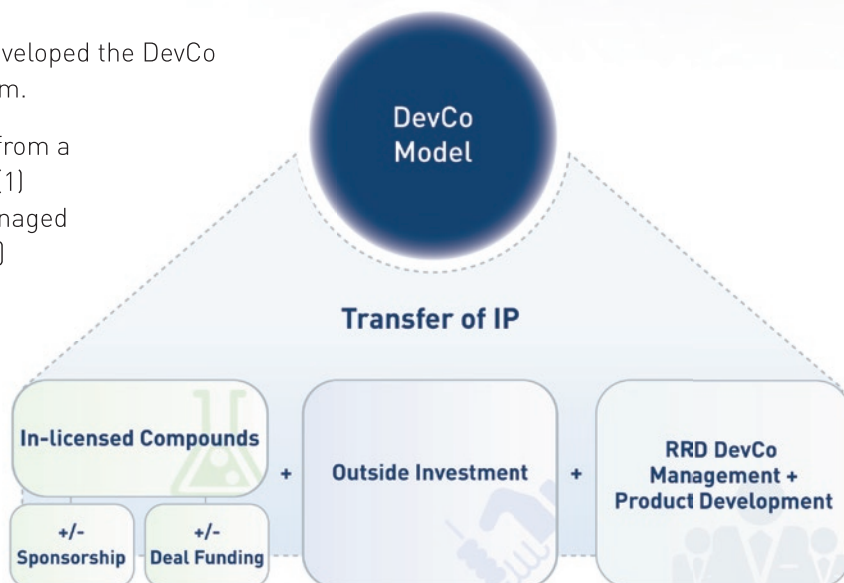


DevCo Model

About the DevCo Model

To meet the evolving needs of the industry, RRD developed the DevCo model – a scalable and flexible partnership platform.

At its core – and what typically separates a DevCo from a traditional fee-for-service engagement – are the: (1) formation of a separate development company managed by RRD; (2) transfer of intellectual property; and (3) establishment of a joint product development committee which aligns all internal stakeholders towards process, strategy and outcome. These distinctions make the DevCo model a uniquely adaptable partnership platform. As all business and product development functions are conducted by RRD, under the guidance of the joint committee, the DevCo offers companies an optimized structure to externally manage the entire product development process.



This hybrid model allows RRD to fully leverage its world-class development knowledge, tactical planning expertise and operational capabilities. Instead of investing in fixed-cost infrastructure or vertical expansion, the DevCo structure enables RRD to fully utilize all in-house assets and external networks to streamline development, drive asset value, create a platform for future products, and increase ROI – all at a fraction of the cost while maximizing the likelihood of success.

From large pharmaceutical companies looking to outsource development of non-core assets to emerging biotechs and venture/investment groups seeking to quantify product potential, the DevCo model has broad applicability.

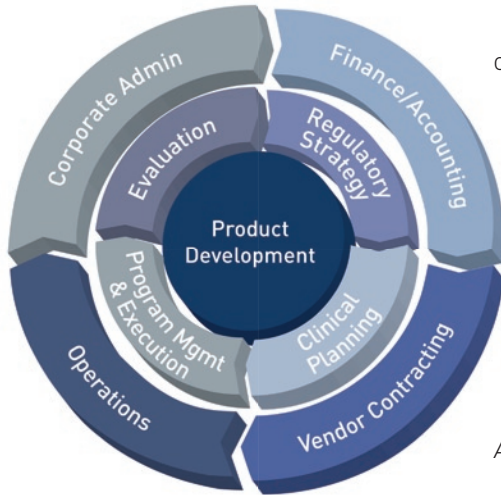
Flexible. Scalable. Optimized. The DevCo Model.

How RRD Manages a DevCo

Drug development is, by nature, a high-risk, cash intensive and time consuming endeavor. Conventional approaches are both imperfect and inefficient. Today, R&D expenditures are forecasted to exceed \$100 billion worldwide per year, yet less than 1% of compounds entering preclinical development will survive to FDA approval. RRD has an alternative.

