

PRESS RELEASE

Sunstone portfolio company Galecto raises €79 million to late-stage clinical development

Copenhagen, October 26, 2018 - Sunstone Capital today announces that Sunstone Life Science Fund III portfolio company Galecto Biotech has raised €79 million from new and existing investors to fund a Phase 2/3 clinical study with its leading inhaled drug candidate (TD139) for the treatment of idiopathic pulmonary fibrosis (IPF), a chronic and severe lung disease.

The financing will also enable Galecto Biotech, which is a leader in the field of galectin inhibitor development, to conduct clinical studies for two additional programs, which are based on galectin modulators optimised for dosing in fibrotic diseases of other organs, such as the liver and eye.

“This financing round, which is one of the biggest of its kind in Europe this year, proves Sunstone’s strategy of developing early stage biotech companies to a level and a quality which can attract international health care specialist investors. The Phase 1/2a data were very promising, and if the Phase 2/3 study shows the expected effects, it will become a Blockbuster drug. So in addition to the prospects of helping lot of patients with limited existing treatment possibilities, it may also become very valuable to the investors,” said Sunstone Capital Managing Partner Søren Lemonius.

Sunstone Capital invested in Galecto Biotech - a Swedish-Danish company and an excellent example of the sprawling Scandinavian Medicon Vally biotech cluster, in 2012 together with Novo Seeds and M Ventures.

New investors in Galecto Biotech are Ysios Capital, OrbiMed, HBM Healthcare Investments, OrbiMed Israel, Bristol Myers-Squibb, Maverick Ventures and Seventure Partners.

About Sunstone Capital:

Sunstone Capital is an independent European venture capital investment firm founded in 2007 by an international team of industry experts with combined entrepreneurial, operational and financial experience. Sunstone Capital focuses on developing and expanding early-stage Life Science and Technology companies with strong potential to achieve global success in their markets. Within life science, Sunstone Capital has invested in more than 40 companies in the areas of pharmaceuticals, medical technologies and diagnostics, and has completed more than 20 successful IPOs and large M&A transactions. Managing total funds of €890 million, Sunstone Capital is one of the largest European venture capital investors.

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