

Press Release

Record financing rounds at the Munich biotech hub

Leading research by start-ups at the IZB attracts strong interest from biotech investors in 2024

Martinsried near Munich, September 4, 2024 – The Innovation and Start-up Center for Biotechnology (IZB), one of the leading biotechnology centers in Europe with more than 40 resident biotech start-ups, can look back on a highly productive first half 2024.

“I am delighted that our start-ups have been able to secure important funding. Over €530 million, or more than 90 per cent of the investments in German biotechnology, went to IZB companies. The high level of interest shown by prestigious life science investors in the companies based at the IZB reflects the high quality of the research and development carried out on our campus. In addition, more and more of our start-ups are reaching the clinical development stage and achieving initial successes,” says Christian Gnam, Managing Director of the Biotechnology Innovation and Start-up Center.

Significant financings and acquisition of a prominent alumnus

In March, **Tubulis** secured €128 million in Series B2 financing to accelerate the clinical development of its proprietary ADC pipeline targeting solid tumors. The financing round was led by EQT Life Sciences and Nextech Invest. In addition, the new US funds Frazier Life Sciences and Deep Track Capital as well as all existing investors participated in the round.

Also in March, **Eisbach Bio** received \$4.5 million from the US Cancer Focus Fund to conduct a Phase 1/2 trial with its lead drug candidate EIS-12656. The Cancer Focus Fund is a dedicated investment fund that provides financial resources and clinical expertise to advance promising cancer therapies. Eisbach's clinical trial in patients with refractory advanced solid tumors will be conducted at MD Anderson Cancer Center in Texas.

In May, **Insempra** announced the successful completion of a \$20 million financing for the development of next-generation natural ingredients. Existing investors EQT Ventures, BlueYard Capital, Possible Ventures, Taavet Sten and Acequia Capital participated in the round along with new investors. The funds will be used to accelerate Insempra's market-driven approach to developing high quality, natural and inherently sustainable ingredients for the cosmetics and food industries.

ITM Isotope Technologies, IZB resident company at the Freising-Weihenstephan site, announced in June the largest financing round in the German biotech sector to date this year with €188 million. The lead investor is Temasek, with BlackRock, Qatar Investment Authority (QIA), ATHOS and Carbyne also participating in the financing. ITM will use the capital to further develop its drug pipeline and prepare the market launch of its drug ITM-11 for the treatment of gastrointestinal tumors.

At the beginning of the second half of the year, **SciRhom** secured a €63 million Series A financing led by Andera Partners, Kurma Partners, Hadean Ventures, MIG Capital and Wellington Partners, with participation from new investor Bayern Kapital and existing investors including High-Tech Gründerfonds (HTGF) and PhiFund Ventures. SciRhom will use the funds to provide clinical proof of concept for its lead development program. The first clinical trial with SR-878, a highly specific monoclonal antibody against the target molecule iRhom2, is scheduled to begin in the second half of 2024.

Also in July, immuno-oncology company **CatalYm** closed a \$150 million Series D financing round to support a broad-based Phase 2b development program for Visugromab. The round was led by new investors Canaan Partners and Bioqube Ventures, with participation from Forbion's Growth Opportunities Fund ('Forbion Growth'), Omega Funds and Gilde Healthcare. Existing investors Jeito Capital, Brandon Capital Partners, Novartis Venture Fund and Vesalius Biocapital III also participated in the financing.

In addition to numerous financings in the first half of the year, a renowned IZB alumnus was acquired. In February, **MorphoSys AG** concluded an agreement to be taken over by the pharmaceutical group Novartis for a total of €2.7 billion. The takeover, completed in May, strengthens Novartis' oncology pipeline.

To ensure that German biotech start-ups continue to receive more funding, the successful **Life Science Pitch Day** was held again in mid-July at the IZB in cooperation with High-Tech Gründerfonds (HTGF), Bayer, Boehringer Ingelheim and MEDICE. Ten start-ups presented their innovative approaches to solving challenging medical problems - from bacterial infections to brain tumors - to more than 40 investors. Afterwards, Dr Daniel Vitt, CEO of IZB alumnus, Immunic Therapeutics, gave a keynote speech on the journey of a biotech company to a successful IPO. There was also plenty of opportunity for the start-ups to network and establish connections within the venture capital scene.

