



## PRESS RELEASE

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### Switzerland: BioVersys receives €20 million in EU financing to support development of new antibiotics

- **European Investment Bank and BioVersys sign a financing agreement of up to €20 million to facilitate the development of new treatments against life-threatening resistant bacterial infections.**
- **The venture debt loan is financed under the Infectious Diseases Finance Facility set up as part of Horizon 2020, the European Union's research and innovation programme for 2014-2020.**
- **BioVersys has a rich pipeline of drugs in clinical development for the treatment of tuberculosis and hospital-acquired infections, like ventilator-associated pneumonia, seen most recently in COVID-19 patients in intensive care. The company has additional preclinical assets and follow-on programmes all focusing on different unmet medical needs in antimicrobial resistance.**

The European Investment Bank (EIB) and [BioVersys AG](#), a clinical-stage pharmaceutical company developing treatments for multidrug-resistant bacterial infections, today announced the signing of a €20 million venture debt transaction. The financing supports the company's research and development of a [diverse pipeline](#) of drugs that address antimicrobial resistance (AMR). AMR has resulted in the majority of our antimicrobial therapies becoming obsolete, thereby leaving the world's population susceptible to an ever-increasing range of infections. The possibility of a bacterial pandemic is already widely recognised as an imminent threat.

BV100, BioVersys' breakthrough hospital antibiotic therapy, targets one of the World Health Organization's (WHO) top priority pathogens, resistant *Acinetobacter baumannii*. The drug is being studied for the treatment of ventilator-associated bacterial pneumonia, which is common in COVID-19 patients. Currently, there are little to no effective and safe treatment options for this infection. Due to antibiotic resistance, infections caused by resistant *Acinetobacter baumannii* have a devastating mortality rate of greater than 50%. Another drug in the BioVersys pipeline is BVL-GSK098, a small molecule which is being tested for multi-drug resistant tuberculosis infections, one of the top ten killers globally, with 1.5 million deaths annually. Both BV100 and BVL-GSK098 are currently undergoing Phase 1 clinical trials.

"There have been no new classes of antibiotics on the market for decades," said EIB Vice-President [Thomas Östros](#). "This comes at an enormous cost for people and our societies at large. If we do not manage to curb AMR, it will not only kill thousands of people every year, but it will also drive millions into poverty. I am therefore very pleased that the EIB can contribute to the financing of a company that might hold the key to alleviating some of the most pressing health issues we currently face."

[Mariya Gabriel](#), European Commissioner for Innovation, Research, Culture, Education and Youth, added: "The EU stands at the forefront of addressing AMR and the challenges it presents via a number of initiatives under the EU One Health Action plan against AMR. An important pillar of the action plan is research and innovation, which can provide novel solutions and tools to prevent and treat infectious diseases. To control the spread of AMR it is essential to establish a new pipeline of antimicrobials and we are very pleased to support BioVersys in their efforts towards this goal."

"Being the first Swiss biotech company to receive a venture loan from the EIB is an independent validation of the relevance and quality of the BioVersys product pipeline. AMR has been widely recognised as the top priority health threat by the WHO, G7 and G20. BioVersys develops novel drugs addressing some of the most serious infections caused by drug resistant bacteria. The funds from the EIB, together with our recent Series B closing of CHF 19 million, enable us to push our clinical development programmes forward and further strengthen the company as the leading European private biotech AMR player," said Marc Gitzinger, CEO and founder of BioVersys.

Since the discovery of penicillin, antibiotics have become the cornerstone of modern medicine. Antibiotic resistance poses a severe threat to the continued efficacy of these essential drugs. Traditional industry players such as large pharmaceutical companies have left the AMR space and it is now for specialised biotech companies like BioVersys to innovate and create novel products for these high unmet medical needs. Some

700 000 people already die each year due to drug resistant diseases. According to the [WHO this figure could rise to 10 million](#) by 2050 if no action is taken.

The urgency for novel and more robust antibiotics against resistant bacteria has been further reinforced due to COVID-19. One of the most notorious resistant bacteria, *Acinetobacter baumannii*, is primarily associated with hospital-acquired infections. Bacterial co-infections are a significant cause of morbidity and mortality during viral infections such as COVID-19. Reports indicate that a significant number of deceased COVID-19 patients had an untreatable secondary bacterial infection due to antimicrobial resistance.

BioVersys will receive the EIB loan in three tranches upon the completion of pre-defined milestones. The transaction is backed by the [Infectious Diseases Finance Facility](#) (IDFF) set up as part of the European Union's [Horizon 2020 Programme](#). The IDFF is an example of successful collaboration between the European Commission and the EIB in the face of a health crisis. Through this facility, the EIB has supported European companies via total lending more than €400 million for developing cures, vaccines and diagnostics for various infectious diseases, most prominently coronavirus.

## Background information

### About the EIB

The European Investment Bank is the European Union's bank. It is the long-term lending institution of the European Union and is the only bank owned by and representing the interests of the European Union Member States. The [European Investment Bank works closely with other EU institutions](#) to implement EU policy. The investment in BioVersys was made possible by [InnovFin - EU Finance for Innovators](#), a joint initiative with the European Commission.

### About InnovFin IDFF

The InnovFin Infectious Diseases Finance Facility (IDFF) is dedicated to supporting the fight against infectious diseases. This joint European Commission and EIB Group initiative is part of Horizon 2020, the 2014-2020 EU research and innovation programme. The IDFF enables the EIB to provide between €7.5 million and €75 million of funding to innovative players active in developing vaccines, drugs, medical and diagnostic devices and research infrastructure for combating infectious diseases. The financing mainly goes to projects that have completed the preclinical stage and need clinical approval for further development. The IDFF has been increased by €400 million to boost its capacity for tackling the outbreak of the coronavirus. The total EU contribution to the IDFF via Horizon 2020 is estimated at almost €700 million.

### About BioVersys

BioVersys AG is a privately-owned clinical stage Swiss pharmaceutical company focusing on research and development of small molecules acting on novel bacterial targets with applications in Anti-Microbial Resistance (AMR) and targeted microbiome modulation. With the company's award-winning TRIC technology we can overcome resistance mechanisms, block virulence production and directly affect the pathogenesis of harmful bacteria, towards the identification of new treatment options in the antimicrobial and microbiome fields. By this means, BioVersys addresses the high unmet medical need for new treatments against life-threatening resistant bacterial infections and bacteria-exacerbated chronic inflammatory microbiome disorders. Our most advanced research and development programmes address nosocomial infections of *Acinetobacter baumannii* (BV100, Phase 1), and tuberculosis (BVL-GSK098, Phase 1) in collaboration with GlaxoSmithKline (GSK) and a consortium of the University of Lille. BioVersys is located in the Technologiepark in the thriving biotech hub of Basel.

Goetzpartners acted as financial advisor to BioVersys for this transaction.

## Press contacts

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