



HEALTH & WEALTH EVERGREEN

ATEM Capital provides an investor-friendly financial vehicle for sizeable mid-term funds via its powerful access to landmark private deal flow & outstanding expertise in US Life Sciences space

EVERGREEN LIFE SCIENCES INVESTMENT FUND

HEALTH SQUARE FUND

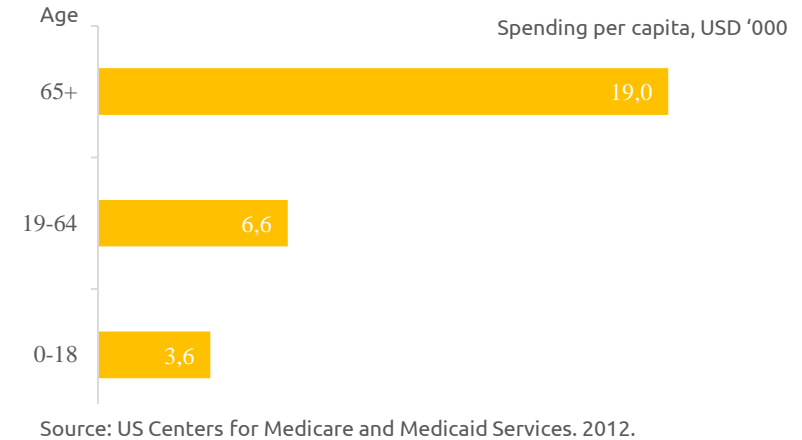
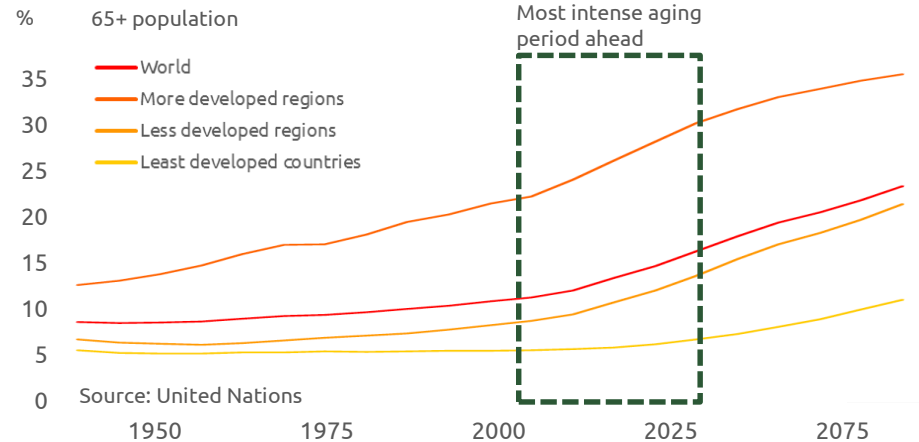
INVESTMENT MEMORANDUM

1. Why Invest Into Healthcare?

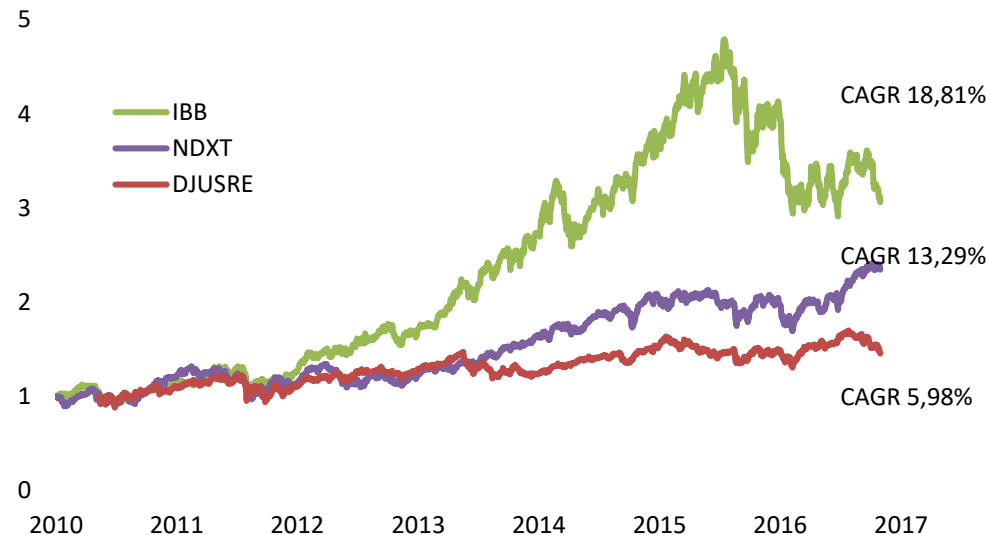
BULLETPROOF FUNDAMENTALS



POPULATION RISE AND AGING ARE DRIVING INCREASED GOVERNMENT AND PRIVATE SPENDING...



