

Novo Seeds Newsletter, 2021

2020 an exceptional year for creating and building companies

Galecto IPO on US NASDAQ following transatlantic crossover financing

Rappta Therapeutics launched with world-leading science to develop previously undruggable target

Hemab created to develop bispecific antibodies for the treatment of rare bleeding disorders

IO Biotech secures US FDA breakthrough therapy designation and other portfolio companies move to clinical stages

The REPAIR Impact Fund makes ninth investment and **MinervaX** attracts EUR 47m for the development of its novel vaccine

Chromologics seeded to develop innovative natural food colorants

Overview

2020 posed immense challenges to the world as it battled against the COVID-19 pandemic. The life sciences sector has been front and center as we work at warp speed to develop new tests, vaccines and therapies. Against this backdrop, we continued to deliver on our mission to identify disruptive technologies and enable entrepreneurs to build companies with the potential to significantly improve the health and welfare of people and society.

We have had a very successful year with five investments and have seen substantial progress across the 25 biotech companies in the portfolio, with 12 drug candidates now in the clinic.

We invested in Rappta Therapeutics with Novartis Venture Fund and Advent Life Sciences, backing an international team developing a previously

undruggable target, PP2A, potentially offering a new paradigm in oncology treatments. We launched a new portfolio company, Hemab, which combines antibody expertise from Genmab with biology from Novo Nordisk, to focus on the development of bispecific antibodies for the treatment of rare bleeding disorders. On the bio-industrials front, Chromologics raised seed financing to produce sustainable natural colorants for a significant market with high consumer and industry demand.

As the first investor in Galecto, we were proud to see the company IPO on US NASDAQ raising USD 85 million to advance its promising GB0139 product candidate for the treatment of severe fibrotic lung diseases. This is an excellent example of how Novo Seeds develops breakthrough innovations, creating and building global biotech companies.

Strong momentum across portfolio companies, with several in clinical stages

HepaRegeniX GmbH, a preclinical stage company developing a novel therapy for the treatment of acute and chronic liver diseases successfully closed a Series B round of over EUR 11 million to advance the first MKK4 inhibitor into the clinic.

IO Biotech, which is developing novel immune modulating anti-cancer therapies based on its proprietary T-win® technology, was granted breakthrough therapy designation by the US FDA for IO102 and IO103 in combination with anti-PD-1 in unresectable/metastatic melanoma.

ISD Immunotech, which is developing targeted therapies for severe autoimmune diseases, entered a strategic research collaboration with Biogen to develop STING antagonist for the treatment of Severe Lupus.

NorthSea Therapeutics, which is developing novel and innovative treatments of NASH (Non-alcoholic Steatohepatitis) and other metabolic, inflammatory and fibrotic diseases, raised USD 40 million in a Series B financing to complete Phase IIb ICONA study in NASH and to advance two additional SEFAs (Structural Engineered Fatty Acids) into the clinic. Positive Phase

2b interim results for Icosabutate in NASH patients was recently announced.

Rappta Therapeutics, a company focused on developing first-in-class anti-cancer drugs activating protein phosphatase 2A (PP2A), raised EUR 9 million in a Series A financing to advance lead compounds to clinical candidate stage. Series A co-led by Novo Seeds and Novartis Venture Fund.

Syndesi Therapeutics, a clinical stage biotechnology company developing novel modulators of the synaptic vesicle protein SV2A, started first-in-human studies

of SDI-118 for the treatment of cognitive impairment.

AFYX Therapeutics, demonstrated clear efficacy and safety in a 140 patient phase 2 study in Oral Lichen Planus (OLP) – a disease for which no drugs are approved – with its unique mucosal-adhesive drug-eluting patch.

NMD Pharma, which is developing novel therapeutics for neuromuscular disorders, started a Phase I/IIa clinical trial of NMD670, to treat the symptoms of myasthenia gravis.

Syndicated with leading investors, Rappta Therapeutics takes aim at phosphatase 2A

Rappta Therapeutics, based in Finland and the US, is developing first-in-class anti-cancer drugs activating protein phosphatase 2A (PP2A). PP2A is a critical enzyme regulating protein de-phosphorylation and a key tumor suppressor which to date has been very difficult to target pharmaceutically. Rappta has developed proprietary tools and a unique understanding of PP2A which allows it to therapeutically reactivate PP2A. As a result of PP2A's central role in the regulation of protein de-phosphorylation, Rappta's PP2A-reactivating technologies offer the potential to develop multiple lead compounds and build a platform for a new class of anti-cancer drugs. Rappta has assembled a strong scientific, management and commercial team based in Finland and the US. Rappta's scientific team, led by CSO and co-founder, Professor Goutham Narla, Division Chief of Genetic Medicine at

