



Investment Plan for Europe – Successful launch of Tech Transfer Fund “KHAN-I”

Dortmund, September 12, 2019 - Khanu Management GmbH (Khanu), a drug discovery focused fund management team, announces the successful launch of KHAN Technology Transfer Fund I GmbH & Co KG (KHAN-I), based in Dortmund, Germany.

The European Investment Fund (EIF, Luxemburg), the Austria Wirtschaftsservice GmbH (Vienna, Austria) and the Max Planck Foundation (Munich, Germany) committed in a first closing an investment of a total volume of € 60 million into KHAN-I for a period of 5 plus 2 years in early-stage drug discovery projects. The Khanu fund management team will invest a minority amount.

The EIF will provide up to € 30 million through “InnovFin Equity Facility for Early Stage” (IFE), an integral part of the European growth initiative. The investment is supported by the Juncker Plan’s European Fund for Strategic Investments (EFSI).

Projects are sourced predominantly from academia in Germany and Austria, focussing on innovative therapeutic opportunities in indications with high unmet medical need. KHAN-I will invest into either innovative project ideas covered by collaboration agreements or into start-up vehicles. The Lead Discovery Center GmbH, Dortmund (LDC), a professional drug discovery and translational research incubator originally founded by Max-Planck-Innovation GmbH (MI) with a proven track record (www.lead-discovery.de) will provide its drug discovery services to incubate these novel project hypotheses, where applicable.

To facilitate professional translation in life sciences in Austria, KHAN-I has founded Vienna-based wings4innovation GmbH (w4i) for scouting and executing promising drug discovery projects on behalf of KHAN-I and Khanu. The Partnership is supported by aws with funds provided by the Austrian Federal Ministry for Digital and Economic Affairs and the Austrian Foundation for Research, Technology and Development (NFTE).

KHAN-I also signed a co-investment agreement with the Max Planck Gesellschaft e.V. (MPG), Germany’s largest basic research organisation, adding € 18 million of co-funding for drug discovery projects originating from the world class biomedical research of the Max Planck Institutes.

“With KHAN-I, we have realised a unique and powerful translational vehicle, combining successful players in the field”, summarizes **Bert Klebl**, one of the three managing directors of Khanu and managing director of LDC. “The line-up of the (co-) investors is both, acknowledgement of the professional and successful performance in the past decade, where we opened a new chapter in the book of German translational research with the inception of LDC by MPG and its collaborative drug discovery and development approach as well as confidence in the game-changing capabilities of this unique translational concept. With KHAN-I, Khanu, LDC and w4i, we want to get to the next level and multiply the commercial successes in early drug discovery in view of a true benefit for all patients out there.”

European Commissioner **Carlos Moedas**, responsible for Research, Science and Innovation, said: “Today’s agreement adds to the Juncker Plan’s strong track record in supporting biomedical research and drug discovery projects. This kind of support for researchers and scientists to bring their ideas and innovations to market will help keep Europe at the forefront of innovation.”

EIF Chief Executive **Pier Luigi Gilibert** comments: “KHAN-I will be one of the pioneers to develop the tech transfer segment in the German and Austrian life sciences venture capital ecosystem. Without such funding, these innovations would not reach a maturity level high enough for attracting other investors or strategic acquirers. Our cooperation with KHAN-I and its investment approach is an excellent example for the achievement of EU policies to strengthen the discovery and development of new pharmaceuticals for the benefit of the people in Europe.”

„The life-science-industry plays an essential role within Austria’s economy. Due to the new fund, we create new jobs and support a stronger and successful life-science-sector. As a result, KHAN-I is an inevitable measure to strengthen the international competitiveness of Austria’s life-science-industry”, says **Elisabeth Udolf-Strobl**, Minister for Digital and Economic Affairs of the Republic of Austria.

“Based on the co-investment agreement between MPG and KHAN I we are able to continue our very fruitful drug discovery partnership with LDC established over more than a decade and hope to generate additional treatment options for patients and return potential for both MPG and KHAN I” adds **Ulrich Mahr**, Member of the General Management of Max-Planck-Innovation GmbH, the technology transfer office of the MPG.

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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 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. More information on EIF's work under EFSI is available at www.eif.org.

About the Juncker Plan

The Investment Plan for Europe, the so-called "Juncker Plan", is one of the European Commission's top priorities. It focuses on boosting investments to create jobs and growth by making smarter use of new and existing financial resources, removing obstacles to investment and providing visibility and technical assistance to investment projects. The European Fund for Strategic Investments (EFSI) is the central pillar of the Juncker Plan. It provides a first loss guarantee, allowing the EIB to invest in more, often riskier, projects. The projects and agreements approved for financing under the EFSI so far are expected to mobilise almost € 424 billion in investments and support around 967,000 SMEs across all 28 Member States.

About “InnovFin Equity”

InnovFin Equity - managed by EIF - is in integral part of the European growth initiative “InnovFin – EU Finance for Innovators”, a program launched by the European Commission and the EIB Group in the framework of Horizon 2020. Via InnovFin Equity, EIF provides equity investments and co-investments to or alongside funds focusing on companies in their pre-seed, seed, and start-up phases operating in innovative sectors covered by Horizon 2020, including life sciences, clean energy and high-tech. Under InnovFin Equity, EIF targets investments in around 45 funds, mobilising a total amount of € 4-5 billion to be invested in enterprises located or active in the EU and Horizon 2020 Associated Countries.

About aws

Austria Wirtschaftsservice GmbH (aws) is the Austrian government promotional bank. aws offers Austrian companies financial assistance in the form of loans, guarantees, grants and equity as well as consultancy services from the start-up to expansion phase. Innovative SMEs wishing to apply for finance under the InnovFin programme can directly contact aws under the following website <https://www.aws.at/en/>

About Max-Planck-Förderstiftung

The Max-Planck Foundation is a private, independent and non-profit organisation with the sole purpose of providing funds for excellent, innovative and forward-looking research projects of the Max Planck Society. The foundation was established in 2006 and the capital of the foundation is currently around € 500 million.

About Max-Planck-Innovation

Max-Planck-Innovation is responsible for the technology transfer of the Max Planck Society and, as such, the link between industry and basic research. With our interdisciplinary team we advise and support scientists of the Max Planck Institutes in evaluating their inventions, filing patents and founding companies. We offer industry a unique access to the innovations of the Max Planck Institutes. Thus, we perform an important task: the transfer of basic research results into products, which contribute to the economic and social progress.

About KHAN-I

KHAN-I is a limited partnership under German law with the European Investment Fund (EIF), Max Planck Foundation (MPF), Austria Wirtschaftsservice GmbH (AWS), and KHAN I Vermögensverwaltung GmbH & Co. KG as non-managing limited partners and Khanu Management GmbH (KHANU) as general partner and fund manager. The purpose of KHAN-I is to invest in innovative drug discovery projects and spin-out companies, primarily originating from academic sources, at the discovery, pre-clinical and clinical development stage for human healthcare and, opportunistically, veterinary care as well as to commercialise the results and products of the investments and, thus, to participate, directly or indirectly, in future proceeds.