



REALIZE YOUR **GLOBAL** POTENTIAL

7th Swiss-Scandinavian Bio-Business Seminar

- Andreas Segerros
Partner, Sunstone Life Science Ventures

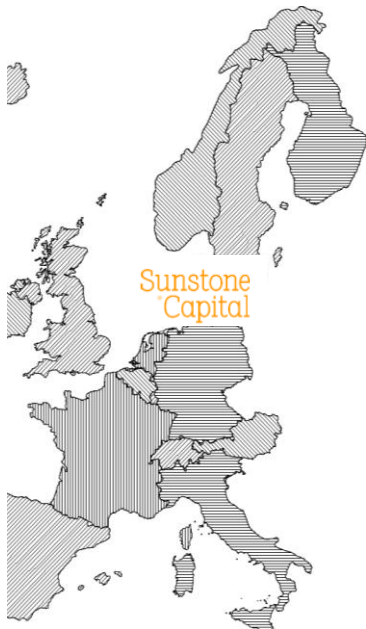
February 12, 2013

7th Swiss-Scandinavian Bio-Business Seminar

Disclaimer

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Sunstone Capital at a glance...



- Established in 2007.
- Leading independent European VC with EUR 700 million under management.
- Dedicated to early stage Life Science and Technology investments with global potential.
- Owned 100% by its partners with HQ in Copenhagen.
- Over 30 portfolio companies in the therapeutics, medical technology and diagnostics fields.
- Industry driven VC!

Overview of Sunstone Life Science funds

- EUR 434 million under management distributed on four funds

Sunstone Life Science Ventures funds

Life Science Ventures Fund I (LSV Fund I)
EUR 167 million*
(2007)

Biomedical Venture III and Annex I, II and III
(formerly BankInvest (BV Funds) EUR 73 million
(2010)

Life Science Ventures Fund II (LSV Fund II)
EUR 87 million
(2007)

Sunstone Life Science Ventures Fund III (LSV Fund III)
First close EUR 89 million
(December 2011)
- Targeting up to EUR 120 million

Currently seeking new investments for our Life Science Ventures Fund III (LSV Fund III)

