

Seroba Kernel leads €4.8m investment in Covagen.

Covagen receives €4.8m Series A funding for its next generation protein drugs for the treatment of inflammatory diseases and cancer.

Zurich, Switzerland, November 29, 2010.

Covagen, an ETH Zurich spin-off company pioneering the development of a novel class of protein therapeutics (Fynomers), announced today the closing of a Series A financing round in which CHF 6.3 million (€4.8m) was raised. The round was led by Seroba Kernel LifeSciences based in Dublin, Ireland. Contributing toward the CHF 6.3 million total investment were additional funds provided by Covagen's four existing investors Edmond de Rothschild Investment Partners (EdRIP), MP Healthcare Venture Management, Inc. (MPH), Novartis Venture Fund, and Ventech.

Covagen's Chief Executive Officer Dr. Julian Bertschinger said, "We are very pleased that we could attract an additional internationally renowned venture firm to invest into Covagen. The funding provided by Seroba Kernel as well as our other investors validates the interest in our Fynomer technology and will allow us to progress quickly towards generating key proof of principle data for our lead drug candidate."

Dr. Jonathan Hepple, Partner of Seroba Kernel, who will join Covagen's Board of Directors, added: "We are very excited about the potential of Covagen's Fynomer technology which we believe can address many of the limitations of current biologics and provide new therapeutic approaches to the treatment of cancer and autoimmune disorders."

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About Covagen:

Covagen commercializes next generation protein drugs for the treatment of inflammatory diseases and cancer by using its proprietary protein engineering technology, which has been developed at ETH Zurich (Switzerland). Covagen's innovative platform comprises a novel single domain protein scaffold, which - in analogy to antibodies - can be engineered to yield high affinity binding proteins called Fynomers that can be used for therapeutic applications. The possibility to create bispecific as well as multivalent Fynomers and their favourable biophysical properties allow for treatment modalities that are difficult or impossible to be exploited with antibodies. For more information, please visit <http://www.covagen.com>.

About Seroba Kernel Life Sciences:

Seroba Kernel is an Irish and UK based venture capital firm specialising in European life science investments. The firm is investing from the Seroba Kernel Life Sciences Fund II, one of a number of life science funds which the firm manages. Together with partner firm Kernel Capital, Seroba Kernel has funds under management totalling approximately EUR

200 million. Seroba Kernel invests in therapeutic, diagnostic and medical device companies that have the potential to change medical care fundamentally. For more information, please visit www.seroba-kernel.com.