

*FOR IMMEDIATE RELEASE:*

## **VAXIMM closes a CHF 7.8 million financing round**

*Basel (Switzerland), Mannheim (Germany), 12.01.2011* - Swiss biotech firm and Merck KGaA spin-off VAXIMM AG announced today the closing of a private financing round totaling CHF 7.8 million from new and existing investors. BB Biotech Ventures and Merck KGaA were joined by new investors Sunstone Capital, Merck Serono Ventures and BioMedPartners. The company plans to use the proceeds of the financing to progress its lead program VXM01 into and through clinical phase I testing.

VXM01 is an investigational oral T-cell vaccine that is designed to elicit an immune response against vascular endothelium growth factor receptor-2 (VEGFR-2), a well characterized target for anti-angiogenic intervention. VXM01 targets the tumor vasculature and has shown anti-tumor activity in a variety of animal studies testing different tumor types, different experimental setups, and different outcome measures. The first human clinical trials of the vaccine are expected to start in 2011. The original work on VXM01 was conducted at The Scripps Research Institute and the project was licensed by VAXIMM from Merck KGaA in 2008.

Dr. Klaus Breiner, chairman of VAXIMM's board of directors, and a Managing Partner at BB BIOTECH VENTURES commented: "We are delighted that we could attract two experienced, specialized venture capital firms, Sunstone Capital and BioMedPartners, as new investors in VAXIMM. The participation of Merck Serono Ventures shows the continued commitment of Merck and demonstrates the attractiveness and potential of our lead vaccine candidate VXM01".

Dr. Heinz Lubenau, General Manager of VAXIMM GmbH, a fully owned subsidiary of VAXIMM AG in Germany, commented: "The funds will allow us to test this innovative and promising concept for the first time in patients suffering from cancer. Moreover, the new investors including Merck Serono Ventures will bring additional expertise and networks to VAXIMM." Dr. Sten Verland, Partner at Sunstone Capital and Dr. Gerhard Ries, Co-founder and General Partner of BioMedPartners, are joining VAXIMM's board of directors.

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### *About VAXIMM:*

VAXIMM is a privately held, Swiss- and German-based biotech company that is primarily focused on developing active immunotherapies (vaccines) for patients suffering from cancer. Its initial product candidate VXM01 is targeting the tumor vasculature, which is essential for tumors to grow beyond microscopic size. VXM01 has shown impressive anti-tumor activity in various animal studies and human clinical trials are expected to start in 2011. VAXIMM was formed in 2008 as a joint venture of BB Biotech Ventures and Merck KGaA to develop VXM01. Vaximm GmbH is a fully owned subsidiary of VAXIMM AG, with offices in Mannheim, Germany. For more information, please see [www.vaximm.com](http://www.vaximm.com).

*About BB BIOTECH VENTURES:*

BB BIOTECH VENTURES is a healthcare-dedicated venture capital fund, focused on companies that develop and market drugs and medical devices. The Guernsey-based fund is advised by the Bellevue Group, which has operations in Curaçao, Boston, USA and Kusnacht/Zurich, Switzerland. BB BIOTECH VENTURES has a dedicated team of investment advisors and an advisory board. In addition, it is supported by the Group's healthcare investment experts, and an extensive network of specialists and advisors. Bellevue Group is a publicly listed Swiss investment bank and is, with BB Biotech, BB Medtech, and BB Biotech Ventures, amongst the largest financial investors in the health care segment worldwide. Over the last two decades, the Group has raised and invested more than USD 500 mn in venture capital.

*About Merck Serono Ventures:*

Merck Serono Ventures is the strategic, corporate venture capital fund of Merck Serono, the division for innovative small molecules and biopharmaceuticals of Merck KGaA, that invests in emerging biotechnology companies. The fund invests in biotech start-up companies that have the potential to provide innovative products in Merck Serono's core therapeutic areas, in particular in Neurodegenerative Diseases, Oncology, Autoimmune & Inflammatory Diseases, Endocrinology and Fertility. In addition, Merck Serono Ventures invests in companies developing innovative technologies that could enable the discovery and development of new products in Merck Serono's core therapeutic areas.

*About Sunstone Capital:*

Sunstone Capital is a private venture capital investor founded in 2007 by an international team with more than 200 years of combined entrepreneurial, operational and financial experience. Sunstone Capital focuses on developing and expanding early-stage Life Science and Technology companies with strong potential to achieve global success in their markets. With funds of over 500 million Euro under management, Sunstone Capital is one of the largest Nordic-based venture capital investors.

*About BioMedPartners:*

BioMedPartners is a leading independent European venture capital firm providing private equity and mezzanine financing to early- to mid-stage healthcare and life-science companies. Since 2003, BioMedPartners has invested in over 30 highly innovative companies, of which seven have already either successfully completed an IPO or have been acquired by leading Pharma companies. Currently, BioMedPartners manages three funds (BioMedInvest I & II and BioMedCredit I). With more than CHF 250 million in capital under management and a strong team of experienced specialists and industry experts as well as an extensive scientific and financial network, BioMedPartners has established itself as one of the leading early-stage healthcare investors in Europe.

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