

INVESTORVIEW: PLUGGING KNOWLEDGE GAPS TO ACCELERATE LIFE SCIENCE START-UP DEVELOPMENT

Nordic-based Hadean Ventures announced its first investment in May 2018, after closing its first fund in late 2017. The VC is looking at investment opportunities in Europe's life sciences sector, with a focus on the Nordic region. Ingrid Teigland Akay, Managing Partner, outlines the firm's investment criteria and explains how it supports companies through the provision of expertise and guidance on decisions both big and small.



INGRID TEIGLAND AKAY

MANAGING PARTNER HADEAN VENTURES

Venture capital firm Hadean Ventures closed its first fund at the end of 2017 with support from institutional and private investors, including Argentum and Saminvest AB. The VC, which has offices in both Oslo, Norway, and Stockholm, Sweden, focuses on life sciences investments throughout Europe and the Nordic region in particular. While it is agnostic in terms of therapeutic area, Hadean Ventures typically looks to finance biotech companies through clinical development, invests in medtech companies during late-stage development or early-stage commercialisation, and is interested in revenue-generating companies in the digital health space.

Building its portfolio

The firm made its first investment in May 2018, participating in a SEK30 million funding round in Sweden's AttgeNO AB, which is developing therapies for acute pulmonary hypertension. The funding round will support Phase I clinical studies of AttgeNO's lead candidate, the nitrogen oxide-based Supernitro.

Hadean Ventures was attracted to the company for a number of reasons, including the unmet need the treatment addresses, its market potential, the strong scientific team behind the company, as well as the drug's mechanism of action, says Ingrid Teigland Akay, Managing Partner at Hadean Ventures. "The compound being developed is based on nitrogen oxide, which is very well known from a mechanism of action perspective. We already know this is an endogenous

substance that the body itself uses to extend blood vessels," she explains. "So, the mechanism of action is well known and also from a safety perspective it has been used in humans for many years."

Contributing expertise to speed up success

In addition to delivering good financial returns to its investors, Hadean Ventures aims to become an established European player that helps to transform science into new medical treatments. It plans to achieve this by plugging any knowledge gaps that may exist within start-ups, thereby assisting companies in fulfilling their potential and accelerating their development. "It's an extremely complex field that we're in and there's no way start-up companies can have fully-developed teams that know everything from the science, market, and regulatory work [to the] commercial aspects," points out Teigland Akay. "We don't expect a start-up company to be complete from that perspective. We try to help out and plug those gaps by rolling up our sleeves and being as active as we need to be, together with the management team."

This involves drawing on the firm's internal breadth of expertise and that of its network to support companies as required. Hadean Ventures is also on hand to talk through decisions facing management teams, from significant strategic and financing issues to decisions relating to day-to-day business operations. Teigland Akay says: "No matter what [the decision is], we try to be a sounding board."

Seeking sustainable investment opportunities

The VC is actively looking for new investment opportunities, with a focus on high quality science, intellectual property (IP) protection, teams that have energy, grit, and integrity, and products that have the potential to be sustainable in the healthcare system of today and tomorrow. "The main challenge is how our healthcare system is going to finance new drugs that are being developed today," explains Teigland Akay. "That is something that we definitely pay attention to: are we now developing a product that the healthcare system will be able to buy or not?"

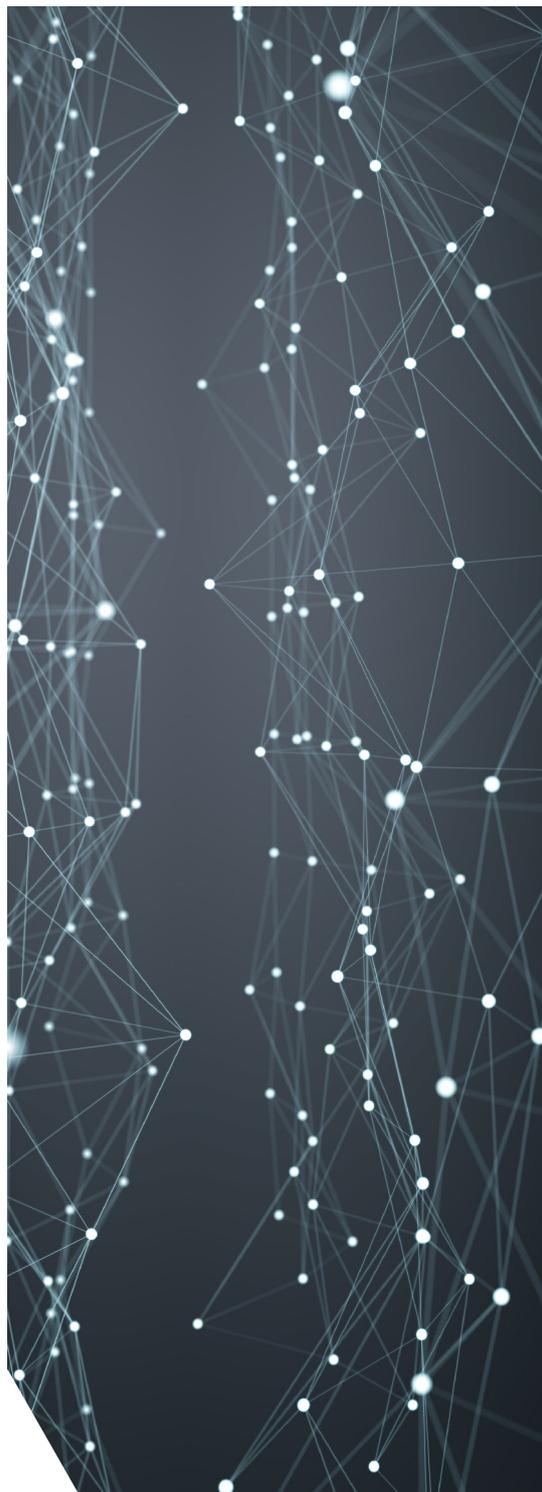
Teigland Akay encourages companies to reach out to Hadean Ventures with their project and business ideas, but recommends starting early in a fundraising process as its due diligence process takes time. The firm's analysis is comprehensive and companies should be prepared for a process that is highly interactive in nature, she advises.

Growing Nordic start-up ecosystem bears fruit

The quality of science, level of entrepreneurship and energy in the Nordic life sciences sector at present mean that it is a great place to be a VC, says Teigland Akay. She points in particular to the growth of life science hubs in the region's capital cities, but also to start-up hubs based less centrally that are building on local academic expertise. Hadean Ventures has seen an increase in the number of opportunities in the Nordic region as its start-up ecosystem matures, and the VC works to play a role in this growth. Teigland Akay states: "We are continuously in touch with the start-up hubs in the region to have a good understanding of what is going on and to spar with start-up companies. Even though a company might not be mature enough for us at a certain point, we like to [show] our interest and [give] an investor perspective in preparation of a potential later engagement."

Written by Louise Fordham, Editor at Biotech and Money. This article was first published in June 2018 on www.biotechandmoney.com

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Ingrid Teigland Akay will discuss the venture and growth investment ecosystem in the Nordic region during a keynote panel at the LSX Nordic Congress on 30 August 2018. Find out more [here](#).