore, traditional valuation approaches that have been used historically may need to be modified in order to effectively capture fair value in the midst of significant volatility or market dislocation. The effects of a public health emergency may negatively impact the value and performance of portfolio companies, Advisory Client's ability to source, manage and divest investments (including but not limited to circumstances where potential transactions are already signed but not closed) and the Advisory Client's ability to achieve its investment objectives, all of which could result in significant losses to the Advisory Client. Any such disruptions may continue for an extended period of time. The full impacts of the pandemic on markets, business activity and the global economy, as well as the effects of changes in economic, monetary and fiscal policies of the U.S. and/or other countries

that have been adopted and may in the future be adopted to address the pandemic, price shocks and related externalities, are not yet fully identified or understood. In implementing an Advisory Client's investment strategy, Abingworth will make a number of assumptions, including as to the severity of the consequences of COVID-19 to the economies in Asia and the global economy as well as prospective portfolio companies. There can be no assurances that such assumptions will be correct and unexpected events and developments, including the severity of the pandemic on economies and specific portfolio companies, may be detrimental to an Advisory Client and its investments. In addition, the operations of an Advisory Client, the portfolio companies, and Abingworth may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity, including possibly the key executives, or the personnel of any such entity's key service providers. The impact to businesses in such circumstances has been and is expected to continue to be substantial.

In connection with the impacts of the current pandemic and any future such public health crisis, an Advisory Client is expected to incur heightened legal expenses which could similarly have an adverse impact to such Advisory Client's returns. For example, but not by limitation, an Advisory Client or its portfolio companies may be subject to heightened litigation and its resulting costs, which costs may be significant and are expected to be borne by an Advisory Client and/or its portfolio companies. There is also a heightened risk of cyber and other security vulnerabilities during the current public health emergency and any future one, which could result in adverse effects to an Advisory Client or the portfolio companies in the form of economic harm, data loss or other negative outcomes.

While the U.S. Food and Drug Administration and other similar regulators globally have approved COVID-19 vaccines (some for emergency use only) and these vaccines are currently available to the general public in the United States and in some non-U.S. jurisdictions, due to limited supply, they are not yet widely available to the general public in many other jurisdictions. As newly developed vaccines, not all of the side effects are currently known. A substantial proportion of the population may choose to "wait and see" before getting vaccinated, which could prolong the effects of COVID-19. In addition, certain vaccines were initially found to be about 95 percent effective, however, the vaccines appear to have reduced efficacy against certain existing and emerging variants of COVID-19, and emerging variants may be more transmissible or deadly than existing variants of COVID-19. It is expected that many countries will continue to encounter issues with respect to the distribution, uptake and efficacy of COVID-19 vaccines

and treatments. There can be no assurance on the continuing effects of COVID-19 on the economy generally or its effect on an Advisory Client and its ability to achieve its investment objectives.

Uncertain Geopolitical Events. International and / or local geopolitical events are likely to influence the issuers of, and markets for, instruments traded by Advisory Clients. Geopolitical events, including, without limitation, national referenda, political elections, international violent and non-violent conflicts, political movements and reactions to national and international emergencies, can affect monetary policy, fiscal policy, international relations, currency valuations, legal systems and regulatory regimes, among numerous other things, in ways that could impact the Advisory Clients and / or their ability to operate and / or pursue their respective investment strategy.

On February 21, 2022, Russian President Vladimir Putin ordered the Russian military to invade two regions in eastern Ukraine (the Donetsk People's Republic and Luhansk People's Republic regions). On February 22, 2022, the United States, United Kingdom and European Union announced sanctions against Russia. On February 24, 2022, President Putin commenced a full-scale invasion of Russia's pre-positioned forces into Ukraine, including Russia's forces pre-positioned in Belarus. In response, on February 24 and 25, 2022, the United States, United Kingdom, and European Union imposed further sanctions designed to target the Russian financial system, and thereafter a number of countries have banned Russian planes from their airspace. Further sanctions continue to be imposed, and the U.S. and allied countries have recently announced they are committed to taking steps to prevent certain Russian banks from accessing international payment systems. Russia's invasion of Ukraine, the resulting displacement of persons both within Ukraine and to neighboring countries and the increasing international sanctions could have a negative impact on the economy and business activity globally (including in the countries in which an Advisory Client invests), and therefore could adversely affect the performance of an Advisory Client's investments. Furthermore, given the ongoing nature of the Russia-Ukraine conflict and its ongoing escalation (such as Russia's recent decision to place its nuclear forces on high alert and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic and market conditions, and, as a result, the situation presents material uncertainty and risk with respect to Advisory Clients and the performance of its investments or operations, and the ability of Advisory Clients to achieve its investment objectives.

Role of Investment Professionals. The success of each Advisory Client will depend in part upon Abingworth's ability to attract and retain talented investment professionals and the skill and expertise of the investment professionals who manage that Advisory Client's investment program. There

can be no assurance that such professionals will continue to be associated with Abingworth throughout the life of any Advisory Client and a loss of the services of key personnel could impair Abingworth's ability to provide services to an Advisory Client. Should one or more of these professionals become incapacitated or in some other way cease to participate in an Advisory Client, the Advisory Client's performance could be adversely affected. Moreover, there can be no assurances that such professionals will remain in the same roles at Abingworth whether as officers, employees, consultants or otherwise throughout the life of an Advisory Client. In addition, investment professionals involved in providing advisory services to an Advisory Client may in the future cease providing such services while nonetheless remaining employed by Abingworth. Separately, there is ever-increasing competition among alternative asset firms, financial institutions, private equity firms, investment managers and other industry participants for hiring and retaining qualified professionals, including investment professionals. There can be no assurance that Abingworth's personnel will not be solicited by and join competitors or other firms and/or that Abingworth will be able to hire and retain any new personnel that it seeks to maintain or add to its roster of investment professionals.

Misconduct of Personnel; Third-Party Service Providers. There have been a number of highly publicized cases involving fraud or other misconduct by employees in the financial services industry in recent years, and there is a risk that employee misconduct could occur with respect to Abingworth. Misconduct by employees or by third-party service providers could cause significant losses to Advisory Clients. Employee misconduct could include, among other things, binding an Advisory Client to transactions that exceed authorized limits or present unacceptable risks and other unauthorized activities or concealing unsuccessful investments (which, in either case, may result in unknown and unmanaged risks or losses), or otherwise charging (or seeking to charge) inappropriate expenses to an Advisory Client. In addition, employees and third-party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Advisory Client's business prospects or future activities. It is not always possible to deter misconduct by employees or service providers, and the precautions Abingworth takes to detect and prevent this activity may not be effective in all cases.

Risks of Third-Party Service Providers. Certain of an Advisory Client's and Abingworth's operations interface with and/or depend on third parties and such Advisory Client or Abingworth may not be in a position to verify the risks or reliability of such third parties. An Advisory Client may suffer adverse consequences from actions, errors or failure to act by such third parties, and will have obligations, including indemnity obligations, and limited recourse against them. The costs, fees and expenses associated

with the provision of such services by third-party service providers will generally be borne by an Advisory Client instead of Abingworth, thereby increasing the expenses borne by such Advisory Client's investors.