A breath of fresh air on campus

In April 2024, Christian Gnam succeeded Dr. Peter Hanns Zobel as **Managing Director of the Innovation and Start-up Center for Biotechnology (IZB)**. The experienced manager, with a large international network, was most recently Managing Director at InsurTech Hub Munich (ITHM), a leading global innovation platform for the insurance industry. In this role, he was instrumental in driving the hub's growth, accelerating collaboration between start-ups, tech companies and insurance companies, and in the ongoing strategic development of ITHM.

The IZB also welcomed two new start-ups in the first half of the year. **Smey** works on innovations in the food value chain and produces key ingredients to improve the health, reliability, safety and sustainability of food and cosmetics. The start-ups' main offerings are animal-free proteins, fermentative fats and oils and a new generation of sweeteners. The other new company at the IZB, **Oncobeta** specialises in innovative therapies for non-melanoma skin cancers, with the aim of improving treatment outcomes with the company's non-invasive Rhenium-SCT® therapy. The start-up develops medical devices and instruments that are essential for the effective delivery of these therapies.

The '**Munich Accelerator Life Sciences & Medicine**' (**MAXL**) was officially opened on the IZB campus at the end of June. MAXL supports select pre-seed and early-stage start-up teams from Bavaria and beyond with an exclusive high-end infrastructure, such as fully equipped laboratory space, co-working and community rooms, a structured incubation and coaching program and numerous networking opportunities. The project is funded by the Bavarian State Ministry of Economic Affairs, Regional Development and Energy with €8.5 million, managed by the BioM cluster management company.

Scientific and clinical progress

In February, **Thermosome** started the next dose level in Phase 1 clinical trial with its drug candidate THE001. The open-label, interventional Phase 1 dose-escalation study is being conducted at two German hospitals in patients with locally advanced, inoperable or metastatic soft tissue sarcoma. The independent Data Safety Monitoring Board had assessed the first dose level as safe and well tolerated.

In May, **Tubulis** presented new preclinical data for its lead ADC candidates against solid tumors at the Annual Meeting of the American Association for Cancer Research (AACR) in San Diego. The poster

presentations included data on ADC candidates TUB-030 and TUB-040, highlighting the ability of the two next-generation Tubutecan ADCs to induce potent and durable responses even in preclinical models with low target expression. In June, the company dosed the first patient with TUB-040 in a Phase 1/2a trial treating patients with platinum-resistant ovarian cancer (PROC) or relapsed/refractory non-small cell lung cancer (NSCLC). Tubulis also received FDA fast track designation for this ADC candidate.

In June, **SciRhom** received approval for a clinical trial application from the Austrian regulatory authority (BASG/AGES) for the SR-878 development program. The subject of the study is a novel antibody targeting iRhom2 for the treatment of autoimmune diseases, the safety of which is to be assessed in healthy volunteers and the second part of the study is to provide initial indications of efficacy.

About the Innovation and Start-up Center for Biotechnology (IZB) in Martinsried near Munich

The Fördergesellschaft IZB mbH, founded in 1995, operates the Innovation and Start-up Centers for Biotechnology in Planegg-Martinsried and Freising-Weihenstephan and has developed into a leading biotechnology center. Currently, 26,000 m² is home to more than 40 biotech companies and life science companies employing more than 700 people. Here, work is being done on developing drugs for the most serious diseases, such as cancer, Alzheimer's, and various autoimmune diseases. A key criterion for the success of the IZBs is the physical proximity to cutting-edge research on the Martinsried/Grosshadern campus and the Weihenstephan campus. The new infrastructure measures such as the Faculty Club G2B (Gateway to Biotech), the IZB Residence CAMPUS AT HOME, the two kindergartens Bio Kids and Bio Kids2 as well as the two restaurants SEVEN AND MORE, and THE BOWL Food Lounge are also location factors that are highly valued by the founders of the companies. Successful companies that emerged from the IZB include adivo (now Zoetis) Corimmun (today Janssen-Cilag), Crlelux (today Wuxxi AppTec), Exosome Diagnostics (bought by Bio-Tech), ibidi, Immunic Therapeutics, Medigene, Micromet (today Amgen), MorphoSys, Octopharma or Rigontec (now MSD) as well as SIRION Biotech (today Perkin Elmer). More information at www.izb-online.de/en/.

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