

## News Release

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February 20, 2018

### **Merck KGaA, Darmstadt, Germany, and Three Partners Start ExploreBio, a € 20 million Pre-seed Investment Initiative in Israel**

- **Arkin Holdings, Pontifax and WuXi AppTec partner with strategic corporate venture capital arm of Merck KGaA, Darmstadt, Germany**
- **Overall volume of € 20 million for five years**
- **Merck KGaA, Darmstadt, Germany, also announces CRISPR-patent allowances in Israel and South Korea**

Darmstadt, Germany, February 20, 2018 – Merck KGaA, Darmstadt, Germany, a leading science and technology company, today announced [ExploreBio](#), a pre-seed-investment vehicle by four investment funds targeted at early-stage companies in the biotechnology landscape in Israel. For this purpose the strategic corporate venture capital arm of Merck KGaA, Darmstadt, Germany has partnered with [Arkin Holdings](#), [Pontifax](#) and [WuXi AppTec](#) to create the € 20 million pre-seed investment vehicle.

“Israel’s start-up spirit is unique and so inspiring. We are proud to be an active part of this great success story. Now we are taking a next important investment step as we believe in the innovative potential of ExploreBio,” said Stefan Oschmann, Chairman of the Executive Board and CEO of Merck KGaA, Darmstadt, Germany.

ExploreBio is an initiative comprising pre-seed investments and management services for proof-of-concept-experiments in biotechnology. Additionally, companies benefiting from the ExploreBio initiative will be given the opportunity to work at the BioIncubator facilities of Merck KGaA, Darmstadt, Germany, in Yavne, Israel. Interested parties should submit their investment proposal [here](#).



The commitment involves a total volume of € 20 million for five years. ExploreBio aims to invest € 1 million to € 1.5 million per company across up to four investments per year over a period of five years. The early-stage companies would benefit from quick access to funding and easy access to follow-up capital.

The four investors have worked together on investments in different companies in the past, such as [Metabomed](#) (targeted cancer therapy) and [Artsavit](#) (using apoptosis-induction to treat cancer).

With the new ExploreBio initiative, Merck KGaA, Darmstadt, Germany, and its three partners aim to engage with start-up companies in which it would otherwise be too early to invest. A second advantage for the four partners is being able to leverage the consortium's resources and their strong relationships to work with the investments more closely and effectively.

ExploreBio complements the activities of Merck KGaA, Darmstadt, Germany, in helping early-stage companies in Israel to mature. The company set up PMatX last year and has been running its BioIncubator in Yavne since 2011.

PMatX addresses the topic of next-generation electronics and is a joint endeavor with [Flex](#), San Jose, California, USA, and also backed by additional industry partners including [HP](#), Palo Alto, California, USA, and the U.S.- based global investment firm [Battery Ventures](#). PMatX is supported by the Technology Innovation Lab program of the Israel Innovation Authority (IIA). The overall investment volume of the program involving all parties is around € 20 million and the initial commitment is for three years.

The site of Merck KGaA, Darmstadt, Germany, in Yavne houses the company's Healthcare and Life Science incubator called BioIncubator. This successful undertaking was started in 2011 and has committed to invest up to € 10 million until 2018 in biomedically focused start-up companies in Israel.

Merck KGaA, Darmstadt, Germany, employs more than 300 people in Israel, mainly scientists, and has sites in Yavne, Herziliya, Rehovot, and Jerusalem. All three of its

business sectors, Healthcare, Life Science and Performance Materials, have R&D sites in Israel.

The company also announces today that the Israel Patent Office as well as the Korean Intellectual Property Office have each issued notices granting patent applications of Merck KGaA, Darmstadt, Germany, for its CRISPR technology used in a genomic-integration method for eukaryotic cells. These decisions mark the fifth and sixth patent allowances for the unique CRISPR technology of Merck KGaA, Darmstadt, Germany, following Singapore, Australia, the European Union, and Canada. Merck KGaA, Darmstadt, Germany, also has patent filings for its insertion CRISPR method in the United States, Brazil, China, India, and Japan.

#### **Arkin Holdings**

[Arkin Holdings](#) is dedicated to empowering companies that create breakthrough pharma, biotech and medical device technologies. Our synergistic healthcare investments are dedicated to creating innovations that benefit humanity and enhance medical care.

We offer extensive experience, with a track record of successful healthcare investments. Experts in the dynamic world of healthcare development, we provide the know-how and close accompaniment that helps our portfolio investments achieve substantial value and growth.

#### **Pontifax**

[Pontifax](#) is a venture capital firm focusing on groundbreaking innovations in life sciences. We seek transformative healthcare technologies in all development stages.

Founded in 2004, Pontifax is a healthcare-dedicated venture capital firm with over \$350 million under management. We seek transformative, cutting-edge life sciences technologies at all development stages. Our portfolio comprises of about 50 companies that develop breakthrough solutions to substantial unmet needs.

#### **WuXi AppTec**

Established in December 2000, [WuXi AppTec](#) is a leading global pharmaceutical, biopharmaceutical, and medical device open-access capability and technology platform with global operations. As an innovation-driven and customer-focused company, WuXi AppTec provides a broad and integrated portfolio of services throughout the drug R&D process. Our services are designed to help our worldwide customers shorten the discovery and development time and lower the cost of drug and medical device R&D through cost-effective and efficient solutions.

#### **Strategic Corporate Venture Capital arm of Merck KGaA, Darmstadt, Germany**

[M Ventures](#) is the strategic, corporate venture capital arm of Merck KGaA, Darmstadt, Germany. Its mandate is to invest in innovative technologies and products with the potential to significantly impact the company's core business areas. From our headquarters in Amsterdam and offices in the US and Israel we invest globally in transformational ideas driven by great entrepreneurs. We take an active role in our portfolio companies and team up with entrepreneurs and co-investors to translate innovation towards commercial success. The venture capital arm of Merck KGaA, Darmstadt, Germany, has a significant focus on early-stage investing and company creation including the creation of spin-offs to leverage the company's science and technology base.

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**About Merck KGaA, Darmstadt, Germany**

Merck KGaA, Darmstadt, Germany, is a leading science and technology company in healthcare, life science and performance materials. Around 50,000 employees work to further develop technologies that improve and enhance life – from biopharmaceutical therapies to treat cancer or multiple sclerosis, cutting-edge systems for scientific research and production, to liquid crystals for smartphones and LCD televisions. In 2016, Merck KGaA, Darmstadt, Germany, generated sales of € 15.0 billion in 66 countries. Founded in 1668, Merck KGaA, Darmstadt, Germany, is the world's oldest pharmaceutical and chemical company. The founding family remains the majority owner of the publicly listed corporate group. Merck KGaA, Darmstadt, Germany, holds the global rights to the „Merck“ name and brand. The only exceptions are the United States and Canada, where the company operates as EMD Serono, MilliporeSigma and EMD Performance Materials.