



Nexo Therapeutics Launches With \$60 Million Series A Financing

--Versant Ventures-founded company integrating chemical biology and covalent ligand discovery at scale to drug previously intractable cancer targets--
--Collaboration with MD Anderson to enable translation of targets to clinical studies--

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WATERTOWN, Mass. & GOLDEN, Colo.--(BUSINESS WIRE)--Nexo Therapeutics today emerged from stealth with a \$60 million Series A financing led by founding investor Versant Ventures with participation from New Enterprise Associates and Cormorant Asset Management. The company also announced a multi-year strategic research collaboration with The University of Texas MD Anderson Cancer Center, the details of which are described in a separate announcement.

The financing supports Nexo's platform that combines the power of covalent ligand discovery and chemical biology to unlock a pipeline of novel cancer therapies directed against previously intractable targets.

"For many cancer patients there are no therapies that target the fundamental drivers of their disease," said Andrew Phillips, Ph.D., founder and CEO of Nexo. "At Nexo, we are leveraging innovations in covalent chemistry and chemical biology to enable targeting these fundamental drivers. Our deep expertise in cancer biology and medicinal chemistry will allow us to efficiently advance therapies that provide new treatment options."

Many of the most compelling targets in oncology present significant hurdles for conventional approaches to ligand discovery, selectivity optimization and pharmacology. The reason is ligand discovery often relies on decades-old approaches, many of which struggle to find hits of sufficient quality. Even when there are identified starting points, it is hard to optimize for selectivity, potency and pharmacological properties.

The Nexo platform systematically addresses each of the above issues by combining a chemistry engine with chemical biology capabilities.

The company's chemistry engine, CODON (**C**ovalent **D**iscovery and **O**ptimization), is tailored to solve challenges of ligand discovery. CODON combines a proprietary library that leverages chemical diversity and innovative covalent chemistries with scalable biochemical and in-cell proteomics. This allows the company to identify promising hit compounds and conduct rapid optimization to produce compounds for *in vivo* studies.

Importantly, the CODON engine uses covalent fragments against all ligandable amino acids, thus expanding beyond conventional approaches that are constrained to cysteine and enabling discovery against targets that have been refractory to prior approaches. Coupled with the scale and breadth of the internal library and both biochemical and in-cell mass spectrometry capabilities, Nexo will be able to pursue challenging, high-value targets.

Nexo's chemical biology capability, INFINI-T (**I**nformed Profile Before **I**nitiation of **T**arget), uses the power of chimeric fusion proteins to address target biology and pharmacology questions. The function of these chimeric proteins can be controlled by small molecules in cellular and *in vivo* models to generate detailed information about the required depth, duration and selectivity of target inhibition. Importantly, the INFINI-T platform provides target product profiles for medicinal chemistry well in advance of lead optimization. This is expected to decrease the time and capital needed to bring drug candidates to the clinic.

"The Nexo platform is a unique combination of capabilities that can be operated at scale and that offers potential to create effective treatments for cancer and other diseases," said Carlo Rizzuto, Ph.D., managing director at Versant Ventures and a Nexo board member. "We are proud to lead this Series A financing and partner with the highly experienced Nexo team to create a pipeline of differentiated therapeutics."

"We are excited to support Nexo's bold vision," said Ali Behbahani, M.D., general partner at NEA and a Nexo board member. "Cancer biology continues to provide promising but challenging targets that require innovative approaches, and we look forward to working with the team to translate recent discoveries into novel therapies."

Leadership team and founders

Nexo is led by experienced executives and founders with deep expertise in chemistry, cancer biology, chemical biology, drug discovery, strategy and operations, including:

Andrew Phillips, Ph.D., CEO and Founder

Dr. Phillips was previously Managing Director at Cormorant Asset Management, LP, and Chief Financial Officer of Helix Acquisition Corp. Before joining Cormorant, he was the President and Chief Executive Officer of C4 Therapeutics. Prior to joining C4 Therapeutics, Andy was Senior Director, Center for Development of Therapeutics at the Broad Institute of MIT and Harvard. Previously, he was a Professor of Chemistry at Yale University and a Professor of Chemistry and Biochemistry at the University of Colorado.