Sunstone Life Science Ventures team - Including Venture Partners and BD Board

Sunstone core team

Venture Partners

Business Development Board



Jack Anthony
Serial biotech executive



Robert J. Cobuzzi Jr.
Senior VP, Corporate Development
Endo Pharmaceuticals



Yvonne Mårtensson
CEO
Cellviation
+25 years of experience in medtech



Frank Fildes,
Previously Senior VP Global
Development
AstraZeneca



Simon Dew
Head of Business Development
Astellas Pharma



David Colpman
Head of global Business
Development
Shire Pharmaceuticals



Juergen Heitmann
Head of Business Development Russia/ CIS
Takeda



Peter Benson
Managing Partner
+30 years experience



Sten Verland
Partner
+20 years experience



Søren Lemonius
Partner
+ 20 years experience



Claus Andersson
Partner
+15 years experience



Andreas Segerros
Partner
+20 years experience



Magnus Corfitzen
Investment Director
+10 years experience



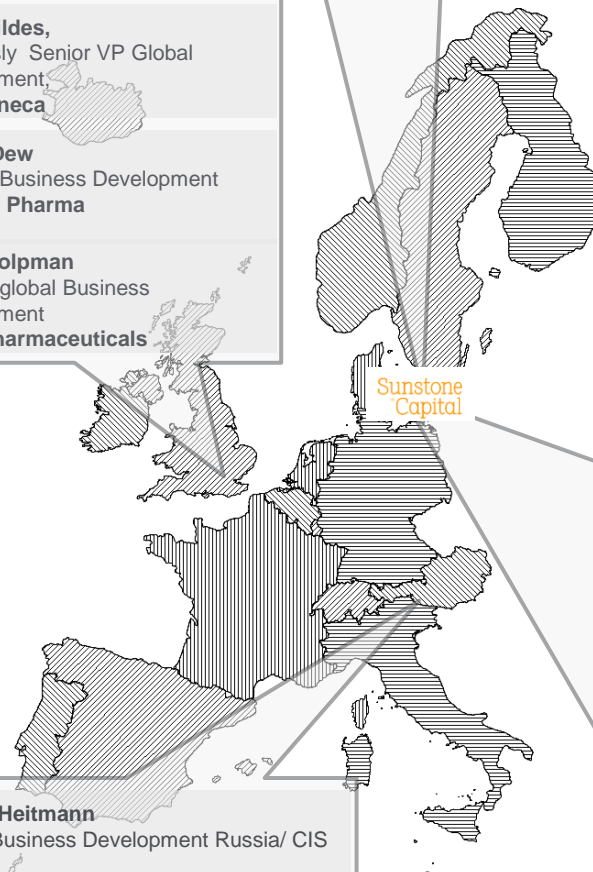
Lisa Almén
Associate
Consulting background



Jacob Moresco
Associate
Scientific background

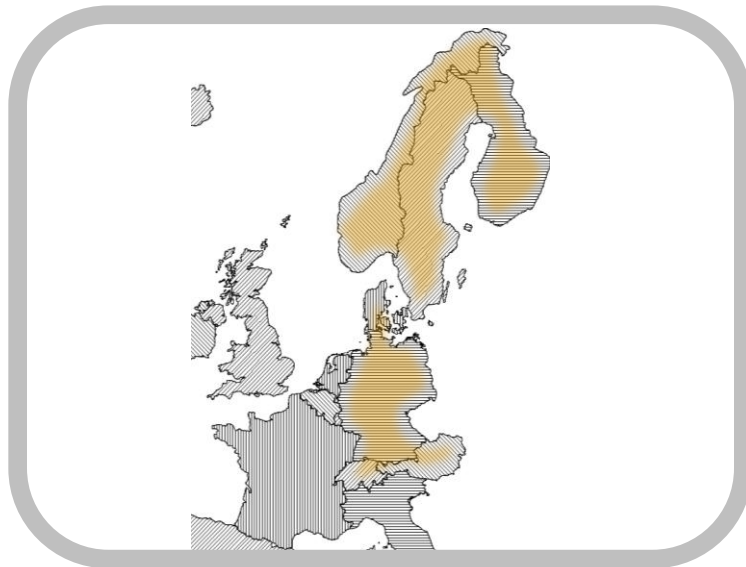


Line Jacobsen
Management Assistant
Administrative background

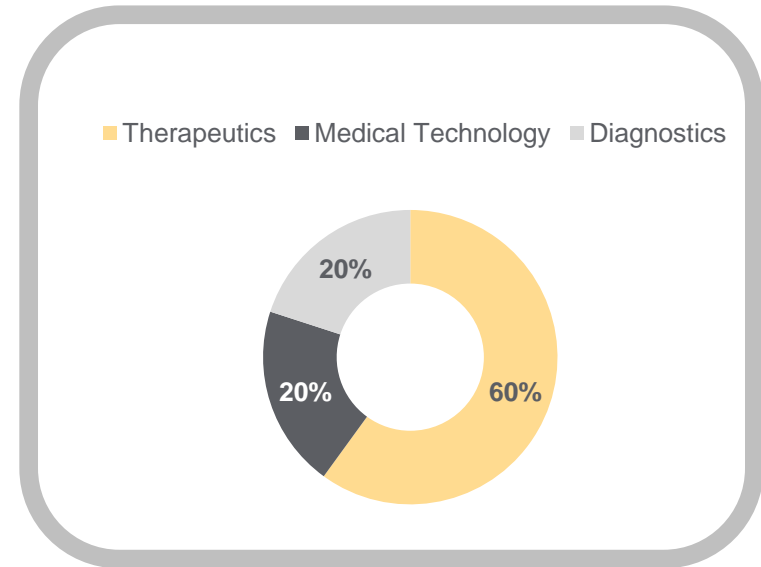


Our investment universe for LSV Fund III

Core geography



Sector split



Early-stage focus

EEP*

10 Sourcing investments

- Investment size: Maximum EUR 500,000
- Investment period: 2012 - 2015

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10-12 Series-A/B investments

