



Shareholder Presentation

April 3, 2023

Forward-looking and Cautionary Statements

Statements in this presentation that are not strictly historical, and any statements regarding events or developments that we believe or anticipate will or may occur in the future are "forward-looking" statements within the meaning of the federal securities laws. There are a number of important factors that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our Annual Report on Form 10-K for the year ended December 31, 2022 and our Quarterly Reports on Form 10-Q for subsequent periods. The Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

Our specialty finance and asset management businesses are conducted through separate subsidiaries and the Company conducts its operations in a manner that is excluded from the definition of an investment company and exempt from registration and regulation under the Investment Company Act of 1940.

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Life science securities may rely on milestone payments and/or a royalty stream from an underlying drug, device, or product which may or may not have received approval of the Food and Drug Administration ("FDA"). If the underlying drug, device, or product does not receive FDA approval, it could negatively impact the securities, including the payments of principal and/or interest. In addition, the introduction of new drugs, devices, or products onto the market could negatively impact the securities, since that may decrease sales and/or prices of the underlying drug, device, or product. Changes to Medicare reimbursement or third-party payor pricing could negatively impact the securities, since they could negatively impact the prices and/or sales of the underlying drug, device, or product. There is also risk that the licensing agreement that governs the payment of royalties may terminate, which could negatively impact the securities. There is also the risk that litigation involving the underlying drug, device, or product could negatively impact the securities, including payments of principal and/or interest on any securities.

SWK Holdings - Overview

Custom financing solutions for commercial-stage healthcare companies and royalty owners

Underserved, High-Need Market

- SWK targets \$5mm to \$25mm financings, a market niche that is largely ignored by larger market participants and generates attractive full-cycle returns
- Business focus is secured financings and royalty monetizations
- Experienced and aligned management and Board with extensive life science network
- As of March 17, 2023, completed financings with 50 parties deploying \$725mm of capital

Demonstrated Success, Attractive Returns

- Targets unlevered, mid-teens gross return on capital with a portfolio effective yield of 13.9% for 4Q22
- 31 exits from inception through December 31, 2022 generating an ~18% IRR and 1.4x MOIC
- Specialty finance segment generated a 9.9% LTM adjusted return on finance segment tangible book value**
- Compounded book value per share at a ~10% CAGR from 4Q12 to 4Q22's \$21.80

Focus on Shareholder Returns

- Demonstrated shareholder value creation: Share repurchases, NASDAQ uplisting, and Enteris strategic review
- Shareholder value creation strategy:
 - Increase book value per share at a 10% CAGR
 - Serve as partner of choice for small and mid-sized life sciences companies and inventors
 - Generate current income to utilize SWK's substantial NOL asset, \$124.5mm as of December 31, 2022

* Effective yield is the rate at which income is expected to be recognized pursuant to the Company's revenue recognition policies, if all payments are received pursuant to the terms of the finance receivable; excludes warrants

** Numerator is specialty finance division's adjusted non-GAAP net income; Denominator is shareholders equity less the deferred tax asset and Enteris PP&E and net intangibles and goodwill, which adds-back the contingent consideration payable

SWK Holdings - Segments

SWK operates through two segments: Life Science Specialty Finance and Enteris BioPharma
Centered on SWK's core focus on monetizing revenue streams and intellectual property

LIFE SCIENCE SPECIALTY FINANCE

- Senior secured term loans
- Royalties
- Synthetic royalties
- Hybrid structures



ENTERIS BIOPHARMA

- Peptelligence® and ProPerma™ dosing technologies
- CDMO and CMO services
- 505b2 drug development

Life Science Finance Opportunity

Achieve high current yield from investment in non-correlated assets

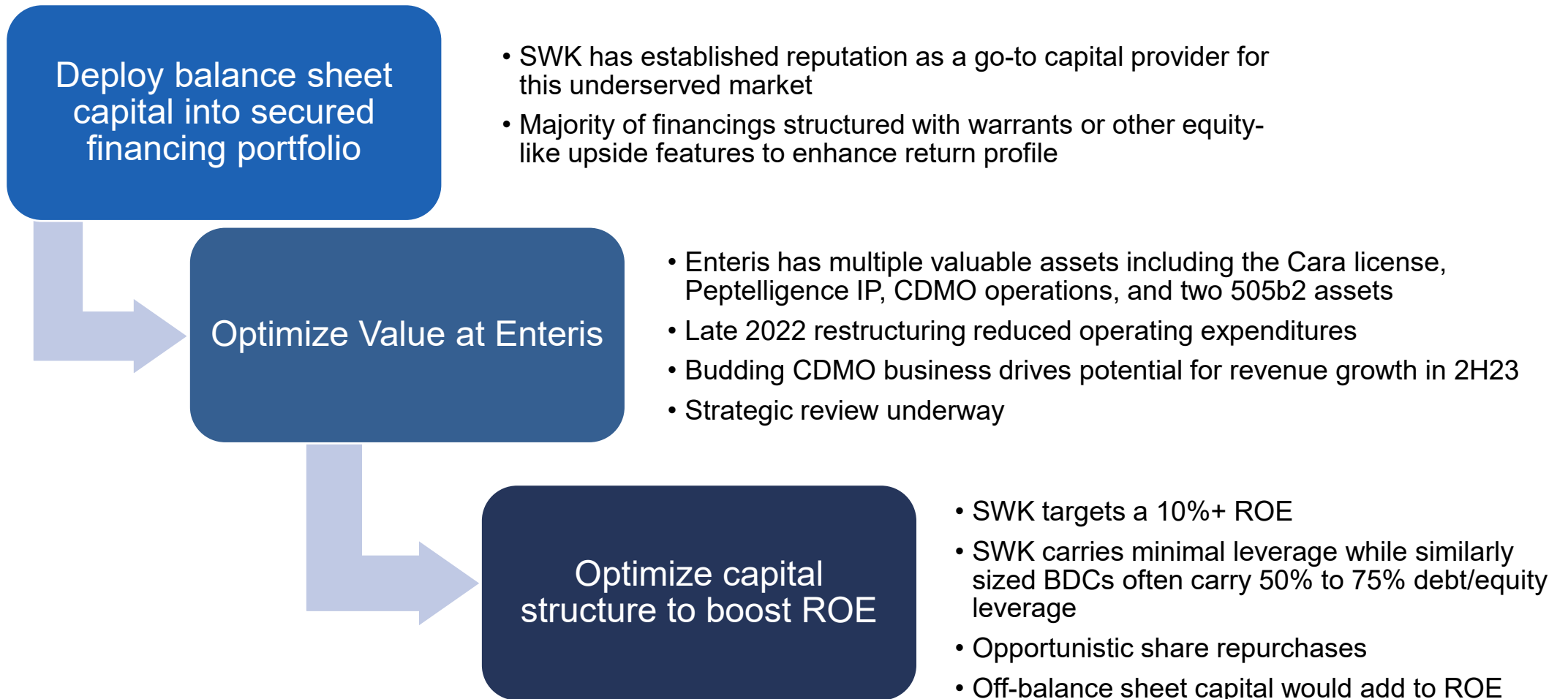
Access to capital is challenging for small/mid-sized life science companies
- Few participants exist for sub-\$25mm life science financings

Life science products are highly portable
- Approved & marketed products and/or royalty streams are valuable collateral

Revenues are predictable and have low correlation to economic growth and macro factors

Mitigate FDA & clinical trial risk by focusing on commercial opportunities

Value Creation Strategy



SWK believes this strategy will continue to achieve a 10%+ book value per share CAGR

Book Value Components

Tangible Finance Book Value / Share = \$19.02

- Excludes value of deferred tax asset, net Enteris intangibles and goodwill*, and Enteris PP&E
- SWK's targets 10%+ CAGR of tangible finance book value / share

Plus: Enteris Biopharma Net Book Value / Share = \$0.87

- In 2019, SWK paid \$21.5mm upfront to acquire Enteris
- At December 31, 2022 Enteris book value, net of contingent liabilities totaled \$11.2 mm (\$0.87 / share)
- Enteris has valuable assets that may not be captured by traditional GAAP accounting