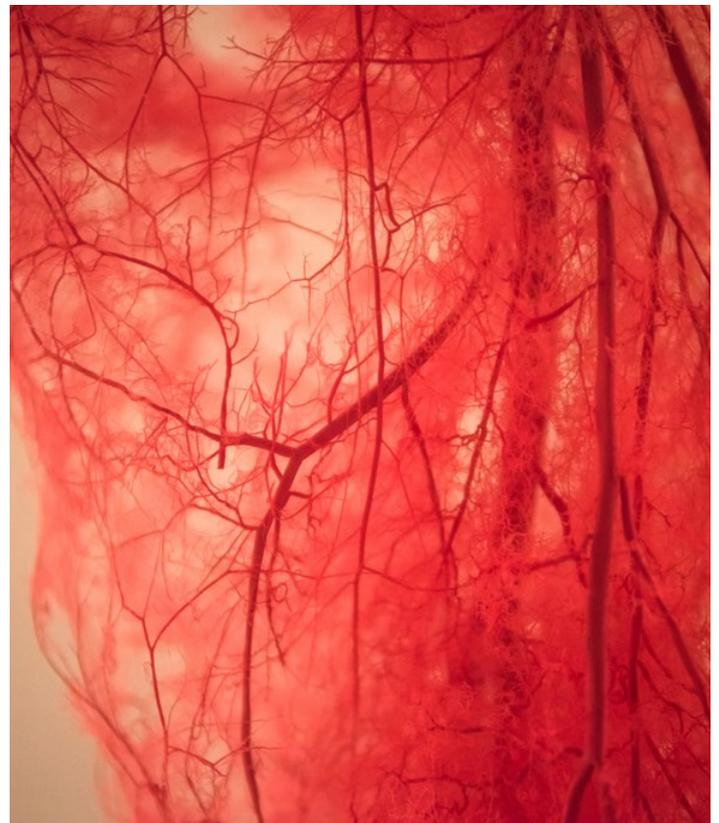
the University of Michigan, has world-leading expertise in PP2A. The team has published seminal papers on the structural, functional and biological mechanisms of PP2A inactivation in human cancer. Rappta is supported by the Scientific Advisory Board led by Dr. William Hahn, a Professor of Medicine at the Harvard Medical School and the Chief Scientific Officer at the Dana-Farber Cancer Institute.

Novo Seeds' strategy is to back teams from all over the globe with world class science and attract other blue-chip investors to help transform these enterprises into successful businesses in the Nordics. We are very pleased to see renowned investors such as NVF and Advent investing in the region.

Hemab launched to fight rare bleeding disorders

Novo Seeds launched a new portfolio company, Hemab, which focuses on developing breakthrough therapies for rare bleeding disorders. The company is developing bispecific antibodies built on clinically validated technologies from Genmab and Novo Nordisk and is led by a strong R&D team with successful industry experience and deep expertise in bleeding disorders. Novo Seeds worked closely with the founding team to shape the vision and strategy to maximize the potential of Hemab's promising technology platform.

Hemab presents a unique opportunity to develop a first-in-class, preventive therapy in several ultra-rare bleeding disorders with a large unmet need and strong commercial potential.



From Seed to IPO on US NASDAQ

The Galecto story

Following Galecto's USD 64 million transatlantic crossover financing in September 2020, we were delighted to see it IPO on US NASDAQ at the end of October under the ticker symbol 'GLTO'. The clinical-stage biotechnology company is developing therapeutics that are designed to target the biological processes that lie at the heart of fibrosis and impact a broad range of fibrotic and related diseases including cancer, raised USD 85 million to advance its promising GB0139 product candidate for the treatment of severe fibrotic lung disease.

As Galecto's original incubator and first investor, we have supported the company throughout its successful journey. From its origins at the University of Lund, Galecto's science was first incubated through the pre-seed grant programme of Novo Nordisk Foundation in 2010, and subsequently

Novo Seeds led its first seed investment round in 2011. Novo Seeds was instrumental in recruiting the Chief Executive Officer, Hans Schambye, who has been driving the company's progress and achievements. In addition, Novo Seeds led the company's fundraise in 2018, and also participated in its most recent financing round in September 2020 alongside a syndicate of international investors.

Galecto's success is a great example of how we can create the next generation of life sciences companies out of the Nordics and help build world class biotech companies developing novel treatments addressing unmet medical need.

