

CORPORATE NEWS

Deutsche Biotech Innovativ AG launches capital increase and offers shares to the public for the first time

- Public offer of up to 596,440 shares at a price of 33.50 euro per share
- Issue proceeds of up to 20 million euro to provide financing especially for the continued clinical development of the project pipeline until the first trade sale or until the project is out-licensed
- Aiming to be listed in the Entry Standard segment of the Frankfurt Stock Exchange

Hennigsdorf, 9 October 2015 – A “Virtual Biotech” business model, an experienced management team with a proven track record and a pipeline which includes a drug candidate for a life-threatening but yet unaddressed medical condition. These are the key arguments of the investment proposal that Deutsche Biotech Innovativ AG (“DBI”; ISIN DE000A0Z25L1), a medical biotech company based in Hennigsdorf near Berlin, is making to investors on the occasion of its planned capital increase. For the first time, the new DBI shares are also offered in the context of an initial public offering (“IPO”). The corresponding securities prospectus has been published on the DBI website, after its approval by the German Federal Financial Authority (BaFin).

“We are an experienced team that, following the enormous success of B.R.A.H.M.S. AG, has once again founded a new company with a very promising product pipeline. Our most exciting project is currently the development of a therapy for sepsis, or blood poisoning, the second leading cause of death worldwide, for which no approved drug is available so far,” explains Dr Bernd Wegener, the CEO of Deutsche Biotech Innovativ AG.

Significant increase of free float

DBI is targeting issue proceeds of approximately 20 million euros. Up to 596,400 new DBI shares will be offered between 14 October and 11 November 2015 at a price of 33.50 euro per share. First, existing shareholders can subscribe to the new shares through their subscription rights, then from 29 October any unplaced shares will be available for the first time as part of a public offering for subscription. The capital increase is expected to increase the free float of the shares listed in the primary market of the Dusseldorf Stock Exchange from 1.45 per cent to around 39 per cent, and as such not only the further product development shall be financed, but a basis for stable stock exchange trading is also to be established. In addition, the listing of the DBI shares in the Entry Standard segment of the Frankfurt Stock Exchange is pursued.

“For us, this transaction is like a first initial public offering. As major shareholders, my management colleagues and I have financed DBI almost entirely with our own funds and we will invest another one million euros during this capital increase. The aim, however, is to open the company to external investors, in order to fully finance the development of our entire product pipeline until the first intended exit in 2018,” explains Dr Bernd Wegener.

“Virtual Biotech” with unique target identification process

DBI AG is established as a so-called “Virtual Biotech” company. This term denotes researching biotechnology companies that identify drug candidates but further develop the product in cooperation with an international network. DBI, with its highly qualified team of around 20 employees, takes over the central organisation and management tasks and is responsible for the financing of the drug development. In this way, the company combines a diversified product pipeline with a very streamlined and cost-effective structure.

DBI AG has an extensive network which enables access to comprehensive blood databases. These databases lay the foundation for the screening for novel drug targets in patients’ blood. From the very beginning, the starting and target point for the development of a new therapy are carefully chosen in terms of its clinical relevance. This approach is expected to increase the probability of success regarding the drug’s effectiveness in humans.

Aiming for a first pipeline exit in 2018

With intended issue proceeds from the capital increase of up to 20 million euro, DBI aims to advance the pre-clinical and clinical development of three drug candidates and one diagnostic tool. These include the sepsis drug Adrecizumab, a drug for breast cancer prevention called DB1RA, the AB2302 cancer treatment agent and a tool to diagnose urinary tract infections. DBI’s business model plans for the drugs to be sold or out-licensed whilst they are still being clinically developed, typically during or after a phase II trial. The management aims for the first exit to take place in 2018. Therefore, the funds raised from this capital increase are indented to last until the time of this first potential income.

The pre-clinical and clinical trials, which already are largely concretely planned and partially funded, are entirely carried out by project companies in which DBI AG holds a stake. Using the funds from the capital increase, DBI AG’s shares in these project companies will be increased: The shares in AdrenoMed AG will be increased to 50 per cent plus one share, in Oncoprevent GmbH to 95 per cent and in My Life Diagnostics GmbH to 75 per cent.

Current research report and prospectus available

A current research study on DBI from First Berlin Equity Research is available on the Deutsche Biotech Innovativ AG website via the following link:

http://www.dbi-ag.de/investoren-presse/aktie/#anchor_d0823b06_Research-Reports

The BaFin-approved prospectus is also available on the website:
<http://www.dbi-ag.de/investoren-presse/kapitalerhoehung-2015/>

Further information:

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Stock market segment:	Primary Market Düsseldorf Stock Exchange

About Deutsche Biotech Innovativ AG

Deutsche Biotech Innovativ AG ("DBI") is a biotechnology company that uses innovative blood biomarkers to research and clinically develop unique therapies for serious diseases lacking adequate medical treatment options. Its focus is on drugs for sepsis and cancer. The company's main product is Adrecizumab, a patented drug to reduce mortality due to organ failure in septic shock. Adrecizumab has successfully completed the preclinical phase and will be tested in a Phase I study starting end of 2015.

DBI aims to further expand its drug pipeline and invest in the research and development of drugs with high unique-selling-point potential.

Both members of DBI's Management Board, Dr Bernd Wegener and Dr. Andreas Bergmann, have many years of experience in the biotechnology field. Both were founders and part of the management team of B.R.A.H.M.S. AG, a highly successful biotechnology company specialized in blood biomarkers. It was sold in 2009 for around 330 million euro. Dr. Bernd Wegener is also a member of the Executive Board of the Association of the German Pharmaceutical Industry (Bundesverband der Pharmazeutischen Industrie).

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DISCLAIMER

This announcement does not constitute an offer to buy shares or other securities of Deutsche Biotech Innovativ AG. The offer will be made solely by means of and on the basis of a published securities prospectus (including any amendments thereto, if any), which was published after approval by the German Financial Supervisory Authority (BaFin) on 8 October 2015. An investment decision regarding the publicly offered securities of the issuer should only be made on basis of the published prospectus.

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The offer and sale of the securities referred to in this announcement has not been and will not be registered under the U.S. Securities Act or under the applicable securities laws of Australia, Canada or Japan. There will be no public offer of the securities in the United States.

The public offer in Germany will solely be made by means of and on the basis of a securities prospectus published on 8 October 2015. The securities prospectus is available free of charge at the Company's website under <http://www.dbi-ag.de/investoren-presse/kapitalerhoehung-2015/> and at the headquarters of DBI AG in Hennigsdorf.

Published:

<http://www.dgap.de/dgap/News/corporate/deutsche-biotech-innovativ-deutsche-biotech-innovativ-launches-capital-increase-and-offers-shares-the-public-for-the-first-time/?companyID=363635&newsID=902731>