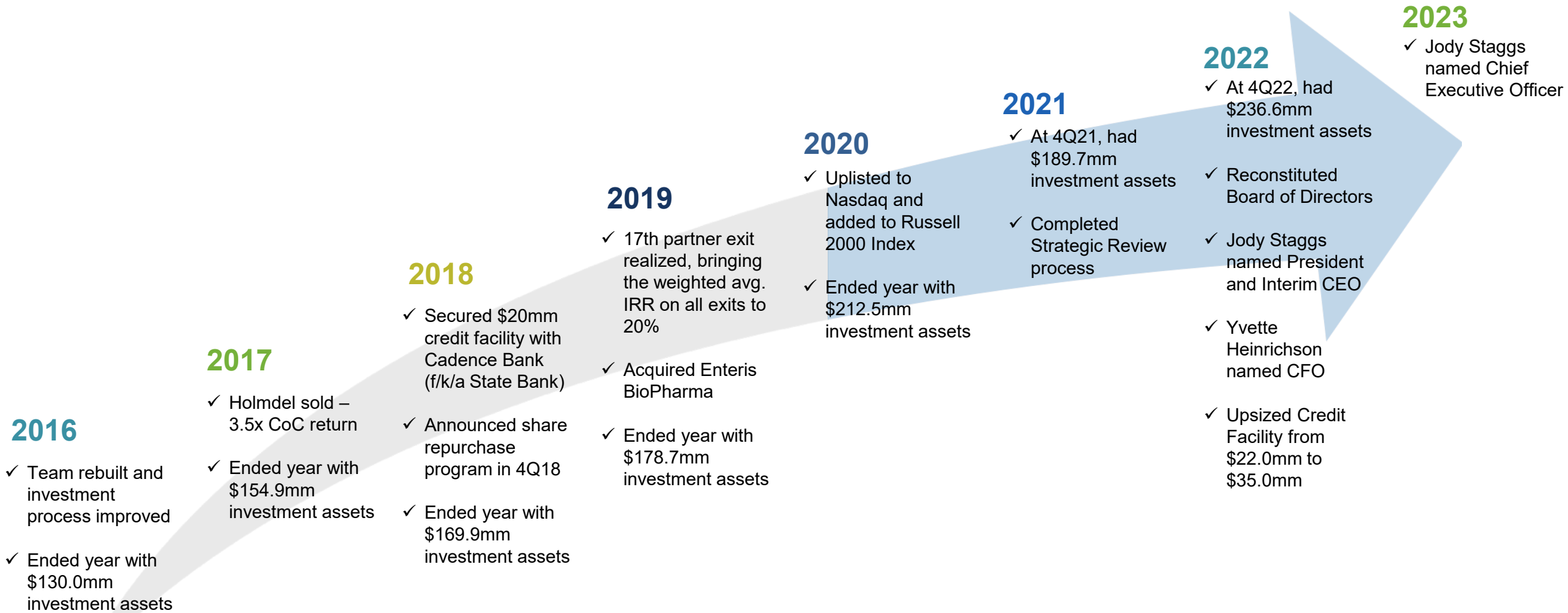
Plus: Deferred Tax Asset / Share = \$1.91

- At 12/31/22 SWK had federal net operating losses (NOL) of \$124.5mm
- NOLs will expire by 2037

12/31/22 Total Book Value per Share of \$21.80

* Intangible assets, net plus goodwill less contingent consideration payable

Corporate Milestones



Fourth Quarter 2022 Recap

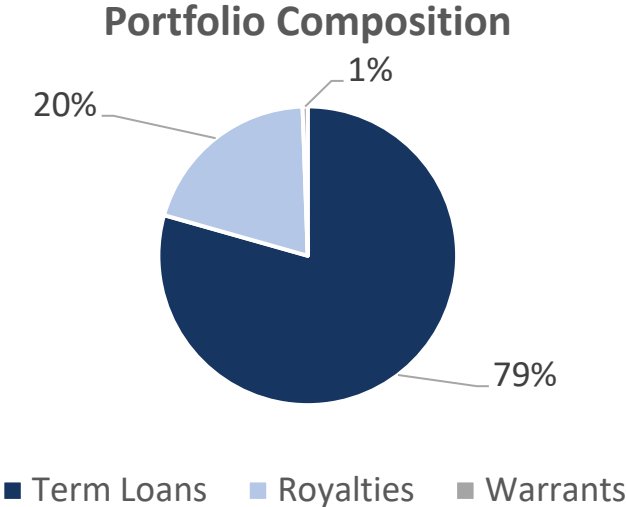
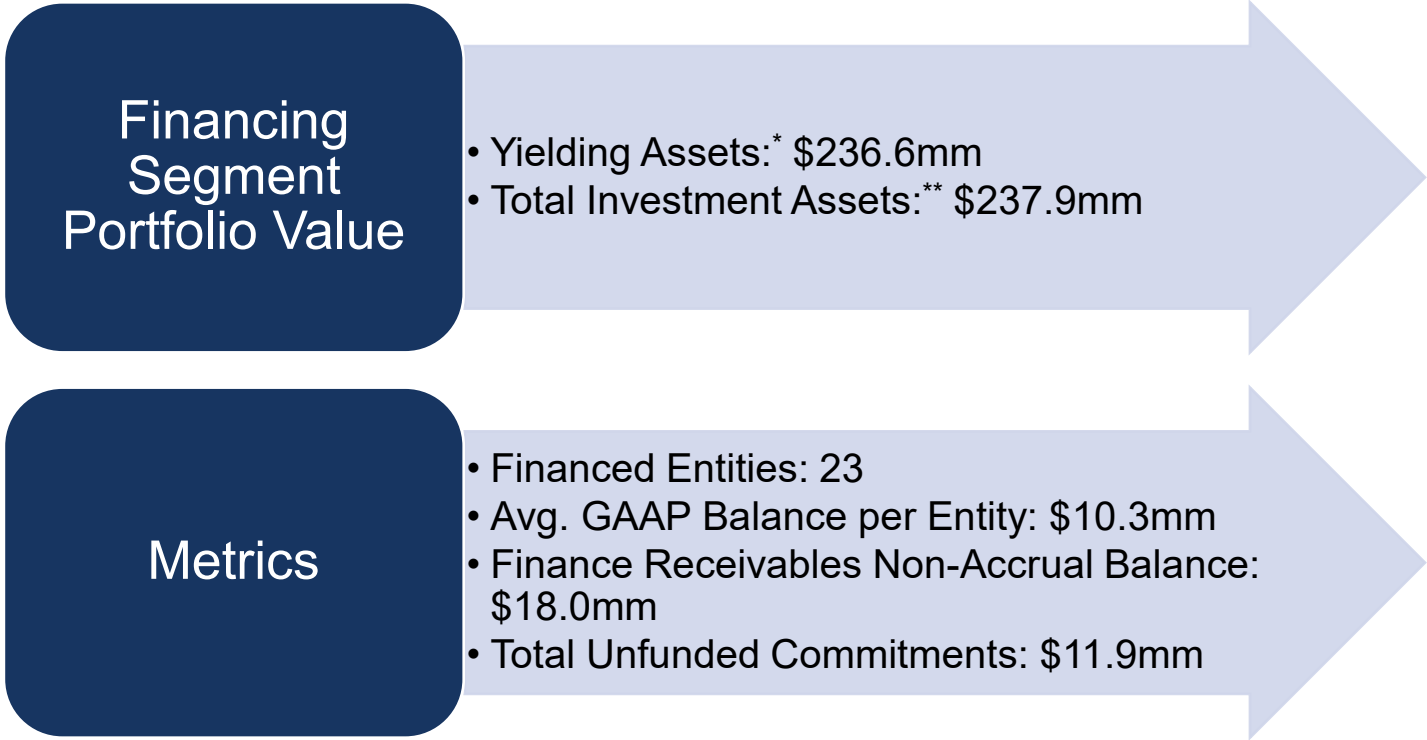
CORPORATE UPDATES

- Jody Staggs named President and Chief Executive Officer
- Yvette Heinrichson named Chief Financial Officer
- Dr. Paul Shields named Chief Executive Officer of Enteris
- During the fourth quarter of 2022, closed one new royalty financing totaling \$15.4 million with an additional \$2.8 million deployed to hedge 80% of Fx exposure
- During the fourth quarter of 2022, \$6.0 million funded to existing borrowers
- During the fourth quarter of 2022, repurchased 27,291 shares of common stock for a total cost of \$0.5 million
- Closed fifth amendment to Loan and Security Agreement with Cadence Bank, increasing borrowing availability to \$35.0 million. \$15.0 million accordion feature provides for expansion of credit facility up to \$50.0 million.