...THAT FUELS UNPRECEDENTED GROWTH



- Fundamental factors trigger steady growth of healthcare markets worldwide despite financial vulnerabilities
- Rapid population increase in developing countries as well as aging and chronic diseases in the developed world are fundamentally supporting decades' long growth of the global demand for healthcare
- Government and people's spend on healthcare is constantly increasing both in absolute and relative terms, thus creating stable multibillion markets and attractive investment
- US federal spending on healthcare and social protection programs is surpassed only by national security and is projected to increase from 17,2% GDP in 2012 to 19,9% in 2022

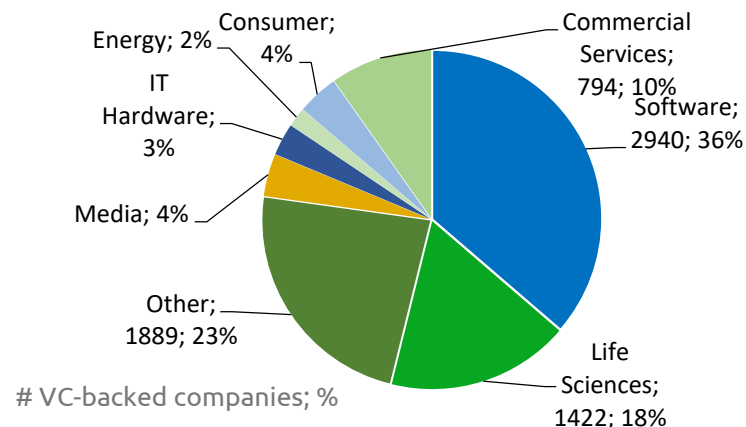
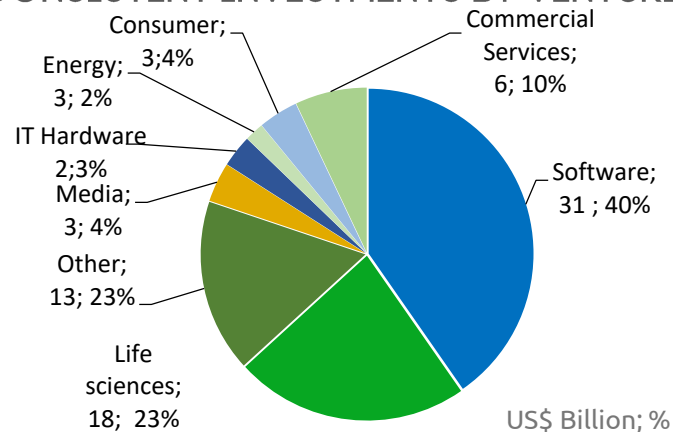
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1. Why Invest Into Healthcare?