Highly Competitive Market for Investment Opportunities. The business of identifying, structuring and completing asset transactions is highly competitive and involves a high degree of uncertainty. There can be no assurance that an Advisory Client will be able to (i) locate, complete and exit investments which satisfy its investment objective or (ii) fully invest its available capital if enough sufficiently attractive investments are not identified.

Potential competitors include, without limitation, other investment partnerships and corporations, financial institutions such as banks, industry groups and other financial investors investing directly or through affiliates, and an Advisory Client may be unable to identify a sufficient number of attractive investment opportunities for such Advisory Client to meet its investment objectives. Some of these competitors may have more relevant experience, greater financial and other resources and more personnel than Abingworth. There can be no assurance that an Advisory Client will be able to (i) locate, complete and exit investments which satisfy such Advisory Client's target equity range, rate of return objectives, or realize upon their values, or (ii) invest fully its available capital. It is possible that competition for appropriate investment opportunities may increase, which may also require certain Advisory Clients potentially to participate in auctions more frequently. The outcome of these auctions cannot be guaranteed, thus potentially reducing the number of opportunities available to such Advisory Clients and potentially adversely affecting the terms, including price, upon which investments can be made. To the extent that the Advisory Clients encounter competition for investments, returns to investors may decrease.

Confidential or Material, Non-Public Information. By reason of their responsibilities in connection with their other activities, from time to time, certain personnel of Abingworth may acquire confidential or material non-public information or be otherwise restricted from initiating transactions in certain securities. Due to these restrictions, Advisory Clients may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Carlyle's Global Private Equity business unit, which Abingworth is a part of, is subject to an information barrier to segregate the flow of material, non- public information between it and the other groups within Carlyle. The purpose of this information barrier is, among other things, to insulate material, non-public information, such that the investment activities of such unit, on the one hand, and

the rest of Carlyle, on the other hand, are not otherwise restricted because one business unit may have material, non-public information that would be imputed to the other business unit in the absence of an information barrier.

The establishment and maintenance of the information barrier discussed above means Abingworth (and Global Private Equity) will generally not be able to use, act on or otherwise be aware of confidential information otherwise known by or in the possession of other business units within Carlyle (and vice-versa), and collaboration between personnel associated with Global Private Equity, on the one hand, and personnel of the rest of Carlyle, on the other hand, may be limited, reducing potential synergies. Such information barrier does not preclude collaboration between Abingworth and other entities that are a part of Carlyle's Global Private Equity unit.

Compliance with Anti-Money Laundering and Know Your Customer Requirements.

In response to increased regulatory concerns with respect to the sources of funds used in investments and other activities, investors are required to provide documentation verifying, among other things, such investors' identity and source of funds used to purchase the interests of such Advisory Client. The amount and types of such information requested may vary depending on an Advisory Client's domicile (due to local regulatory requirements), and complying with such requests may be burdensome, inconvenient, and intrusive. The general partner of an Advisory Client may decline to accept a subscription on the basis that such information that is provided or if this information is not provided. Requests for documentation and additional information may be made at any time during which an investor holds an interest in an Advisory Client. The general partner may be required to provide this information, or report the failure to comply with such requests, to appropriate governmental authorities, in certain circumstances without notifying the investors that the information has been provided. The general partner of an Advisory Client or its affiliates will take such steps as are determined necessary to comply with applicable law, regulation, orders, directives or special measures. These steps may include prohibiting an investor from making further contributions of capital to an Advisory Client, depositing distributions to which an investor would otherwise be entitled to in an escrow account or causing the exclusion of an investor from the Advisory Client.

Pay-to-Play Laws, Regulations and Policies. In light of controversies and highly-publicized incidents involving money managers, a number of states and municipal pension plans have adopted so-called "pay-to-play" laws, regulations or policies which prohibit, restrict or require disclosure of payments to (and/or certain contacts with) state officials by individuals and entities seeking to do business with state entities, including investments by public retirement funds. The SEC also has adopted

rules that, among other things, prohibit an investment adviser from providing advisory services for compensation with respect to a government plan investor for two years after the adviser or certain of its executives or employees make a contribution to certain elected officials or candidates. Abingworth is subject to policies and procedures to account for these pay-to-play laws, regulations or policies, and to comply with the New York Attorney General's Public Pension Fund Reform Code of Conduct (the "**Pension Fund Reform Code**"), which governs its interactions with U.S. public pension funds. If Abingworth or its employees or affiliates fail to comply with the Pension Fund Reform Code or such pay-to-play laws, regulations or policies, such non-compliance could have an adverse effect on an Advisory Client by, for example, providing the basis for the withdrawal of the affected government plan investor.

Diversification and Concentration. An Advisory Client's portfolio may become significantly concentrated in investments related to a single or a limited number of borrowers, countries or geographic regions. This limited diversification may result in the concentration of risk, which, in turn, could expose Advisory Clients to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such investments.

Concentration Risk. The portfolio of an Advisory Client may be concentrated in a limited number of investments. Beyond asset diversification requirements or concentration limitations set forth in an Advisory Client's applicable governing documents or contractual agreements, Advisory Clients do not have fixed guidelines for diversification, and investments may be concentrated in investments related to a single or limited number or type of issuers, industries, sectors, strategies, countries or geographic regions. This limited diversification may result in the concentration of risk, which, in turn, could expose Advisory Clients to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such securities. As a result, the aggregate returns realized may be significantly adversely affected if a small number of investments perform poorly or if the Advisory Client needs to write down the value of one or more investments.

Fundamental Analysis. Certain investment decisions made on behalf of Advisory Clients may be based on fundamental analysis. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. To the extent that any such data are inaccurate or that other market participants have developed, based on such data, trading strategies similar to an Advisory Client's trading strategies, Advisory Clients may not be able to realize their investment goals. In addition, fundamental market information is subject to interpretation. To the extent that Abingworth misinterprets the meaning of certain data, Advisory Clients may incur losses.

Small and Medium-Capitalization Companies. Investments in loans to smaller-capitalization companies involve higher risks in some respects than do investments in loans to larger “blue-chip” companies. The risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, “blue-chip” companies.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes, including new interpretations of existing laws and regulations, could occur during the term of an Advisory Client that may adversely affect such Advisory Clients. The regulatory environment for private investment funds continues to evolve, and changes in the regulation of private investment funds may adversely affect the value of investments held by an Advisory Client and the ability of an Advisory Client to effectively employ its investment and trading strategies. Increased scrutiny and newly-proposed legislation applicable to private investment funds and their sponsors may also impose significant administrative burdens on Abingworth and may divert time and attention from portfolio management activities. There can be no assurance that any such scrutiny, regulation or focus will not have an adverse impact on an Advisory Client’s activities, including the ability of an Advisory Client to effectively and timely address new rules and regulations, execute its investment strategy or achieve its investment objectives.

In particular, Advisory Clients may be required to incur additional costs and expenses in implementing structural changes in the conduct of Abingworth’s business, and an Advisory Client may also become directly or indirectly subject to additional tax liabilities (e.g., through restrictions on or denial of the deductibility of interest expenses against taxable profits). The foregoing may make it less attractive or impractical to continue to invest in one or more jurisdictions. Furthermore, it is unclear what further legal or regulatory changes may be implemented within those jurisdictions in which an Advisory Client invests, which changes may result in increased costs and expenses being incurred by an Advisory Client in order to ensure compliance with any new regimes.