FINANCE RECEIVABLES UPDATES

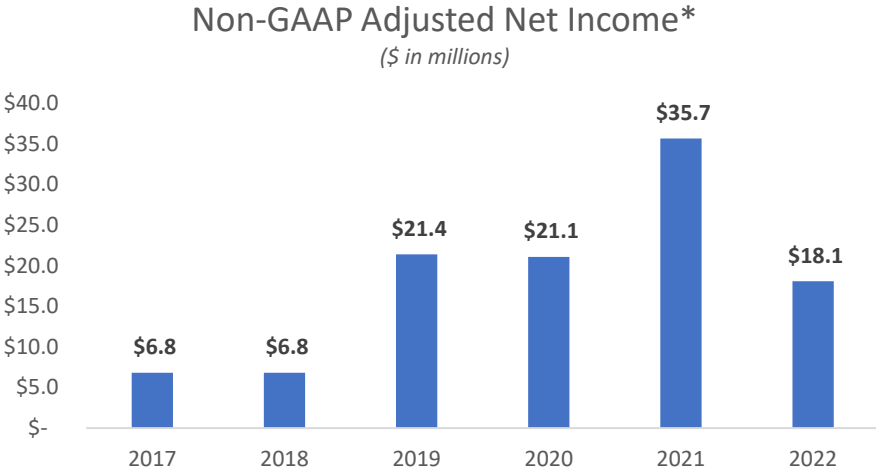
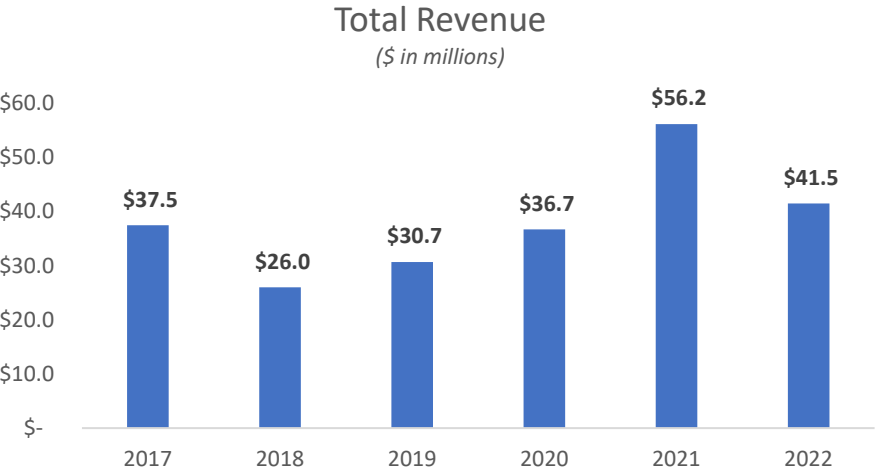
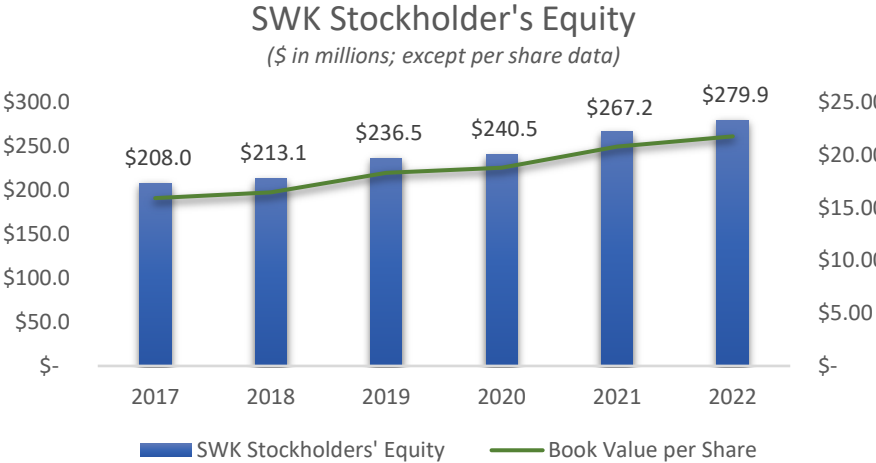
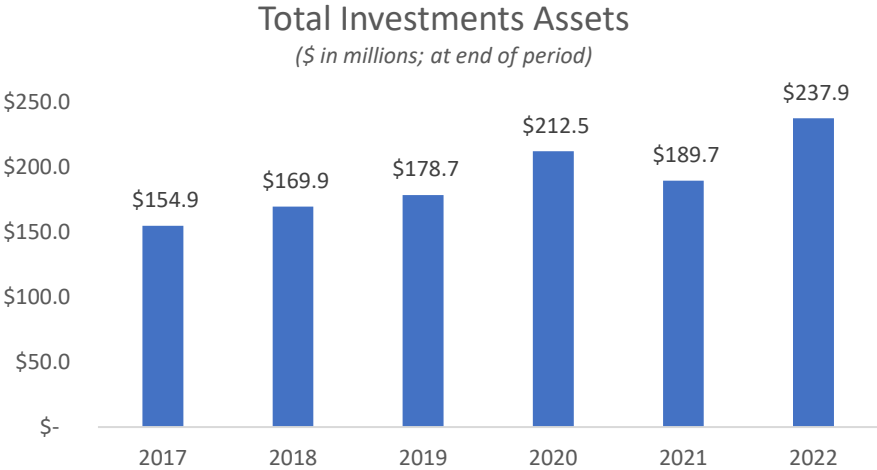
- As of December 31, 2022, non-GAAP tangible finance book value per share was \$19.02, an 5.7% increase from December 31, 2021
- Fourth quarter 2022 core finance receivables business adjusted non-GAAP net income was \$4.4million, a 36.6% decrease from the fourth quarter of 2021. The decline was partially due to a \$3.5 million credit reserve
- As of December 31, 2022, total investment assets were \$237.9 million, a 25.4% increase from December 31, 2021.
- Fourth quarter 2022 finance portfolio effective yield was 13.9%, a 10 bps increase compared with 13.8% for the fourth quarter 2021
- For the trailing twelve months ended December 31, 2022, SWK's core finance receivables segment generated a 9.9% adjusted return on tangible book value

