

AKCEA THERAPEUTICS, INC.  
Form SC 13G  
July 27, 2017

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934**

**Akcea Therapeutics, Inc.**

(Name of Issuer)

**Common Stock, par value \$0.001 per share**

(Title of Class of Securities)

**00972L 10 7**

(CUSIP Number)

**July 19, 2017**

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 00972L 10 7

- |     |  |           |
|-----|--|-----------|
| 1.  | Names of Reporting Persons.<br>NOVARTIS PHARMA AG                                    |           |
| 2.  | Check the Appropriate Box if a Member of a Group (See Instructions)                  |           |
|     | (a)  | o         |
|     | (b)  | o         |
| 3.  | SEC Use Only   |           |
| 4.  | Citizenship or Place of Organization<br>Switzerland                                  |           |
| 5.  | Sole Voting Power  | 0         |
| 6.  | Shared Voting Power  | 6,250,000 |
| 7.  | Sole Dispositive Power   | 0         |
| 8.  | Shared Dispositive Power   | 6,250,000 |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person<br>6,250,000            |           |
| 10. | Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions). | o         |
| 11. | Percent of Class Represented by Amount in Row (9)<br>9.7% (1)                        |           |
| 12. | Type of Reporting Person (See Instructions)<br>CO                                    |           |

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(1) Based on 64,197,879 shares of the Issuer's common stock outstanding as of July 19, 2017 upon the closing of the Issuer's initial public offering, as reported in the Issuer's prospectus dated July 13, 2017 (the "Final Prospectus") filed with the Securities and Exchange Commission (the "SEC") on July 14, 2017 pursuant to Rule 424(b)(4) of the Securities Act of 1933, as amended (the "Securities Act"). The number of shares of Common Stock outstanding does not give effect to the underwriters' option to purchase up to an additional 2,343,750 shares of Common Stock within 30 days from the date of the Final Prospectus.

**Item 1.**

- (a) Name of Issuer  
Akcea Therapeutics, Inc.
- (b) Address of Issuer's Principal Executive Offices  
55 Cambridge Parkway, Cambridge, Massachusetts 02142

**Item 2.**

- (a) Name of Person Filing

This statement is filed on behalf of each of the following persons:

- (i) Novartis Pharma AG, with respect to shares held by it; and

(ii) Novartis AG, as the publicly owned parent of Novartis Pharma AG, with respect to the shares held by Novartis Pharma AG.

- (b) The foregoing persons are hereinafter referred to collectively as the Reporting Persons.  
Address of Principal Business Office or, if none, Residence:

The address of the principal business office of each of Novartis Pharma AG and Novartis AG is Lichtstrasse 35, 4056 Basel, Switzerland.

- (c) Citizenship

Novartis AG and Novartis Pharma AG are each corporations organized under the laws of Switzerland.  
Title of Class of Securities

- (e) Common Stock, par value \$0.001 per share  
CUSIP Number

00972L 10 7

**Item 3.**

**If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:**

- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o);
- (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c);
- (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c);
- (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8);
- (e)  An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
- (h)  A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i)  A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J).
- (k)  Group, in accordance with §240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with

§240.13d-1(b)(1)(ii)(J), please specify the type of institution: \_\_\_\_\_

**Item 4. Ownership.**

(a) Amount beneficially owned:

Novartis Pharma AG is the record owner of 6,250,000 shares of Common Stock of the Issuer. As the indirect parent of Novartis Pharma AG, Novartis AG may be deemed to beneficially own these securities.

(b) Percent of class: 9.7%

Based on 64,197,879 shares of the Issuer's common stock outstanding as of July 19, 2017 upon the closing of the Issuer's initial public offering, as reported in the Issuer's prospectus dated July 13, 2017 (the "Final Prospectus") filed with the Securities and Exchange Commission (the "SEC") on July 14, 2017 pursuant to Rule 424(b)(4) of the Securities Act of 1933, as amended (the "Securities Act"). The number of shares of Common Stock outstanding does not give effect to the underwriters option to purchase up to an additional 2,343,750 shares of Common Stock within 30 days from the date of the Final Prospectus.

(c) Number of shares as to which the person has:

(i) Sole power to vote or to direct the vote.

0

(ii) Shared power to vote or to direct the vote.

of 6,250,000

(iii) Sole power to dispose or to direct the disposition of.

0

(iv) Shared power to dispose or to direct the disposition of.

of 6,250,000

**Item 5. Ownership of Five Percent or Less of a Class**

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following .

**Item 6. Ownership of More than Five Percent on Behalf of Another Person.**

Not applicable.

**Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person**

Not applicable.