Prospective investors should note that the outcome of presidential and other elections creates uncertainty with respect to legal, tax and regulatory regimes in which Abingworth will operate. In addition to any proposed tax legislation, any significant changes in, among other things, economic policy (including with respect to interest rates), the regulation of the asset management industry, tax law, immigration policy and/or government entitlement programs could have a material adverse impact on Advisory Clients and their investments.

In February 2022, the SEC voted to propose new rules and amendments (collectively, the “**SEC Proposed Rule**”) to existing rules under the Advisers Act specifically related to registered investment

advisers and their activities with respect to private funds. If enacted, the SEC Proposed Rule could create additional regulatory uncertainty and may have a significant impact on advisers to private funds, including Abingworth. In particular, the SEC has proposed to limit circumstances in which a fund manager can be indemnified by a private fund; increase reporting requirements by private funds to investors concerning performance, fees and expenses; require registered investment advisers to obtain an annual audit for private funds and also require such fund's auditor to notify the SEC upon the occurrence of certain material events; enhanced requirements, including the need to obtain a fairness opinion and make certain disclosures, in connection with adviser-led secondary transactions (also known as GP-led secondaries); prohibit advisers from engaging in certain practices, such as, without limitation, charging accelerated fees for unperformed services or fees and expenses associated with an examination to private funds and seeking reimbursement, indemnification, exculpation or otherwise limiting an adviser's liability for certain activities; and impose limitations and new disclosure requirements regarding preferential treatment of investors in private funds in side letters or other arrangements with an adviser. If adopted, including with modifications, this new SEC Proposed Rule could have a significant effect on private fund advisers and their operations, including increasing compliance burdens and associated regulatory costs, reducing the ability to receive expense or indemnification reimbursements, and increasing the risk of regulatory action, including public regulatory sanctions, and may result in a change to Abingworth's practices and risk appetite in respect of investment strategies. Further, we note that in connection with the SEC Proposed Rule, if such rule were to be enacted, it could also significantly increase the cost of insurance, specifically D&O and E&O insurance, or may even make such insurance coverage unavailable.

Increased reporting, registration and compliance requirements may divert the attention of personnel and the management teams of Abingworth, and may furthermore place an Advisory Client at a competitive disadvantage to the extent that Abingworth is required to disclose sensitive business information.

Actions of the Committee on Foreign Investment in the United States. A number of jurisdictions have restrictions on foreign direct investment pursuant to which their respective heads of state and/or regulatory bodies have the authority to block or impose conditions with respect to certain transactions, such as investments, acquisitions and divestitures, if such transaction threatens to impair national security. In addition, many jurisdictions restrict foreign investment in assets important to national security by taking steps including, but not limited to, placing limitations on foreign equity investment, implementing investment screening or approval mechanisms, and restricting the

employment of foreigners as key personnel. These U.S. and foreign laws could limit an Advisory Client's ability to invest in certain businesses or entities or impose burdensome notification requirements, operational restrictions or delays in pursuing and consummating transactions.

An Advisory Client's investments outside of the United States may also face delays, limitations, or restrictions as a result of notifications made under and/or compliance with these legal regimes and rapidly-changing agency practices. Other countries continue to establish and/or strengthen their own national security investment clearance regimes, which could have a corresponding effect of limiting an Advisory Client's ability to make investments in such countries. Heightened scrutiny of foreign direct investment worldwide may also make it more difficult for an Advisory Client to identify suitable buyers for investments upon exit. As a result of such regimes, an Advisory Client may incur significant delays and costs, be altogether prohibited from making a particular investment or impede or restrict syndication or sale of certain assets to certain buyers, all of which could adversely affect the performance of such Advisory Client and in turn, materially reduce such Advisory Client's revenues and cash flow.

Cyber Security Breaches, Identity Theft, Privacy Breaches and Other Threats.

Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. There has been an increase in the frequency and sophistication of the cyber and security threats that Abingworth faces, with attacks ranging from those common to businesses generally to those that are more advanced and persistent, which may target Abingworth because it processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Advisory Clients and personally identifiable information regarding investors and employees. For example, related to the Russia-Ukraine war, Russia has threatened significant cyberattacks and other forms of cyberwarfare against military and civilian targets globally. Similarly, service providers of Abingworth or an Advisory Client, especially an administrator, may process, store and transmit such information. As a result, Abingworth may face a heightened risk of a security breach, online extortion attempt, or disruption with respect to this information resulting from an attack by computer hackers, foreign governments, cyber extortionists or cyber terrorists. If successful, these types of attacks on Abingworth's network or other systems could have a material adverse effect on our business and results of operations, due to, among other things, the loss of investor or proprietary data, interruptions or delays in our business and damage to Abingworth's reputation. Suppliers, contractors, investors, and other third parties with whom Abingworth does business also experience cyber threats and attacks that are similar in frequency and sophistication. In

many cases, Abingworth has to rely on the controls and safeguards put in place by their suppliers, contractors, investors and other third parties to defend against, respond to, and report these attacks.

Abingworth's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, security threats (including ongoing cybersecurity threats to and attacks on our information technology infrastructure), infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes, typhoons, earthquakes, wars, terrorist attacks and other similar events.

Measures designed to manage risks relating to these types of events cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service or sabotage systems change frequently and may be difficult to detect for long periods of time. If these systems are compromised, become inoperable for extended periods of time or cease to function properly, significant investment may be required to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Abingworth's and/or its Advisory Client's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors, employees, and portfolio companies. A cybersecurity incident or data privacy breach could have numerous material adverse effects, including on the operations, liquidity and financial condition of an Advisory Client (and the beneficial owners of investors). Cyber threats and/or incidents or data privacy breaches could cause financial costs from the theft of Advisory Client assets (including proprietary information and intellectual property) as well as numerous unforeseen costs including, but not limited to: costs related to regulatory intervention or fines (including under the European General Data Protection Regulation or similar data protection regulations), litigation costs, costs of responding to regulatory inquiries, settlement costs, compliance costs, preventative and protective costs, remediation costs and costs associated with reputational damage, any one of which could be materially adverse to an Advisory Client. Such a failure could harm Abingworth's and Advisory Client's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and performance. The costs related to cyber or other security threats or disruptions or data privacy breaches may not be fully insured or indemnified by other means.

The service providers of Abingworth and its Advisory Clients are subject to the same electronic information security threats as Carlyle. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of

any Advisory Client and personally identifiable information of the investors (and beneficial owners thereof) may be lost or improperly accessed, used or disclosed.

Abingworth cannot make any prediction of specific scenarios with respect to the COVID-19 pandemic or significant political events such as war, and risk management and contingency plans Abingworth has implemented may not adequately protect its business from such events. An extended period of remote work arrangements could strain the Investment Advisor's business continuity plans, introduce operational risk, including but not limited to cybersecurity risks (including heightened risk of cyber-attacks due to political events such as the Russia-Ukraine war), and impair Abingworth's ability to manage its business. The business operations of Abingworth could be significantly disrupted if its critical workforce, key vendors, third-party suppliers or counterparties with whom Abingworth, as applicable, transact are unable to work effectively, including because of illness, quarantines, government actions in response to COVID-19, disruptions in access to remote working capabilities, including as a result of internet service outages, or other reasons. Abingworth may outsource certain critical business activities to third parties. As a result, Abingworth may rely upon the successful implementation and execution of the business continuity planning of such entities in the current environment. Successful implementation and execution of business continuity strategies by these third parties are largely outside Abingworth's control. If one or more of the third parties to whom Abingworth outsources certain critical business activities experience operational failures as a result of the impacts from the spread of COVID-19, or claim that they cannot perform due to a force majeure, it could cause a material adverse effect on the business, financial condition, results of operations and cash flows of an Advisory Client.

