

Novo Holdings launches USD 165m impact fund to combat antimicrobial resistance

Novo Holdings today announces the launch of an impact fund commissioned by the Novo Nordisk Foundation with a total budget of USD 165 million to invest in companies involved in discovering and early-stage development of therapies to combat antimicrobial resistance.

Copenhagen, Denmark – February 28, 2018 – The fund will focus on priority pathogens as defined by the World Health Organization and the United States Centers for Disease Control and Prevention, a catalogue of 12 families of bacteria that pose the greatest threat to human health. The fund is expected to invest USD 20 million to 40 million per year over 3–5 years in about 20 projects in Europe and the United States, which is anticipated to yield at least one new therapy reaching the market.

New approaches to combat antimicrobial resistance urgently need to be developed. Already, more than 700,000 people die each year from infections resistant to most or all antibiotics, and the number is increasing by the day. Antimicrobial resistance is projected to kill more people than cancer does by 2050, which would reduce global economic output by between 2% and 3.5% and severely cripple modern medical and surgical advances.

Despite growing recognition of this threat, there is an early-stage funding gap for new treatments, specifically from lead optimization up to Phase 1 data. Challenging commercial prospects and lack of clinical evidence create difficulty in attracting capital at this stage of development. Novo Holdings is uniquely positioned to meet this major unmet need. It has a long-term investment horizon, which means that it can pursue ambitious strategies to meet this challenge. It also has the capabilities to support the development of promising therapeutic options and a successful investment track record into eight anti-infective companies, including a portfolio company containing the world's largest anti-infective discovery group.

Kasim Kutay, CEO of Novo Holdings, says: "We have established this impact fund to provide a fresh approach to a global healthcare challenge. With our scale, vision and capabilities, we are able to provide the essential strategic and financial support to these projects. This approach embodies our ethos to leave a positive and meaningful impact on health and society through our investments in life science. We are looking to increase investments of this type in the coming years, and we are excited about our potential to make a significant difference in improving global healthcare."

The Novo Nordisk Foundation is commissioning the initiative, and Novo Holdings is executing it.

REPAIR is an acronym: Replenishing and Enabling the Pipeline for Anti-Infective Resistance.

Criteria and investment process

The REPAIR Impact Fund will invest in start-ups, early-stage companies and corporate spin-outs in Europe and the United States. Our philosophy is to support ambitious programmes addressing antimicrobial resistance through a broad range of therapeutic modalities.

At Novo Holdings, we believe that innovation is the key for longer-term success. We will therefore give priority to first-in-class therapies, covering small molecules, biologics and new modalities, from the early stage of drug development (lead optimization) to the early stages of clinical development (Phase 1). We are equally comfortable investing as the sole investor or in a syndicate, with investments ranging from USD 1 million to USD 15 million.

The projects will be selected through an investment process with the support of a highly qualified Scientific Selection Board comprising 10 world-class experts.

For more information about members of the Scientific Selection Board, see www.repair-impact-fund.com/people.

The first round of investments dedicated to European companies will start in April 2018 and non-confidential presentations can be sent until 15 May 2018. The first investments are expected by the end of 2018. A second round of investments focusing on United States companies will start in the fall 2018.

The Fund will focus on priority pathogens (<https://www.repair-impact-fund.com/globalassets/images/repair/pdf/pathogen-focus.pdf>) as defined by the World Health Organization and the United States Centers for Disease Control and Prevention, a catalogue of 12 families of bacteria that pose the greatest threat to human health. The list especially highlights the threat of gram-negative bacteria that are resistant to multiple or all antibiotics.

For more details about the investment process, see www.repair-impact-fund.com/investment-process.

Further information

- Aleks Engel, Partner, Novo Holdings, +45 3067 4796, repair@novo.dk
- For more information visit our website at www.repair-impact-fund.com
- Meet the REPAIR Impact Fund team at the following conferences:
 - BEAM Alliance: Novel Antimicrobials & AMR Diagnostics 11th Berlin Conference, 2 March (attending and presenting)
 - Gordon Research Conference: New Antibacterial Discovery and Development, 11 March (attending)

About Novo Holdings

Novo Holdings is a Danish private limited liability company wholly owned by the Novo Nordisk Foundation. The company is the holding company in the Novo Group, comprising Novo Nordisk A/S, Novozymes A/S and NNIT A/S, and is responsible for managing the Foundation's assets. In addition to being the major shareholder in the Novo Group companies, Novo Holdings provides seed and venture capital to development-stage companies, takes significant ownership positions in well-established companies within life science and manages a broad portfolio of financial assets. Read more at www.novoholdings.dk.

About the Novo Nordisk Foundation

The Novo Nordisk Foundation is an independent Danish foundation with corporate interests that has two objectives: 1) to provide a stable basis for the commercial and research activities of the companies in the Novo Group; and 2) to support scientific, humanitarian and social causes.

The vision of the Foundation is to contribute significantly to research and development that improves the health and welfare of people. Since 2010, the Foundation has donated more than DKK 15 billion (€2.0 billion), primarily for research at public institutions and hospitals in Denmark and the other Nordic countries and for the treatment and prevention of diabetes. Read more at www.novonordiskfoundation.com.