Finance Segment Portfolio Overview: 4Q22



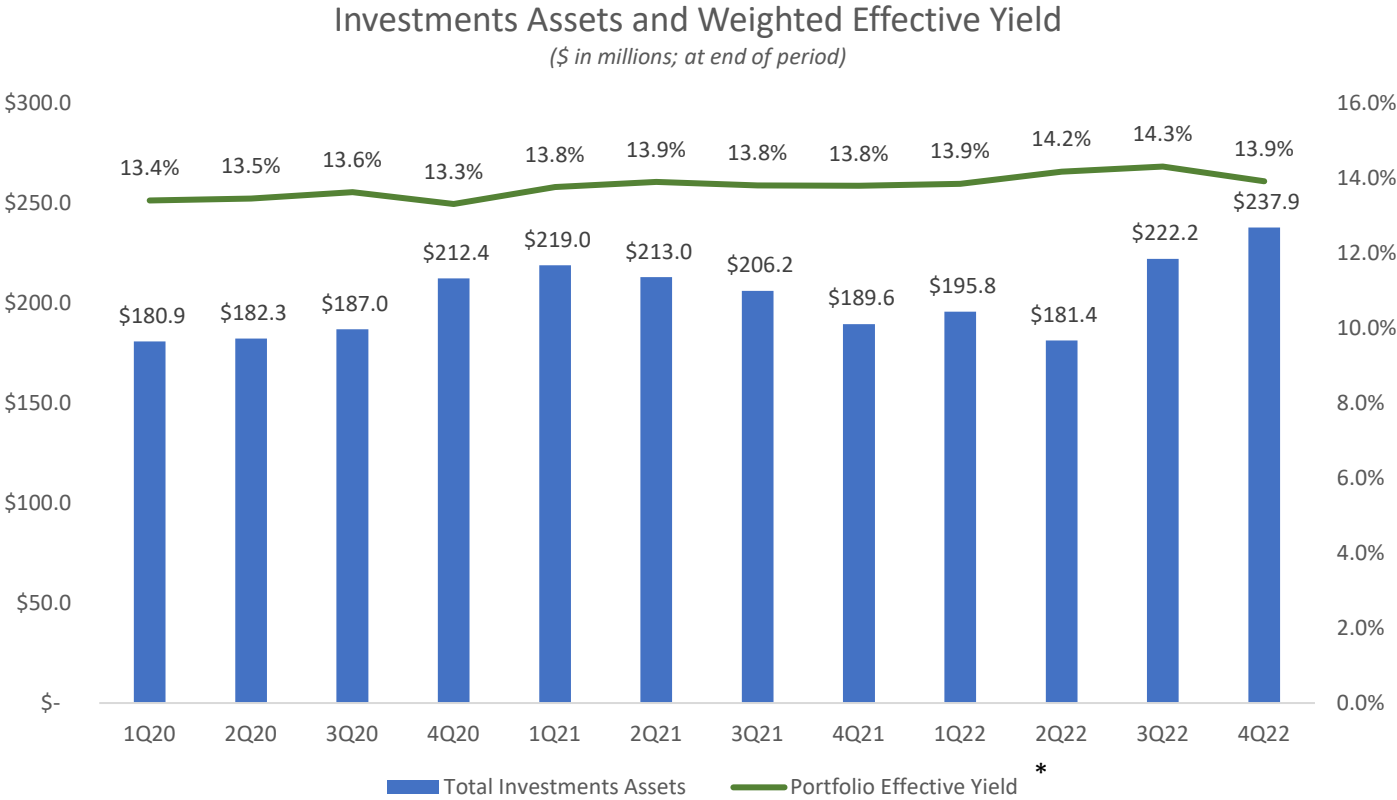
* Finance receivables and marketable investments; does not include new or repaid finance receivables closed post-quarter.
** Includes public company warrants; private warrants carried at zero value / not valued on balance sheet

Financial Snapshot



* Eliminates provision for income taxes, Enteris intangibles amortization, and non-cash mark-to-market changes on warrant assets and equity securities; see reconciliation on page 30; 2019 Non-GAAP Adjusted Net Income was reduced by \$1.2mm of Enteris transaction expenses

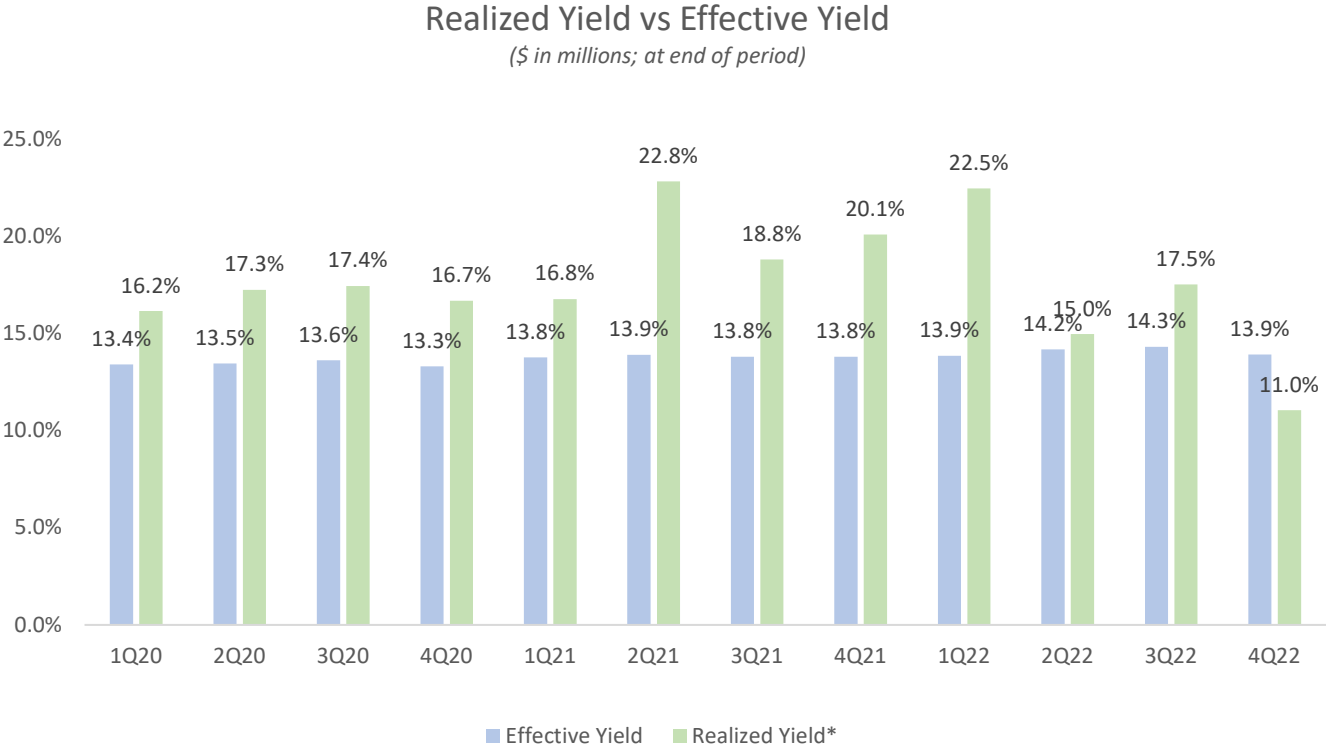
SWK Targets Low-to-Mid Teens Effective Yields 4Q22 Finance Segment Effective Yield was 13.9%



Floating rate debt portfolio benefits from rising interest rates

* Effective yield is the rate at which income is expected to be recognized pursuant to the Company's revenue recognition policies, if all payments are received pursuant to the terms of the finance receivable; excludes warrants















SWK's Portfolio Realized Yield Has Consistently Exceeded the Projected Yield as Actual Receipts Exceeded Internal Forecasts











4Q22 Realized Yield Impacted by \$3.5 million credit reserve

**Portfolio Realized Yield is inclusive of all fees and is calculated based on the simple average of finance receivables at the beginning and end of period*

Current Structured Credit Portfolio

 <p>Acer Therapeutics 03.07.2022 \$13.5 million Structured Credit</p>	 <p>Advanced Oxygen Therapy 03.21.2022 \$12.0 million Structured Credit</p>	 <p>Aziyo Biologics 08.10.2022 \$25.0 million Structured Credit</p>	 <p>BIOLASE 11.09.2018 \$15.0 million Structured Credit</p>	 <p>Biotricity 12.27.2021 \$12.0 million Structured Credit</p>	 <p>Epica International 07.25.2018 \$14.0 million Structured Credit</p>	 <p>eTon Pharmaceuticals 11.14.2019 \$10.0 million Structured Credit</p>
 <p>Exeevo 07.01.2022 \$7.5 million Structured Credit</p>	 <p>Flowonix Medical 12.23.2020 \$10.0 million Structured Credit</p>	 <p>4WEB Medical 07.01.2021 \$20.0 million Structured Credit</p>	 <p>MedMinder Systems 08.18.2022 \$25.0 million Structured Credit</p>	 <p>MolecuLight 01.04.2022 \$10.0 million Structured Credit</p>	 <p>Sincerus Pharmaceuticals 03.19.2021 \$9.0 million Structured Credit</p>	 <p>Trio Healthcare 07.01.2021 \$9.5 million Structured Credit</p>

Current Royalty Portfolio

 <p>Best ABT</p> <p>11.12.2018</p> <p>\$5.8 million Royalty Reorganization</p>	 <p>Cambia</p> <p>07.31.2014</p> <p>\$9.5 million Royalty Acquisition</p>	 <p>ForFivo (IntelGenx)</p> <p>08.05.2016</p> <p>\$6.0 million Royalty Acquisition</p>	 <p>Ideal Implant</p> <p>04.27.2021</p> <p>\$5.0 million Synthetic Royalty Financing</p>	 <p>Iluvien</p> <p>12.18.2020</p> <p>\$16.5 million Royalty Acquisition</p>
 <p>Coflex</p> <p>08.31.2020</p> <p>\$4.4 million Royalty Portfolio Acquisition</p>	 <p>Kybella</p> <p>08.31.2020</p> <p>\$4.4 million Royalty Portfolio Acquisition</p>	<p>Project Duo Royalty</p> <p>11.30.2022</p> <p>\$16.5 million Royalty Acquisition</p>	 <p>Veru Healthcare</p> <p>03.05.2018</p> <p>\$12.0 million Synthetic Royalty Financing</p>	<p>Secured Royalty Financing for Pharmaceutical Product</p> <p>Women's Health</p> <p>06.07.2013</p> <p>\$3.0 million Royalty Financing</p>