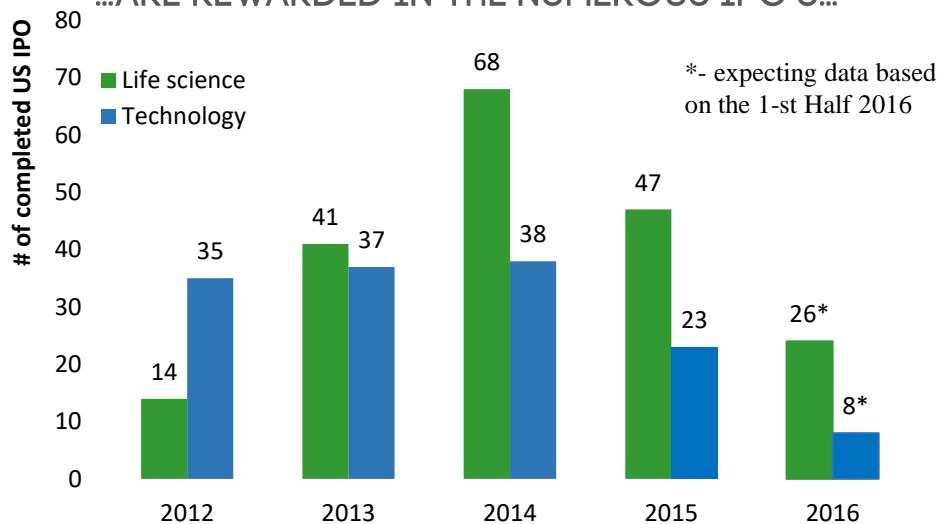
ACCOMMODATIVE LIQUIDITY



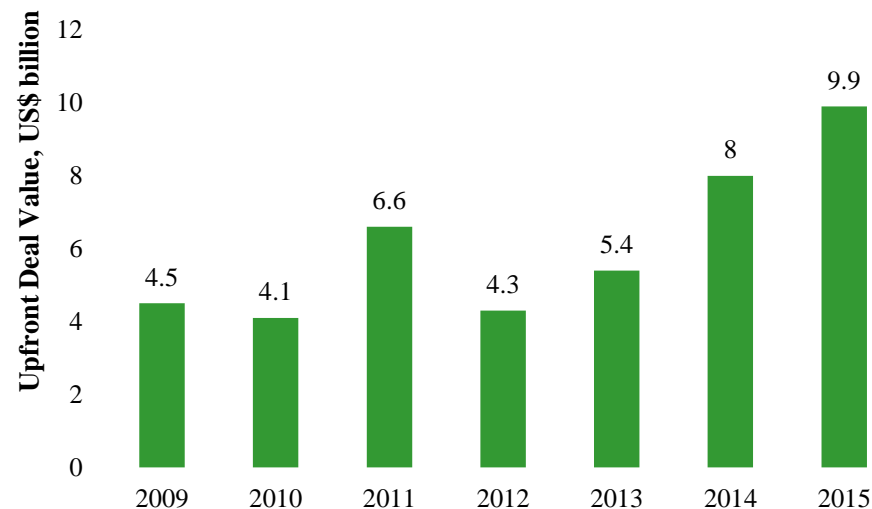
CONSISTENT INVESTMENTS BY VENTURE CAPITAL FIRMS IN LIFE SCIENCES* PROJECTS...



...ARE REWARDED IN THE NUMEROUS IPO'S...



...AND EXPANDING M&A ACTIVITY BY BIG PHARMA



Source: PwC/NVCA Moneytree report, HBM Pharma, PitchBook

* Life Sciences (LS) is composed of Pharma & Biotech and Healthcare

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1. Why Invest Into Healthcare?
SELECTED BIG DEALS*



FOUNDERS OF IDENIX AND INTERCEPT ARE MEMBERS OF ATEM CAPITAL LEADERSHIP

COMPANY	BUYER	IPO/M&A	OVERALL DEAL VALUE (US\$M)	AMOUNT RAISED (US\$M)	STAGE OF LEAD PRODUCT
Idenix Pharmaceuticals	MERCK	M&A	3,800	132	Phase II
Intercept	Public	Public	>8,000	418	Phase II,III
AcertaPharma	AstraZeneca	M&A	7,500	550	Phase III
receptos <small>A Celgene Company</small>	Celgene <small>Committed to improving the lives of patients worldwide*</small>	M&A	7,200	74	Phase III
Cardioxyl PHARMACEUTICALS	Bristol-Myers Squibb	M&A	2,075	67	Phase II
Alios BioPharma	Johnson & Johnson	M&A	1,750	73	Phase II
SERAGON Pharmaceuticals	Roche	M&A	1,725	30	Phase I
TOBIRA Therapeutics	Allergan	M&A	1,695	86	Phase II

FOUNDERS OF ATEM CAPITAL

TRADE SALES IN LIFE SCIENCES PRODUCE HEALTHY RETURNS

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* Selected venture backed private transactions and IPO's of 2013 and 2014
 ** Please find Phase description in Addendum

INVESTMENT THESIS

Superior drug with strong IP protection and targeting **vast reimbursed or out-of-pocket markets** is a **must-have** for Big Pharma players who are ready to pay substantial premium and provide healthy returns to investors

INVESTMENT THEMES

70% BIOTECH / PHARMACEUTICALS

30% MEDTECH / DX

20%

EARLY STAGE BIOPHARMA

**"SCIENTIFIC HOME-RUNS"
/TECHNOLOGICAL BET/**

Early-stage breakthrough science managed by high-caliber serial entrepreneurs with unmatched track-record of success.

Such companies essentially block through IP protection different technological segments: microbiome, stem cells, gene therapy, etc.

50%

LATE STAGE BIOPHARMA

**BLOCKBUSTERS
/FINANCIAL BET/**

Late-stage assets backed by healthcare specialists with human proof of concept and blockbuster potential.

