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## **Gimv co-leads EUR 43.5 million financing of Breath Therapeutics**

### **Funding will be used to execute pivotal trials**

Breath Therapeutics BV today announced the closing of a series A financing round. Thereby the company secured funding of EUR 43.5 million. The round was co-led by Gimv and Sofinnova Partners, which were joined by Gilde Healthcare. PARI Pharma financially supports the program. This financing, which is one of the larger rounds for a European start-up over the past years, will enable Breath Therapeutics to conduct the phase III trials in Europe and the US, to submit for marketing approval and prepare for commercialization.

Breath Therapeutics is a spin-out from Munich-based PARI Pharma GmbH ([www.pari.com](http://www.pari.com)), specializing in advanced and first-in-class inhalation therapies for severe respiratory diseases. Breath Therapeutics is using proprietary drug formulations optimized for inhaled administration with exclusively licensed, high performance nebulizers. Its lead program develops a first-in-class inhalation therapy against Bronchiolitis Obliterans Syndrome (BOS). BOS is a lethal orphan respiratory disease, affecting 65% of all lung transplant patients. It is the main reason for the poor 5-year-survival rates after lung transplantation. The company's founding team has strong expertise in clinical development, registration and commercialization of drug-aerosol therapeutics.

Karl Nögler, Partner in Gimv's Health & Care team on this transaction: *"We have followed this opportunity for more than a year and worked closely with the Breath-team to orchestrate this spin-out. This carve-out is therefore a nice example of a mid-sized company inviting external expertise and financial resources to bring to maturity an in-house innovation."*

For more information on this transaction, we refer to the press release of Breath Therapeutics in attachment.

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## ABOUT GIMV

Gimv is a European investment company with over three decades experience in private equity and venture capital. The company is listed on Euronext Brussels. Gimv currently manages around 1.8 billion EUR (including co-investment partnerships) of investments in about 50 portfolio companies.

As a recognized market leader in selected investment platforms, Gimv identifies entrepreneurial and innovative companies with high-growth potential and supports them in their transformation into market leaders. Gimv's four investment platforms are: Connected Consumer, Health & Care, Smart Industries and Sustainable Cities. Each of these platforms works with a skilled and dedicated team across Gimv's home markets of the Benelux, France and Germany and can count on an extended international network of experts.

More information on Gimv can be found on [www.gimv.com](http://www.gimv.com).

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## **Breath Therapeutics Raises EUR 43.5 Million in Series A Financing**

- **Led by top-tier life science venture capitalists Gimv and Sofinnova Partners**
- **Funds to execute pivotal program in Bronchiolitis Obliterans Syndrome**

**Munich, Antwerp, Paris, Utrecht, March 8<sup>th</sup>, 2017 — Breath Therapeutics Holding BV** (Breath Therapeutics), a company developing advanced drug-aerosol therapeutics in pulmonary orphan indications, today announced the closing of a EUR 43.5 million Series A financing. Sofinnova Partners and Gimv co-led the round and were joined by Gilde Healthcare. PARI Pharma supports the program. With the proceeds from the financing, Breath Therapeutics plans to conduct phase 3 trials in Europe and the US, respectively, submit for marketing approval, and prepare for commercialization.

Breath Therapeutics' lead program develops a first-in-class inhalation therapy against Bronchiolitis Obliterans Syndrome (BOS). BOS is a lethal orphan respiratory disease, mainly affecting lung transplant patients. It develops through chronic graft rejection and is the main reason for the poor 5-year-survival rates after lung transplantation.

Based on work by PARI Pharma and lung transplantation expert Aldo Iacono, MD, University of Maryland, USA, Breath Therapeutics develops a proprietary drug device combination. This involves a formulation of liposomal cyclosporine A for inhalation and an optimized high performance eFlow<sup>®</sup> technology nebulizer enabling remote adherence monitoring. This approach is expected to enable a safe, well-tolerated and targeted delivery of immunosuppressive medication directly into the lungs along with a time saving treatment regime.

Breath Therapeutics is a spin out of PARI Pharma GmbH, Starnberg, Germany. The company's founding and management team includes highly experienced executives and internationally renowned experts in drug aerosol and immunosuppression therapy: Dr. Jens Stegemann (CEO), Anne Burger (CFO), Dr. Gerhard Boerner (CSO) and Dr. Oliver Denk (COO). Graziano Seghezzi, partner at Sofinnova Partners, Dr. Karl Nägler, partner at Gimv, and Arthur Franken, partner at Gilde Healthcare, will join the board of directors.

Dr. Jens Stegemann, CEO of Breath Therapeutics, said: "BOS is one of the most devastating lung diseases and still today, no effective therapy is available. Our strategy is to deposit high concentrations of an immunosuppressive agent directly into the small airways of the lung. With this top-tier group of investors and the best international lung transplantation centres supporting us, we now are in an excellent position to achieve ground-breaking improvements in the combat against BOS."

