



## **Novaremed Secures US \$50 Million Capital Commitment from Global Emerging Markets**

January 28, 2021 08:45 AM Eastern Standard Time

BASEL, Switzerland--(BUSINESS WIRE)--Novaremed AG (Novaremed), a clinical-stage Swiss biopharmaceutical company, announced today that it has signed an agreement with GEM Global Yield LLC SCS (GEM), a Luxembourg-based private, alternative investment group for a US \$50 million capital commitment.

Under the agreement, GEM commits to provide Novaremed with a share subscription facility of up to US \$50 million for a 36-month term following the public listing of the company's shares. Novaremed will control the timing and maximum amount of drawdown under this facility and has no minimum drawdown obligation. Concurrent with a public listing of Novaremed shares, the company will issue warrants to GEM to purchase shares of Novaremed.

Subject to the funding becoming available, the proceeds from this financing will be used to progress the clinical development of Novaremed's lead product, NRD135S.E1, an investigational non-opioid small molecule drug for the treatment of painful diabetic peripheral neuropathy (PDPN).

"We are very pleased about this financial arrangement with GEM," said Isaac Kobrin, M.D., Executive Chairman of the Board of Novaremed. "This funding agreement with GEM will help us, upon the company's public listing, to advance our highly innovative lead product that we are developing for the non-opioid treatment of patients affected by diabetes-related chronic neuropathic pain. The ongoing opioid crisis has increased the high unmet medical need for novel treatments, which can control chronic pain without inducing addiction, dependence and abuse."

### **About Painful Diabetic Peripheral Neuropathy (PDPN)**

Peripheral nerve injury from various etiologies (e.g., diabetic peripheral neuropathy, postherpetic neuralgia, neuropathy due to cancer or trauma) may result in chronic and severe intractable neuropathic pain. PDPN is one of the most frequent complications of diabetes. Up to 20% of patients with PDPN experience chronic, debilitating neuropathic pain that substantially impairs quality of life. Many of the currently available drugs for the treatment of PDPN have limited efficacy and are often not well tolerated due to multiple side effects, including those to central nervous system.

The rapidly increasing prevalence of diabetes and of PDPN as well as the limitations of the available therapies makes the treatment of PDPN a condition of high unmet medical need.

### **About NRD135S.E1**

NRD135S.E1 (or NRD.E1) is a new chemical entity, that is orally available and being developed for the treatment of PDPN. The mechanism of action of NRD.E1 is different to that of approved pain therapies as the investigational drug does not bind to or interact with receptors associated with pain nor does it bind to opioid receptors.

Completed clinical studies with NRD.E1 include three Phase I studies (single and multiple ascending dose studies and food-effect study). The Phase IIa Proof of Concept study (ClinicalTrials.gov Identifier: NCT02345291) was a 3-week, dose finding, placebo-controlled, randomized, multi-center study. The study was conducted in 88 patients with moderate to severe PDPN and compared three doses (10mg, 40mg and 150 mg/day) of NRD.E1 to placebo. Results showed a clinically relevant, dose-related pain reduction; NRD.E1 was well tolerated at all tested doses.

Novaremed has an open IND for NRD.E1 to conduct a 12-week Phase II study in 120 patients with moderate to severe PDPN in the US. The study compares efficacy, safety and tolerability of one dose of NRD.E1 to placebo. The primary objective of the study is to demonstrate that NRD.E1 is superior to placebo in relieving neuropathic pain associated with PDPN. The primary endpoint is the change from the baseline to Week 12 in the weekly mean of daily pain, as measured by an 11-point Numeric Rating Scale (NRS). The main secondary objectives of the study are to evaluate (i) the safety and tolerability of NRD.E1, (ii) the presence of withdrawal symptoms after abrupt drug interruption, and (iii) the effect of NRD.E1 on insomnia and quality-of-life indicators.

In December 2020, the U.S. Food and Drug Administration (FDA) granted Fast Track Designation to NRD.E1 for the treatment of PDPN.

### **About Novaremed**

Novaremed Ltd, a wholly owned subsidiary of Novaremed AG was founded in 2008 in Israel and Novaremed AG was founded in 2017 in Switzerland. Novaremed aims to become a leader in the discovery and development of innovative treatment options for chronic pain and currently is developing NRD.E1, an orally active non-opioid small molecule with a novel mechanism of action for the treatment of PDPN.

### **About the GEM Group**

Global Emerging Markets ("GEM") is a \$3.4 billion, alternative investment group with operations in Paris, New York, and Los Angeles. GEM manages a diverse set of investment vehicles focused on emerging markets and has completed over 400 transactions in 70 countries. Each investment vehicle has a different degree of operational control, risk-adjusted return, and liquidity profile. The family of funds and investment vehicles provide GEM and its partners with exposure to: Small-Mid Cap Management Buyouts, Private Investments in Public Equities and select venture investments. For more information: [www.gemny.com](http://www.gemny.com)

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