Non-U.S. Investments. With any investment outside the United States, there exists the risk of adverse political developments, including nationalization, confiscation without fair compensation or war. For an Advisory Client that invests in a non-U.S. country, investments involve certain risks not typically associated with investing in the instruments of an issuer organized, headquartered and principally operating in the United States, including risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which such Advisory Client's non-U.S. investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (iii) differences between the U.S. and non-U.S. securities and credit markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets; (iv) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less

governmental supervision and regulation in some countries; (v) certain economic, social and political risks, including potential exchange- control regulations and restrictions on non-U.S. investments and repatriation of capital, the risks associated with political, economic or social instability, including the risk of sovereign defaults, and the possibility of expropriation or confiscatory taxation and adverse economic and political development; (vi) the possible imposition of non-U.S. taxes on income and gains recognized with respect to such securities or instruments; (vii) differing, and potentially less well-developed or well-tested laws regarding creditor's rights (including the rights of secured parties), corporate governance, fiduciary duties and the protection of investors and intellectual property rights; (viii) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (ix) political hostility to investments by foreign or private equity investors; and (x) less publicly available information.

Accounting, auditing, financial and other reporting standards, practices and disclosure requirements in certain of the countries in which an Advisory Client may invest are not equivalent to those in the United States and certain Western European countries and may differ in fundamental ways. Accordingly, information available to an Advisory Client, including both general economic and commercial information and information concerning specific enterprises or assets, may be less reliable and less detailed than information available in more economically sophisticated countries and less information may be available to investors. As a result, Abingworth's due diligence activities may provide less information than due diligence reviews conducted in more developed countries. The lower standards of due diligence in certain countries will increase the risk related to the investments in these countries. While Abingworth will endeavor to conduct appropriate due diligence in connection with each of its investments, no guarantee can be given that they will obtain the information or assurances that an investor in a more sophisticated economy would obtain before proceeding with an investment.

In addition, an Advisory Client's investments in emerging markets may be subject to a greater risk of loss than investments in more developed and traditional markets (such as the United States and Europe). Emerging markets are more likely to experience inflation, currency and liquidity risks, geopolitical turmoil, policy changes and rapid changes in economic conditions than more developed and traditional markets. Emerging markets often have less uniformity in accounting and reporting requirements, unreliable securities valuation and greater risk associated with custody of securities. Predictions about general economic and market conditions are uncertain and the impact of such factors will be larger or smaller depending on the types of investments and the markets in which they trade.

Data Protection Regulation. Cybersecurity incidents, data protection and regulations related to privacy, data protection and information security could increase costs, and a failure to comply could result in fines, sanctions and/or other penalties.

In February 2022, the SEC proposed new cybersecurity rules and amendments to existing rules under the Advisers Act and the 40 Act specifically related to registered investment advisers, investment companies and BDCs ("**SEC Cyber Proposed Rule**"). The proposed rules would require advisers and funds to adopt, implement and annually test written cybersecurity policies and procedures, promptly report significant cybersecurity incidents to the SEC and investors, and comply with certain additional recordkeeping requirements. If adopted, including with modifications, the SEC Cyber Proposed Rule could have a significant effect on registered advisers and funds and their operations, including increasing compliance burden and associated regulatory costs and increasing the risk of regulatory action. Increased reporting, registration and compliance requirements may divert the attention of Abingworth's personnel and may furthermore place an Advisory Client at a competitive disadvantage to the extent that Abingworth is required to disclose sensitive business information, including about its information systems.

On August 20, 2021, the Standing Committee of the National People's Congress of the People's Republic of China promulgated the Personal Information Protection Law ("**PIPL**"), which became effective on November 1, 2021. Notably, the PIPL, as with the GDPR, applies extraterritorially. The PIPL clarifies the scope and application of the definitions of personal information and sensitive personal information (which includes medical and health information), the legality of personal information processing and the basic requirements of notice and consent, among other things. The PIPL also sets out data localization requirements for critical information infrastructure operators and personal information processors who process personal information above a certain threshold prescribed by the relevant authorities. The PIPL includes a list of rules which must be complied with prior to the transfer of personal information outside of the PRC, such as compliance with a security assessment, certification by an agency designated by the relevant authorities, or entering into standard form model contracts approved by the relevant authorities with the overseas recipient. Failure to comply with PIPL can result in fines of up to RMB 50 million or 5% of the prior year's total annual revenue for the personal information processor and/or a suspension of services or data processing activities. Other potential penalties include a fine of up to RMB 1 million on the person in charge or directly responsible personnel and, in serious cases, individuals and entities may be exposed to criminal liabilities under other local Chinese law, such as the Criminal Law of the People's Republic of China. The PIPL also prohibits responsible personnel

for violations of the PIPL from holding high-level management or data protection officer positions in relevant enterprises.

On May 25, 2018, the GDPR replaced the then-existing data protection directive and, as a regulation, has direct effect in all EU member states. Although a number of the existing principles for the protection of personal data will remain, the GDPR was designed to harmonize data privacy laws across Europe and change the way organizations approach data privacy. It applies to (i) all organizations that process personal data of EU 'data subjects' in the context of the activities of an establishment in the EU (which may include processing that takes place outside the EU) and (ii) organizations outside the EU that offer goods or services to data subjects in the EU, or that monitor the behavior of EU data subjects. Following its departure from the EU, the UK has retained and transposed the GDPR into domestic law of the UK ("**UK GDPR**") by virtue of the EUWA. The UK GDPR applies to (i) organizations that process the personal data of data subjects (natural persons) in the context of the activities of an establishment in the UK (which may include processing that takes place outside the UK) and (ii) organizations outside the UK that offer goods or services to data subjects in the UK, or that monitor the behavior of data subjects in the UK. Personal data is information that can be used to identify a natural person, including a name, a photo, an email address, or a computer IP address. For those subject to it, compliance with the GDPR and UK GDPR impose a number of obligations to comply with that are aimed at greater protection for data subjects (including obligations and restrictions relating to the manner in which and purposes for which personal data is processed, and measures to ensure personal data security and to be able to respond appropriately to a number of rights held by data subjects under the GDPR and UK GDPR). This may require organizations to analyze and evaluate how they handle data in the ordinary course of their business. The costs of compliance and the potential for fines and penalties in the event of a breach may have an adverse impact on an Advisory Client, particularly because penalties for non-compliance are material. The more serious breaches of these data protection laws could incur significant administrative penalties, for example, in the case of the GDPR, a fine of up to the greater of €20 million or 4% of aggregate global turnover for the preceding year (whichever is higher).