Portfolio Realizations

- As of December 31, 2022, SWK has exited 31 financings for a total 1.4x CoC return and 17.8% IRR
- Exited five challenged SWK 1.0 financings:
 - SynCardia position was sold to distressed private equity firm with SWK recouping ~60% of cash basis
 - Response Genetics exited via Chapter 11 and sold to a strategic buyer with SWK recouping ~50% of cash basis
 - Hooper I and II cumulatively a 98% recovery
 - B&D Dental successful workout with SWK achieving ~140% recovery
 - TRT was a 2013 royalty written off in 4Q22 with a ~60% recovery

\$ in 000s

#	Investments	Security	Origination	Payoff	Cash Invested	Cash Received	MOIC	XIRR	Exit Form Factor
1	Nautilus	Loan	12/05/12	12/17/13	\$ 22,500	\$ 28,606	1.3x	28%	Acquired by Strategic
2	Parnell I	Loan	01/23/14	06/27/14	\$ 25,000	\$ 27,110	1.1x	21%	Refinanced
3	Response Genetics	Loan	07/30/14	10/07/15	\$ 12,257	\$ 5,780	0.5x	(47%)	Acquired by Strategic
4	PDI	Loan	10/31/14	12/22/15	\$ 20,000	\$ 25,028	1.3x	23%	Acquired by Strategic
5	Tribute	Loan	08/08/13	02/05/16	\$ 14,000	\$ 18,349	1.3x	18%	Acquired by Strategic
6	Galil	Loan	10/31/14	06/15/16	\$ 12,500	\$ 16,601	1.3x	21%	Acquired by Strategic
7	Nanosphere	Loan	05/14/15	06/30/16	\$ 10,000	\$ 14,362	1.4x	48%	Acquired by Strategic
8	Syncardia	Multi	12/13/13	06/24/16	\$ 20,038	\$ 11,775	0.6x	(38%)	Sold to PEG
9	Holmdel	Equity	12/20/12	02/23/17	\$ 6,000	\$ 21,084	3.5x	63%	Acquired by Strategic
10	Hooper I	Loan	04/17/15	05/12/17	\$ 5,000	\$ 6,754	1.4x	20%	Refinanced
11	Narcan	Royalty	12/12/16	02/28/18	\$ 17,500	\$ 42,872	2.4x	84%	Hit MOIC Cap
12	OraMetrix	Loan	12/15/16	05/01/18	\$ 8,500	\$ 10,603	1.2x	19%	Acquired by Strategic
13	Parnell II	Loan	11/22/16	07/30/18	\$ 13,500	\$ 19,327	1.4x	26%	Refinanced
14	Hooper II	Loan	05/12/17	10/10/18	\$ 21,340	\$ 19,162	0.9x	(16%)	Acquired by Strategic
15	EyePoint	Loan	03/28/18	02/13/19	\$ 20,000	\$ 25,168	1.3x	34%	Refinanced
16	Thermedx	Loan	05/05/16	05/22/19	\$ 3,500	\$ 5,773	1.6x	21%	Refinanced
17	Cheetah Medical	Loan	01/15/19	09/30/19	\$ 10,000	\$ 12,487	1.2x	32%	Acquired by Strategic
18	Aimmune	Loan	02/12/19	10/20/20	\$ 3,686	\$ 4,430	1.2x	20%	Acquired by Strategic
19	Tenex	Loan	07/01/16	04/01/21	\$ 8,300	\$ 13,066	1.6x	16%	Acquired by Strategic
20	Harrow Health	Loan	07/19/17	04/20/21	\$ 10,328	\$ 18,747	1.8x	20%	Refinanced
21	FC2	Royalty	03/05/18	08/13/21	\$ 10,000	\$ 19,577	2.0x	37%	Hit MOIC Cap
22	Misonix	Loan	06/02/15	10/29/21	\$ 27,580	\$ 43,821	1.6x	14%	Acquired by Strategic
23	Besivance	Royalty	04/03/13	11/14/21	\$ 6,000	\$ 7,532	1.3x	7%	Hit MOIC Cap
24	DxTerity	Loan	04/06/15	11/24/21	\$ 9,500	\$ 19,914	2.1x	19%	Refinanced
25	Celonova	Loan	07/31/17	12/31/21	\$ 7,500	\$ 10,573	1.4x	15%	Refinanced
26	Acerus	Loan	10/11/18	02/17/22	\$ 9,000	\$ 13,256	1.5x	16%	Refinanced
27	B&D Dental	Loan	12/10/13	03/18/22	\$ 8,368	\$ 11,374	1.4x	4%	Refinanced
28	Keystone Dental	Loan	05/20/16	06/07/22	\$ 20,000	\$ 33,460	1.7x	14%	Refinanced
29	Beleodaq	Royalty	06/06/18	07/01/22	\$ 7,605	\$ 13,688	1.8x	26%	Hit MOIC Cap
30	Trio Royalty	Royalty	10/23/20	07/25/22	\$ 4,466	\$ 6,870	1.5x	32%	Hit MOIC Cap
31	TRT	Royalty	06/13/13	12/31/22	\$ 3,250	\$ 1,882	0.6x	(21%)	Written Off
Total Realized					\$ 377,216	\$ 529,032	1.4x	17.8%	

Portfolio Realizations to Strategic Buyers

- 13 realizations to strategic buyers demonstrated a median 28% LTV of SWK's original loan value
- 9 of the 13 businesses were not profitable at time of sale, validating SWK's revenue and IP-based underwriting methodology

\$ in mm

Target	Buyer	Closing Date	Transaction EV	SWK Loan at Cost*	SWK Loan / Transaction	LTM Sales	EV / LTM Sales	Target Profitable Sale?	Notes
Nautilus	Depomed	12/17/13	\$ 48.7	\$ 22.5	46%	\$ 15.4	3.2x	N	
Response Genetics	Cancer Genetics	10/07/15	5.8	12.3	213%	16.7	0.3x	N	
PDI	Publicis	12/22/15	33.0	20.0	61%	129.3	0.3x	Y	CSO Division Only; Transaction EV assumes 50% near-term earn-outs achieved
Tribute	Aralez	2/1/16	147.6	14.0	9%	26.5	5.6x	N	
Galil	BTG plc	5/16/16	84.4	12.5	15%	22.7	3.7x	N	Transaction EV excludes \$26mm of milestones
Nanosphere	Luminex	6/30/16	77.0	25.0	32%	23.1	3.3x	N	
InnoPran XL**	ANI Pharma	2/23/17	30.5	6.0	28%	11.1	2.7x	Y	
Orametrix	Dentsply Sirona	5/1/18	90.0	8.5	9%	20.0	4.5x	Y	Transaction EV excludes up to \$60mm in earn-outs
Hooper II	Quest	10/10/18	27.8	26.6	96%	61.3	0.5x	N	Loan value includes non-SWK revolver (\$8mm); Workout fees totaled \$4mm
Cheetah Medical	Baxter	10/24/19	190.0	20.0	11%	22.2	8.6x	N	Transaction EV excludes up to \$40mm in earn-outs
Aimmune Therapeutics***	Nestle	10/14/20	2,139.0	131.5	6%	-	NA	N	SWK partnered with KKR on the transaction
Tenex	Trice	4/1/21	25.0	8.3	33%	12.3	2.0x	Y	Excludes earn-outs
Misonix	Bioventus	10/29/21	518.0	30.1	6%	74.0	7.0x	N	
Median					28%		3.3x		