**Item 8. Identification and Classification of Members of the Group**

Not applicable.

**Item 9. Notice of Dissolution of Group**

Not applicable.

**Item 10.**

**Certifications**

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect, other than activities solely in connection with a nomination under § 240.14a-11.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct

NOVARTIS PHARMA AG

By: /s/ Jean-Baptiste Emery  
Name: Jean-Baptiste Emery  
Title: Authorized Signatory

By: /s/ Stefan Thommen  
Name: Stefan Thommen  
Title: Authorized Signatory

NOVARTIS AG

By: /s/ Christian Rehm  
Name: Christian Rehm  
Title: Authorized Signatory

By: /s/ Katja Roth Pellanda  
Name: Katja Roth Pellanda  
Title: Authorized Signatory

INDEX EXHIBIT

SCHEDULE 13G

| Exhibit Reference | Exhibit Description             |
|-------------------|---------------------------------|
| A                 | Evidence of Signature Authority |
| B                 | Joint Filing Agreement          |

## Exhibit A

Evidence of Signature Authority

Excerpt from Commercial Register of Novartis AG:

Commercial register of canton Basel-Stadt

CHE-103.867.266      Novartis AG      Basel      9

All data

| In | Mo | Ca  | Personal Data   | Function                         | Signature              |
|----|----|-----|---|----------------------------------|------------------------|
| 73 |    |     | Kirsch, Harry Werner, deutscher Staatsangehöriger, in Therwil                                   | member of the management         | joint signature at two |
| 73 |    |     | Rehm, Christian Jakob, von Ruschein, in MuttENZ   |                                  | joint signature at two |
| 73 |    |     | Götz Staehelin, Dr. Claudia, von Basel, in Riehen   |                                  | joint signature at two |
| 73 |    | 86m |   |                                  |                        |
| 74 |    |     | Schubert Santana, Isabelle Andrea, von Altstätten, in Therwil                                   |                                  | joint signature at two |
| 76 |    |     | Baert, Steven Lodewijk Margareta Anna Katrien, belgischer Staatsangehöriger, in Arlesheim       | member of the management         | joint signature at two |
|    | 76 |     | Brokatzky-Geiger, Dr. Jürgen, deutscher Staatsangehöriger, in Lörrach (DE)                      |                                  | joint signature at two |
| 76 |    | 84  |   |                                  |                        |
| 76 |    |     | Jones, Susan Elizabeth, australische Staatsangehörige, in Basel                                 |                                  | joint signature at two |
| 76 |    | 82  |   |                                  |                        |
| 77 |    |     | Weiss, Daniel Andreas, von Basel, in Biel-Benken  |                                  | joint signature at two |
|    | 78 |     | Kaul, Siddharth, amerikanischer Staatsangehöriger, in Reinach BL                                |                                  | joint signature at two |
|    | 80 | 88  |   |                                  |                        |
| 82 |    |     | Andrews, Prof. Dr. med. Nancy Catherine, amerikanische Staatsangehörige, in Chapel Hill (NC/US) | member of the board of directors | without signing rights |
| 83 |    |     | Penepent, Paul Lewis, amerikanischer Staatsangehöriger, in Basel                                |                                  | joint signature at two |
| 84 |    |     | Roth Pellanda, Katja Nicole, von Basel, in Basel  |                                  | joint signature at two |
| 84 |    |     | Finnie, Nicholas James, britischer Staatsangehöriger, in Basel                                  |                                  | joint signature at two |
|    | 84 |     | PricewaterhouseCoopers AG (CHE-393.441.652), in Basel   | auditor                          |                        |
|    | 85 |     | Landolt, Pierre, von Aarau, in Lissabon (PT)  | member of the board of directors | without signing rights |

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|    |   |                                  |                        |
|----|---|----------------------------------|------------------------|
| 86 | Brupbacher, Dr. Oliver Mark, von Wädenswil, in Basel  |                                  | joint signature at two |
| 88 | Büchner, Anthonius, niederländischer Staatsangehöriger, in Amsterdam (NL)                   | member of the board of directors | without signing rights |
| 88 | Doherty, Mary Elizabeth, britische Staatsangehörige, in Gerrards Cross (GB)                 | member of the board of directors | without signing rights |
| 88 | 93m   |                                  |                        |
| 89 | Schreiner, Peter Christian, von Visp, in Muttenz  |                                  | joint signature at two |
| 90 | Ehrat, Dr. Felix Rudolf, von Lohn SH, in Zug  | member of the management         | joint signature at two |
| 92 | 94m   |                                  | joint signature at two |
| 92 | Arnet, Thomas, von Arlesheim, in Arlesheim  |                                  | joint signature at two |
| 92 | Meyer, Christopher Allen, amerikanischer Staatsangehöriger, in Oberwil (BL)                 |                                  | joint signature at two |
| 93 | Emery, Jean-Baptiste, von Estavayer, in Fribourg  |                                  | joint signature at two |
| 94 | van Houten, François, genannt Frans, niederländischer Staatsangehöriger, in Amstelveen (NL) | member of the board of directors | without signing rights |

Basel, 25.07.2017 22:47

The information above is given with not commitment and is in no way legally binding.