In addition to the data protection laws in Europe, the United States is going through a period of active consideration of additional data privacy and cybersecurity laws. These include the California Consumer Privacy Act ("**CCPA**"), effective January 1, 2020; the Stop Hacks and Improve Electronic Data Security ("**SHIELD**") Act, aspects of which took effect on October 23, 2019 and other aspects of took effect on March 21, 2020; a range of proposed additional laws in California, New York, Texas,

Washington, Virginia and other states; and a range of proposed additional laws at the federal level. The cumulative effects of CCPA and other recently adopted laws include an increased ability of individuals, relative to companies, to control the use of their personal data; increased obligations of companies to maintain the security of data; and increased exposure to fines or damages for companies that do not accord individuals their specified privacy rights, that experience data breaches or that do not maintain cybersecurity at certain levels of quality. There can be no assurance that these systems will be effective in mitigating the business impact of individuals' increased privacy rights or in avoiding fines or damages.

The Cayman Islands Data Protection Law, 2017 ("**DPL**") came into force in September 2019. The DPL is compatible with data protection rules in the EU and shares many of the same definitions and provisions with the GDPR. It is intended to regulate the collection, storage and processing of personal data in the Cayman Islands and to give individuals greater control over that data. The DPL applies to the Advisory Clients and any personal data provided to the Advisory Clients will be within the scope of the DPL regardless of where the investor providing that data is located. Breaches of the DPL could result in fines of up to CI\$100,000 per breach, imprisonment for a term of up to 5 years, or both. Other monetary penalties of up to CI\$250,000 are also possible under the law.

United Kingdom Exit from the European Union. On January 31, 2020, the UK formally left the EU ("**Brexit**"). This triggered a transition period that ended on December 31, 2020. The political discourse in the UK and EU with respect to Brexit may result in conditions that cause Advisory Client investments, to suffer losses. As part of the process of the UK leaving the EU, the EU and the UK agreed an EU-UK Trade and Cooperation Agreement ("**TCA**") that governs the trading relationship between the UK and the member states of the EU from and after January 1, 2021. Broadly, the TCA provides for zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin, but is subject to the both parties maintaining a level playing field in areas such as environmental protection, social and labor rights, investment, competition, state aid and tax transparency.

UK regulated firms in the financial sector are adversely affected by these arrangements because the TCA does not provide for continued access by UK firms to the EU single market; although there is the possibility that in time, the UK may obtain a recognition of equivalence from the EU in certain financial sectors which would enable varying degrees of access to the EU market. Similarly, notwithstanding zero tariffs and zero quotas on goods, market access for those firms that conduct cross-border trade in goods will fall below what the single market previously allowed. Non-tariff barriers, customs declarations, customs checks, restrictions on movements of employees, withdrawal of recognition of previously recognized professional qualifications, changes in the status of the UK vis-à-vis the EU for tax and VAT

purposes, and other sources of friction have the potential to impair the profitability of a business, require it to adapt, or even relocate to operate through an establishment in the EU.

It will take some time to observe the many and varied effects on UK businesses of the consequences of leaving the single market and customs union (taking into account the flow of goods and services in both directions). Given the size and global significance of the UK's economy, at least in the near term, about the effect of the TCA on the day-to-day operations of those businesses that engage in the cross-border trade of goods or services between member states of the EU and the UK may be a continued source of currency fluctuations or have other adverse effects on international markets, international trade and other cross-border cooperation arrangements.

The present uncertainty could therefore adversely affect Advisory Clients, the performance of their investments and the ability to achieve their investment objectives (especially if their investments include, or expose them to, businesses that have historically relied on access to the single market for their trade or that have historically relied on sourcing goods, materials or labor from the single market).

Affiliation with Carlyle. There are risks related to Carlyle's ownership interest in Abingworth. These relate to the risk of third-party litigation, the potential for increased regulatory scrutiny, and Carlyle's ability to influence Abingworth.

Carlyle Policies and Procedures. Policies and procedures implemented by Carlyle or its affiliates from time to time (including as may be implemented in the future) to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may reduce the synergies across Abingworth's areas of operation or expertise that an Advisory Client expects to draw on for purposes of pursuing attractive investment opportunities.

Item 9. Disciplinary Information

AMI and the Manager and their supervised persons have not been involved in any legal or disciplinary events that are material to an Advisory Client or potential Advisory Client's evaluation of Abingworth's advisory business or the integrity of AMI's management.

A. Criminal or civil action

None

B. Administrative proceeding

None

C. Self-regulatory organization (SRO) proceeding

None

Item 10. Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Registered Representative Status

Abingworth is not registered as a broker-dealer and does not have any application pending to register as a broker-dealer or registered representative of a broker-dealer.

In 2018, Carlyle obtained FINRA approval for TCG Capital Markets L.L.C. (“**TCG Capital Markets**”), an affiliated broker-dealer entity that operates as part of the Global Credit Markets (“**GCM**”) platform within Carlyle’s Global Credit segment, and engages in the underwriting, syndication and placement of securities of corporate issuers in private transactions, underwriting, syndication of corporate issuers in public offerings (including IPOs) and/or participating in the underwriting syndicate for public offerings, underwriting or sponsoring mutual funds in a wholesaler capacity, among other related activities, including U.S.-based marketing and fundraising for Global Credit Advisory Clients. In addition, TCG Capital Markets is registered as a broker-dealer with the SEC and in 49 states and the District of Columbia. The GCM platform also includes TCG Senior Funding, L.L.C. (“**TCG Senior Funding**”), an affiliate of TCG Capital Markets, which has been established to arrange, place underwrite, originate and syndicate loans, and may act as the initial purchaser of such loans. Abingworth does not use TCG Capital Markets to execute trades on behalf of Advisory Clients and TCG Capital Markets does not hold funds or securities for, or owe money or securities to, Advisory Clients of Abingworth.

GCM is expected to collect the following types of capital markets fees, including, without limitation, offering, placement, financing, syndication, capital markets advisory, turnaround, workout, underwriting, solicitation, currency, hedging, structuring, loan agent, loan servicing, rating advisory or similar fees in connection with the activities of Carlyle Advisory Clients and their portfolio companies, including with respect to an initial public offering or private placement, the arranging or provision of credit facilities for such Advisory Client or one of its portfolio companies and other vehicles managed or controlled by Carlyle, the distribution or placement of loans or equity securities of a Carlyle Advisory

Client Portfolio Company or otherwise arranging or providing financing for such Portfolio Company alone or with other lenders, which could include other vehicles managed or controlled by Carlyle. Certain registered representatives of TCG Capital Markets also are expected to be providing investment advisory services to Carlyle's Advisory Clients and to Advisory Clients of Carlyle- affiliated investment advisers. These individuals are subject to the policies and procedures of TCG Capital Markets when engaging in securities-related transactional activities in addition to CIM's (or the relevant Carlyle-affiliated investment advisers') policies and procedures.

In addition to TCG Capital Markets, there are other U.S. and non-U.S. broker-dealer affiliates of Carlyle whose activities are unrelated to the activities of Abingworth. For information regarding Carlyle, please see Part 1 and Part 2 of Form ADV of the various Carlyle- affiliated investment advisers, available at: <https://www.adviserinfo.sec.gov/>.

B. Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Adviser or Associated Person Status

For information regarding Carlyle-affiliated commodity pool operators please see Part 2 of Form ADV of such particular investment adviser, available at: <https://www.adviserinfo.sec.gov/>.

