Prolacta Bioscience® Raises $35 Million in Mezzanine Financing

CITY OF INDUSTRY, Calif., Dec. 6, 2016 – Prolacta Bioscience, the pioneer in human milk-based neonatal nutritional products, today announced the closing of a $35 million mezzanine round of financing. The transaction was led by Essex Woodlands and included participation from Aisling Capital, with existing shareholder Health Evolution Partners. As part of the transaction, Martin Sutter, Co-Founder and Managing Director at Essex Woodlands, will join Prolacta’s Board of Directors.

“Prolacta is an extraordinary company, and I’m delighted to be involved with their innovation and commitment to giving premature infants the very best opportunity to survive and thrive,” said Sutter. “The entire team at Essex Woodlands is excited by the role our Fund played in anchoring the mezzanine placement. Prolacta is a robust opportunity where the commercial franchise, while already substantially profitable, is in the early stages of its growth trajectory, and the biologics program offers a true opportunity to Advance the Science of Human Milk®.”

Prolacta’s neonatal nutritional products, when used as part of an exclusive human milk diet¹, are clinically proven to improve health outcomes²,³,⁴ and reduce hospital costs⁵ for critically ill, extremely premature infants in the NICU, weighing between 500-1,250g at birth, as compared to cow milk-based fortifier or cow milk-based preterm formula.

Proceeds from the financing will be used to expand Prolacta’s commercial presence in the European market and to support clinical trials for the company’s human milk-based nutritional products in additional indications both in and out of the neonatal intensive care unit (NICU). The funds will also be used to accelerate Prolacta’s therapeutic development plan for evaluating human milk oligosaccharides (HMOs) to treat a variety of microbiome-related diseases.

“The closing of this financing represents a transformational milestone for Prolacta. It enables us to facilitate commercial traction in key European markets for our suite of human milk-based neonatal nutritional products, while advancing the exciting work we are doing to utilize the therapeutic benefits of HMOs to develop a broad therapeutic pipeline,” said Scott Elster, President and CEO of Prolacta Bioscience.

About Prolacta Bioscience
Prolacta Bioscience, Inc. is a privately held life sciences company dedicated to Advancing the Science of Human Milk®. The company pioneered the development of human milk-based neonatal nutritional products to meet the needs of critically ill, premature infants in the NICU. Prolacta leads the industry in the quality and safety of nutritional products made from donor breast milk, and operates the first and only pharmaceutical-grade manufacturing facility for the processing of human milk.
About Essex Woodlands
With $3.0 billion under management, Essex Woodlands is one of the largest and oldest growth equity firms pursuing investments in pharmaceuticals, medical devices, healthcare services and healthcare information technology. Since its founding in 1985, Essex Woodlands has maintained its singular commitment to the healthcare industry and has been involved in the founding, investing and/or management of over 150 healthcare companies, ranging across sectors, stages and geographies. The team is comprised of 20 senior investment professionals, with offices in Palo Alto, Houston, New York and London. To find out more about Essex Woodlands, please go to www.ewhv.com.

About Aisling Capital
Aisling Capital is a leading investment firm that invests in products, technologies, and global businesses that advance health. Aisling Capital invests in both private and public companies utilizing a wide variety of investment structures. The Aisling Capital team’s combination of clinical, operational, and financial experience allows the firm to identify, execute, and realize investments across the life sciences industry. For more information, visit www.aislingcapital.com.

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1 An exclusive human milk diet (EHMD) is when 100% of the protein, fat and carbohydrates in an infant’s intake are derived solely from human milk.


4 Abrams SA, et al. “Greater Mortality and Morbidity in Extremely Preterm Infants Fed a Diet Containing Cow Milk Protein Products.” Breastfeeding Medicine. June 2014. 9(6): 281-0285. doi:10.1089/bfm.2014.0024. This cohort study included 260 extremely preterm infants born weighing less than 1,250g who received a diet that ranged from 100% cow milk to 100% human milk.

5 Assad M, et al. “Decreased Cost and Improved Feeding Tolerance in VLBW Infants Fed an Exclusive Human Milk Diet.” Journal of Perinatology. March 2016. 36:216-220. doi: 10.1038/jp.2015.168. The study retrospectively looked at 293 preterm infants between gestational ages of 23 to 34 weeks and birth weights between 490-1,700g in the Level III NICU. The study compared the clinical and financial impacts between infants that were fed an exclusive human milk diet; cow milk-based fortifier and maternal milk; mixed combination of maternal milk, cow milk-based fortifier and cow milk-based formula; and formula between March 2009 and March 2014.