Excerpt from Commercial Register of Novartis Pharma AG

## Commercial register of canton Basel-Stadt

**CHE-106.052.527**      **Novartis Pharma AG**      **Basel**      **5**

All data

| In | Mo | Ca  | Personal Data   | Function | Signature              |
|----|----|-----|---|----------|------------------------|
| 1  |    | 9   |   |          |                        |
| 1  |    | 16  |   |          |                        |
| 1  |    | 26  |   |          |                        |
| 1  |    |     | Legowski, Sabina, von St. Gallen, in Pfeffingen                       |          | joint signature at two |
| 1  |    |     | Levi, Barbara, italienische Staatsangehörige, in Basel                |          | joint signature at two |
| 1  |    | 29  |   |          |                        |
| 1  |    | 10  |   |          |                        |
| 1  |    |     | Mager, Knut, deutscher Staatsangehöriger, in Basel                    |          | joint signature at two |
| 1  |    | 32  |   |          |                        |
| 1  |    |     | Marti Romero, Francisco Tadeo, spanischer Staatsangehöriger, in Basel |          | joint signature at two |
| 1  |    | 32  |   |          |                        |
| 1  |    | 32  |   |          |                        |
| 1  |    |     | Meier, Oliver Werner, deutscher Staatsangehöriger, in Auggen (DE)     |          | joint signature at two |
| 1  |    | 8   |   |          |                        |
| 1  |    |     | Mills, Jacqueline, britische Staatsangehörige, in Tagsdorf (FR)       |          | joint signature at two |
| 1  |    |     | Moran-Adams, Lena, britische Staatsangehörige, in Basel               |          | joint signature at two |
| 1  |    | 2   |   |          |                        |
| 1  |    |     | Ortscheit, Ralph, von Basel, in Pfeffingen                            |          | joint signature at two |
| 1  |    |     | Oser, Markus Joseph, von Schönenbuch, in Basel                        |          | joint signature at two |
| 1  |    |     | Owens, Matt, amerikanischer Staatsangehöriger, in Oberwil BL          |          | joint signature at two |
| 1  |    | 38  |   |          |                        |
| 1  |    |     | Pfirter, Simone, von Pratteln, in Pratteln                            |          | joint signature at two |
| 1  |    |     | Pope, Gavin Daniel, britischer Staatsangehöriger, in Aesch BL         |          | joint signature at two |
| 1  |    | 11m |   |          |                        |
| 1  |    | 15  |   |          |                        |
| 1  |    |     | Rehm, Christian Jakob, von Ruschein, in Muttenz                       |          | joint signature at two |
| 1  |    |     | Roth, Claus Christian, deutscher Staatsangehöriger, in Basel          |          | joint signature at two |
| 1  |    | 33  |   |          |                        |
| 1  |    |     | Schade, Andreas, deutscher Staatsangehöriger, in Grenzach-Wyhlen (DE) |          | joint signature at two |
| 1  |    | 32  |   |          |                        |

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|   |     |  |                        |
|---|-----|--|------------------------|
| 1 |     | Schneider, Fabienne, französische Staatsangehörige, in Oltingue (F)    | joint signature at two |
| 1 | 29  |  |                        |
| 1 |     | Sitzler Spicher, Lilly Monique, von Basel und Ueberstorf, in Allschwil | joint signature at two |
| 1 | 23m |  |                        |
| 1 |     | Steel, Michael, britischer Staatsangehöriger, in Binningen             | joint signature at two |
| 1 | 8   |  |                        |
| 1 |     | Sullivan, Marvella, amerikanische Staatsangehörige, in Basel           | joint signature at two |
| 1 |     | Thommen, Stefan, von Bubendorf, in Ramlinsburg                         | joint signature at two |
| 1 |     | Tougas, Gervais, kanadischer Staatsangehöriger, in Magglingen          | joint signature at two |
| 1 | 15  |  |                        |
| 1 | 24  |  |                        |
| 1 | 24  |  |                        |
| 1 | 32  |  |                        |
| 1 | 13m |  |                        |
| 1 |     | Wipfli, Daniel, von Erstfeld, in Dübendorf                             | joint signature at two |
| 1 | 32  |  |                        |

