Nova Medica

Russian innovative full-cycle pharmaceutical company
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1. Executive summary

NovaMedica is a Russian pharmaceutical company, established in 2012 by a leading US venture capital fund Domain Associates LLC and and RUSNANO, a Russian investment corporation implementing the state policy on development of high-technology industries. Company has already achieved:

- More than 20 products in business development and licensing from US and EU companies;
- Transfer more than 16 early stage to late stage new innovative molecules or med tech developments from venture fund RusnanoMedInvest and Domain Associates;
- Submitted to the Ministry of Health regulatory authorities 16 filings, 10 have received approval;
- Launched a line of ophthalmology and gastroenterology products, with a dedicated Sales Force in the field in September 2014.

✔ NovaMedica has been set up very aggressively with the mission to bring innovation to Russian patients.

✔ The Strategy of the Company, patient centric, is to develop large axis of leadership in specialty pharmaceutical markets as Ophthalmology, Gastro-Hepatology, Pain management and Women health as well as leadership in the Hospital life saving acute care.

✔ In the meantime the Company is planning to start the construction of a Manufacturing Plant, able to cover up to 5% of the total market of parenteral administration in hospital segment (SVP, sterile, FDA- and GMP-compliant Pharmaceutical Plant). Some flexibility on technology to be part of this plant remain possible. Additionally, NovaMedica is building a Technology Center for its own R&D and pilot manufacturing.
2. **NovaMedica** achievements up to date

### Portfolio
- 7 in-licensing transactions are executed
- **Portfolio:** 25 products + FROR for all existing deals/ongoing negotiations with more than 10 potential Partners
- **IP pipeline:** 16 investment deals with IP right transfer for Russia and CIS

### Regulatory And Development
- Regulatory files in process: 16
- Regulatory filings already approved: 10
- Own development projects in progress: 3 (TPP in place, CMC in progress)

### Commercial
- Major Wholesalers contracts and Sales in Q4 2014
- **Sales force team:** 52 FTEs in 26 regions + 2 KAMs (pharmacy chains)
- Launch process is in place
- SFE and Business Intelligence organization is in place

### Manufacturing And Supply
- Supply chain is established: first commercial orders are delivered to NovaMedica pharmaceutical warehouse
- Manufacturing Scope is defined
- Factory Concept Design and Budget approved; EPC contract approved
- Started construction of Technology Center for R&D and pilot manufacturing
3. **NovaMedica** a unique opportunity to build a specialty pharmaceutical portfolio “from scratch”

- The company's strategy up to 2022 has been formed, we have selected the key therapeutic areas.
- **Pipeline** of NovaMedica now includes innovative products of 16 portfolio companies from USA, UK and Israel.
- **Portfolio** creation is in progress, >75 products have been screened, 25 are in-licensed.
- NovaMedica has started construction of Technology Center in Moscow for own R&D and pilot production located in Technopolis Moscow.
- NovaMedica is starting the construction of Flexible Parenteral Facility, fully compliant with FDA/EU/Russia standards in Vorsino (Kaluga).
4. **NovaMedica** “walks the talk” - it proves its exceptional capabilities by becoming fully operational in 3 years: from BD through Regulatory to Marketing and Sales.

- **May 2012**: NovaMedica starts.
- **December 2013**: 5 licensing portfolio deals, 9 products in pipeline.
- **April 2014**: 7 products are filed to get approval.
- **September 2014**: First sales.
- **December 2014**: “Smart Innovations” R&D projects are initiated.
- **May 2015**: Started construction of Technology Center and GMP-compliant production.
- **May 2015**: 50 commercial FTES are in the field.
- **December 2014**: First launch of product from VC portfolio.
- **May 2015**: Full innovative portfolio.
- **2017**: 2019: First launch of product from VC portfolio.
5. NovaMedica is focused on the key therapeutic areas (TA) to concentrate portfolio and maximize ROI of brand building.

