

Biotech financing update



December 2020–February 2021

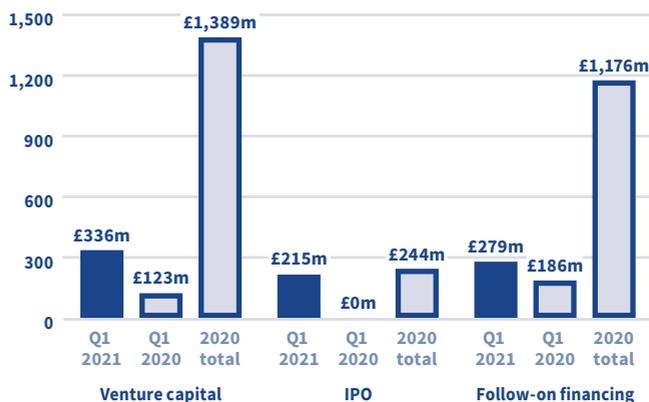


Overall figures

UK biotech increased its momentum as it headed into 2021. More than £830m in fresh capital was raised in the three months to the end of February, almost topping the £894m raised in the first six months of 2020, which itself was a record-breaking year.

As private and public markets on both sides of the Atlantic continue to back biotech, UK companies have secured large rounds to finance their R&D activities and accelerate the delivery of innovative new medicines to patients.

UK biotech fundraising



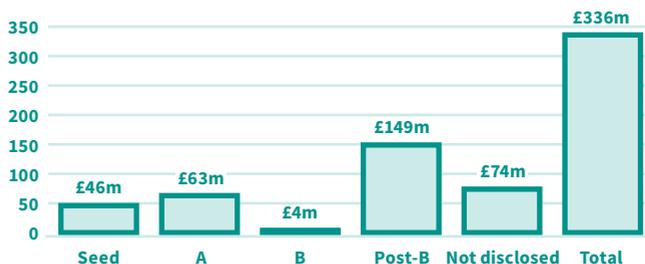
* The dataset in this report covers the period from 1 December 2020 to 28 February 2021. It provides fundraising data based on the headquarters location of the company. The data is provided by Clarivate with additional data sourced from Pitchbook. The analysis is by BIA.

UK venture capital funding

UK biotechs raised a total of £336m in private capital in the three months to the end of February. Following on from a buoyant 2020, large later-stage rounds remain readily obtainable as investors, especially those from the US, continue to see the long-term potential of biotech.

Evox and Immunocore secured £69.2m and £54.3m, respectively, from East and West Coast funds, while Ixaka established itself as a cell and gene therapy player following a restructuring and £40M financing from its existing, largely European, investor base.

UK VC financing by round, Dec 2020–Feb 2021



Top UK biotech VC fundraisers, Dec 2020–Feb 2021

Company name	Deal date	Round	Value (£m)
Evox Therapeutics	18/02/2021	C	69.2
Immunocore	11/01/2021	C	54.3
Ixaka Ltd. (formerly Rexgenero)	19/01/2021	Seed	40.0
Resolution Therapeutics	02/12/2020	A	26.6
Quell Therapeutics	11/02/2021	A	25.8

International venture capital

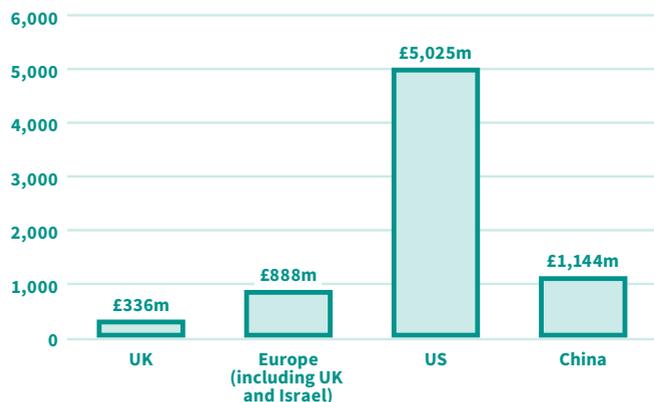
Globally, the biotech sector raised just over £7.2bn from venture and private sources. Almost all regions performed significantly better than the same period last year.

US-based biotechs accounted for almost three quarters of the total with companies based in Massachusetts leading the way, accounting for almost £2.5bn.

China continued to see its influence rise as it acquired second place in the global biocluster rankings with Chinese companies raising £1.14bn, ahead of San Diego and San Francisco Bay area-based companies, although California as a whole would maintain second place.

Raising £336m, the UK biotech sector maintains its position in the global top five and accounted for almost 38% of total European biotech VC financing.

Global biotech VC financing



IPOs

Immunocore was the only UK biotech company to raise fresh capital with an IPO when it floated on NASDAQ in February. The Oxford-based immuno-oncology company raised £215.1m (\$297.1m), having already raised £54.3m in a series C round in the preceding month.

Cambridge-based 4basebio, which is developing and supplying next generation therapeutic DNA for use in gene therapy delivery, launched on AIM in February but raised no new money.

Two companies focusing on cannabis medicines opted to float shares on the LSE main list. Australian company MGC Pharma, already listed on the ASX, listed its shares on the LSE via a share placement. Israeli company Kanabo Group went public for the first time on the LSE raising £6 million.



Immunocore
raised **£215m**
in its February IPO

Other public financings

UK biotechs raised a total of £78.3m on London's AIM, including £33.1m for Silence Therapeutics, £27.2m for RedX Pharma and £17.5m for ReNeuron. Including non-UK based companies, biotechs on AIM raised a total of £159.1m in follow-on offerings and private placements.

UK-based biotechs listed on NASDAQ raised an additional £177.5m, with Autolus Therapeutics and Mereo Biopharma raising \$115.1m and \$115m.

Acacia Pharma Group raised £23m (€27m) on Euronext to invest further in US launch and commercialisation activities.

Follow-on financings by market

	Q1 2021 (£m)	Q1 2020 (£m)	2020 (£m)
AIM	78	41	515
LSE	0	1	42
Nasdaq	177	144	620
Euronext	23	0	0
Total	279	186	596