



NUEVOLUTION

Nuevolution is a biotechnology company with a unique business model, where continuous revenue generation and risk mitigation represent primary objectives. This strategy is executed by a "multiple shots at goal" approach in combination with reduced research costs, where simultaneous development of multiple programs in parallel is made possible. This is in stark contrast to the conventional biotechnology company having one to two main assets, high burn rate and high risk. Nuevolution is the inventor of Chemetics®. Chemetics® is a patent protected drug discovery research platform, which enables identification of small molecule (tablet based) drug candidates much more effectively and at lower cost than what is possible by other conventional methods. Nuevolution applies its research platform for the identification and development of its own pipeline of drug candidates for treatment of cancer and chronic inflammatory diseases.

Nuevolution has applied the Chemetics® platform to deliver leads for pharmaceutical partners and since early 2013 for the development of its own pipeline of programs. Nuevolution has established itself as a global leader in the field of small molecule drug discovery. The Company was founded in May 2001 and is headquartered in Copenhagen, Denmark. Nuevolution has 40 employees and the Company is led by a highly experienced management team with proven track record and that possesses substantial experience in both science, across the full spectrum of drug discovery, and business development.

INVESTMENT HIGHLIGHTS

- **Proprietary patent protected drug discovery platform, Chemetics®;** realized revenue of approximately SEK 370 million plus potential milestones and royalty payments. Partners include big pharma, such as Novartis, Johnson & Johnson, Boehringer Ingelheim, GlaxoSmithKline, Merck & Co (MSD), Lexicon Pharmaceuticals, as well as world class oncology research institutions, such as Cancer Research Technology and Institute of Cancer Research.
- **Multiple shots at goal strategy** - Nuevolution's unique business model enables cost effective drug development, for internal pipeline or external partnering, at a fraction of the cost compared to traditional research in drug discovery. Nuevolution aims at developing annually several business opportunities of which the Company will make a delicate balance between partnering projects with pharmaceutical companies or keeping certain programs for further internal development - thereby realizing revenues and significant shareholder value while maintaining a high level of cost effectiveness.
- **The internal pipeline** includes several programs within immuno-oncology, oncology and inflammation using small molecules, focusing on oral (tablet) treatment options. Current front runner programs include RORγt inverse agonist and BET bromodomain, both programs to be developed within inflammatory diseases like rheumatoid arthritis, multiple sclerosis, psoriasis and others:
 - » The RORγt inverse agonist program is currently progressing through final phase of Candidate selection. Because of the strength of the program, the Company is in a favorable position to have a best-in-class medication for treatment of inflammatory diseases. The RORγt-area is an attractive target class, well-known within the pharmaceutical industry, resulting in high program valuation potential.
 - » The BET bromodomain program is currently at the stage of lead optimization. Nuevolution's aim is to be first-in-class with respect to delivering selective BET inhibitors for use in chronic inflammatory diseases.

- **The Company's Advisory Board** with globally renowned and highly experienced scientific and biotechnology industry leaders, assisting the Company in target identification within the Company's core therapeutic areas and providing the leadership team with strategic advice, for program development and in preparation for interaction with regulatory authorities: Dr. Peter Hirth (Entrepreneur, previous at Plexxikon and Sugen), Gordon B. Mills, MD, PhD (MD Anderson Cancer Center), Prof. Paul Workman (Chief Executive and President of The Institute of Cancer Research (ICR)), Sir Prof. Marc Feldmann (Kennedy Institute of Rheumatology), Nobel Laureate Prof. Dr. Robert Lefkowitz (Howard Hughes Medical Institute), MD Keith Nolop (Entrepreneur, previously at Kite and Plexxikon) and Prof. MD Marc Genovese (Stanford University Medical Center).
- **Proprietary DNA-encoded libraries of >1bn small molecules** which means that 1000x more compounds can be screened compared to traditional drug discovery by the larger pharmaceutical companies. This significantly increases the probability to find drug-like small molecules that bind to relevant biological targets and that can be further developed into drug products.
- **Main owners include successful leading Scandinavian investors** such as SEB Venture Capital, SEB Utvecklingsstiftelse, Industrifonden, Sunstone Capital. These majority shareholder have provided subscription commitments amounting to SEK 56.25 million in the IPO on Nasdaq First North Premier. In addition, LMK Forward and SEB Pensionsstiftelse have committed a combined SEK 40 million.

REASON FOR THE OFFERING

Nuevolution started its program discovery and drug development activities in early 2013. To expand the Company's efforts and progress more programs, the Board of Directors have decided to raise SEK 225 million through an initial public offering of Nuevolution AB (publ) at Nasdaq First North Premier in Stockholm.

USE OF PROCEEDS

- **70-80%** - to advance five to six programs to late preclinical and early stage clinical trials, to make three to four of them available for out-licensing. For one to two of these programs, Nuevolution will consider for future development up to phase I/II clinical trials. Such progress will require higher investments for clinical research organizations (CRO) for the late preclinical studies, including non-GLP toxicity studies, IND-enabling studies and product material upscaling, as well as pursuing phase I studies.
- **15-20%** - allowing progress of other programs in the earlier stage of the preclinical phase, and for further investments in Nuevolution's Chemetics®-platform.
- **5-10%** - maintaining operational excellence through an increasing amount of outsourcing activities through CRO support in late preclinical as well as in early clinical development.

Lead Manager

Co-Lead Manager

Selling Agent

