



Eir Ventures

The role of Venture Capital in Commercializing Life
Science Innovation

Agenda

- ◆ Introduction: Eir Ventures
- ◆ The Nordic Life Science sector
- ◆ The need for Capital and the role for professional investors
- ◆ Venture Funds
- ◆ How Venture funds create value and products
- ◆ What are investors looking for.
Approaching and working with investors
- ◆ Investment types and examples

Eir Ventures Highlights



Previous Partners in life science venture capital firms

Company creation and syndication

Medicine, finance and governance

Biotech, MedTech and pharma experience



Eir Ventures was founded by individuals who complement each other with skills needed to create a highly experienced, strategic and execution-driven group that has worked together for many years



Roots in the Nordics with international investment experience – including in US East and West-coast funds



Based on vast networks and experience the founding Partners will source, evaluate and structure investments and exits



Active and engaged approach to investing where the Partners are deeply involved in company creation and take an active role in the portfolio companies, as board members setting company strategy and as facilitators of management recruitment, financing, syndication, partnering etc.



A profoundly experienced team – more than 100 years in aggregate, in excess of 30 profitable exits



Experts in life science investing, technology evaluation, company management, and exits

- The founders are behind extensive successful exits in life science venture capital investing
- In aggregate, the founders bring experience from six established life science venture capital funds
- The team has ample Partner-level experience, having managed AUM of more than EUR 2.5bn in aggregate

Eir Ventures Investment Thesis



Eir Ventures will generate above-market returns by active investing in emerging and established life science companies in the Nordics as well as globally



The Nordics represent a unique opportunity by exhibiting a vibrant exit market for life science companies, while there is a shortage of professional life science venture capital



Leveraging unique relationships with Nordic universities to create next generation of life science companies



Backed by leading Fund-of-Funds investors; Saminvest, EIF, Vækstfonden and Novo Holdings, half a dozen prominent Nordic universities and family offices. Eir Ventures I has secured commitments for more than € 120 million



Presence in Stockholm, Sweden – Copenhagen, Denmark - New Haven, CT, USA



In Nordic Mythology, Eir, a name in old Norse meaning help and mercy, was a goddess representing health and well-being, and was associated with medical skills

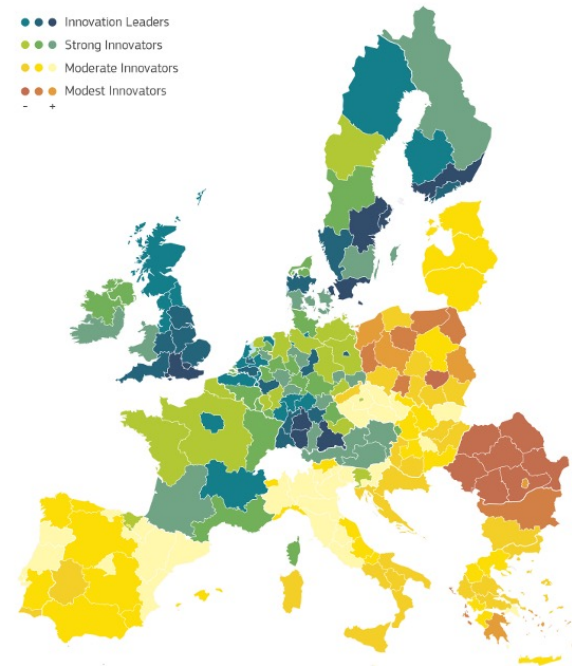
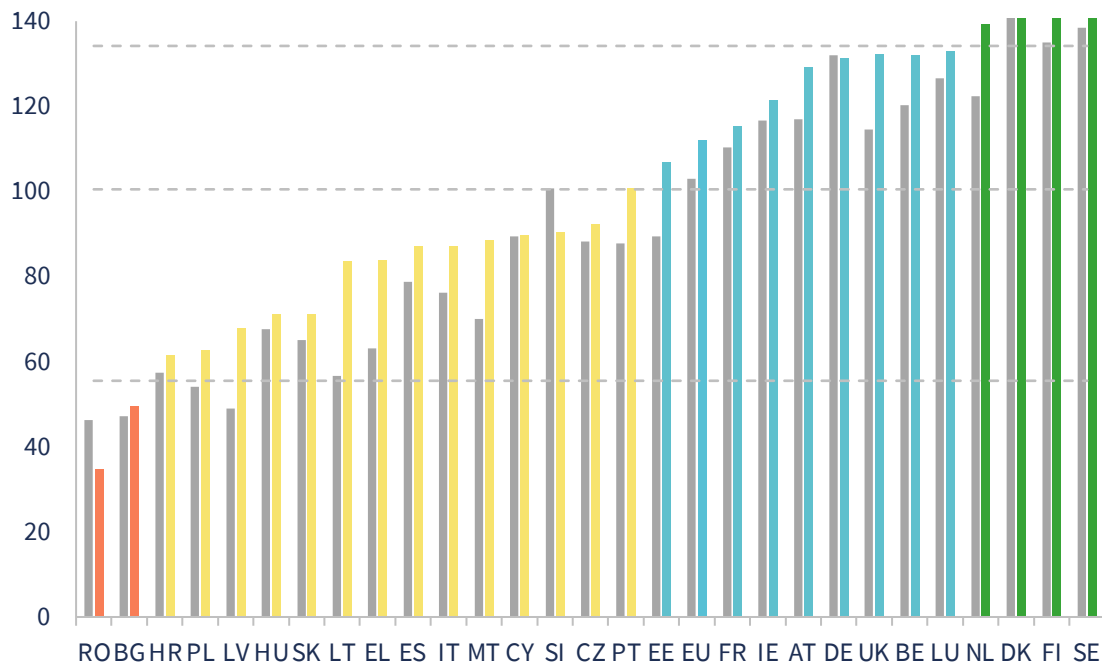
- **Eir Ventures will improve people's quality of life using Nordic Innovation and research in life science**