C. Relationships with Other Financial Industry Participants

AMI's relationship with ALLP is material to its advisory business. Please see Item 4A and B (Background) above. ALLP is a relying adviser of AMI in reliance on and complying with the conditions expressed in the American Bar Association, Business Law Section, SEC No-Action Letter (publicly available January 18, 2012).

Additionally, as discussed in Item 4 above, Abingworth is affiliated with Carlyle. Carlyle is a global alternative asset management firm with business operations across several business segments. Although Abingworth is a separately registered investment adviser, Abingworth's status as part of the larger Carlyle organization raises certain actual and potential conflicts of interest, as discussed below.

Further, Abingworth intends to share or leverage certain operational functions and resources at Carlyle, such as corporate accounting, information technology, and compliance. Because Carlyle has many different asset management and advisory businesses and operates on a global basis, Abingworth may be subject to greater regulatory oversight than it would be absent its relationship with Carlyle. Abingworth and its Advisory Clients also may be subject to certain legal and other restrictions on their investment activities as a consequence of the Carlyle relationship including, for example, limitations

imposed by non-U.S. regulatory authorities, or restrictions on the purchase or sale of, or exercise of voting or other rights with respect to, the debt instruments of an issuer when a Carlyle Advisory Client holds the equity of the issuer and the issuer is an affiliate of Carlyle.

Carlyle and its directors, members, managers, partners, shareholders, officers, employees, agents and affiliates (including Abingworth and its officers, employees, agents and affiliates) are permitted to conduct any other business, including any business within the securities industry, whether or not such business competes with Abingworth. Without limiting the generality of the foregoing, Carlyle and its affiliated companies and persons act and will continue to act as general partner, investment adviser or investment manager for others, manage funds, separate accounts or capital for others, have, make and maintain investments in their own name or through other entities and may serve as officers, directors, consultants, partners or stockholders of one or more investment funds, partnerships, securities firms or advisory firms.

D. Recommending or Selecting Other Advisers

Not applicable.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Conduct

We strive to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, we have adopted a Code of Conduct (the “**Code**”). The Code incorporates the following general principles that all employees are expected to uphold:

- employees must at all times place the interests of Advisory Clients first;
- all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee’s position of trust and responsibility must be avoided;
- employees must not take any inappropriate advantage of their positions;
- information concerning the identity of securities and financial circumstances of Advisory Clients, including as Advisory Client’s investors, must be kept confidential; and

- independence in the investment decision-making process must be maintained at all times.

Advisory Clients may request a copy of the Code by contacting us at the address or telephone number listed on the first page of this document.

As noted above, Abingworth is also subject to written policies and procedures to account for the pay-to-play regulations promulgated by the SEC, and to comply with the New York Attorney General's Public Pension Fund Reform Code of Conduct, which governs Abingworth's interactions with U.S. public pension funds. Advisory Clients may request a copy of this Code of Conduct by contacting us at the address or telephone number listed on the first page of this document.

Abingworth may take disciplinary measures against any of its personnel who violate the Code, including, without limitation, imposing penalties, reducing compensation, demotion, requiring unwinding of any applicable trade, requiring disgorgement of trading gains, suspending or terminating employment, or any combination of the foregoing. Abingworth personnel are also required to promptly report any violation of the Code of which they become aware.

B. Securities in which Abingworth or a Related Person Has a Material Financial Interest

1. Cross Transactions

Abingworth from time to time may allow Advisory Clients to engage in cross transactions, which occur when a transaction is effected directly between two or more of Abingworth's Advisory Clients.

Cross transactions may benefit Advisory Clients because they can avoid certain transaction fees. They also create conflicts of interest because, by not exposing buy and sell transactions to market forces, Advisory Clients may not receive the benefits of best price, or, an adviser might seek to prop up the performance of one Advisory Client by selling under-performing assets to another Advisory Client in order, for example, to earn higher fees.

Abingworth has established policies and procedures that address permissible cross transactions. Subject to the terms of the Advisory Client's organizational documents (which may exclude certain follow-on investments and other transactions from any applicable consent requirements): (i) notice must be provided to each Advisory Client or an independent representative of each such Advisory Client prior to proceeding with the cross transaction; (ii) if an Investor Advisory Committee of a particular Advisory Client has been established under the Advisory Client's charter and organizational documents, it must

provide consent (generally by majority of the Investor Advisory Committee's members) prior to engaging in such cross transaction; and (iii) records of such notices and consents must be maintained as part of Abingworth's books and records.

ERISA accounts, if applicable, generally will not participate in cross transactions absent the written consent of Abingworth's Chief Compliance Officer, General Counsel, and/or competent ERISA counsel.

2. Principal Transactions

Abingworth, as investment manager, or an affiliate in limited circumstances may engage in principal transactions (i.e., transactions in which Abingworth or an affiliate is deemed to be acting for its own account by buying a security from, or selling a security to, an Advisory Client). These transactions introduce a potential conflict of interest between its own interests and those of the Advisory Client.

Abingworth has established policies and procedures to comply with the Advisers Act when engaging in principal transactions with Advisory Clients. Additionally, investment guidelines and an Advisory Client's charter documents may limit principal transactions on a more restrictive basis than the Advisers Act.

In connection with Carlyle's Global Credit business, transactions between an affiliated broker-dealer and an Advisory Client may constitute a principal transaction. Accordingly, prior to any potential principal transaction involving an Advisory Client, Abingworth will determine whether or not the trade would constitute a principal transaction, and if so, that all required notice and consent requirements have been satisfied.

In connection with Carlyle's Global Investment Solutions business, transactions involving the purchase (or sale) of securities by an Advisory Client of one of the Global Investment Solutions managers from (or to) an affiliate of Carlyle may constitute a cross-trade or a principal transaction in certain circumstances. Accordingly, prior to any potential cross-trade or principal transaction involving an Global Investment Solutions manager's Advisory Client, such manager will determine whether or not the trade would constitute a cross transaction or principal transaction, and if so, that all required notice and consent requirements have been satisfied.

Fund Notice and Consent

Details of any such transaction typically are disclosed in the offering documents of an Advisory Client. In other cases, principal transactions may occur after an Advisory Client has held an initial closing. In those cases (other than certain Global Credit Advisory Clients), either the Advisory Client or an independent

representative of the Advisory Client must receive notice of the transaction and consent to the transaction prior to Abingworth or an affiliate settling the principal transaction. An Investor Advisory Committee is typically established for each Advisory Client to, among other things, receive notice of, advise on and provide consent to certain conflicts of interest matters, such as principal transactions.

Other Notice and Consent Considerations

In general, Abingworth will not engage in principal transactions with accounts of a retirement plan subject to ERISA unless approved by Abingworth's General Counsel, Chief Compliance Officer, and, if necessary, competent ERISA counsel.

To the extent that cross transactions may be viewed as principal transactions due to the ownership interest in an Advisory Client by Abingworth or its personnel, Abingworth will comply with the requirements of Section 206(3) of the Advisers Act, including that any such transactions will be considered on behalf of investors in such an Advisor Client and approved or disapproved by (i) an advisory board comprised of representatives of such investors or (ii) a committee consisting of one or more persons selected by Abingworth (or its affiliate), and any valuation approved by such a committee will be determined by an independent third party that has appropriate experience in providing such valuations. Further, no principal transactions may be effected without the express written approval of Abingworth's General Counsel and / or Chief Compliance Officer.