- **Ophthalmology**
  - Front of the eye diseases
  - Referrals for back of the eye and surgery

- **Gastroenterology**
  - Maldigestion treatment
  - Inflammatory conditions in GI

- **Women Health**
  - Needs of middle age women
  - Pregnancy and obstetrics needs

- **Pain**
  - Common types of pain in middle age population
  - Pain in children

NovaMedica has chosen its Therapeutic Area focus combining it with needs of major target audiences to get advocacy on all levels.
6. NovaMedica’s Pipeline and Portfolio

<table>
<thead>
<tr>
<th>Current</th>
<th>Future</th>
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<td>2016</td>
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**Business Development**

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<td>Celtaxys</td>
<td>Tragara PHARMACEUTICALS</td>
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<td>Marinus Pharmaceuticals</td>
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<td></td>
<td>Tragara PHARMACEUTICALS</td>
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**Own R&D products**

- **In process**
  - PLX (ophthalmology)
  - NLN (gastroenterology and pain)
  - DTN (pain)
  - BCP (gastroenterology)
  - ACE (gastroenterology)

- **Planned**
  - BCP (gastroenterology)
  - ACE (gastroenterology)

- **In search**
  - 7 – 10 products in gastroenterology, neurology and ophthalmology

NovaMedica has established and maintains ongoing R&D, Pipeline and Portfolio
NovaMedica is operating in all phases of regulatory process and has already approved several products in Russia.

<table>
<thead>
<tr>
<th>Therapeutic Area</th>
<th>Partner</th>
<th>Preclinical</th>
<th>Clinical</th>
<th>Approval</th>
<th>Launch</th>
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<tbody>
<tr>
<td>Ophthalmology</td>
<td>SIFI, RVO, Transcend</td>
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<tr>
<td>Gastroenterology</td>
<td>Omega Pharma, Ferring</td>
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<td>Pain</td>
<td>NovaMedica, Apalis, Ventpharma</td>
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<tr>
<td>Hospital segment</td>
<td>Tobira Therapeutics, Tragara Pharmaceuticals, Syndax</td>
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</tbody>
</table>

NovaMedica has gained the expertise in all phases of regulatory process from initial product development to product launch.
8. NovaMedica building each Therapeutic Area - Ophthalmology

ILAST
Monosept
Vitamin B12
Cortivis
Monoketo

Mirtilene Forte
Lacrisifi
Octilia
Colbiocin ointment
Nettavisc
Nettacin
Yeastily
Azyr/Azyr Mega
Xsanternet

Ophthalmology High Tech Portfolio

- Non-surgical injection procedure
- High bioavailability to choroid and retina
- Better safety (negligible levels lens/ciliary body)

- Non-surgical injection procedure
- High bioavailability to choroid and retina
- Better safety because of compartimization

Suprachoroidal Microinjection Device

RainDrop (presbyopia)
Every year in the S.N. Fyodorov Eye Microsurgery Complex performed more than 350,000 high-tech operations of any complexity.

The uniqueness of the clinic - in the treatment of high reliability and continuous improvement of diagnostic and surgical techniques. Integrated use of traditional methods of eye surgery through micro cuts, ultrasound and laser surgery with the use of a new generation of lasers gives excellent results in the treatment of even the most complex of ocular pathologies.

The highest quality diagnostic, surgical and individual approach to the treatment of each patient can guarantee successful recovery of view. Perfection treatment technologies, advanced equipment and years of experience of doctors ensures high and stable results.

Medical activities:
- Laser correction
- Non-Surgical treatment
- Surgical treatment: astigmatism; myopia; farsightedness; glaucoma; diabetes eye; diseases of the optic nerve and optic tract; corneal diseases; cataract; retinal detachment; reconstructive and ophthalmic plastics; neoplastic diseases of the eye

Collaboration with NovaMedica:
- Deep scientific expertise
- Market gaps analysis
- Technology transfer options
- Collaboration in new drug development and pilot production

Over last 25 years:
5.5 million patients treated
16 million patients were examined and treated conservatively.
10. **NovaMedica** building each Therapeutic Area - Gastroenterology

**Gastroenterology Portfolio Development**

- **LacTEST®** - simple and cost effective diagnostic for lactose intolerance with better safety profile
- **Xylossay** – enzymatic kit for typical laboratory equipment
- More sensitive and specific than the manual method

**NovaMedica own R&D products:**

- Focus on specific market segments
- Deliver innovation (new formulations, new INN)
- First launches planned for 2017
- Aiming > 5 launches in Gastro
In 2015, NovaMedica started the construction of its own Technology Center in Moscow for R&D and pilot manufacturing.