Backing sustainable solutions through Chromologics

Novo Holdings' investments in bio-industrials underlines our commitment to supporting companies that are developing scalable cutting-edge technology platforms with strong commercial potential and positive sustainability impact.

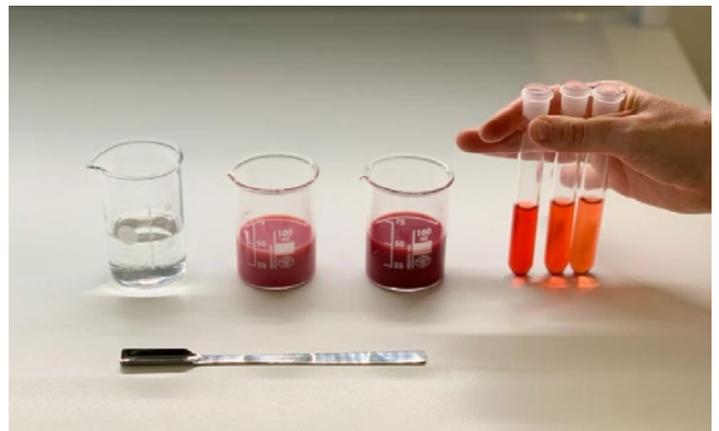
Chromologics, a spin-out company from the Technical University of Denmark and incubated by Novo Seeds, raised EUR 1.9 million in seed financing led by Novo Seeds and followed Nordic FoodTech VC (Finland) and Vækstfonden (Denmark).

The founders of Chromologics have a strong background in natural products and fermentation technology. With this unique combination, Chromologics developed a fermentation-based color platform for production of "ChromoColors", a new class of high-performing and sustainable food colorants. The investment will enable Chromologics to accelerate development and regulatory approval of "ChromoRed", its flagship food colorant.

ChromoRed is a fermentation-derived natural colorant which has good pH and temperature stability, allowing it to be used in a variety of different food products. ChromoRed's unique performance has already been validated by leading players in the industry. ChromoRed has the potential to be the first red natural colorant that is exclusively produced by sustainable

fermentation processes, instead of being extracted from plants or animals.

We are excited about the opportunity of creating a new company with a strong disruptive potential in the natural color industry. As an investor with a strong legacy in fermentation-based processes we are keen on becoming a part of that journey.



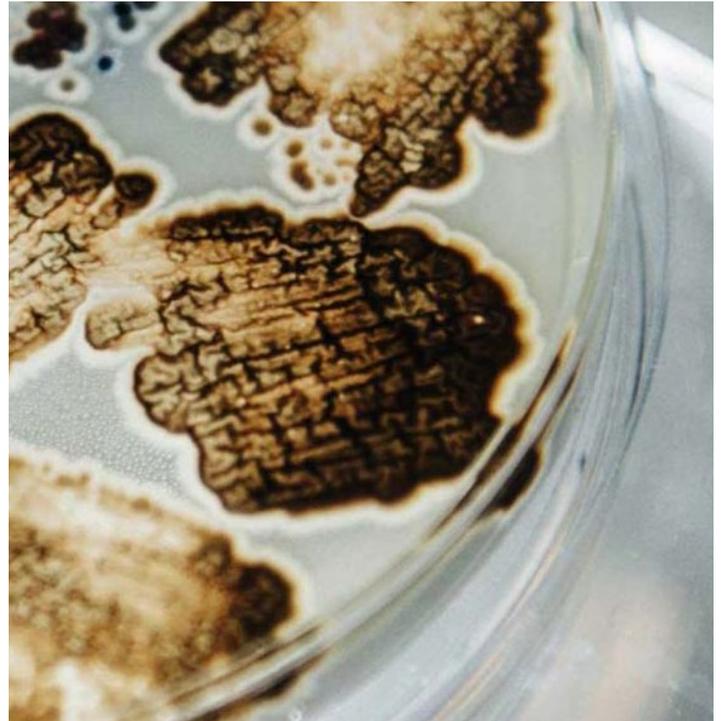
REPAIR Impact Fund – Preventing the next medical crisis

COVID-19 has shone a light on the devastating impact of infectious diseases on people and societies around the world. Novo Holdings first created the REPAIR Impact Fund in 2018 to confront the pending global medical crisis of antimicrobial resistance (AMR). Since its inception the REPAIR Impact Fund has deployed nearly EUR 55 million (USD 67 million) to build a portfolio of nine companies based in Europe and USA, working across a wide range of modalities to address the scientific challenge of AMR.