The Nordics leads Europe in Life Science Innovation



European innovation scoreboard 2019¹

The Nordic countries have the highest score of innovation in EU



Example Nordic innovations



- The Nordics provide a large and increasing number of life science investment opportunities for Eir Ventures
- The number of projects and companies with projects in clinical development is increasing in Denmark, Sweden and throughout the region

Source: European Commission

1) Coloured columns show Member States' Performance in 2019, using the most recent data for 27 indicators, relative to that of the EU in 2011. Grey columns show Member States' performance in 2011 relative to that of the EU in 2011. For all years, the same measurement methodology has been used. The dashed lines show the threshold values between the performance groups in 2019, comparing Member States' performance in 2019 relative to that of the EU in 2019

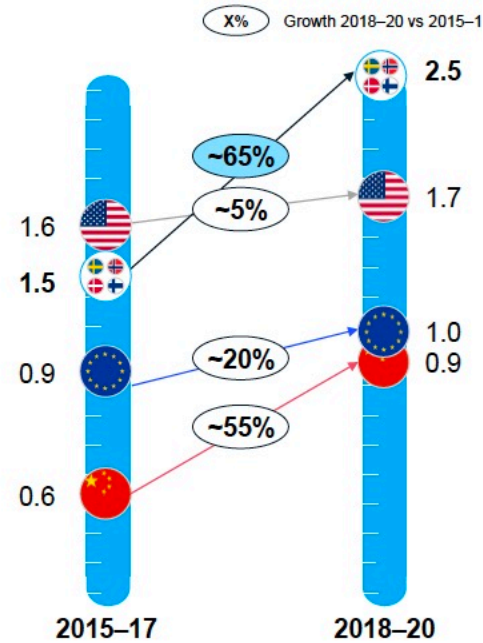
Nordic Innovation potential is growing



Biotech Innovation Index¹

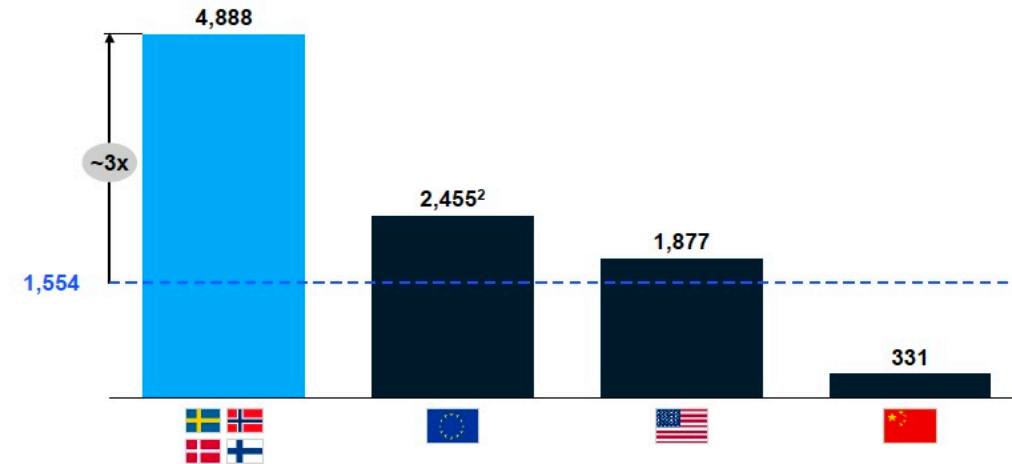
combines measures of innovation & funding along the journey of a typical successful biotech and consists of 4 different sub-indices

1. Index of 1.0 corresponds to the average of CN, EU and US in the 2015-17 time frame



Innovation productivity

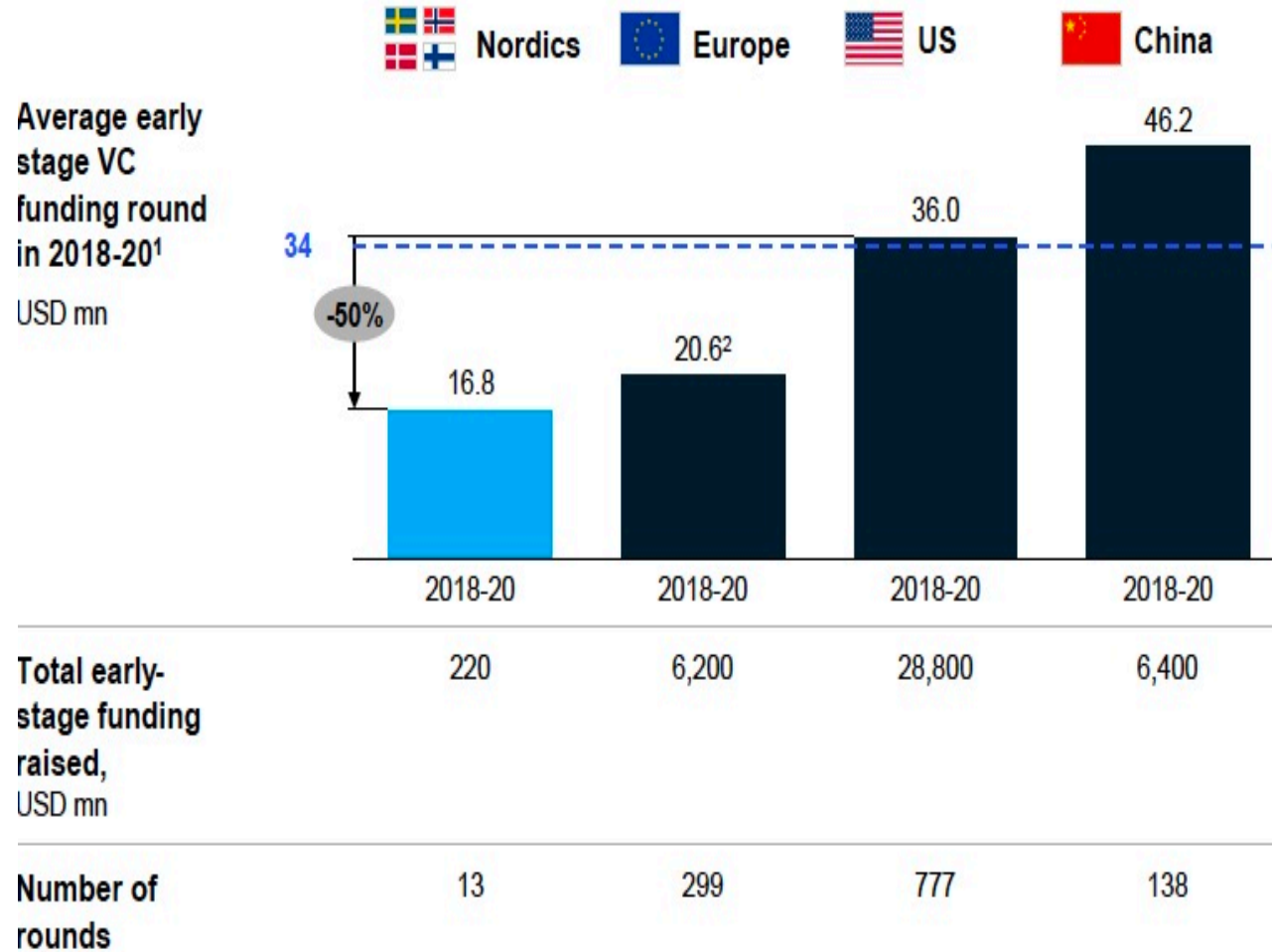
Number of biotechnology publications per 1,000,000 capita, 2018-20