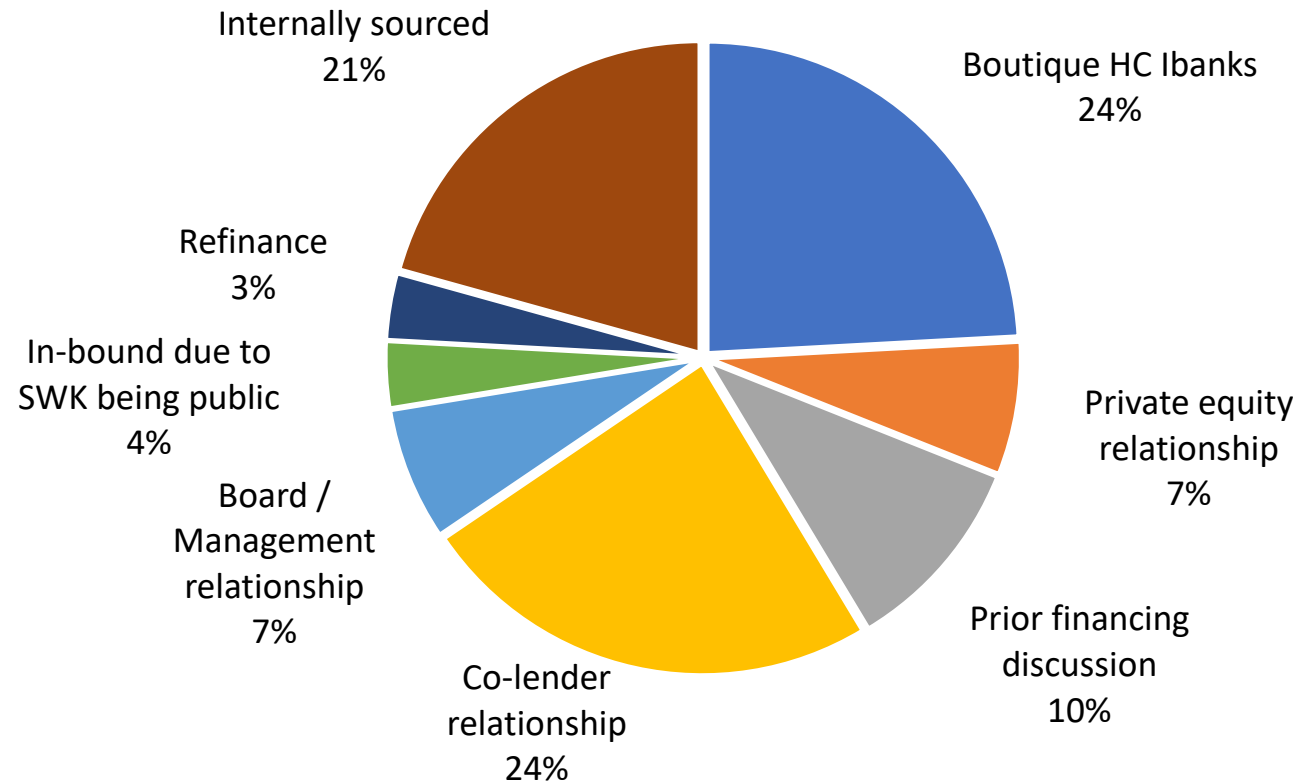
* Cost measured as greatest of principal advanced at deal close and additional add-ons, including restructuring fundings

** InnoPran XL was the primary asset of Holmdel Pharmaceuticals, LP

*** SWK owned 4.5% of the Aimmune loan.

Sourcing

- SWK has a well-developed and diversified sourcing network
- SWK balances proprietary opportunities with deal flow from trusted, boutique investment banks and brokers
- SWK typically faces limited competition due to proprietary sourcing network and focus on sub-\$25mm financings
- From 2017-2022, SWK submitted terms on 135 transactions and closed 21% of submitted proposals
- Deals completed from 2017-2022 were sourced from a variety of relationships



Financing Structures

Structured Debt

- Primarily first lien senior secured loans, though will selectively evaluate second lien opportunities
- Typically include covenants, prepayment penalties, origination and exit fees, and warrant coverage
- Provide working capital to support product commercialization and M&A

Royalties

- Companies: fund pipeline development & leverage a lower cost of capital for higher ROI projects
- Institutions: capital planning for operating budgets, funding R&D initiatives, & financial asset diversification
- Inventors: financial asset diversification, fund start-up company

Synthetic Royalty

- Marketer creates a 'royalty' by selling an interest in a future revenue stream earned with a single product or basket of products in exchange for an upfront payment and potential future payments
- Ability to structure tiered revenues, reverse tiers, minimum payments, caps, step-downs and buy-out options, similar to a license agreement between innovator and marketer

Hybrid Financing

- Combination of royalty and revenue-based financings
- Can take on many forms, including structured debt and equity investments

Product Acquisition

- Target legacy products with established revenue trends, minimal marketing and infrastructure requirements

Value Proposition to Partners

Asset base and nimble structure position SWK to serve the sub-\$25mm financing market

- Smaller companies often don't have financial profile to qualify for traditional financing sources
- Companies in this niche often have few options outside of a dilutive equity raise
- The IPO market is largely closed to companies of this size requiring expensive and difficult private equity sourcing
- Many alternative financing sources have grown too large to care about smaller companies
- Some historical financing sources have been acquired by regulated financial institutions that due to regulatory constraints cannot lend to unprofitable companies and prohibit SWK-style transactions
- Venture lenders often require principal payback over a shorter period than SWK's structures, often stressing borrowers by sapping valuable working capital from their businesses during periods of high growth, when they need the capital the most

Structures financings to preserve liquidity and match a growing company's revenue profile

Provides its borrowers with access to its network of capital markets resources and operators

Through RIA arm and industry relationships, SWK can access additional capital to finance larger opportunities

Historical Financing: Narcan Royalty

Narcan is the only FDA approved, intranasal Naloxone product for the treatment of opioid overdose
Narcan is appropriately priced with revenue growth from expanded distribution, not price hikes

OPPORTUNITY

- Opiant is a publicly-traded drug development company that receives a royalty on Narcan for developing the drug's unique formulation
 - Novel formulation has a faster time to onset and more convenient and safer administration
- Opiant needed capital to pursue development programs
- At time of monetization, Opiant was a thinly traded OTC stock and management believed the share price did not reflect underlying asset value, thus a share offering was not an attractive option

SOLUTION

- SWK structured a capped royalty that was smaller than competing proposals, and allowed Opiant to retain tail economics
- In December 2016, SWK funded \$13.8mm in exchange for a royalty that was capped at a 1.5x Cash-on-Cash (Coc) return
 - On August 8, 2017 upon achieving \$25mm in cumulative sales during two consecutive quarters, SWK funded additional \$3.8mm with a 1.5x CoC return cap
- Narcan sales exceeded forecasts; CoC return cap achieved in February 2018
- December 2022 SWK sold remaining economics for \$2.5mm; Investment generated a 2.4x CoC return

Historical Financing: Galil Medical

Galil is a privately-held medical device company that delivers innovative cryotherapy solutions for tumor ablation

OPPORTUNITY

- In 2014, Galil was on the cusp of accelerating revenue growth, but was not yet cash-flow positive and could not tap traditional financing channels
- Galil needed additional capital to run clinical trials and expand its sales force

SOLUTION

- In December 2014, SWK provided a \$12.5mm senior secured term loan structured to delay principal repayment until growth initiatives matured
- In late 2015, SWK committed to provide additional financing to support Galil's proposed acquisition of a competitor
 - The transaction was not consummated, but SWK's support permitted opportunistic bid
- By early 2016, the growth initiatives were bearing fruit, and in June 2016, Galil was acquired by BTG plc for \$84mm plus up to \$26mm in earn-outs
- The SWK facility gave Galil capital to grow the business and garner a higher acquisition price while allowing the equity owners to capture maximum upside
- SWK facility represented 15% LTV of the take-out price
- SWK generated a 1.3x cash-on-cash return and 20% IRR

Enteris Corporate Overview

Proven Technology, Late-Stage Commercial Partnerships, and Internal Pipeline

Drug Delivery Technology

- Peptelligence and ProPerma allow for oral delivery of drugs that are typically injected, including peptides and BCS class II, III, and IV small molecules
- Extensive intellectual property estate with protection through 2036
- Peptelligence licenses, including Cara Therapeutics, and development work with other large pharmaceutical partners

Internal 505(b)(2) Pipeline

- Oral leuprolide
 - Indication: Pediatric endocrine disorder
- Pre-clinical nasal psychiatric asset

