



## **Avaxia Biologics Closes Series B Financing with Total Proceeds of \$11.4 Million**

**LEXINGTON, Mass. -- June 7, 2013 --** [Avaxia Biologics, Inc.](#), a clinical-stage biopharmaceutical company developing gut-targeted therapeutics, announced today that the company closed its Series B financing with total proceeds of \$11.4 million. The round was led by Cherrystone Angels and Golden Seeds. New investors AbbVie Inc., Ariel Southeast Angel Partners, and Tech Coast Angels joined existing investors Beacon Angels, Boston Harbor Angels, Launchpad Venture Group, Mass Medical Angels, North Country Angels, the Beta Fund, Granite State Angels, the Keiretsu Forum, Maine Angels, and individual investors. In connection with the financing, AbbVie will join the board of directors. Avaxia will primarily use the proceeds to advance the clinical development of its lead program, AVX-470, for the treatment of inflammatory bowel disease (IBD).

“The Series B financing represents an important milestone for Avaxia in the process of developing a safe, effective, oral therapy for patients suffering from IBD. We’re pleased to have AbbVie join our board and engage their expertise in gastroenterology as we advance the development of innovative, gut-targeted therapeutics like AVX-470,” said Barbara S. Fox, CEO of Avaxia.

### **About Inflammatory Bowel Disease**

Inflammatory bowel disease (IBD) is a serious disease that has a major societal impact. IBD refers to two related but different diseases: ulcerative colitis and Crohn's disease. More than 2.5 million people are afflicted with IBD. These diseases cause chronic inflammation of the intestinal tract, which leads to a variety of debilitating symptoms resulting in a significant reduction in quality of life and the risk of life-threatening complications and diseases, including cancer. A chronic disease, IBD is characterized by periods of active disease alternating with periods of disease control (remission). The annual worldwide market for IBD medications exceeds \$4.5 billion, approximately \$2.5 billion of which represents sales of currently marketed anti-TNF antibodies.

### **About AVX-470**

AVX-470 is a gut-targeted anti-TNF antibody that has the potential to be a transformative first-line therapy for inflammatory bowel disease (IBD). Currently marketed anti-TNF antibodies are injected and distribute throughout the body to block specific parts of the immune system that play a role in inflammation. Evidence from current clinical practice suggests that if safety can be improved, patient outcomes may be enhanced when anti-TNF therapy is initiated earlier in the course of IBD treatment. AVX-470 is an orally administered anti-TNF antibody that targets its immunosuppressive effects to the

gastrointestinal tract to minimize the potential for side effects in other parts of the body. This potential to confine immunosuppression to where the disease occurs differentiates AVX-470 from other anti-TNF antibodies and offers the possibility for AVX-470 to become a first-line therapy for the treatment of IBD. Earlier this year, Avaxia initiated a Phase 1b clinical trial of AVX-470 in patients with active ulcerative colitis.

## **About Avaxia Biologics**

Avaxia is a leader in the growing field of gut-targeted therapeutics — orally administered, minimally absorbed drugs that are designed to act locally in the gastrointestinal tract. Avaxia's lead clinical candidate, AVX-470, is an oral anti-TNF antibody for inflammatory bowel disease (IBD). This transformative product offers potentially improved safety and efficacy by focusing immune suppression only where needed in the diseased gut. Avaxia is using its proprietary oral antibody platform to develop gut-targeted therapeutics to address other serious diseases such as type 2 diabetes, celiac disease, GI acute radiation syndrome, and oral mucositis. Avaxia controls all rights to its products and programs, and is actively seeking collaborations in these and other areas. [www.avaxiabiologics.com](http://www.avaxiabiologics.com)

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