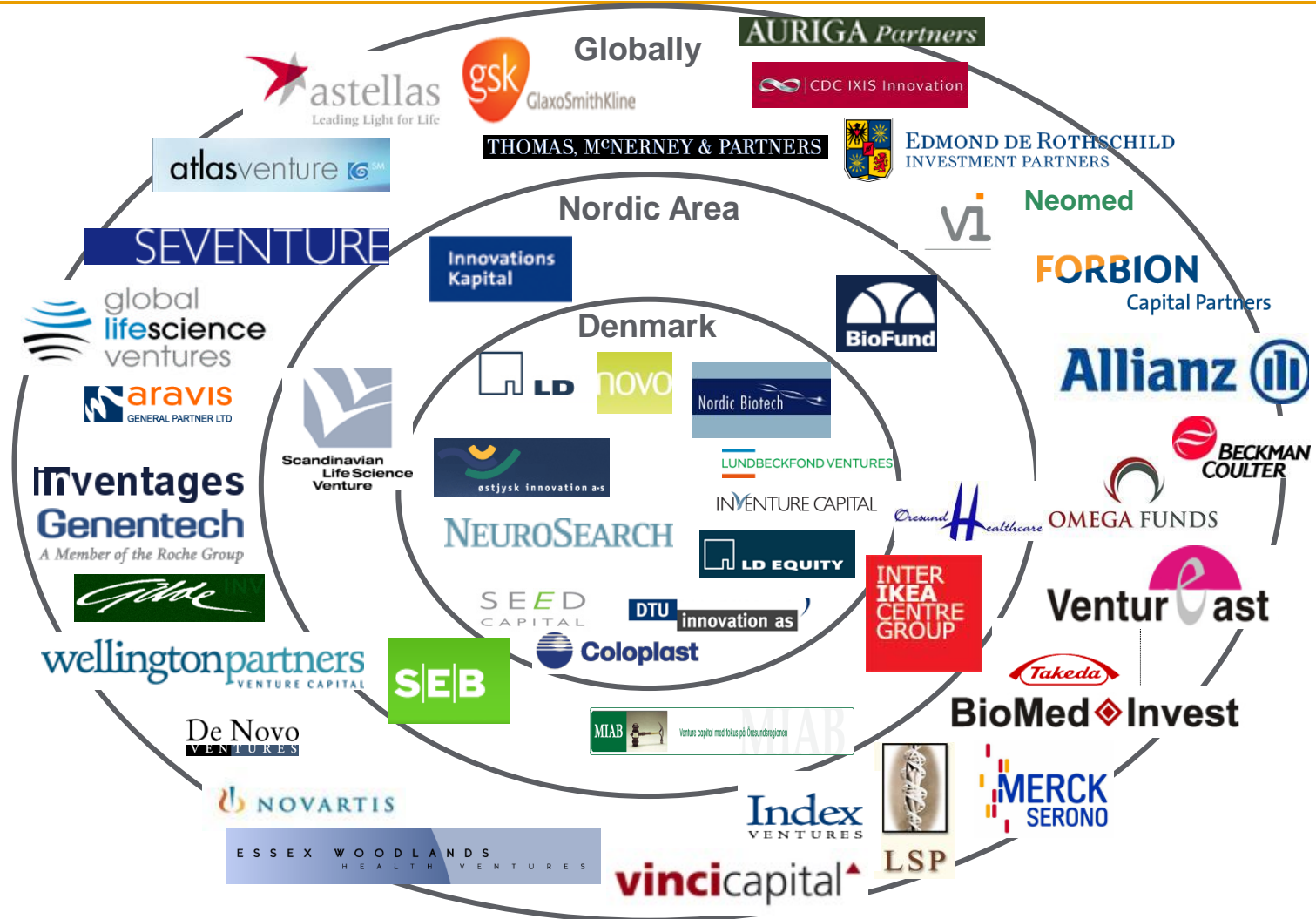
- Investment size: EUR 6 - 10 million (over the life time of investment)
- Ownership stake: Typically 10-30%

*Short for Early Engagement Program (established in 2012). Please see slide 12 for further details.