CDMO Platform

- Generates revenue three ways:
 - Formulation and development work
 - Clinical trial tablet manufacturing
 - Technology licenses consisting of milestones and royalties
- Upgraded high potency manufacturing cGMP operational in 2021

Company Highlights

- Privately held company based in Boonton, New Jersey
- Four distinct pieces of value:
 - Cara license
 - Peptelligence IP
 - CDMO operations and PP&E
 - Proprietary 505b2 assets

Enteris: Cara Therapeutics and Oral KORSUVA™

Oral KORSUVA

- Formulated with Enteris' Peptelligence technology
- Currently the subject of three late-stage clinical trials for pruritus:
 - Phase 3 trial targeting pruritus associated with non-dialysis dependent advanced Chronic Kidney Disease
 - Phase 3 trial as an adjunctive therapy to topical corticosteroids for Atopic Dermatitis patients with moderate-to-severe pruritus
 - Phase 2/3 trial for treatment of moderate-to-severe pruritus in Notalgia paresthetica

Licensing Agreement

- Licensing agreement between Enteris and Cara announced in August 2019
- Non-exclusive, royalty-bearing license for Peptelligence to develop, manufacture and commercialize Oral KORSUVA worldwide, excluding Japan and South Korea
- Enteris eligible to receive milestone payments and low single-digit royalties

Milestone Payment

- Enteris has received a total of \$33.0mm in upfront and milestones payments from Cara to date of which \$12.4mm has been retained by SWK
- The latest Cara milestone payment of \$5.0mm was received in Q3 2022, with SWK retaining \$2.5mm
- SWK eligible to receive additional potential milestone payments subject to the achievement of certain development milestones

Successful completion of Cara milestones will validate both the Peptelligence platform and the breadth and depth of Enteris' comprehensive pharmaceutical capabilities

Leadership Team



Jody Staggs
President and Interim CEO

- Joined in 2015
- Co-founded PBS Capital Management, predecessor to SWK
- Prior to PBS, served as Senior Portfolio Analyst at Highland Capital Management
- Investing experience in multiple asset classes



Yvette Heinrichson
Chief Financial Officer

- Joined in 2016
- Technical GAAP accounting and SEC financial reporting
- Certified Fraud Examiner
- Served as financial statement auditor and tax professional with Deloitte for multiple years



John David ("JD") Tamas
Director of Underwriting

- Joined in early 2022
- 15+ years of providing credit and equity capital to lower- and middle-market companies
- Prior firms include NXT Capital, ORIX, Wachovia
- Healthcare sector coverage began 10+ years ago, passion for healthcare began much earlier



Dr. Paul Shields
Enteris subsidiary interim CEO

- Joined in 2013 and was previously COO
- Held variety of positions at Unigene, including Director of Plant Operations, and VP Manufacturing Operations.
- Ph.D. in Biochemistry

Why Invest in SWKH – Attractive Risk Reward Scenario

“Unearthed Diamond”

- SWK story is not widely known, having uplisted to Nasdaq without benefit of traditional IPO
- Analyst coverage and proactive investor relations effort have helped to increase SWK’s visibility
- With a Book Value per share of \$21.80 and a stock price of \$17.64 as of December 31, 2022, shares are trading at a 19% discount to book value

Lower Risk Bio-Basket

- Diverse, non correlated range of life science products with limited downside risk
- As of December 31, 2022, the portfolio consists of 22 loans and royalties as well as warrant and equity stakes across a range of healthcare sub-sectors
- 4Q22 portfolio effective yield was 13.9%; amongst highest in peer group; Realized yield has consistently exceeded effective (modeled) yield

Stable Earnings Longer-Term Upside Potential

- Potential upside to base-line effective yield from royalties, early-loan payoffs, and warrants
- Longer term, potential upside from Enteris via Peptelligence® licenses, 505(b)(2) assets, and CDMO partnership

Strong Management/Proven Processes

- Management has extensive expertise in financing and the healthcare arena
- Disciplined process to source and diligence opportunities with focus on minimizing risk and maximizing returns

Unleveraged Balance Sheet and Buyback

- Unleveraged balance sheet is latent source of earnings growth
- During 2022 SWK repurchased 63,901 shares with an additional 30,000 shares repurchased year-to-date 2023

Balance Sheet

\$ in 000s	Dec-22	Dec-21	Dec-20	Dec-19	Dec-18
ASSETS					
Cash and cash equivalents	\$ 6,156	\$ 42,863	\$ 3,008	\$ 11,158	\$ 20,227
Interest and accounts receivable, net	3,094	1,803	1,911	2,554	2,195
Marketable investments	-	1,034	1,210	1,802	-
Other current assets	1,114	1,727	542	783	138
Total current assets	\$ 10,364	\$ 47,427	\$ 6,671	\$ 16,297	\$ 22,560
Finance receivables, net	\$ 236,555	\$ 181,553	\$ 204,491	\$ 172,825	\$ 166,610
Collateral on foreign currency forward contract	2,750	-	-	-	-
Marketable investments	76	119	241	466	532
Cost method investment	-	3,491	3,491	-	-
Deferred tax assets, net	24,480	20,539	27,491	25,780	22,684
Warrant assets	1,220	3,419	2,972	3,555	2,777
Intangible assets, net	8,190	9,964	13,617	25,113	-
Goodwill	8,404	8,404	8,404	8,404	-
Property and equipment, net	5,840	5,779	5,211	1,292	25
Other non-current assets	1,742	1,970	1,312	640	474
Total assets	\$ 299,621	\$ 282,665	\$ 273,901	\$ 254,372	\$ 215,662
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities:					
Accounts payable and accrued liabilities	\$ 3,902	\$ 5,087	\$ 3,652	\$ 3,081	\$ 2,580
Revolving credit facility	2,445	8	11,758	-	-
Total current liabilities	\$ 6,347	\$ 5,095	\$ 15,410	\$ 3,081	\$ 2,580
Contingent consideration payable	11,200	8,530	16,900	14,500	-
Warrant liability	-	-	-	76	13
Other non-current liabilities	2,145	1,804	1,079	183	12
Total Liabilities	\$ 19,692	\$ 15,429	\$ 33,389	\$ 17,840	\$ 2,605
Stockholders' equity:					
Common stock	\$ 12	\$ 13	\$ 13	\$ 13	\$ 13
Additional paid-in capital	4,430,922	4,431,719	4,430,924	4,432,146	4,432,499
Accumulated deficit	(4,151,005)	(4,164,496)	(4,190,425)	(4,195,627)	(4,219,455)
Total stockholders' equity	\$ 279,929	\$ 267,236	\$ 240,512	\$ 236,532	\$ 213,057
Total liabilities and stockholders' equity	\$ 299,621	\$ 282,665	\$ 273,901	\$ 254,372	\$ 215,662

Certain asset and liabilities were classified as "current" in prior years; thus, prior periods may not be directly comparable.

Income Statement

<i>\$ in 000s, except per share amounts</i>	Dec-22	Dec-21	Dec-20	Dec-19	Dec-18
Revenues					
Finance receivable interest income, including fees	\$ 35,461	\$ 39,310	\$ 30,800	\$ 30,117	\$ 25,978
Pharmaceutical development	5,485	16,122	5,903	621	-
Other	538	723	9	9	12
Total revenues	41,484	56,155	36,712	30,747	25,990
Costs and expenses:					
Provision for credit losses	3,491	-	-	2,209	6,179
Impairment expense	-	-	163	-	7,875
Interest expense	340	374	455	338	160
Pharmaceutical manufacturing, research and development	6,952	7,347	4,268	1,176	-
Change in fair value of acquisition-related contingent consideration	5,170	(287)	4,400	-	-
Depreciation and amortization	2,599	4,061	12,091	4,954	17
General and administrative	12,964	13,620	10,546	7,430	4,866
Income from operations	9,968	31,040	4,789	14,640	6,893
Other income (expense), net					
Unrealized net (loss) gain on warrant assets	417	272	(586)	362	484
Equity investment gains (losses)	(528)	1,839	(591)	1,643	(1,035)
Realized gain (loss) on sale of investments	(151)	(140)	53	197	(105)
Foreign currency transaction gains (losses)	(215)	-	-	-	-
Income before income taxes	\$ 9,491	\$ 33,011	\$ 3,665	\$ 16,842	\$ 6,237
Income tax (benefit) expense	(4,000)	7,082	(1,537)	(6,986)	42
Net income	\$ 13,491	\$ 25,929	\$ 5,202	\$ 23,828	\$ 6,195
Net income per share					
Basic	\$ 1.05	\$ 2.03	\$ 0.40	\$ 1.85	\$ 0.47
Diluted	\$ 1.05	\$ 2.02	\$ 0.40	\$ 1.85	\$ 0.47
Weighted Average Shares Outstanding					
Basic	12,835	12,796	12,852	12,906	13,051
Diluted	12,880	12,834	12,862	12,911	13,054