Technology Center: major targets

- Development of innovative high-tech products with modified bioavailability properties based on well-known APIs or their combinations
- Pilot manufacturing
- QC/QA

Development of OSD form for lab tests

Manufacturing and validation of samples for clinical trials

OSD pilot production

Technology platform development

Technology transfer

Bioavailability tests

Utilization of nanotechnologies

Analytical methods development and validation

IP protection and management

Material tests
**Location**

- Technopolis “Moscow”, R&D laboratory and pilot production
  - Pharmaceutical R&D laboratory
  - Pilot production of softgel capsules, pellets/granules, coated tablets, minitablets in hardgel capsules
- Headquarters and commercial operations
- Skolkovo office

**Timelines**

- R&D laboratory and pilot production facility to be commissioned in Q4 2016
- Лицензия на производство может быть выдана во 2-м квартале 2017 года

**Key data**

- R&D lab capacity: max. 15 projects per year.
- Production annual capacity:
  * Pilot production: max. 15 projects per year;
  * Commercial production: max. 40 mln softgel capsules and max. 40 mln hardgel capsules

Flexible Go to Market Models
- Brand specific marketing mix CSOs Laser focus on the most profitable fields

Pharmacists focus
- ‘Own’ the top pharmacists
- Build leading Targeting System
- Best in Class Ph Chain Management
- Rx/OTC portfolio for pharmacists engagement

“Launch for performance” culture
- Established launch process at regional level
- Meritocracy: Highest ration of SFE staff/SF staff in industry
- People who likes launches and changing of status quo

Gaining best sales force
- Excellence in Selling Skills / Performance Frontier Selling
- Low Turnover Rates
- Best in class Compensation/Incentive System

Quality SOV Leadership
- Leading / competitive SOV within key categories
- Measurement of brand message delivery
- Brand delivery Sales call model

1. Flexible Go to Market Models
2. Pharmacists focus
3. “Launch for performance” culture
4. Gaining best sales force
5. Quality SOV Leadership
Laser focus on top cities, top customers and top pharmacies to target **80%** of the market potential

**Concentrate FF promotion on top 35 cities** (millionaires and half-millionaires)

- 45% of urban population
- 80% of the relevant market

**Cover 80% of the market in top 35 cities** by targeting 50% of Specialty doctors, Pharmacie to reach in 3 years

- 20% (on average) of prescriptions in category by covered MDs
- 60% of weighted distribution for a brand
- #3 top of mind awareness for doctors, pharmacists and consumers (for media-promoted products)

**Gradual increase of FF, opening of new TAs and shift from OTC/Rx to mainly RX market model will make us able to ensure effectiveness of launches and capabilities building**
### 15. NovaMedica Sales & Marketing

Commercial capabilities will be well diversified and developed enough to manage key groups of stakeholders.

<table>
<thead>
<tr>
<th>Customers</th>
<th>NM Importance Today</th>
<th>NM Importance 2020</th>
<th>NM resources and commercialization forces</th>
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<tbody>
<tr>
<td><strong>Payers</strong></td>
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<tr>
<td>Federal regulators</td>
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<td>Med affairs</td>
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<tr>
<td>Health insurance COs</td>
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<td>PR &amp; Pr M</td>
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<tr>
<td>Regional authorities</td>
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<td>MRs /RM</td>
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<td><strong>B2B</strong></td>
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<tr>
<td>Distributor</td>
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<td>Ph-C KAMs</td>
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<tr>
<td>Pharmacy chains</td>
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<td></td>
<td>Hosp KAMs</td>
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<tr>
<td><strong>HCPs</strong></td>
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<td>Com/ MA KAMs</td>
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<tr>
<td>Primary care Drs</td>
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<td>Specialty care Drs</td>
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<td>Hospital care Drs</td>
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<tr>
<td>Pharmacies &amp; Pharmacists</td>
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<td>Reg KOLs</td>
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<td>Fed KOLs</td>
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<tr>
<td><strong>Others</strong></td>
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<tr>
<td>Patients and societies</td>
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<tr>
<td>Media/ Social Media</td>
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**Corps Medical & GR**
16. **NovaMedica** is planning to build a manufacturing plant