C. Investing in Securities that Abingworth or a Related Person Recommends to Clients

The Code places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to Abingworth on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions, such as investments in private placements and initial public offerings. Employees are also required to pre-clear any investments in life sciences and healthcare-related securities and, in general, requests to trade in life sciences and healthcare-related securities will only be considered if the request is to dispose of life sciences and healthcare-related securities positions that were established prior to being employed by Abingworth.

Abingworth has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code, as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts

that may arise as a result of personal trades in the same or similar securities made at or about the same time as Advisory Client trades.

D. Conflicts of Interest Created by Contemporaneous Trading

It is the policy of Abingworth to allocate investment opportunities among all Advisory Clients in a fair and equitable manner, to the extent practical and in accordance with each client's applicable investment strategies, over a period of time.

B. Participation or Interest in Client Transactions

Abingworth may recommend an investment in a company that is already held in another Advisory Client or in which members of Abingworth personnel or affiliates have an existing interest. In the case of private companies and investments made as a VIPE investment or in an initial public offering, such investments may not be made without the prior approval of the advisory committee (comprised of Investor representatives) of that Advisory Client ("**Advisory Committee**").

Fund coinvestment

The Manager, its affiliates, members of Abingworth personnel and other Advisory Clients may coinvest alongside the Advisory Client, subject to the terms of its Partnership Agreement and/or the prior approval of the Fund's Advisory Committee.

ABV VI and ACCD: In the case of ABV VI and Clinical Co-Development Investments, Advisory Committee consent is required for any co-investment by ABV VI with ACCD that is not shared 50/50 and on equal terms.

ABV 7 and ACCD: During the investment periods of ABV 7 and ACCD, if the Manager considers that a Clinical Co-Development Investment opportunity meets the investment criteria of both the ABV 7 investment strategy and the ACCD investment strategy then both Advisory Clients will be allocated the opportunity to invest as follows: 1/3 for ABV 7 and 2/3 for ACCD, unless the Manager has determined that ABV 7 has fully allocated the portion of the Advisory Client targeting Clinical Co-Development in which case ACCD will be allocated the entire investment opportunity subject to ACCD investment restrictions and requisite approvals.

ABV 7 and ACCD 2: In the event that the investment periods of ABV 7 and ACCD 2 overlap in time, the Manager will seek the agreement of the ABV 7 Advisory Committee to implement an investment opportunity allocation guideline similar to the guideline for ABV 8 and ACCD 2 below.

ABV 8 and ACCD: In the event that the investment periods of ABV 8 and ACCD overlap in time, if the Manager considers that a Clinical Co-Development Investment opportunity meets the investment criteria of both the ABV 8 investment Strategy and the ACCD investment strategy then both funds will be allocated the opportunity to invest as follows: 1/3 for ABV 8 and 2/3 for ACCD, provided that if ACCD reaches the limit of the amount it can invest in a single transaction then any remaining investment opportunity will be allocated to ABV 8.

ABV 8 and ACCD 2: During the investment periods of ABV 8 and ACCD 2, if the Manager considers that a Clinical Co-Development Investment opportunity meets the investment criteria of both the ABV 8 investment strategy and the ACCD 2 investment strategy then both Funds will be allocated the opportunity to invest as follows: first ABV 8 shall be allocated whatever amount is deemed appropriate by the ABV 8 investment committee up to a maximum of 15% of the Fund size (subject to any required Advisory Committee consents) and then any remaining investment opportunity will be allocated to ACCD 2. In the event that the Manager determines either that ABV 8 has fully allocated the portion of the Fund targeting Clinical Co-Development or that a specific Clinical Co-Development Investment opportunity does not have sufficient potential for at least a 3x gross multiple return on invested capital, then ACCD 2 will be allocated the entire Clinical Co-Development Investment opportunity.

Investor co-investment

ABV 8 and Investor co-investment: The Manager intends that co-investment opportunities may from time to time be independently offered to one or more Investors in ABV 8 (but not necessarily all) and/or to other funds, private investors, groups or individuals. In particular, such co-investment opportunities may be offered by the Manager to certain strategic investors prior to offering such co-investment opportunities to Investors and, when offered to Investors, may in the Manager's sole discretion be allocated between such Investors in such manner as the Manager sees fit, having regard to the best interests of ABV 8.

ACCD 2 and Investor co-investment: co-investment in Clinical Co-Development Investments may be offered to Investors in ACCD 2 or to strategic third parties in situations where doing so would be in the best interests of ACCD 2. The General Partner may offer any Investor a right or an opportunity to co-invest alongside ACCD 2, whether generally or in a particular circumstance (excluding for the avoidance of doubt via participation in ABV 8 or any successor fund thereof), on terms agreed between the relevant Investor and the General Partner, including by way of preferential treatment such as a priority allocation of co-investment opportunities and/or reductions to the general partner's share (or equivalent) and/or carried interest charged.

Abingworth personnel

Members of Abingworth personnel may be paid fees or awarded equity or share options by a Portfolio Company for acting as a director or for the provision of other services. In such cases, the member of Abingworth personnel remits the fees to the Manager, unless otherwise agreed and subject to certain exceptions discussed below. The Manager will account to the General Partner of the Fund for such fees by making an equivalent reduction in the management fee payable. Where an investment is held in more than one Fund, the fee may be allocated between the Funds on an equitable basis. The Manager may retain certain of the fees pursuant to the Partnership Agreement.

Members of Abingworth personnel may not purchase or sell any securities of a Portfolio Company without pre-approval from the CCO (see Code of Ethics and Personal Trading above).

C. Investments in securities recommended to Clients

Except as set forth in B. above, Abingworth or its related persons would not invest in the same securities or related securities that Abingworth recommends to Advisory Clients.

D. Investment in securities at or about the same time recommended to Clients

Except as set forth in B. above, Abingworth and its related persons do not recommend to Advisory Clients, or buy or sell for such Advisory Clients, any securities that Abingworth or its related person buys or sells for themselves at or about the same time as the investment by Abingworth's Advisory Clients.

E. Other Potential Conflicts

From time to time, Abingworth and its affiliated persons are expected to come into possession of material non-public or other confidential information with respect to an issuer of publicly traded securities. In such circumstances, Abingworth (as applicable) generally would be prohibited, by law, policy and/or contract, for a period of time from (i) unwinding an Advisory Client position in such issuer and/or (ii) pursuing other investment opportunities related to such issuer that involve the trading of securities on the secondary market.

Intangible Benefits. Abingworth and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of Advisory Clients that will not be subject to the management fee offset or otherwise shared with Advisory Clients or

investors. For example, airline travel or hotel stays incurred as fund or account expenses typically result in cash rebates, “miles,” “points” or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to such personnel (and not the Advisory Clients and/or investors) even though the cost of the underlying service is borne by the Advisory Clients and/or investors.

Item 12. Brokerage Practices

A. Selecting or recommending broker-dealers

Abingworth has no obligation to deal with any broker or dealer in the execution of transactions in Fund securities. In selecting broker-dealers with whom to place orders for purchases and sales on behalf of the Funds, Abingworth considers the ability to obtain favorable pricing, prompt and efficient execution at competitive rates, the brokers’ facilities, reliability and financial responsibility and the provision of brokerage or research services (see I below).