There are numerous "special situations" whereby a late-stage company is in a pre-IPO mode and has a fatigue syndicate

30%

"LAST MONEY IN"

**DE-RISKED MEDTECH / DX
/MARKETING BET/**

Growth funding and "Last Money In" investments to support final approval steps, launch and international marketing efforts

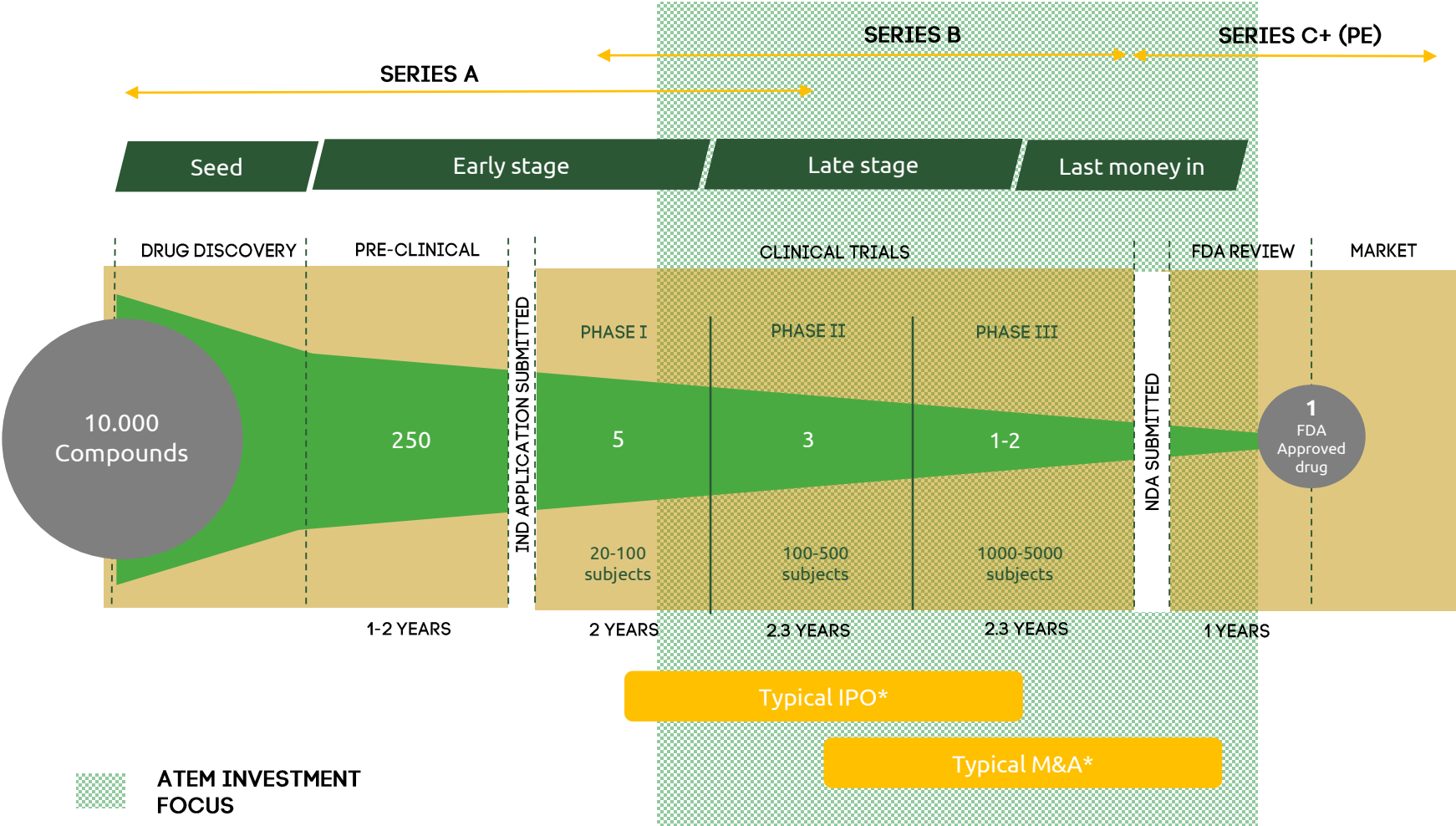
Bringing capital into the hands of successful CEOs with marketing and exit strategy background to succeed in the final stage

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ATEM INVESTMENT SCOPE



ATEM CAPITAL INVESTS IN LATER STAGE DEVELOPMENT PROJECTS TO MAINTAIN OPTIMAL POSITION IN RESPECT TO RISK/RETURNS RATIO AND INVESTMENT PERIOD



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* Dependent on therapeutic area

FOCUS THERAPEUTIC AREAS



ONCOLOGY

Projects with cure ambition, novel MoA, use of innovative delivery platforms, human data and signs of efficacy



CVS

Technologies which can save lives with strong human data and manageable regulatory path



ANTI-INFECTIVES

New efficient treatments at all stages, which overcome resistance, shrink time to cure or prevent the disease altogether



CNS

Projects that let people enjoy their life experiences, with human proof-of-concept, understood mechanism of action and clear regulatory path