This year, REPAIR Impact Fund opened its fifth investment proposal round to support the development of high-quality projects addressing the vast unmet need of AMR, for which other private funding has been decreasing at an alarming rate.

The Fund invests in projects that are between lead optimization and Phase I clinical trials with the potential to follow into Phase II. We invested in MinervaX which has raised EUR 47.4 million to accelerate the development of its novel vaccine against Group B Streptococcus (GBS) through the end of Phase II trials and preparations for Phase III pivotal trials, in strategic alignment with REPAIR Impact Fund's mission to combat AMR.

Novo Holdings is proud to be a founding member of the AMR Action Fund having committed USD 50 million and Aleks Engel will represent the Novo Group on its Board of Directors



Team news

As of January 2021, Camilla Hansen was promoted to Principal, Joao Ribas was promoted to Senior Associate, and Diana Muftic joined Novo Seeds from the Novo Ventures team. In 2020, Christian Hebel joined the team as a Junior Analyst.



Camilla Hansen



Joao Ribas



Diana Torgersen



Christian Hebel

Expanding BiOrigin – Novo Seeds' Entrepreneurs-in-Residence team

In 2020, Novo Seeds strengthened BiOrigin, its Entrepreneurs-in-Residence team, with three additional members. Rita Balice-Gordon joined from Sanofi, Anders Hinsby joined from Orphazyme, and Jakob Busch-Petersen joined from Roche. BiOrigin provides senior, hands-on management support to early-stage life science companies.

Commenting on her new role, **Rita Balice-Gordon**, former Global Head, Rare and Neurologic Diseases Research Therapeutic Area at Sanofi, said:



"I'm pleased to be part of an EIR team that marries cutting edge science focused on therapeutics with opportunities to grow a business, employ scientists and other professionals, and ensure that investor resources flow to the concepts that seem most likely to succeed in the biomedical landscape. My fellow EIRs and Novo Seeds leadership have a shared responsibility to use our

knowledge and entrepreneurial skill sets to ultimately benefit patients and our broader society"



Jakob Busch-Petersen said: "This role combines the opportunity of applying 20 years of pharmaceutical industry experience to new and innovative projects with joining a top-quality VC group. It has proven very exciting so far and I look forward to helping the team continue to drive scientific advances that will enable patients to live better lives."



Anders Hinsby, former CEO of Orphazyme, added: "I enjoy working with the dedicated Novo Seeds team to explore exciting, original and potentially game-changing new projects, and I appreciate the chance to play a part in creating future Nordic biotech successes."

Strengthening the Nordic ecosystem

One of our key goals is to leverage and nurture the untapped innovation in the Nordic region. As part of our strategy, we have invested in venture funds with strong roots in the Nordics, a region that year after year is ranked as one of the most innovative areas in Europe. In addition to making profitable fund investments, we look forward to working with our regional partners to catalyze more Nordic innovation into viable startups, and therefore add long-term value to our ecosystem.

In addition to its own company creation efforts, Novo Seeds has invested directly in venture funds including in a new Nordic venture fund, Eir Ventures, and in the long-established Sunstone Life Science Ventures Fund IV. As well as generating returns for new investments, these synergetic partnerships serve to translate untapped Nordic innovations into viable startups for further investment, and hence gain access to an early-stage portfolio of potential new investment opportunities.

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Throughout 2020, our sector showed the reliance and creativity required to deliver new medical solutions. As the industry and the world face yet again unparalleled disruption, Novo Seeds is in a strong position to leverage and support the unprecedented innovation seen and untapped in the life sciences. Our team is focused on a common goal - to build on and enhance our position as a leading life sciences company builder. Our investment ethos, long-term vision, industry expertise and 'hands-on' approach give us access to the brightest minds in life sciences. We are exceptionally well positioned to identify world-class science and support entrepreneurs in translating their best ideas into life-transforming treatments for patients.”

Søren Møller, Managing Partner at Novo Seeds



About Novo Holdings A/S

Novo Holdings A/S is a private limited liability company wholly owned by the Novo Nordisk Foundation. It is the holding and investment company of the Novo Group, comprising Novo Nordisk A/S and Novozymes A/S, and is responsible for managing the Novo Nordisk Foundation's assets.

Novo Holdings is recognized as a leading international life science investor, with a focus on creating long-term value. As a life science investor, Novo Holdings provides seed and venture capital to development-stage companies and takes significant ownership positions in growth and well-established companies. Novo Holdings also manages a broad portfolio of diversified financial assets.

Further information: www.novoholdings.dk.