

BioGeneration Ventures Fund III Secures EUR 66m, exceeding EUR 50m target

- Attracted by the strong performance of BioGeneration Ventures (BGV), new investors joined BGV III including the European Investment Fund, whose contribution comes from InnovFin Equity Facility and the Dutch Venture Initiative II
- BioGeneration Ventures focuses on entrepreneurship and innovation in therapeutics, medical devices and diagnostics in Europe
- BGV III already made 4 investments and expects to make 15 investments in total

Naarden, The Netherlands, 27 June, 2017 – BioGeneration Ventures (BGV), the early stage life sciences venture capital firm with funds focussed on European biotechnology companies, announces today an investment by the European Investment Fund (EIF) and other new investors in BGV III, taking the total capital commitments to EUR 66m, out of a maximum EUR 75m. The Fund is supported by the “InnovFin – EU Finance for Innovators” initiative under Horizon 2020 and the European Fund for Strategic Investments.

The new fund will build on the track record of the first two BGV funds which yielded major successes including Dezima Pharma and Acerta Pharma. BGV was founding investor in both companies which were sold within three years at multi-billion dollar valuations. At USD 7 billion Acerta was the largest private exit in Europe in the biotech sector to date. These companies are typical examples of the biotech sector’s ability to generate so-called “unicorns” delivering outsized returns for investors.

The firm’s third fund will focus on therapeutics, medical devices and diagnostics, within Europe, in particular in Benelux and Germany. Four investments have already been made from the fund into German immunology company Catalym, and Dutch companies Escalier Biosciences, Scenic Biotech and Varmx, working on autoimmune diseases, target discovery, and haematology respectively.

Edward van Wezel, Managing Partner said: “Our third fund makes BGV amongst the largest life sciences funds dedicated to seed investments in Europe. Over the last decade we have made over twenty investments in the European life sciences ecosystem. We’ve observed an ever-increasing interest from pharma in acquiring innovations earlier. With this third closing we are significantly exceeding our target fund size and are delighted with the commitment of EIF and other new and existing investors in BGV III. We expect to reach the maximum fund size of EUR 75m before the end of 2017.”

Pier Luigi Gilibert, Chief Executive of the European Investment Fund, said: “The EIF enhances SMEs access to finance. By investing in BGV’s new fund, the EIF is continuing its long-standing support for entrepreneurship and innovation in early stages of company development.”

BGV operates as a joint venture with Forbion Capital Partners, providing access to the later stage perspective on early innovation and a global network of experts and pharma companies. The BGV team has broad experience in investment, life sciences, business development, and commercial operations. The team includes experienced biotech entrepreneurs as venture partners and advisors.

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About BioGeneration Ventures (BGV)

BioGeneration Ventures (BGV) is a specialist life sciences venture capital firm, with a focus on early stage European biotech, medtech, and diagnostics companies. BGV has a strong track record of significant financial returns through investing in innovations in healthcare and providing the expertise to build world-class teams. BGV manages funds investing in areas where the science, the unmet medical need, and the potential to promptly demonstrate a significant proof of concept all come together.

Successful investments include divestment of Dezima Pharma to Amgen for up to USD 1.55 billion in total deal value and in Acerta Pharma for up to USD 7 billion with a guaranteed payment of USD 4 billion. In both companies BGV was founding investor. The Acerta Pharma sale was the largest exit ever of a privately held European biotech company. Over the last decade BGV has made over 20 investments.

About EIF

The European Investment Fund (EIF) is part of the European Investment Bank Group. Its central mission is to support Europe's micro, small and medium-sized businesses (SMEs) by helping them to access finance. EIF designs and develops venture and growth capital, guarantees and microfinance instruments which specifically target this market segment. In this role, EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment.

About the Investment Plan for Europe

The Investment Plan focuses on strengthening European investments to create jobs and growth. It does so by making smarter use of new and existing financial resources, removing obstacles to investment, providing visibility and technical assistance to investment projects. The Investment Plan is already showing results. The projects and agreements approved for financing under the European Fund for Strategic Investments – the financing arm of the plan – so far are expected to mobilise over EUR 168 billion in total investments across 28 Member States and to support more than 387 000 SMEs.

On 14 September 2016, the European Commission proposed extending EFSI by increasing its firepower and duration as well as reinforcing its strengths. Find the latest EFSI figures by sector and by country [here](#).

About InnovFin Equity

InnovFin Equity is part of InnovFin – EU Finance for Innovators, the new generation of EU financial instruments and advisory services developed under Horizon 2020, the EU's research and innovation programme, to help innovative firms access finance more easily.

InnovFin Equity consists of several predominantly early stage equity products. The products aim at improving access to risk finance by early-stage RDI-driven SMEs and small midcaps through supporting mainly early-stage risk capital funds that invest, on a predominantly cross-border basis, in individual enterprises. SMEs (and small midcaps) located in Member States or in Horizon 2020 Associated Countries are eligible as final beneficiaries. The aggregate investments to venture capital funds made out of InnovFin SME Venture Capital are expected to support between EUR 1.6 to EUR 2 billion of equity financing to final beneficiaries.

About DVI II

Publicly launched in March 2016, DVI-II is a EUR 200m Venture and Growth Capital Fund-of-funds initiative of the EIF and PPM Oost, supported by the Dutch Ministry of Economic Affairs.

DVI-II intends to build a balanced portfolio of 15 to 20 venture and growth capital funds that are able to demonstrate a strong investment focus on the Netherlands. DVI-II supported Fund Managers need to focus on companies in their early or development stages. Eligible funds should also have a strong innovative angle, by focusing on companies operating in different technology areas, such as ICT, Life Sciences, Cleantech or Energy.

As an advisor to DVI-II, the EIF can rely on over 20 years of experience in the European Venture Capital market and successful implementation of similar initiatives in close collaboration with national and regional partners across Europe.

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