We deliver strategy-driven product development support and operational management that allows companies to mitigate risk, accomplish more with fewer resources, and save precious time. Our adaptable model is based on a comprehensive, regulatory-driven approach focused on quantifying and enhancing our clients' most important asset – their products.

What are the interdependent tactics needed to drive asset optimization and efficiently advance a product? What strategy leads to rapid proof-



of-concept, reduced development costs, and accelerated value creation? From initial tactical evaluations through the end of engagements, RRD develops every candidate within this larger context.

RRD was founded on one guiding principle – leverage our strategic and operational expertise to help clients better plan, manage and execute product development.

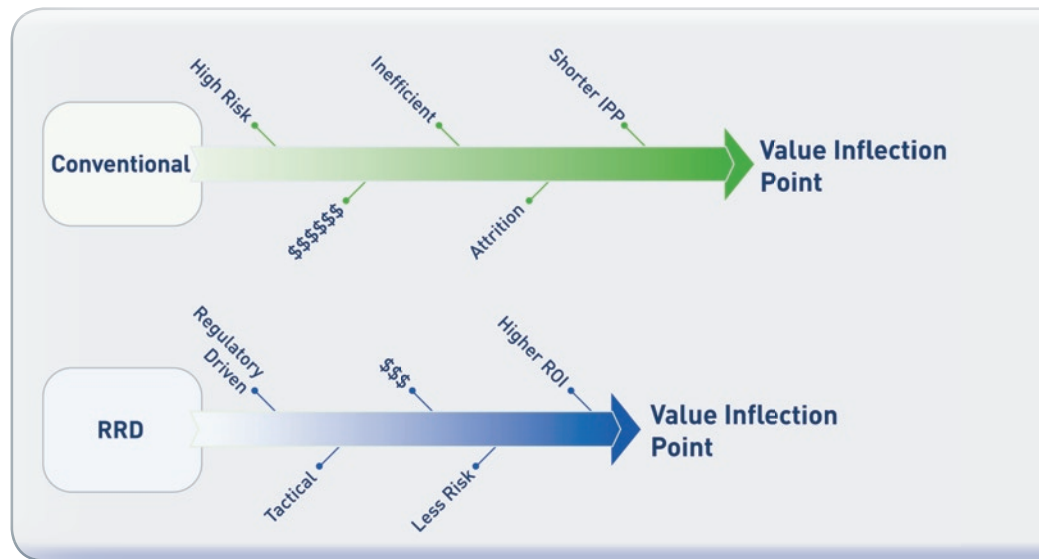
We seek to maximize asset value and bottom-line impact while simultaneously, reduce the cost and time expended on non-viable product candidates. We ensure client resources are put to their best and highest use. We drive successful product outcomes.

Align strategy. Amplify expertise. Accelerate Value.

Experienced Development

Our track record is proven: RRD has the strategic insights and development know-how to ensure operational efficiency and increase the chance of successful outcomes. In other words, our experience 'de-risks' your investment.

From backgrounds in pharma/biotech, Food and Drug Administration (FDA), and Clinical Research Organization (CRO) management, RRD's team of industry professionals brings a unique combination of knowledge, experience, and strategic thinking to product development—across all major classes and therapeutic areas. Having successfully completed more than 50 engagements from product due diligence and strategy to late-stage clinical trial execution, RRD works with a wide range of organizations on all aspects of product development. In addition, RRD provided development oversight for a private equity fund investing over \$500 million in pipeline programs. The core team, along with an extensive network of expert affiliates, academic consultants, and proven service providers, makes RRD a unique product development partner.



The RRD Difference

RRD's greatest impact is on realizing your candidate's true value. As our development strategy is driven by regulatory goals and tactical decision-making, successful development costs less and carries less risk. That means a better return on investment and an accelerated timetable to reach a product's value inflection point. By carefully crafting and executing the *right* development strategy, RRD creates lasting value in both the companies it works with and the products it develops.