

PRESS RELEASE

Bertelsmann Investments Acquires Stake in AI-powered Israeli Healthcare Startup QuantHealth

- **Investment of several million euros**
- **AI-supported start-up company for clinical trial planning**
- **Strategic development and expansion of Digital Health growth field**
- **Further investments planned**

Gütersloh / Tel Aviv, September 11, 2023 – Bertelsmann Investments (BI) is investing several million euros in Tel Aviv-based QuantHealth, an AI-powered healthcare startup for planning clinical trials.

More than 90 percent of the drugs that make it to the clinical trial stage never reach the market. The cost of these trials is estimated to be around \$50 billion. QuantHealth uses artificial intelligence to simulate hundreds of trials and trial designs to significantly increase a trial's chance of success and speed up its execution. Based on 350 million patient records, QuantHealth can predict study outcomes with 86 percent accuracy.

Carsten Coesfeld, CEO of Bertelsmann Investments, says: “The QuantHealth team led by co-founder and CEO Orr Inbar recognized very early on what great potential Artificial Intelligence holds for the BioPharma industry. The services QuantHealth provides are unique. I am very pleased that we are contributing to the further development of QuantHealth with our investment.”

Orr Inbar, co-founder and CEO of QuantHealth, stated: “According to a recent Deloitte article, ROI on pharma R&D has steadily declined, reaching 1.2 percent in 2022, the lowest the industry has seen in decades. This decline is happening at a time when the need for efficient drug development has never been greater. We firmly believe that deep AI solutions like ours will dramatically enhance the success of clinical trials, and pave the way towards better and cheaper therapies for patients around the world.”

QuantHealth was able to raise a total of 15 million US dollars in the current round of financing. Bertelsmann Investments and Pitango HealthTech co-led the financing round. Existing investors include Nina Capital, Shoni Top Ventures, Boston Millennia Partners, Atooro Fund, and Renegade Ventures.

Thorsten Wirkes, Senior Vice President at Bertelsmann Investments, commented: “We are very pleased to co-invest in QuantHealth alongside Pitango and to further expand our growth unit Bertelsmann Next with an investment focus on Digital Health. The impressive AI technologies of QuantHealth have proven to save pharmaceutical companies millions, helping them bring drugs to market quicker and get patients the treatments they need.”

Within Bertelsmann Investments, the Bertelsmann Next unit focuses its investments on the fast-growing Digital Health, Mobile Gaming, and HR Tech sectors. Since Next was launched in mid-2022, €70 million has already been invested in the field of digital health. Further investments are to follow.

About Bertelsmann Investments

Bertelsmann Investments (BI) comprises Bertelsmann's global venture capital activities as well as the Bertelsmann Next growth unit. The venture capital arm includes the Bertelsmann Asia Investments (BAI), Bertelsmann India Investments (BII) and Bertelsmann Digital Media Investments (BDMI) funds, as well as selected fund and direct holdings in markets including Europe, the United States, Brazil, Southeast Asia and Africa. The Bertelsmann Next unit advances the entrepreneurial development of new growth sectors and business areas, including digital health, mobile gaming and HR Tech. To date, around €1.7 billion has been invested in more than 400 innovative companies and funds through Bertelsmann Investments. Bertelsmann Investments currently holds over 300 active investments worldwide through its network of start-ups and funds.

About QuantHealth

90% of drugs fail the clinical stage, representing a direct \$50B annual waste to pharma companies. To address this challenge at its core, QuantHealth's Clinical-Simulator predicts how each patient in a clinical trial will respond to treatment, allowing trial design teams to run thousands of protocol variations, and optimize the trial design for success. Based on its novel AI engine trained on a massive dataset of 350m patients and a rich biomedical knowledge-graph, QuantHealth's simulator can predict clinical trial results with 86% accuracy, allowing users to answer mission critical questions around trial design, indication selection, asset evaluation, and more. QuantHealth was founded by healthcare experts who led commercial, product, and data science at leading companies in the US and Israel. QuantHealth is backed by expert Life-Science investors from the US, Europe and Israel, and is supported by an advisory board of physicians and scientists from leading academic institutions.

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