1. Direct average of the performance by Europe, US and China with no weighting on population, and excluding Nordics (subset of Europe) in calculating the average
 2. Includes publications originated from the Nordics

Data from McKinsey 2021

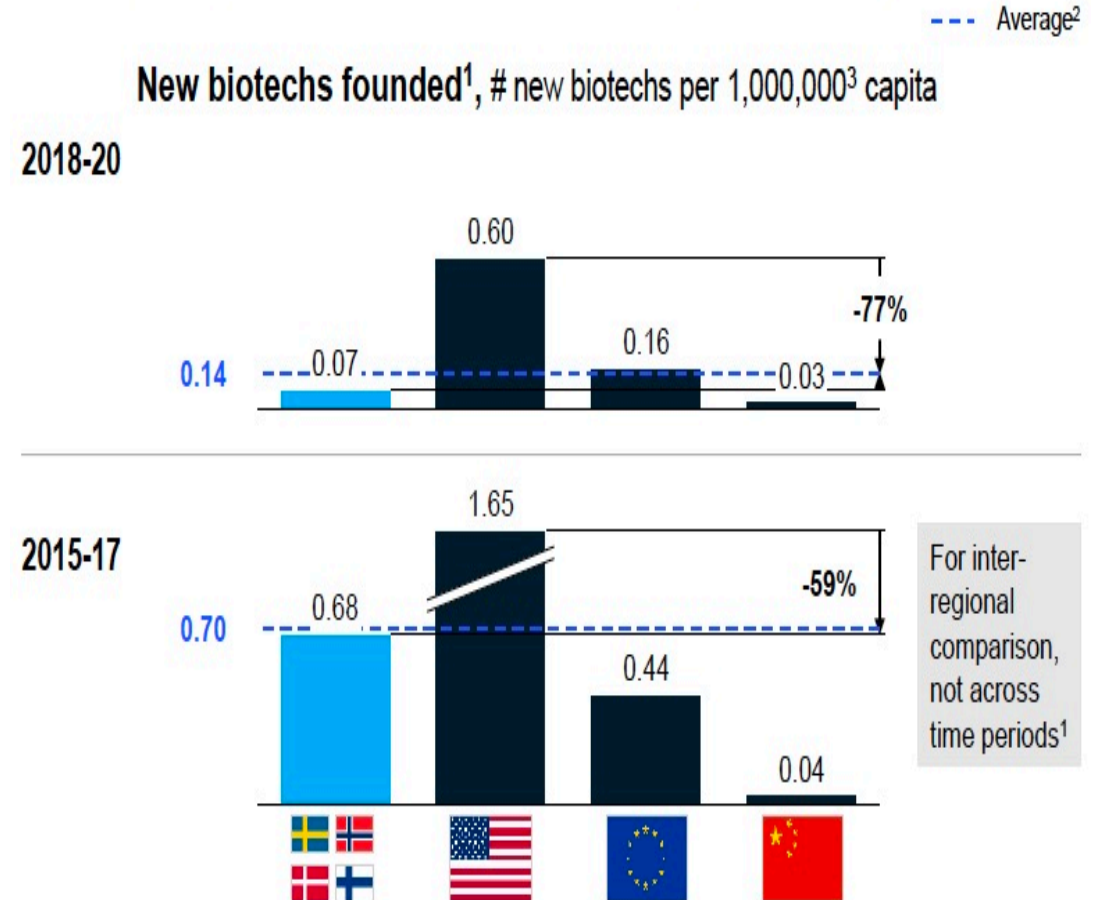
Lack of professional Capital is the biggest constraint in the Nordic Life Science ecosystem



