



Versant Ventures and Novartis Launch Borealis Biosciences With \$150 Million in Funding

- Founding investor Versant partners with Novartis to create biotech with potential to be a leading company in the field of RNA medicines for kidney disease--*
- Emerges from stealth with more than \$150 million in combined Series A financing and strategic research collaboration funding--*
- Builds on the success of Chinook Therapeutics' research team and academic advisors in the field--*

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VANCOUVER--(BUSINESS WIRE)--Borealis Biosciences, a next-generation RNA medicines company, today emerged from stealth with \$150 million in combined Series A financing from founding investor Versant Ventures and Novartis AG, as well as committed strategic research collaboration funding from Novartis.

Despite recent advances for patients with IgA nephropathy, many other forms of highly prevalent kidney disease remain unaddressed. The understanding of patient subpopulations and distinct underlying pathologies has improved significantly in recent years, but some of the most validated, causal targets have not been amenable to traditional small molecule or biologic modalities.

Borealis was founded on the premise that a convergence of scientific and translational breakthroughs can enable RNA therapeutics to address major unmet needs for patients with kidney diseases. These include an improved understanding of patient stratification, genetically defined targets, requirements for delivery of therapeutic payloads to specific kidney cell types, and RNA chemistry advancements.

Borealis builds on the success of Chinook Therapeutics, a kidney disease company that was founded by Versant in 2019 and acquired by Novartis last year for up to \$3.5 billion. The team is led by a strong group and academic advisors who were central to research at Chinook, together with additional leadership in the field of RNA therapeutics.

"We've recognized over the last six years that some of the most validated targets for kidney disease have been out of reach with traditional modalities. Borealis has the potential to address these targets and reach patients most in need," said Jerel Davis, Ph.D., managing director at Versant and chairperson of Borealis' board of directors. "We are excited to launch this startup in close collaboration with Novartis, as this represents another example of Versant's creative company-building together with an industry leader."

Novartis collaboration

Versant and Novartis worked together to launch Borealis as an independent company around many key members of Chinook's Vancouver-based research team. Novartis participated in Borealis' Series A financing and is committing up to \$100 million in upfront plus near-term research funding as part of a strategic research collaboration that complements Novartis priorities in renal medicine and xRNA technology platform innovation.

As part of this agreement, Novartis will have the option to acquire two future development-ready programs from Borealis, with Borealis eligible for up to \$750 million in total consideration including clinical and regulatory milestones.

"Novartis is committed to bringing forward new therapeutic options for patients with kidney diseases," said Fiona Marshall, Ph.D., President of Biomedical Research at Novartis. "We believe Borealis will foster an ideal environment for an exceptional founding team to continue to pioneer renal science and drug discovery, and we are delighted to work with Versant on a partnership that exemplifies creative, collaborative deal-making to enable the launch of this innovative biotech."

Experienced founding team and advisors

Borealis' initial 25-person team has worked at the forefront of kidney research and RNA therapeutics for more than a decade. The company's scientific advisors comprise global leaders with deep knowledge of targeted delivery of RNA therapeutics, mechanistic insights into kidney disease, and cutting-edge human-based translational data science. These capabilities have allowed Borealis to map target opportunities across subsets of patients with kidney disease, and to define methods to enhance delivery of RNA medicines to specific cell types.

"Versant has had the opportunity to back this team of drug hunters for many years," said Dr. Davis. "They are behind numerous clinical-stage and marketed therapies, and we look forward to this group's continued impact on the field of RNA medicines."

About Borealis Biosciences

Borealis is backed by founding investor Versant Ventures and Novartis and has entered into a strategic research collaboration with Novartis. Borealis' research site is based in Vancouver at the 23,000 square foot operating site formerly leased by Chinook Therapeutics. The facility includes state-of-the-art wet labs for molecular and cellular biology, vivarium space, chemistry and analytical capabilities. The initial 25+ team is made up of experienced drug hunters with extensive expertise in kidney disease, translational systems biology and data sciences, translational biology, chemistry, DMPK and pharmacology.

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 \$5.5 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 100 Versant companies have achieved successful acquisitions or IPOs. For more information, please visit www.versantventures.com.

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