

NewStem announces \$4M seed financing

July 17, 2018 | News

NewStem's technology can predict patients' resistance to chemotherapy allowing for better, targeted cancer treatments and the potential to reduce resistance to chemotherapy.



NewStem Ltd., a Jerusalem-based biotech with a novel precision-medicine technology that can increase chemotherapy's effectiveness, today announced a \$4 million seed financing from a publicly-traded US-based company to be named NovelStem International Corp. NewStem is a spinoff of Yissum, The Technology Transfer Company of The Hebrew University.

NewStem's technology can predict patients' resistance to chemotherapy allowing for better, targeted cancer treatments and the potential to reduce resistance to chemotherapy.

Drug resistance is a major cause of treatment failure in cancer chemotherapy. In present clinical practice, resistance to chemotherapy is only recognized after the first course of treatment has been completed, once no major clinical response is observed. In nearly 50% of all cancer cases, resistance to chemotherapy already exists in the tumors before initiation of the treatment. Treatment of patients with ineffective chemotherapy results in major health hazards, unnecessary suffering and increased costs.

The seed investment will support NewStem's human Haploid Embryonic Stem Cells (hHESCs) technology, developed by Chief Science Officer, Professor Nissim Benvenisty of The Hebrew University of Jerusalem's Azrieli Center for Stem Cells and Genetic Research. NewStem's genetic screenings of hHESCs are creating a comprehensive library of mutated genes which confer resistance to individual chemotherapeutic agents. Integration of this proprietary database with each patient's tumor genetic profile will allow for the prediction of resistance to chemotherapy prior to the commencement of treatment.

NewStem CEO, Ayelet Dilion-Mashiah, said, "We are pleased to have secured a commitment for \$4 million and a solid long-term partner through this investment. We now have the capital, expertise and strategic counsel to further advance NewStem's products and solutions for chemotherapy targeting."

Dr. Yaron Daniely, CEO and President of Yisum, said, "NewStem is an excellent new addition to the dozens of academic-born startups rooted in the strong life science research at the Hebrew University. This investment provides strong support for NewStem's goal of revolutionizing the treatment of cancer through personalized, patient-centered care."

In addition to NewStem's in-house development activities of chemotherapy resistance diagnosis, the company plans to leverage its unique haploid technology and enter into multiple collaborations for the development of therapeutics for genetic disorders as well as for reproductive purposes with leading pharmaceutical companies or promising start-ups.