1. Average early-stage funding size – early-stage funding defined as Venture seeds, Series A and Series B (does not include "unclassified" funding)
 2. Nordics data is a sub-set of European data

Source: BCIQ (February 2021)

BCIQ data, systematic lag of 2-3 years in the # of companies (consistent across regions) and lag in 2020 figures due to COVID-19



1. BCIQ data. Some companies identified only a certain period of time after founding, typically in association with funding rounds; systematic delay across regions
 2. Direct average of the performance by Europe, US and China with no weighting on population, and excluding Nordics in calculating the average
 3. Nordics data is a sub-set of European data

For inter-regional comparison, not across time periods¹

Why does it matter to have Local Venture Funds

(with International Perspective)



- Can engage with local biotech ecosystems
- Play a key role in building opportunities to international standards
- Act as local cornerstone investor
- Facilitates engagement and syndication with international venture funds
- Early-stage life science financing requires:
 - Compelling, novel and innovative science
 - Address real unmet medical need
 - Good team and advisors
 - International perspective
- A key to success is early syndication. Companies with international syndicates have much higher success rate
- **Syndication requires a local corner-stone investor**

Examples of Co-investors of Eir Partners:

Life Science Venture is a global sector. Strong networks is required to enable syndication of investments



The Nordic Investor Base



HealthCap

Sunstone



novo holdings
Investors in life science

LUNDBECK
FOUNDATION



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- Six dedicated specialized Life Science investors based in the Nordics are actively investing
- Number of life science investors have declined over the past two decades
- Additional investors typically fall in other categories
 - Business Angels
 - Regional Funds
 - Non-specialized investors

Substantial lack of specialized life science investors in the Nordics – Local investors

What are investors looking for

- ◇ Unique ideas/products addressing unmet needs backed by strong scientific rationale and data
- ◇ Reliable pre-clinical models and feasible clinical development path to PoC in human
- ◇ Market accessibility and competitive differentiation
- ◇ Strong patents or patent possibilities
- ◇ Exit potential, e.g. attractiveness for the pharma industry after Ph1 or Ph2
- ◇ Motivated and focused team
- ◇ A plan!



"I call my invention 'The Wheel,' but so far I've been unable to attract any venture capital."



Common mistakes:

- A very high level presentation without any data. Without any data no evaluation is possible.
- Weak explanation of the rationale
- No comparison with controls
- Key data are not disclosed
- Provide the investors with 100 publications
- No anchoring in the clinical practice / unmet need



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Project Background/Technology platform

- For early stage assets: Science is key
- New target/new Mode of Action
 - Importance of the target in the pathology/ Pathways and MoA
 - Target validation (preclinical models, human tissue, genetics, biomarkers etc)
 - Differential target expression in various organs
 - Expression / conservation / relevance of the target within different species
 - X-ray structure/ binding site
- Efficacy....Efficacy....And safety
 - In vitro and in vivo data in relevant models in comparison with controls
 - Different doses or regimen... and repeatable! (Third parties/CROs)
 - Some safety data
- Drug characteristics/ Drug product profile
 - Antibody, peptide, small molecule?
 - Binding site–Specificity, SAR relationships
 - Half-life, PK, solubility, stability...

Concluding remarks

- ◆ The Nordics are particularly strong in the Life Science area – Strong innovation potential but lack of specialist capital is the main bottleneck in commercializing the abundant opportunities.
- ◆ Local anchor investors plays a key role in catalyzing syndication with international investors – can serve as anchor investor for building a strong syndicate of professional investors.
- ◆ When approaching investors – be prepared. Provide a clear presentation of the opportunity as well as key unknowns and risks, and recognize that investors must see an exit potential with a venture capital compatible return.





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