WOMEN'S HEALTH


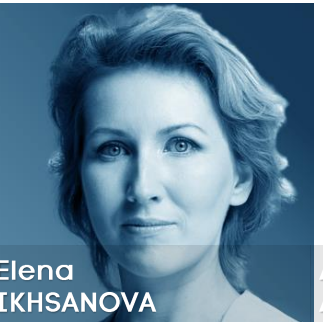




Wide range of technologies at all stages, which help women give birth to healthy kids

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3. ATEM Capital Leadership

INVESTMENT TEAM



					
CEO, Fund Manager	Liquidity Mgt, Public Side	Global Pharma Markets	COO, General Counsel	Executive Partner	Principal
10+ Investment, Venture Funds	10+ Trading	20+ Healthcare & Biopharma	10+ IP, Law, General Mgt	10+ M&A, Investment, Strategy	20+ Valuation, CFO, Risk Mgt
 	 		  	 	
<ul style="list-style-type: none"> Managing Partner at US\$0.5bn Biotech Fund in partnership with Domain Associates Board Memberships in 11 companies, including US public US NACD, Review Committee of National Cancer Institute (NCI) Harvard Business School, INSEAD, MGIMO 	<ul style="list-style-type: none"> General Partner at ATEM Capital Head of the Trading Desk at Morgan Stanley over the last 8 years Previously FX&MM Trader at Raiffeisenbank ICN Business School Plekhanov Russian University of Economics 	<ul style="list-style-type: none"> Managing Partner at ATEM Capital VP&GM, WH International and PGT at Teva GM and GBT Head at Bayer Global Brand Leader Pfizer MBA, Finance NYU – Leonard N. Stern School of Business 	<ul style="list-style-type: none"> General Partner & COO at ATEM Capital Partner & General Counsel at RMI Partners Head of M&A Legal at Sistema JSFC Harvard Business School UCSD 	<ul style="list-style-type: none"> Partner at ATEM Capital M&A Director at Sistema JSFC Partner at ValueTech Advisors Acting Head of M&A in Renova International Relations in Finance Academy 	<ul style="list-style-type: none"> CFO at IndexAtlas Group Director at Redline Capital Management S.A. Investment Director at RMI Partners Investment banking, portfolio management

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3. ATEM Capital Leadership

ADVISORY BOARD



Jean-Pierre SOMMADOSSI	Jim MERVIS	Robert LANGER	Joe CAMARDO	Bruce BURLINGTON	Ed GODBER
High-Caliber Entrepreneur	Global Board Leadership	Pioneer Scientist & Entrepreneur	Pioneer Scientist	Senior Pharma & FDA Executive	Global Pharma Strategist, EMEA

IDENIX

Intercept



AstraZeneca  **FDA**



- **Founder, CEO and Chairman of Atea Pharmaceuticals**
- **Founder, ex-CEO and Chairman of IDENIX bought by Merck for US\$3.8bn in Jun 2014**
- Member of the Harvard Medical School Therapeutics Advisory Council
- Authored over 150 publications and holds more than 50 US patents

- **Ex-Chairman of Intercept**
- **Chairman, Co-Founder and Director of many private and public companies in life sciences**

- **Most cited scientist in history**
- David H. Koch Institute Professor
- Authored over 1,250 articles and holds more than 1,050 patents worldwide that licensed to over 250 companies
- Received over 220 major awards
- Ex-member of US FDA Science Board

- **SVP, Chief Medical Officer at Celgene**
- Ex-Senior Vice President, Wyeth Research

- **Board member of AstraZeneca, ex-Board member at Sanofi-Aventis and Lundbeck**
- **Ex-Senior Executive of FDA**
- Executive Vice President of Wyeth, pharmaceutical company purchased by Pfizer
- Received numerous distinguished government awards

- **Founder of the Health Lab Project (UK)**
- **Ex-Senior Vice President at GSK**

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3. ATEM Capital Leadership



ATEM CONTACTS FOR INVESTMENT SOURCES

DEEP-ROOTED INT'L CONNECTIONS IN LIFE SCIENCES INDUSTRY AT FOUNDERS, CEO AND BOARD LEVEL...

GLOBAL TOP-TIER VC FIRMS



SPECIALIST INVESTMENT BANKS



...PROVIDE STRONG DEAL FLOW, SOLID PARTNERSHIPS AND TIMELY EXITS

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ATEM CONTACTS FOR EXIT STRATEGY

EXTENSIVE AND DIVERSIFIED CONTACT NETWORK WITHIN THE INDUSTRY...