Cash Flow Statement

<i>\$ in 000s</i>	Dec-22	Dec-21	Dec-20	Dec-19	Dec-18
Cash flows from operating activities					
Net income	\$ 13,491	\$ 25,929	\$ 5,202	\$ 23,828	\$ 6,195
Adjustments to reconcile net income to net cash provided by operating activities					
Provision for loan credit losses	3,491	-	-	2,209	6,179
Impairment expense	-	-	163	-	7,875
Amortization of debt issuance costs	69	49	188	188	-
Right-of-use asset amortization	229	250	-	-	-
Deferred income taxes, net	(3,941)	6,952	(1,711)	(7,100)	31
Net Change in fair value of warrant assets	(417)	(272)	586	(362)	(484)
Change in fair value of equity securities	528	(1,839)	591	(1,643)	1,035
Foreign currency transaction losses	754	-	-	-	-
Gain (loss) on sale of investments	151	140	(53)	(197)	105
Change in fair value of acquisition-related contingent consideration	5,170	(287)	4,400	-	-
Foreign currency transaction loss	-	-	-	-	-
Loan discount amortization and fee accretion	(2,204)	(1,130)	(1,983)	(349)	487
Interest paid-in-kind	(5,995)	(950)	(2,145)	(1,287)	(191)
Stock-based compensation	500	1,163	728	530	267
Interest income in excess of cash collected	-	-	-	(82)	(249)
Depreciation and amortization expense	2,599	4,061	12,091	4,954	28
Changes in operating assets and liabilities:	-	-	-	-	-
Interest and accounts receivable	(1,291)	108	643	(214)	(558)
Derivative assets and liabilities, net	(539)	-	-	-	-
Collateral on forward currency exchange contract	(2,750)	-	-	-	-
Other assets	(44)	(2,038)	(959)	(205)	202
Accounts payable and other liabilities	(1,599)	2,159	1,527	(1,734)	(1,296)
Net cash provided by operating activities	8,202	34,295	19,268	18,536	19,626
Cash flows from investing activities					
Acquisition of business, net of cash acquired	-	-	-	(19,719)	-
Proceeds from sale of investments	4,151	-	-	197	221
Cash received from settlement of warrants and equity securities	-	1,875	53	-	-
Investment in equity securities	-	-	-	(159)	-
Investment in finance receivables	(93,118)	(42,350)	(42,859)	(51,039)	(90,110)
Repayment of finance receivables	45,673	67,192	11,752	43,980	61,706
Corporate debt securities principal payment	43	122	62	66	69
Purchases of property and equipment	(297)	(1,078)	(3,937)	-	-
Other	-	-	(237)	(48)	(16)
Net cash (used in) provided by investing activities	(43,548)	25,761	(35,166)	(26,722)	(28,130)
Cash flows from financing activities					
Net settlement for employee taxes on restricted stock and options	(160)	(368)	-	-	-
Net (payments on) proceeds from credit facility	2,437	(11,750)	11,758	-	(469)
Payment of acquisition-related contingent consideration	(2,500)	(8,083)	(2,000)	-	-
Repurchases of common stock, including fees and expenses	(1,138)	-	(2,010)	(883)	(1,357)
Net cash (used in) provided by financing activities	(1,361)	(20,201)	7,748	(883)	(1,826)
Net (decrease) increase in cash and cash equivalents	(36,707)	39,855	(8,150)	(9,069)	(10,330)
Cash and cash equivalents at beginning of period	42,863	3,008	11,158	20,227	30,557
Cash and cash equivalents at end of period	\$ 6,156	\$ 42,863	\$ 3,008	\$ 11,158	\$ 20,227

Reconciliation of Non-GAAP Adjusted Net Income

- The following tables provide a reconciliation of SWK's reported (GAAP) consolidated net income to SWK's adjusted consolidated net income (Non-GAAP) for the periods denoted in the table. The table eliminates provisions for income taxes, non-cash mark-to-market changes on warrant assets and SWK's warrant, and Enteris amortization:

<i>\$ in 000s</i>	Dec-22	Dec-21	Dec-20	Dec-19	Dec-18
Net income	\$ 13,491	\$ 25,929	\$ 5,202	\$ 23,828	\$ 6,195
Add (subtract): income tax expense (benefit)	(4,000)	7,082	(1,537)	(6,986)	42
Add: Enteris amortization expense	1,774	3,489	11,735	4,816	-
Add (subtract): unrealized net loss (gain) on warrant assets	(416)	(272)	586	(362)	(484)
Add (subtract): equity securities	527	(1,839)	591	144	1,035
Add (subtract): loss (gain) on change in fair value of contingent consideration	5,170	(287)	4,400	-	-
Add (subtract): foreign currency losses (gains)	215				
Add: other expense items	1,327	1,592	126	-	-
Adjusted income before income tax expense	\$ 18,088	\$ 35,694	\$ 21,103	\$ 21,440	\$ 6,788
Add (subtract): income tax expense (benefit)	-	-	-	-	-
Non-GAAP adjusted net income	\$ 18,088	\$ 35,694	\$ 21,103	\$ 21,440	\$ 6,788

Reconciliation of Non-GAAP Specialty Finance Net Income

- The following tables provide a reconciliation of SWK's consolidated adjusted income before provision for income taxes, listed in the table above, to the non-GAAP adjusted net income for the specialty finance business for the periods denoted below. The table eliminates expenses associated with the acquisition of Enteris, and Enteris operating losses.

<i>\$ in 000s</i>	Dec-22	Dec-21	Dec-20	Dec-19	Dec-18
Adjusted income before income tax expense	\$ 18,088	\$ 35,694	\$ 21,103	\$ 21,440	\$ 6,788
Add: Enteris acquisition expense	-	-	-	1,151	-
Add (subtract): Enteris operating loss (gain), excluding amortization and change in fair value of contingent consideration	5,380	(4,949)	2,586	3,053	
Adjusted Finance Receivables segment income before income tax expense	\$ 23,468	\$ 30,745	\$ 23,689	\$ 25,644	\$ 6,788
Adjusted income tax expense (benefit)	-	-	-	-	-
Non-GAAP Finance Receivables segment net income	<u>\$ 23,468</u>	<u>\$ 30,745</u>	<u>\$ 23,689</u>	<u>\$ 25,644</u>	<u>\$ 6,788</u>

- The following tables provide a reconciliation of SWK's book value per share to the non-GAAP adjusted book value per share for the specialty finance business. The table eliminates the net deferred tax asset, and Enteris-related net intangibles, goodwill, and net property, plant and equipment. Diluted shares outstanding are as of period end.

<i>\$ in 000s, except per share amounts</i>	Dec-22
SWK Finance Receivables Segment Book Value, net	
Stockholders' Equity (Book Value)	\$ 279,929
Less: Deferred Tax Assets, net	24,480
Tangible Book Value	<u>\$ 255,449</u>
Less: Enteris Book Value, net	11,211
Finance Receivables Segment Tangible Book Value	<u>\$ 244,238</u>
Book Value per Share	<u>\$ 21.80</u>
Tangible Book Value per Share	<u>\$ 19.89</u>
Finance Receivables Segment Tangible Book Value per Share	<u>\$ 19.02</u>

Shares Outstanding as of December 31, 2022

12,843

<i>\$ in 000s, except per share amounts</i>	Dec-22
Enteris Book Value, net	
Intangible Assets, net	\$ 8,190
Goodwill	8,404
Property and Equipment, net	<u>5,817</u>
Total Enteris-Related Assets	\$ 22,411
Less: Contingent Consideration Payable	11,200
Enteris Book Value, net	<u>\$ 11,211</u>
Enteris Book Value, net per Share	<u>\$ 0.87</u>

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