
NovaQuest Capital Management

PRODUCT FINANCE™ Investment

2nd International Conference on Rare Diseases: Greek Chapter
New Funding Models for R&D Drug Development Session

March 2, 2022

NovaQuest: PRODUCT FINANCE™ Investment for Late-Stage Opportunities

Since its beginnings within the largest pharmaceutical services company in the world...

Through the last decade as an independent asset manager...

NovaQuest has pioneered investing in cutting-edge, Phase III biopharmaceutical development.

\$2.5+

Billion in total
commitments

20+

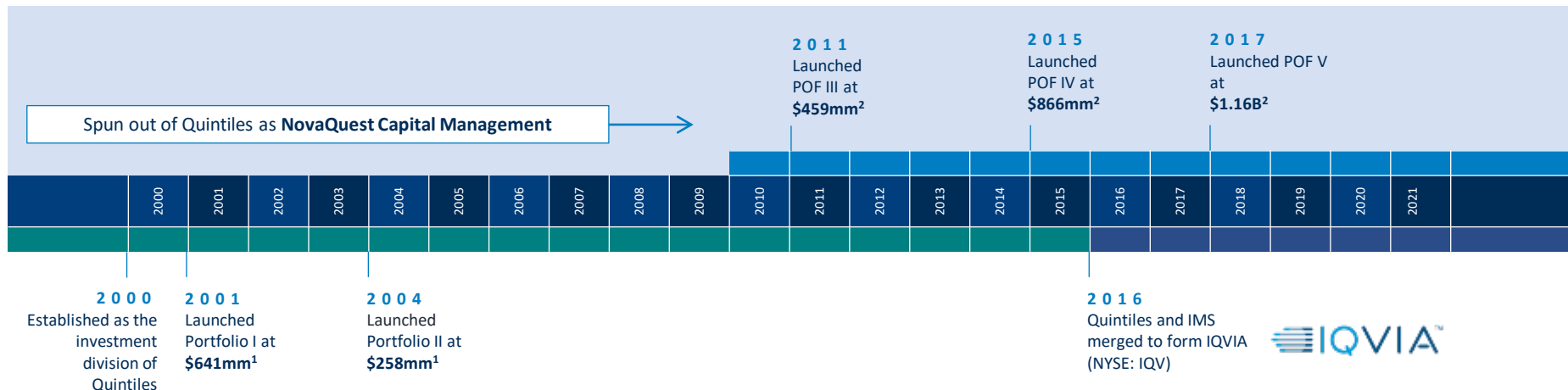
Years of
biopharma
investment
experience

35+

Investments

300+

Years of collective
biopharma
operating
experience



¹ Total capital invested.

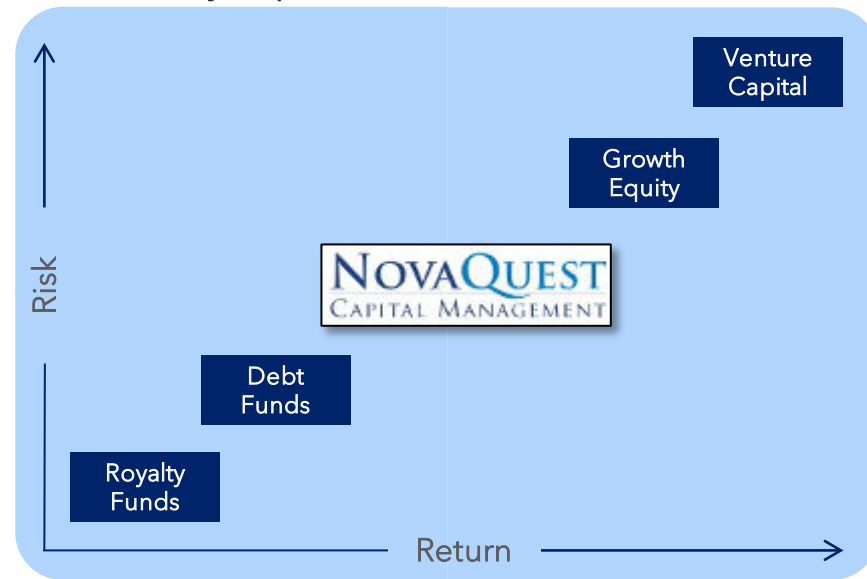
² Total commitments made to the Fund.

When PRODUCT FINANCE investment is an available option

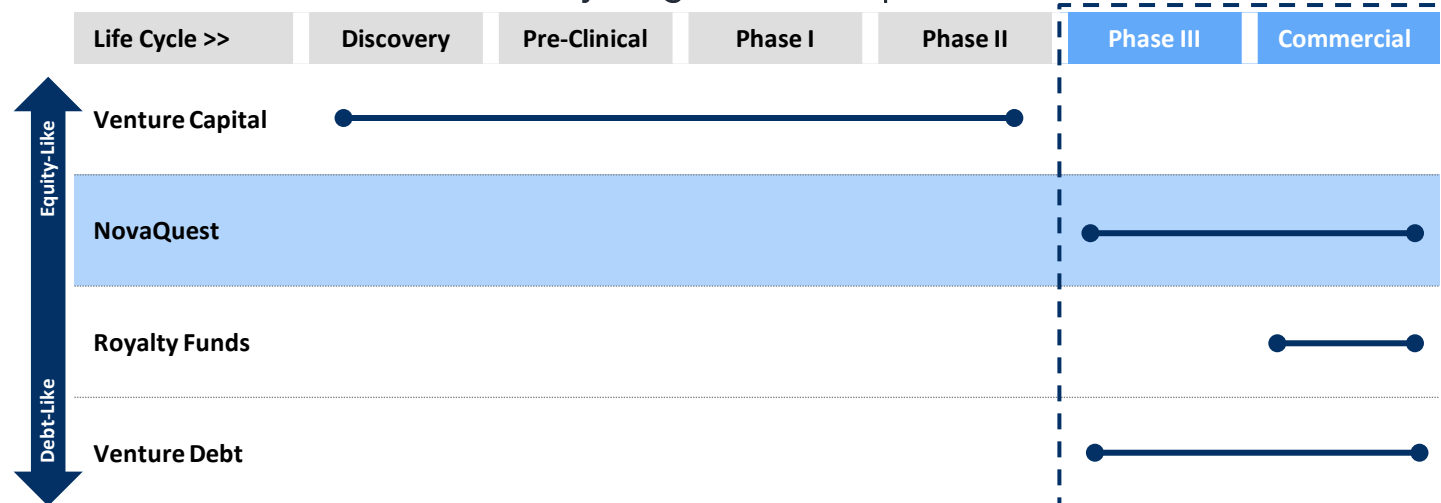
NovaQuest partners with biopharmaceutical companies across a range of enterprise values to support late-stage development and commercial programs through at-risk, non-dilutive capital solutions