Investment criteria for early-stage deals

Basic criteria	Differentiating criteria
Strong management and board or a will to enlarge it or make replacements	Product posing a threat or being a strategic match for potential buyers
Large profitable market segments or well-defined niche segments	Product targeting unmet medical needs in commercially attractive markets
Strong IP position / technological advantages / access to world-class research	Product likely to receive attractive reimbursement and pricing structures
Early-stage investment	Product meeting the needs of the future, not the present
Exit-strategy fitting LSV Fund III's timeframe	

Strong syndication network



Track record: Selected exits and IPOs



2008: Largest up-front deal in Europe in 2008. The phase II project Metazyme targeting MLD (Metachromatic Leucodystrophy) is sold to British Shire Pharmaceuticals for USD 135 million. The transaction takes up a 8th place globally among published up-front deals in the period 2007-2012.



2010: Listing on NASDAQ OMX Nordic (November 2010). The highest valuation in biotech IPOs in Europe since 2006. Market cap at listing: DKK 1.9 billion. – market cap today 2.3 billion (as per February 5, 2013).



2012: UP-front deal on global Top 10 list. The phase II project AP214 targeting prevention of acute kidney injury associated with major cardiac surgery in patients at increased risk is sold to Abbott for USD 110 million. The transaction takes up a 10th place globally among published up-front deals in the period 2007-2012.

Sunstone's biotech exits on global Top 10 list

- Published up-front deals globally, 2007-2012

Published up-front deals globally, 2007-2012

Rank	Company (target)	Country	Acquirer	Date	Product	Indication	Clinical Stage	Up-front payment (USD)	Rights
1	Enobia Pharma	USA	Alexion Pharmaceuticals	12/2011	ENB-0040	Hypophosphatasia	Phase II	610	Globally
2	Ilypsa	USA	Amgen	06/2007	ILY101	Hyperphosphatemia in CKD patients	Phase II	400	Globally
3	NovaCardia	USA	Merck	07/2007	KW-3902	Acute CHF	Phase III	366	Globally
4	Isis Pharmaceuticals	USA	Genzyme	01/2008	Mipomersen	Familial hypercholesterolemia	Phase III	325	Globally
5	Hypnion	USA	Lilly	03/2007	HY10275	Insomnia	Phase II	315	Globally
6	Bristol-Myers Squibb	USA	Pfizer	04/2007	Apixaban	DVT (prevention)	Phase III	250	Globally
7	Targacept	USA	AstraZeneca	12/2009	TC-5214	Major depressive disorder	Phase II	200	Globally
8	Zymenex	Denmark	Shire Pharmaceuticals	04/2008	Metazyme	Metachromatic leukodystrophy	Phase II	135	Globally
9	Renovo	UK	Shire Pharmaceuticals	06/2007	Juvista	Scarring from surgery	Phase II	125	Globally ex. EU
10	Action Pharma	Denmark	Abbott	05/2012	AP214	Prevention of acute kidney injury	Phase II	110	Globally

Note: Only Phase II or III assets/companies included where full financial disclosure was obtainable. Transactions within devices, diagnostics and generics are not included.

Source: Recap IQ

More information

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Brief about our Early Engagement Program (EEP)

A targeted sourcing program

- The EEP has been implemented to improve the quality of the pipeline deal flow and increase access to attractive deals by making smaller investments.
- The EEP targets investment opportunities that seem - except for a specific issue - to meet the investment criteria set up for LSV Fund III.
- The proceeds from the EEP can be used to specifically address an identified issue which - if resolved - could possibly qualify the company for a larger investment.
- New EEP investments will be made only during the first three years of the investment period in LSV Fund III.
- Up to 10 investments at a maximum of EUR 500,000.