Michael Kim, Ph.D., COO and Co-Founder

Dr. Kim brings to Nexo extensive experience in strategy, business development, financing and operations. Prior to Nexo, he held various business development and strategy roles at Alkermes, Vertex Pharmaceuticals, FORUM Pharmaceuticals and ARIAD Pharmaceuticals. More recently, he served as Chief Business Officer of C4 Therapeutics where he established partnerships with Biogen and Roche and was a key contributor to the creation of the operational model and pipeline.

Rhamy Zeid, Ph.D., VP, Head of Biology and Co-Founder

Dr. Zeid brings deep expertise in the small molecule oncology drug discovery, chemical biology, and chromatin biology. Prior to joining Nexo, he served as Head of Discovery Biology at Nested Therapeutics where he helped build a precision oncology pipeline. Previously, he was Head of Target Biology at C4 Therapeutics where he built a cross-discipline team and contributed to platform capabilities and projects.

John Athanosopoulos, VP, Head of Operations and Co-Founder

Mr. Athanosopoulos has 25 years of experience across research and operational roles, most recently guiding early stage therapeutics companies in defining and implementing their operational strategies. He has led the creation of corporate headquarters for multiple emerging biotech and prior to joining Nexo, he held senior leadership roles at Proteovant Therapeutics, Jnana Therapeutics and C4 Therapeutics.

Joe Patel, Ph.D., VP, Head of Discovery

Dr. Patel is a seasoned structural biologist and preclinical project leader who has led numerous small molecule discovery efforts with a focus on exploiting fragment-based drug discovery. Prior to joining Nexo, Dr. Patel was VP Structural Biology at Treeline Biosciences, where he built out a cross discipline, cross-site lead discovery team. He previously held research leadership roles at C4 Therapeutics and AstraZeneca and began his career at Astex Pharmaceuticals.

“The Nexo team has unique insights into drug targets that could support the next wave of covalent drugs, and additionally they have the operational experience needed to bring progress for patients in need,” said Bihua Chen, founder and general partner at Cormorant Asset Management.

About Nexo Therapeutics

Nexo Therapeutics is a small molecule oncology company dedicated to the discovery and development of new drugs for cancer patients who currently lack meaningful therapies. Nexo combines covalent ligand discovery and chemical biology with expertise in cancer biology and medicinal chemistry to target fundamental drivers of cancer by innovative approaches. With facilities in Golden, CO and Watertown, MA, Nexo is led by Founder and CEO, Andrew Phillips, PhD. For more information, please visit www.nexotx.com.

About Versant Ventures

Versant Ventures is a leading healthcare venture capital firm committed to helping exceptional entrepreneurs build the next generation of great companies. The firm’s emphasis is on biotechnology companies that are discovering and developing novel therapeutics. With \$5.3 billion under management and offices in the U.S., Canada and Europe, Versant has built a team with deep investment, operating and R&D expertise that enables a hands-on approach to company building. Since the firm’s founding in 1999, more than 95 Versant companies have achieved successful acquisitions or IPOs. For more information, please visit www.versantventures.com.

About NEA

New Enterprise Associates, Inc. (NEA) is a global venture capital firm focused on helping entrepreneurs build transformational businesses across multiple stages, sectors and geographies. With nearly \$24 billion in cumulative committed capital since the firm's founding in 1977, NEA invests in technology and healthcare companies at all stages in a company's lifecycle, from seed stage through IPO. The firm's long track record of successful investing includes more than 260 portfolio company IPOs and more than 440 mergers and acquisitions. For more information, please visit www.nea.com.

About Cormorant Asset Management

Founded in 2013, Cormorant Asset Management, LP (“Cormorant”) is a leading life sciences focused investment firm with approximately \$2.5 billion assets under management. Cormorant invests in public and private innovative biotech, medtech and life science companies and supports them throughout their growth cycle. Cormorant is among the most active life-science crossover investors in terms of number of investments since 2015 with investments in over 100 privately held, life science-focused companies over this period.

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