PHARMA PLAYERS



...PROVIDES ACCESS TO EXCLUSIVE INFORMATION RE INDUSTRIAL INTEREST

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TOBIRA THERAPEUTICS: SUCCESSFUL SALE IN SEP 2016, UP TO 19X TO ITS CURRENT MARKET CAPITALIZATION



Eckard Weber

Tobira founder and partner at Domain Associates



Anton Gopka

- Lead Investor
- Ex-Board Member (until May 2015)



Leading Potential NASH Program, Growth Across Immuno-inflammatory Diseases

ASSET DESCRIPTION

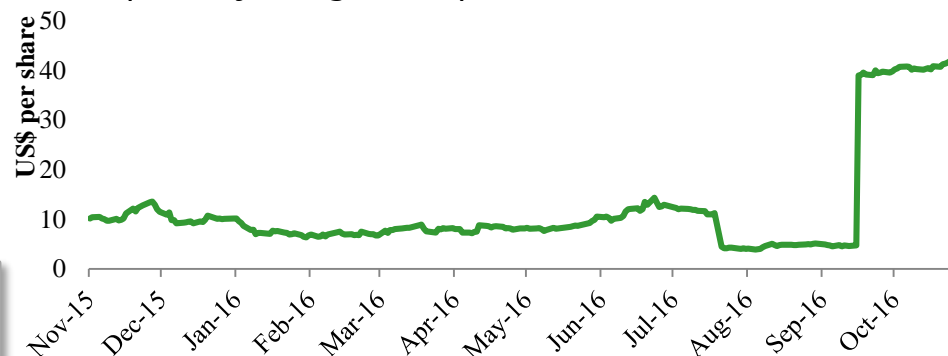
- Cenicriviroc (CVC) is currently in clinical development for non-alcoholic steatohepatitis (NASH) in adults with liver fibrosis and primary sclerosing cholangitis (PSC).
- CENTAUR demonstrated a clinically and statistically significant improvement in fibrosis of at least one stage without worsening of NASH after only one year of treatment.

BACKERS



LATEST DEVELOPMENTS

- Acquired by Allergan in September 2016



ALLERGAN TO BUY TOBIRA IN PUSH FOR FATTY LIVER DISEASE DRUGS



"Sept 20 Botox maker Allergan Plc, in its third acquisition this month, said it would pay up to \$1.7 billion for Tobira Therapeutics Inc to get a leg up in the race to develop therapies for NASH, an incurable fatty liver disease closely linked to obesity."

ALLERGAN COULD PAY UP TO 19 TIMES THE VALUE OF THE LIVER-DISEASE TREATMENT MAKER



"Shares of Tobira surged 721% to \$38.91 in trading Tuesday, while Allergan shares fell 2.7% to \$238.67. Tobira now has a market value of about \$725 million, up from \$89.2 million on Monday."

EPIC SCIENCES:

OVER 100 COLLABORATIONS WITH LARGER PHARMA PLAYERS



Murali Prahalad

President and CEO; Ph.D., former SVP Corp Dev Biosite (acquired for US\$1.6bn, 50% premium to market price), previously worked at BCG



Anton Gopka

- Lead investor
- Ex-Board member



Circulating Tumor Cells cancer diagnostics platform

ASSET DESCRIPTION

- Ultra-sensitive diagnostic tests to molecularly characterize circulating tumor cells (CTCs) in the blood for personalize cancer treatment
- No Cell Left Behind technology, which gauges 6 million cells across more than 90 parameters to pick up all varieties of CTCs

BACKERS



LATEST DEVELOPMENTS

- Genomic Health and Epic Sciences announce strategic collaboration to deliver novel AR-V7 Liquid Biopsy Test
- Epic Sciences in collaboration with other industry, academic, and government partners will contribute to the Blood Profiling Atlas pilot of the Cancer Moonshot Initiative championed by Vice President Biden and the White House

NEW BLOOD TEST FROM EPIC SCIENCES MATCHES PATIENTS WITH PARP INHIBITORS



"San Diego-based liquid biopsy company Epic Sciences has announced a new blood test that may quickly identify cancer patients who respond to a promising class of drugs called poly ADP ribose polymerase (PARP) inhibitors."