Basel, 25.07.2017 22:48

Continuation on the following page

## Commercial register of canton Basel-Stadt

CHE-106.052.527

Novartis Pharma AG

Basel

8

All data

| In | Mo | Ca | Personal Data   | Function                         | Signature              |
|----|----|----|---|----------------------------------|------------------------|
| 32 |    |    | Sandschafer, Scott Anthony, amerikanischer Staatsangehöriger, in Bottmingen                               |                                  | joint signature at two |
| 33 |    |    | Baert, Steven Lodewijk Margareta Anna Katrien, belgischer Staatsangehöriger, in Arlesheim                 |                                  | joint signature at two |
| 33 |    |    | Orlandi, Nicola, italienischer Staatsangehöriger, in Riehen   |                                  | joint signature at two |
| 33 |    |    | Takei, Dr. Naoki Daniel, von Wyssachen, in Rheinfelden  |                                  | joint signature at two |
| 33 |    |    | Vall-Llossera Ferran, Jorge Juan, spanischer Staatsangehöriger, in Binningen                              |                                  | joint signature at two |
|    | 34 |    | Splisgardt, Dr. Marc, von Schaffhausen, in Binningen  |                                  | joint signature at two |
| 35 |    |    | Bugnon, Bertrand Richard René, von Fribourg, in Belfaux   |                                  | joint signature at two |
| 35 |    |    | de la Paz, Minerva Fernando, amerikanische Staatsangehörige, in Muttenz                                   |                                  | joint signature at two |
| 35 |    |    | Schreiner, Peter Christian, von Visp, in Muttenz  |                                  | joint signature at two |
| 35 |    |    | van Rijn, Petrus Cornelius Rolandus, niederländischer Staatsangehöriger, in Galgenen                      |                                  | joint signature at two |
|    | 36 |    | Turgut Noto, Saide Yeliz, türkische Staatsangehörige, in Pfeffingen                                       |                                  | joint signature at two |
|    | 37 |    | Ehrat, Dr. Felix Rudolf, von Lohn SH, in Zug  | member of the board of directors | joint signature at two |
|    | 38 |    | Heynen, Bruno, von Bellach, in Solothurn  |                                  | joint signature at two |
|    | 38 |    | Roth Pellanda, Katja Nicole, von Basel, in Basel  | secretary (out of the board)     | joint signature at two |
| 38 |    |    | Bouwmeester, Antonius Johannes Maria, genannt Tewis, niederländischer Staatsangehöriger, in Freiburg (DE) |                                  | joint signature at two |
| 38 |    |    | Leuenberger, Matthias, von Melchnau, in Binningen   |                                  | joint signature at two |
| 38 |    |    | von Arx, Gregor Johannes, von Zullwil, in Riehen  |                                  | joint signature at two |
|    | 39 |    | Klemm, Christian, deutscher Staatsangehöriger, in Oberwil (BL)  |                                  | joint signature at two |
|    | 40 |    | Emery, Jean-Baptiste, von Estavayer, in Fribourg  |                                  | joint signature at two |
|    | 40 |    | Schubert Santana, Isabelle Andrea, von Altstätten, in Therwil   |                                  | joint signature at two |

Basel, 25.07.2017 22:48

The information above is given with not commitment and is in no way legally binding.

**Exhibit B**

**Joint Filing Agreement**

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended, each of the undersigned agrees to the joint filing of a Statement on Schedule 13G (including amendments thereto) with respect to the Common Stock of Akcea Therapeutics, Inc. The undersigned hereby further agree that this Joint Filing Agreement be included as an exhibit to any such statement and any such amendment. The undersigned further agree that each party hereto is responsible for the timely filing of such statements and amendments, and for the completeness and accuracy of the information concerning it contained herein and therein, but shall not be responsible for the completeness and accuracy of the information concerning any other filing party, unless such party knows or has reason to believe that such information is inaccurate. The undersigned hereby further agree that this Joint Filing Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all of which counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned hereby execute this Joint Filing Agreement as of the 26th day of July, 2017.

**NOVARTIS PHARMA AG**

/s/ Jean-Baptiste Emery  
Name: Jean-Baptiste Emery  
Title: Authorized Signatory

/s/ Stefan Thommen  
Name: Stefan Thommen  
Title: Authorized Signatory

**NOVARTIS AG**

/s/ Christian Rehm  
Name: Christian Rehm  
Title: Authorized Signatory

/s/ Katja Roth Pellanda  
Name: Katja Roth Pellanda  
Title: Authorized Signatory