I. Research and other soft dollar benefits

Abingworth may purchase from a broker or allow a broker to pay for the following (each a “soft dollar” relationship):

- Traditional research reports analyzing the performance of a company or stock;
- Financial newsletters and trade journals;
- Quantitative analytical software and software that provides analyses of securities portfolios,
- Seminars and conferences; and
- Other services.

Abingworth may pay to a broker commissions that exceed those that another broker might charge for effecting the same transaction because of the value of the brokerage, research, other services, and soft dollar relationships that such broker provides. Abingworth determines in good faith that such compensation is reasonable in relation to the value of such services in terms of the specific transaction or Abingworth’s overall duty to its Advisory Clients. The Manager will take into account that it would have to provide to, or acquire at its own expense such soft dollar services for a Fund. Abingworth believes that such soft dollar services may provide the Funds with benefits by supplementing the research and services otherwise available to the Funds.

Abingworth's relationships with brokers that provide soft dollar services may influence Abingworth's judgement and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and those that do not. Abingworth may have an incentive to select a broker based on Abingworth's interest in receiving soft dollar services rather than the Funds' interest in receiving the most favorable execution.

Abingworth has addressed these conflicts by annually reviewing the trade execution services that Abingworth receives from the brokers it uses to execute trades for the Funds. Abingworth considers the quality of execution services, the value of continuing with soft dollar services, adding, or removing brokers and the appropriate level of commission rates.

2. Brokerage for Client referrals

The Manager may place transactions with a broker or dealer that (i) provides the Manager with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers prospective shareholders to a Fund or other products advised by the Manager (or an affiliate), if otherwise consistent with seeking best execution; provided the Manager is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of prospective Advisory Clients.

3. Directed brokerage

Abingworth does not accept Advisory Clients who require it to execute transactions through a specified broker dealer.

B. Aggregation

Abingworth may aggregate securities sale and purchase orders for a Fund with similar orders being made for Funds that Abingworth manages. In addition to considerations of equity, aggregation avoids placing competing orders, improves order management and may because of larger order size, permit some degree of price improvement relative to a series of individually placed orders. Abingworth may aggregate Fund orders for execution where it believes it is in the best interest of Funds to do so.

A. Trade Errors

Abingworth seeks to detect and correct trade errors. Should a trade error occur and be detected before the trade has been settled in the Advisory Client account, Abingworth will reverse the

trade or reallocate, as necessary and appropriate. In any event, the Advisory Client account will be made whole (put in a position as if the error had not been made), with Abingworth absorbing any loss, where Abingworth's conduct does not meet the standard for exculpation set forth in the governing documentation for the relevant Advisory Client(s), and not in other cases. Advisory Clients regulated under the 1940 Act will be made whole with Abingworth absorbing losses any time a trade error cannot be reversed or reallocated.

Item 13. Review of Accounts

A. - B. Review of Accounts

The Manager monitors the Portfolio Companies and/or the Clinical Co-Development Investments in each Fund on an ongoing and quarterly basis.

C. Reporting

Investors in the Funds receive audited financial statements and quarterly unaudited accounts for the Fund(s) in which they are invested.

Item 14. Client Referrals and Other Compensation

A. Compensation from Third Parties

Not applicable.

B. Solicitors.

AMI does not currently utilize any third party marketers or solicitors for Advisory Client referrals.

ALLP uses placement agents to assist with fund raising activities and takes measures to ensure that such placement agents are registered with the SEC as a broker-dealer.

Item 15. Custody

AMI does not provide custodial services to the Manager or the Advisory Clients. Abingworth is deemed to have custody of the underlying assets of many of its Advisory Clients. In addition to holding Advisory Client assets with an unaffiliated, qualified, third party custodian, these Advisory Client assets (where Abingworth is deemed to have custody) are generally also subject to a year-end audit by a major accounting firm that is a member of, and examined by, the Public Company Accounting Oversight Board

(“**PCAOB**”), and the audited financial statements are then provided to the underlying investors of these Advisory Clients within 120 days of the end of the fiscal year. For Advisory Client assets that are pooled investment vehicles (and subject to such financial audits and reporting delivery qualifications), Abingworth relies on an exception from the notification, account statement delivery obligations, and is deemed compliant with the surprise audit obligations imposed by the SEC’s custody rule.

The Manager arranges for custody of paper stock certificates and stock held in electronic form with Sanne Fiduciary Services (UK) Limited, State Street Trustees Limited and Royal Bank of Canada.

Item 16. Investment Discretion

The Manager has discretionary investment authority to manage the Advisory Client pursuant to the management agreement between the Manager, the General Partner, and the Advisory Client. AMI provides only non- discretionary advisory services to the Manager.

Item 17. Voting Client Securities

AMI does not have proxy voting authority with respect to any security it recommends. The Manager exercises proxy voting authority for the Advisory Clients and may consult with AMI at its discretion on proxy voting matters.

Because Manager has, or will accept, authority to vote public company securities and other debt instruments (e.g., loans) held by an Advisory Client, it has adopted policies and procedures (the “**Proxy Voting Policies and Procedures**”) that it believes are reasonably designed to comply with the requirements of the Advisers Act. The Proxy Voting Policies and Procedures reflect Abingworth’s commitment to vote such instruments in a manner consistent with the best interests of the Advisory Clients.

Under the Proxy Voting Policies and Procedures, unless faced with a conflict of interest between or among Advisory Clients, Manager will vote proxies in a manner that serves the best interest of its Advisory Clients, as determined by Manager in its discretion, taking into account relevant factors, including (i) the impact on the value of the securities owned by the Advisory Client and the returns on those securities; (ii) alignment of portfolio company management’s interest with the Advisory Client’s interest, including establishing appropriate incentives for management; (iii) the ongoing relationship between the Advisory Client and the portfolio companies in which it invests, including the continued or increased availability of portfolio information; (iv) industry business and practices; and (v) the requirements imposed on AMI and

its affiliates in the Advisory Client operating agreements.

Manager reviews each proposal submitted for a vote on a case-by-case basis to determine whether it is in the best interest of the applicable Advisory Client. As a result, depending on the Advisory Client's particular circumstances, Manager may vote one Advisory Client's securities differently than it votes those of another Advisory Client, or may vote differently on various proposals, even though the securities or proposals are similar (or identical). In some instances, Manager may determine that it is in the Advisory Client's best interest for Manager to "abstain" from voting or not to vote at all, and will do so accordingly.

At times, conflicts may arise between the interest of an Advisory Client, on the one hand, and the interest of either another Advisory Client or Abingworth or its affiliates on the other hand in consideration of a proxy vote. To address such potential conflicts, the Manager follows the procedures outlined in the Proxy Voting Policies and Procedures. The Proxy Voting Policies and Procedures require that in all situations involving a potential conflict between two Advisory Clients, the vote will be made without regard to Abingworth's actual or anticipated compensation. Proxy voting reports, identifying how proxies were voted where the Manager has been delegated proxy voting authority, and Abingworth's Proxy Voting Policies and Procedures are available upon written request.

Item 18. Financial Information

At this time, Abingworth is not aware of any financial condition that is reasonably likely to impair Abingworth's ability to meet contractual commitments to Advisory Clients.

A. Financial disclosures

Not applicable.

B. Material financial impairment

Not applicable.

C. Bankruptcy petitions

Not applicable.