- NovaQuest's PRODUCT FINANCE investment strategy can be both (1) complementary to and (2) an alternative to other funding solutions
- In return, NovaQuest receives cash success milestones and / or cash royalties on product(s) in which NovaQuest invested

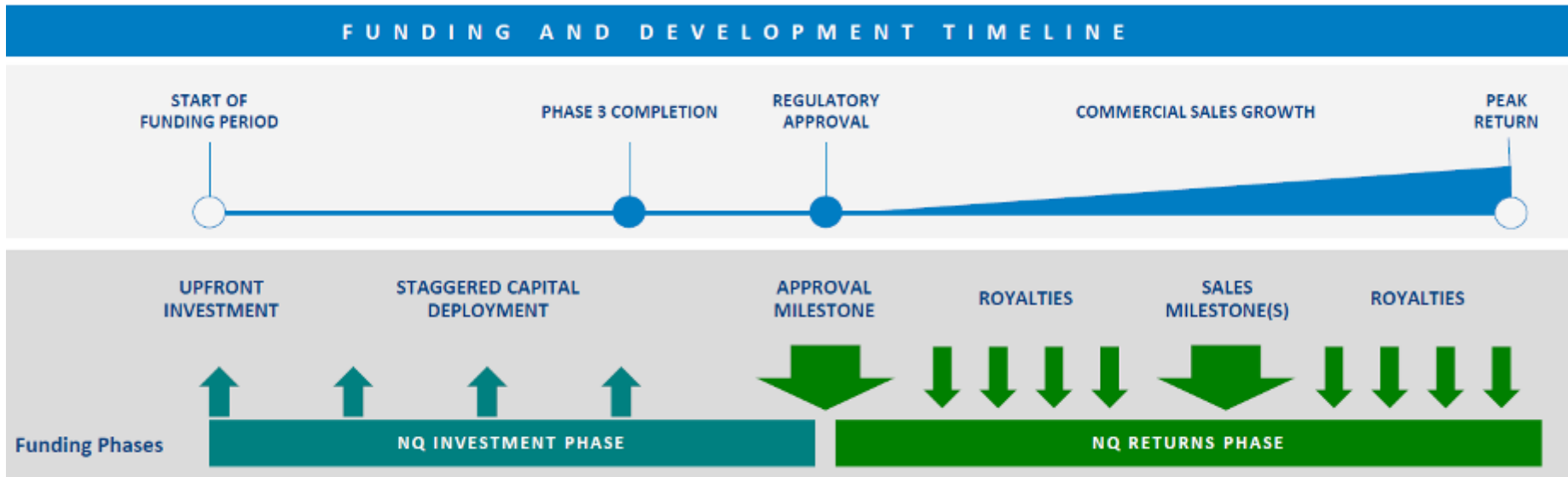
By Expected Risk/Return Profile



By Stage of Development



How PRODUCT FINANCE investments work



NovaQuest works with our Partners to create tailored investment return structures, based on cash flow, accounting, and risk sharing needs. Each structure is different and designed to provide the best solution for our Partner.

Value of PRODUCT FINANCE investment

From small-to-large cap biopharma, NovaQuest provides a unique financing solution with a compelling value proposition

- P&L and EPS management for mid-to-large-cap pharma
- Growth capital for small-to-mid-cap pharma

Mid-to-Large Cap Pharma				
Strategic Options >>	Postpone Development	Issue Debt	Partner with Competitors	PRODUCT FINANCE Investment
P&L / EPS Management	✓	×	✓	✓
Product / Company Control	✓	✓	×	✓
Risk Sharing	--	×	✓	✓
Maintain Product Value	×	✓	×	✓
Access to Expertise	×	×	✓	✓
Cost of Capital	--	✓	×	✓
	<ul style="list-style-type: none"> × × 	<ul style="list-style-type: none"> × × 	<ul style="list-style-type: none"> × × 	<ul style="list-style-type: none"> ✓ ✓ ✓ ✓

Small-to-Mid Cap Pharma				
Strategic Options >>	Issue Equity	Issue Debt	Out-license / Sell	PRODUCT FINANCE Investment
R&D / Commercial Funding	✓	?	✓	✓
Product / Company Control	×	×	×	✓
Risk Sharing	✓	×	✓	✓
Maintain Product Value	×	✓	×	✓
Access to Expertise	×	×	✓	✓
Cost of Capital	×	✓	×	✓
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