Graziano Seghezzi, partner at Sofinnova Partners, added: "We are thrilled to be involved with Breath Therapeutics. We were really impressed by its highly talented and entrepreneur-oriented team, as well as by the potential of its market breaking technology. At Sofinnova Partners we have a strong expertise in turning corporate spin offs into successful companies, and are happy to share our experience and resources with the team to back Breath Therapeutics' growth."

Dr. Karl Nägler, partner at Gimv, commented: "It is a great opportunity to invest in a company focusing on a life-threatening orphan disease with high unmet medical need. We were attracted by the strong expertise of the founding team and by the very promising late-

stage clinical data. Furthermore, the BOS market will allow for a focused and highly profitable commercialisation strategy.”

Arthur Franken, partner at Gilde Healthcare, said: "This talented team has designed a unique drug device combination which together with digital adherence monitoring has great potential to improve quality of care for patients suffering from chronic lung graft rejection. Gilde will actively support Breath and its team in its growth strategy of developing and commercializing inhaled drug therapies for severe respiratory disease."

Dr. Martin Knoch, President of PARI Pharma, said: “The team at Breath Therapeutics has the expertise and focus to bring the first lung-targeted BOS therapy through clinical development and hopefully onto the market. For PARI Pharma it is highly rewarding to see a project that we started advancing into late-stage clinical development and providing BOS patients new hope.”

### **About Breath Therapeutics**

Breath Therapeutics is specializing in advanced and first-in-class inhalation therapies for severe respiratory diseases. For its clinical development, the company is using proprietary drug formulations optimized for inhaled administration with exclusively licenced, high performance nebulizers. Breath Therapeutics is focussing on integrated therapy solutions in the interaction between diagnostic, therapy and eHealth therapy control. The clinical development program is addressing the treatment of Bronchiolitis Obliterans Syndrome (BOS) in patients after lung transplantation. PARI Pharma GmbH, a leading nebulizer company, is strategic partner and technology licensee for the BOS development program. Breath Therapeutics is based in Munich and Frankfurt, Germany. For more information, please visit: [www.breath-therapeutics.com](http://www.breath-therapeutics.com).

### **About Gimv**

Gimv is a European investment company with over three decades’ experience in private equity and venture capital. The company is listed on Euronext Brussels. Gimv currently manages around 1.8 billion EUR (including co-investment partnerships) of investments in about 50 portfolio companies. As a recognized market leader in selected investment platforms, Gimv identifies entrepreneurial and innovative companies with high-growth potential and supports them in their transformation into market leaders. Gimv’s four investment platforms are: Connected Consumer, Health & Care, Smart Industries and Sustainable Cities. Each of these platforms works with a skilled and dedicated team across Gimv’s home markets of the Benelux, France and Germany and can count on an extended international network of experts. For more information, please visit: [www.gimv.com](http://www.gimv.com).

### **About Sofinnova Partners**

Sofinnova Partners is an independent venture capital firm based in Paris, France. For more than 40 years, the firm has backed nearly 500 companies at different stages of their development – pure creations, spin-offs, as well as turnaround situations – and worked alongside key entrepreneurs in the Life Sciences industry around the globe. With over €1.6 billion of funds under management, Sofinnova Partners has created market leaders with its experienced team and hands-on approach in building portfolio companies through to exit.

For more information, please visit: [www.sofinnova.fr](http://www.sofinnova.fr).

### **About Gilde Healthcare**

Gilde Healthcare (Utrecht, The Netherlands and Cambridge, USA) is a European specialist investment firm focused on private healthcare companies. It has over €800 million (\$900 million) under management and is actively looking to lead new investments in therapeutics, medical devices, digital health and healthcare services. Gilde successfully builds healthcare businesses across Europe and US, investing up to €30 million in a single portfolio company. Gilde is currently investing out of GHC IV which is financed, in part, by the European Recovery Program-European Investment Fund Facility. For a list of Gilde's portfolio companies please visit the website at [www.gildehealthcare.com](http://www.gildehealthcare.com).

### **About PARI Pharma GmbH**

PARI Pharma GmbH recognizes that the future of aerosol therapies is the combined optimization of the drug formulation and the delivery device – a core competence of PARI Pharma in the global network of PARI Worldwide companies. The focus of PARI Pharma is the optimization of advanced aerosol delivery platforms, based on the eFlow Technology, with new liquid medications. The goal is to enable short and effective treatments that lead to increased patient adherence, disease control, and improved quality of life for patients. By optimizing drug and device under one roof, PARI Pharma increases the speed of development for pharmaceutical partners. For more information, please visit [www.paripharma.com](http://www.paripharma.com).

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