GENOMIC HEALTH TO MARKET EPIC SCIENCES' AR-V7 LIQUID BIOPSY TEST



" Genomic Health and Epic Sciences today announced that they have signed an exclusive agreement under which Genomic Health will commercialize Epic Sciences' AR-V7 liquid biopsy test in the United States"

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4. ATEM Success Stories

MERCK/IDENIX: HIGHEST PREMIUM ON RECORD FOR NASDAQ BIOTECH



Jean-Pierre Sommadossi
ATEM Capital
Advisory Board



Atea, Founder
IDENIX, Founder
Pharmasset (Sovaldi), Co-Founder

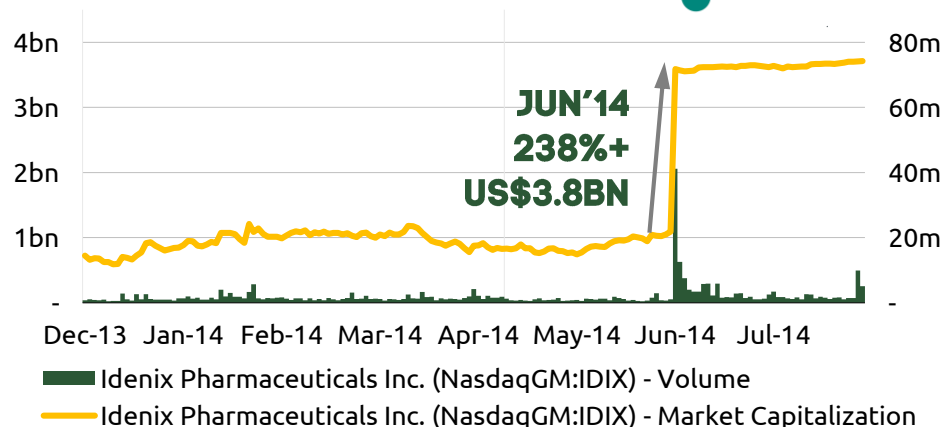


Hepatitis C Nuke
Ph II

ASSET DESCRIPTION

- Scarce Hep C nuke, analogous to Sovaldi (co-founded by Jean-Pierre and sold to Gilead for \$11.2bn in 2011), pan-genotypic, >95% cure rate vs. 40-50% of previous drugs, targeting vast market with over 170m people with the infection
- Backed by a like-minded VC firm – MPM Capital, and Big Pharma players – Novartis (20% stake), GSK

BACKERS



MERCK PAYS RECORD PREMIUM IN HEPATITIS DRUG BET: REAL M&A

Bloomberg

“Merck offered Idenix shareholders US\$3.85 billion. That’s almost quadruple the stock’s average unaffected price over the previous 20 days, the highest premium on record ...”

WHY MERCK JUST SPENT \$4 BILLION ON NEW DRUGS FOR HEPATITIS C?

Forbes

“Merck recently announced a definitive agreement to acquire Idenix at \$24.50 a share for cash, offering a hefty premium of about 240% over last Friday’s i.e. June 6, closing price.”

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INTERCEPT: ONE OF THE BIGGEST ONE-DAY NASDAQ STOCK LEAP



Jim Mervis
ATEM Capital
Advisory Board



Intercept, Ex-Chairman

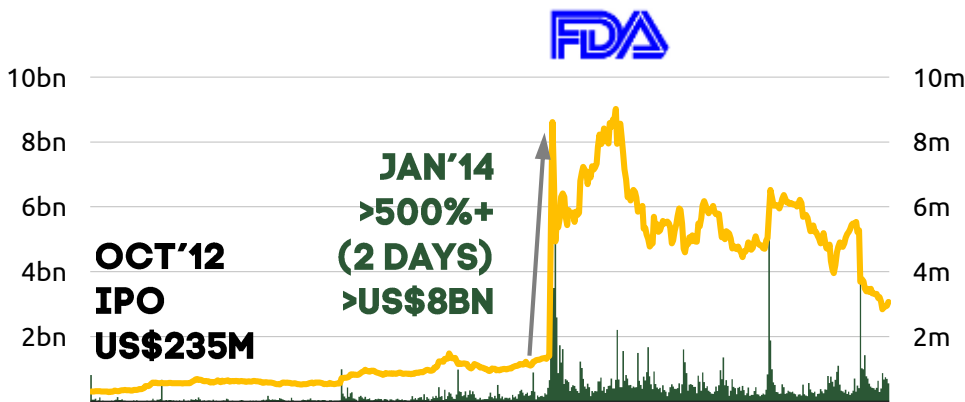


**Liver Disease (PBC, NASH)
Ph II**

ASSET DESCRIPTION

- Intercept CEO: "NASH has grown to epidemic proportions worldwide, having become a leading cause of cirrhosis and liver failure [and] is projected to become the leading indication for liver transplant." No efficient drugs available.
- Roberto Pellicciari**, co-founder of Intercept, is a member of ATEM's Scientific Advisory Board, friendly investor: **OrbiMed**

BACKERS



ОКТ.12 ЯНВ.13 МАЙ.13 АВГ.13 НОЯ.13 ФЕВ.14 МАЙ.14 СЕН.14

Intercept Pharmaceuticals, Inc. (NasdaqGS:ICPT) - Volume

Intercept Pharmaceuticals, Inc. (NasdaqGS:ICPT) - Market Capitalization

A \$4 BILLION SURPRISE FOR 45-PERSON BIOTECH

WALL STREET JOURNAL

"The stock of a **little-known** ... Intercept (NASDAQ: ICPT), **nearly quadrupled** Thursday after the company's liver-disease drug performed well in a clinical trial, marking **the biggest one-day stock leap** among Nasdaq companies of a similar size since at least 2012."