- The plant will be located in Vorsino, region of Kaluga.
- Concept design is finalized. EPC contract is approved.
- Selection of engineering company and equipment supplier is at the final stage.

NovaMedica is planning to build an OSD plant with a flexible process compliant with FDA/EU/Russian standards and production capacity of 25 million vials.
17. **NovaMedica Management Team - experienced Team of Top Business Professionals**

- **Leonid Melamed, MD**  
  *CEO*  
  - Physician by training (orthopedic surgeon)  
  - 25 years of leadership in Top 10 Russian Public Companies including of AFK Sistema, Mobile TeleSystems, ROSNO

- **Vladimir Gurdus, MD**  
  *General Director (GR)*  
  - Physician by training  
  - 25 years of leadership in Top 10 Russian Public Companies including Medsi Group (part of AFK Sistema structure) and ROSNO. Member of the Government Expert Council of the Russian Federation

- **Alexander Kuzin, MBA**  
  *Managing Director*  
  - 25 years of experience in the Russian pharmaceutical industry  
  - 15 years in senior management, marketing, sustainable development in Rigla/DSM Group/Protek

- **Mary Anderson, MBA**  
  *VP, Business Development (USA and International)*  
  - 20 years in Business Development and partnering in Merck KGaA/Serono/Bayer

- **Mikhail Getman, PhD**  
  *VP, Pharmaceutical Operations (R&D, Regulatory, Manufacturing, Medical Affairs)*  
  - 20 years in heading R&D, pharmaceutical operations and general management in Pharma  
  - 5 years of Public Service in Russian Regulatory Body (Ministry of Health)

- **Maria Makarova, MBA, CPA**  
  *VP, CFO*  
  - 15 years of experience in finance including one of the “Big 4” companies more than 12 years.  
  - Held financial and operational management positions in the Management company dealing with start-up project in the area of medical services and technology

- **Elena Ilina, MBA**  
  *VP, Business Development*  
  - 15 years of leadership in Russian and international companies (Unipharm, Materia Medica, Boehringer Ingelheim)  
  - Headed Marketing and Sales of OTC drugs in Sun Pharma

- **Dmitry Kopytin, PhD,**  
  *VP, General Counsel (Legal, Compliance, IP)*  
  - 14 years experience in Legal sphere including Bayer HealthCare Pharmaceuticals (former Bayer Schering Pharma) and Dr. Reddy’s Laboratories
18. Twelve reasons to partner with NovaMedica ...

**Solid Shareholders**
1. State RUSNANO and Domain Associates are committed partners who will facilitate success and provide long-term sustainability.

**Key strategy Partner of choice**
2. Mission - to trigger innovation and bring NEW COMPANIES and NOVEL PRODUCTS to the Russian and Eurasian Markets;
3. NovaMedica is shaped to commercially succeed through both internal IP pipeline as well as in-licensing collaborations;
4. Strategically committed with significant financial resources and flexible business models;
5. A Focus on Synergy in pipeline.

**Core expertise**
6. A Team of Top professionals with backgrounds in Russian Public HealthCare Services and leading multinational companies worldwide and in Russia;
7. The Best R&D, Regulatory and Market Access capabilities;
8. NovaMedica’s Technology Center and manufacturing facility will be recognized provide preferences in the Russian market.

**Smart Commercial model**
9. First sales started in 2014 (in the second year of operations);
10. Focus on one geographical area (Russia and Eurasia) - deepest market understanding;
11. Targeted Business Strategy – hospital segment and patients;
12. Focus on transparency and compliance with the best Russian, EU and US practices.
Looking for strategic partnership in Russia, contact:

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