# Asset Valuation Case Study: Investment Thesis for Financing of Early Clinical Development

## I. Client's Objective

A European tech-transfer agency needed help characterizing the commercial potential of a novel pre-clinical biomarker and corresponding screening tests for colorectal cancer

## II. Lumleian's Perspective

- In order to position the client's biomarker for success in the CRC investor market, Lumleian proposed a multi-phased diligence effort:
  - Pressure test the clinical and scientific rationale
  - Benchmark contemporary clinical trial plans and regulatory precedents
  - Assess the market opportunity, clinical feasibility, and probability of regulatory success of several potential development plans
  - Model the resulting commercial revenues of each explored potential development plan

## III. Client Result

- Solid Investment Thesis: Based on Lumleian's written report and pitching slide deck, the client was able to actively approach potential investors with clear, objective plans and valuations

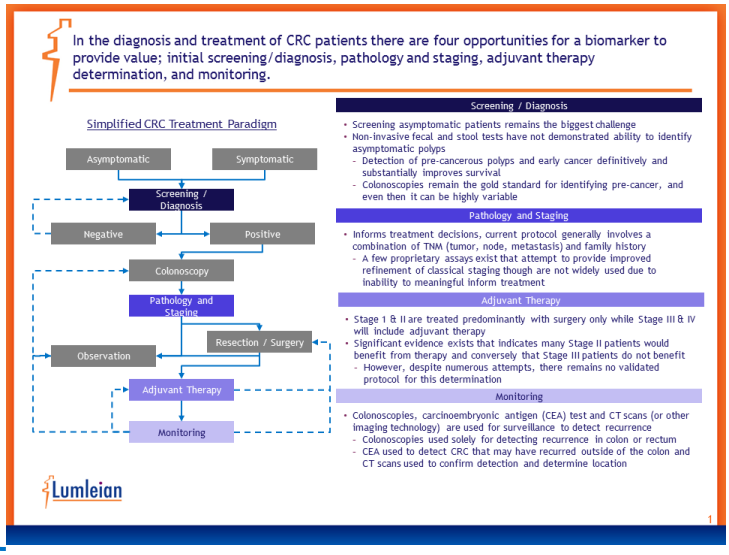
- Proven Development Strategy: Through in-depth qualitative and quantitative analyses of potential development options, client was able to confidently decide on a development strategy with a high probability of success

## IV. Engagement Summary

### CRC Treatment Paradigm

- Using both primary and secondary research, Lumleian mapped the CRC treatment paradigm, existing therapies, and points of current unmet need

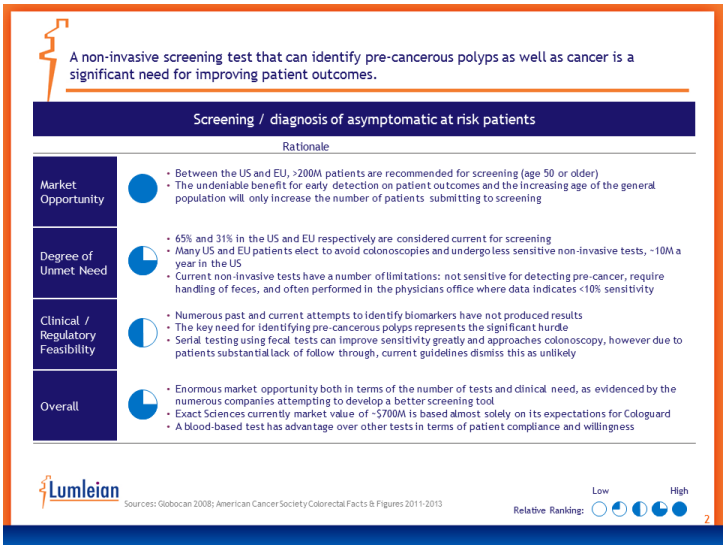
- Our team identified four different stages within the paradigm that the client's technology has potential to provide value, leading to four potential development plans



# IV. Engagement Summary

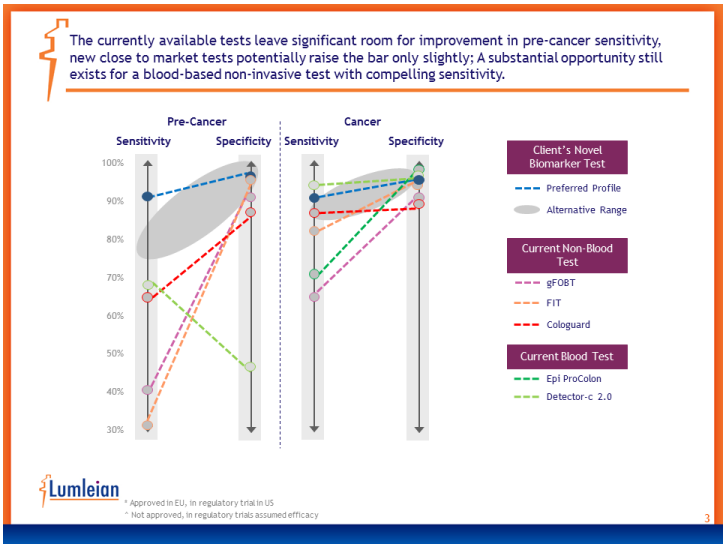
## Target Opportunity Assessment of Identified Development Options

- Insights gleaned from interviews and secondary research provided a clear understanding of the commercial potential; several critical metrics were evaluated:
  - Degree of Unmet Need
  - Market Opportunity
  - Clinical/Regulatory Feasibility




## Benchmarking Against the Competition

- Specificity and sensitivity attributes of the company's technology, visually represented relative to the competition, identified potential opportunities and the preferred profile for client's technology




## Forecasting of Commercial Opportunity

- Lumleian's data analysis provided estimated market share possibilities in the US and EU for each biomarker development strategy in 2025

- 10-year forecasting of the technology under multiple risk scenarios provided client with quantitative basis for their own and potential investor's decision making