INTERCEPT [...] TRIPLES AFTER DRUG TEST RESULTS

Forbes

"Intercept shares surged **over 280%** on Thursday after the company announced that a **trial for a new liver disease drug combating non-alcoholic steatohepatitis (NASH) was stopped early** after the primary endpoint of the trial was met."

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ATEM TEAM PRESS COVERAGE (1/3)



Anton Gopka participated in the Conference of AdvaMed 2016 in Minneapolis, Minnesota

There was presented a panel with Chinese conglomerate Fosun and Chinese Buy-Out Healthcare

<<http://advamed2016.com/go.cfm>>



Medicine 2.0

Elena Ikhsanova: How IT-technologies can make current treatment more effective, cheaper and clinically substantiated



<<http://www.forbes.ru/mneniya-column/idei/330107-bessmertie-kak-investitsionnyi-aktiv-medsina-20>>



Races to a survival

Anton Gopka's review is devoted to aspects of anti-aging processes and promising methods of treatment of cancer

<<http://www.forbes.ru/mneniya/idei/327057-bessmertie-kak-investitsionnyi-aktiv-gonki-na-vyzhivanie>>



Allergan could pay up to 19 times the value of the liver-disease treatment maker



Allergan acquire Tobira Therapeutics, a biopharmaceutical company that develops therapies for liver diseases

<<http://www.wsj.com/articles/allergan-agrees-to-buy-tobira-therapeutics-in-1-7-billion-deal-1474376639>>

ATEM TEAM PRESS COVERAGE (2/3)

BIOTECH SHOWCASE™

Healthcare restructuring pressures drug developers

Anton Gopka speaks at Biotech Showcase Conference 2014 on international perspectives of healthcare markets

<http://www.partnering360.com/insight/showroom/id/451>



Marinus Ring The NASDAQ Opening Bell!



<http://nasdaq.tumblr.com/post/95822331642/watch-marinus-pharmaceuticals-ring-the-nasdaq>
<http://www.cnbc.com/id/101944302>

The Boston Globe

MIT's Dr. Robert Langer accepts his Kyoto Prize in Japan

Decorated MIT professor Dr. Robert Langer, who's considered the founder of tissue engineering, was among the honorees at the 30th annual Kyoto Prize ceremony in Kyoto, Japan

<http://www.bostonglobe.com/lifestyle/names/2014/11/12/mit-robert-langer-accepts-his-kyoto-prize-japan/Cpe8kAQK24mVTGyGMmjhfl/story.html>

theguardian

From super-pills to second skin: meet the Willy Wonka revolutionising medicine

Robert Langer's trailblazing research in nanotechnology has already improved the lives of at least 2 billion people

<https://www.theguardian.com/lifeandstyle/2016/oct/17/robert-langer-nanotechnology-pioneer-willy-wonka-revolutionising-medicine>



ATEM TEAM PRESS COVERAGE (3/3)



ATEM
CAPITAL

WSJ



Google's Newest Search: Cancer Cells

Robert Langer quoted in the WSJ article on how Google Inc. is designing tiny magnetic particles to patrol the human body for signs of cancer and other diseases.

<http://online.wsj.com/articles/google-designing-nanoparticles-to-patrol-human-body-for-disease-1414515602>

The New York Times

Merck Bids \$3.8 Billion for an Edge in Hepatitis

Merck will buy the biotechnology company Idenix Pharmaceuticals (the company founded by Jean-Pierre SOMMADOSSI) for \$3.85b in an effort to bolster its arsenal of potential drugs in the competitive arena of hepatitis C treatments



http://dealbook.nytimes.com/2014/06/09/merck-to-acquire-idenix-pharmaceuticals/?_r=0

nature

:Straight From Russia

Anton Gopka launches a series of posts on the Russian healthcare

<http://blogs.nature.com/tradesecrets/2014/01/10/straight-from-russia#more-2049>

BIOWORLD®

RMI's Gopka Seeks Revolutionary Science, Industry Relationships

An article on one day of a Venture Capitalist life during the JP Morgan conference heat



<http://www.bioworld.com/content/rmi%E2%80%99s-gopka-seeks-revolutionary-science-industry-relationships-0>

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