APEIRON Biologics announces financing round for the further development of the COVID-19 drug APN01

- Substantial financing measures through capital increase with subscription rights and private placement as well as grants
- Vienna Insurance Group is secured as lead investor of the financing round and secures the private placement
- Participation in capital increase by existing shareholders as well as new institutional and private investors confirmed
- Public grant funding committed
- Financing secures further clinical trials and the supply of material for the treatment of COVID-19 patients

Vienna, Austria, 18 May 2020: APEIRON Biologics AG will complete a capital increase to finance the further development of APN01 for the treatment of severely ill COVID-19 patients as well as the development of immuno-oncology projects. The Vienna Insurance Group (VIG) will lead the financing round and secures the private placement as an anchor investor, investment commitments from existing shareholders and new institutional and private international investors have been provided. In addition, the Austrian Research Promotion Agency (FFG), the Vienna Business Agency (WAW), the Austrian promotional bank (AWS) and the Erste Bank have committed grant funding and guarantees.

Peter Llewellyn-Davies, CEO of APEIRON Biologics, is pleased: “With the completion of these capital measures the financing of our clinical COVID-19 development and our immuno-oncological cell therapy projects is secured and we welcome the Vienna Insurance Group as a new investor. We also thank the FFG, the WAW, the AWS and Erste Bank for their comprehensive non-dilutive funding and guarantee commitments for our promising COVID-19 drug APN01. The joint efforts of private, industrial and governmental support help seriously ill patients who urgently need effective treatment. "

APN01 is one of the most advanced drug candidates for the treatment of COVID-19 and one of the few therapy approaches specifically targeting the coronavirus, because it imitates the receptor ACE2 and thus offers a unique dual approach to treatment. Experts believe that accelerated market approval could be completed if the study shows positive results.

Elisabeth Stadler, CEO of the Vienna Insurance Group explains: “In addition to the main objective of covering financial risks, we see ourselves as a sustainability-oriented company with a social responsibility to contribute to the well-being of society. Our investment in APEIRON Biologics not only reflects our desire to support the fight against COVID-19 and, as a consequence, other diseases as quickly as possible, but also the strategic focus to further intensify our engagement in the health care sector."

Henrietta EGERTH, Managing Director of the Austrian Research Promotion Agency (FFG), comments: “Research has a great tradition in Austria and is our most effective investment in the future. As FFG, we provide rapid funding to help accelerate ambitious, innovative projects such as the development of new treatments, so that drugs can help patients more quickly.”

As part of the planned non-public capital increase, the new shares in APEIRON Biologics AG can be acquired by existing shareholders. At the end of May 2020, unsubscribed shares will be offered as a private placement to selected new private and institutional investors who have already made their investment commitments.

About APN01 and the ongoing Phase II trial:

The drug candidate APN01 (rhACE2) is a recombinant enzyme with the potential to block the infection of cells with the novel virus SARS-CoV-2 and to counteract inflammatory reactions in the lungs. With its unique dual mode of action, APN01 could become the first drug for the treatment of COVID-19, which is specifically directed against the new coronavirus SARS-CoV-2.

In the ongoing Phase II clinical trial, 200 patients severely affected by COVID-19 are to be treated. The placebo-controlled, double-blind, randomized trial was started in clinical sites in Austria, Germany, Denmark and the UK and is expected to be expanded to other countries. The primary objective of the study is to evaluate the clinical efficacy of APN01 and the safety and tolerability of APN01 in COVID-19 patients.

In previous Phase I and Phase II clinical trials, APN01 has been shown to be safe and well tolerated. The product candidate was developed by APEIRON in particular for the treatment of acute lung damage (ALI) and acute respiratory distress syndrome (ARDS). ALI / ARDS is the leading cause of death in COVID-19, the disease caused by the new coronavirus SARS-CoV-2.

About APEIRON Biologics AG

APEIRON Biologics AG, founded in 2003 by Professor Josef Penninger, is a European private biotechnology company based in Vienna that specializes in the discovery, development and commercialization of novel immunotherapies for cancer and respiratory diseases. In 2017, APEIRON received EU marketing approval for APN311 (dinutuximab beta, Qarziba®) for the treatment of pediatric patients with neuroblastoma and licensed the worldwide rights for this product exclusively to EUSA Pharma Ltd. In addition, APEIRON uses its proprietary master immune checkpoint blockade mechanism to enable the human body's natural defense mechanisms to fight tumors. APEIRON's APN401 clinical program is a “first-in-class” autologous cell therapy for strengthening immunoreactivity via the intra-cellular master checkpoint Cbl-b. With APN01, APEIRON is conducting a clinical trial in Europe for the treatment of COVID-19, for which market approval is being sought. APEIRON's projects and technologies are based on a strong patent portfolio and partnerships with leading pharmaceutical companies and academic institutions underline APEIRON's development expertise.

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FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements that involve risks and uncertainties. These statements reflect APEIRON's opinion at the time of this press release. Such forward-looking statements are neither promises nor guarantees, but depend on many risks and uncertainties, many of which are beyond the control of APEIRON's management. This could cause actual results to differ materially from those projected in these forward-looking statements. We expressly assume no obligation to publicly update or revise any forward-looking statements regarding changed expectations of the parties or regarding new events, conditions or circumstances on which these statements are based.