

Biotech financing update



March 2022–May 2022



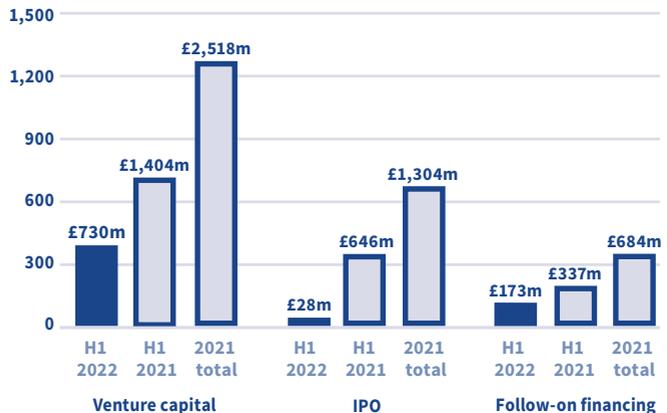
Overall figures

As the UK biotech and life sciences sector passes the halfway mark of 2022, financing for the sector has remained stable but there are signs that the strong global economic headwinds impacting all sectors are beginning to take their toll.

Overall, £450m was raised in the three months leading to June, compared to £481m in the first quarter. Both VC and public follow-on financings have contributed to the relatively steady picture.

The sector looks unlikely to reach the heady heights of 2021, but a total of £931m for the first half of the year is strong by historical standards.

UK biotech financing



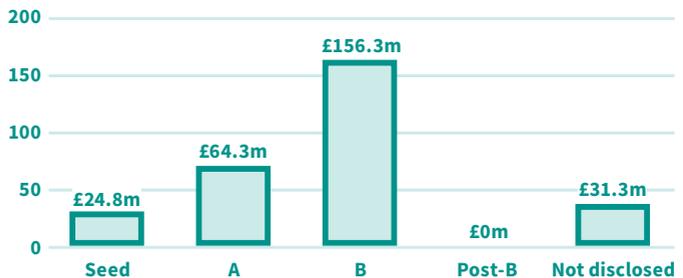
*The dataset in this report covers the period from 1 March 2022 to 31 May 2022. It provides fundraising data based on the headquarters location of the company. Where fundraises weren't in pound sterling, the relevant exchange rate of the time was used. The data is provided by Clarivate Group and Bioworld, with additional data sourced from the London Stock Exchange and Pitchbook.

UK venture capital

UK biotechs secured a total of £277m in private capital in the three months to the end of May, down 39% from £453m in Q1.

Seed funding remained steady compared to the previous three months and later-stage companies continued to be able to secure large rounds, with Omass Therapeutics topping the table with its £75.5m Series B.

UK biotech VC deals by series



Top five UK biotech VC deals

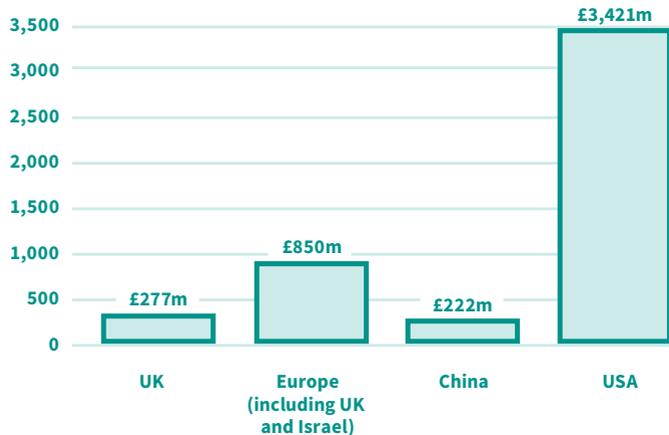
Company name	Deal date	Round	Value (£m)
Omass Therapeutics	28/04/2022	B	75.5
Femtogenix	14/03/2020	A	51.9
Microbiotica	07/03/2022	B	50.0
EpsilonGen	02/03/2022	B	30.8
Epitopea	25/04/2022	Seed	10.7

International venture capital

Globally, the biotech sector raised just over £4.86bn from venture and private sources, down from £5.5bn in the previous quarter.

Venture capital investment in US biotech was steady quarter on quarter at £3.4bn, but both Europe and China saw a decline from the previous quarter, with 38% and 60% less raised, respectively.

Global biotech VC financing



UK IPOs

Public launches remained challenging for companies on both sides of the Atlantic. Two UK IPOs raised £4.4m between them.

Okyo Pharma, which is developing a treatment for dry eye disease and was already listed on the London Stock Exchange, launched on NASDAQ on 11 May raising £2m.

ProBiotix Health launched on 31 March on the Access Segment of the London-based AQSE Growth Market, raising £2.5m. The company is developing probiotics to tackle cardiovascular disease and other lifestyle conditions.

IPOs by market

Company name	Date	Market	Value (£m)
Okyo Pharma	11/05/2022	NASDAQ	2.0
ProBiotix Health	31/03/2022	AQSE	2.5
Total			4.5

Other public financings and activity

Despite the markets being suppressed, a handful of public companies raised new funds between March and May, totalling an impressive £173m.

BenevolentAI raised £135m in a PIPE transaction following completion of its SPAC merger with Odyssey Acquisition and its listing on Euronext Amsterdam. On London's AIM, Destiny Pharma raised £6.45m.

The total for the first half of the year is not significantly far behind that for the first half of 2021.

Follow-on financings by market

	H1 2022 (£m)	H1 2021 (£m)	2021 (£m)
AIM	44	136	299
LSE	0	0	50
NASDAQ	0	177	335
EuroNext	135	24	24
Total	173	279	648



www.bioindustry.org
designbysoapbox.com

