

# Biotech financing update

June 2020–August 2020



**DRG**  
Part of **Clarivate**

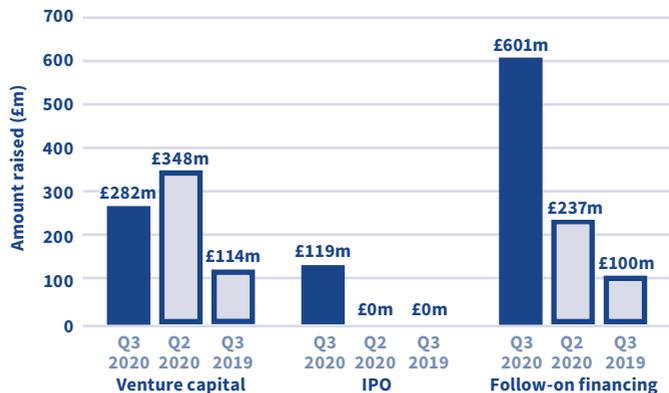
**BioWorld**

# Overall figures

The scale of UK biotech fundraising has continued to accelerate in the third quarter of 2020, with a record £1bn raised between 1 June and 31 August.

Public markets continue to be the driver of this strong performance. The first IPO of the year secured £119m on NASDAQ and follow-on financings totalled £601m. Venture capital investment was slightly down on the previous quarter but still healthy at £282m, including an uplift in seed and series A financings.

A total of £1.9bn has been raised to date in 2020, meaning it is already the second-best year on record and on target to surpass the annual total of £2.2bn achieved in 2018.



## UK biotech fundraising

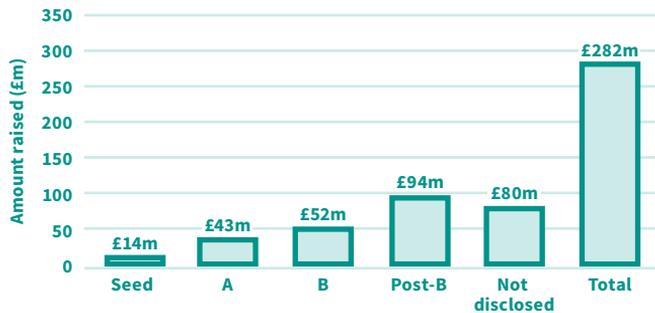
\* The dataset in this report covers the period from 1 June 2020 to 31 August 2020. It provides fundraising data based on the headquarters location of the company. The data is provided by DRG, part of Clarivate, and BioWorld, with additional data sourced from Pitchbook. The analysis is by BIA.

# UK venture capital funding

There has been a welcome increase in early-stage VC investment following the dramatic fall in seed and series A seen in Q2 triggered by the coronavirus lockdown.

A handful of large late-stage rounds helped achieve the healthy total takings of £282m. Notable was the support that UK biotechs received from international investors, with most companies being able to dip into European funds and the deep US capital pool.

## UK biotech VC investment by series



## Top UK biotech VC fundraisers, June to August 2020

Company Name	Deal Date	Round	Value (£m)
Freeline Therapeutics	30/06/2020	C	61.2
F2G	12/08/2020	ND	45.6
NodThera	03/06/2020	B	41.3
ReViral	25/08/2020	C	33.0
Bit Bio	13/06/2020	A	32.0

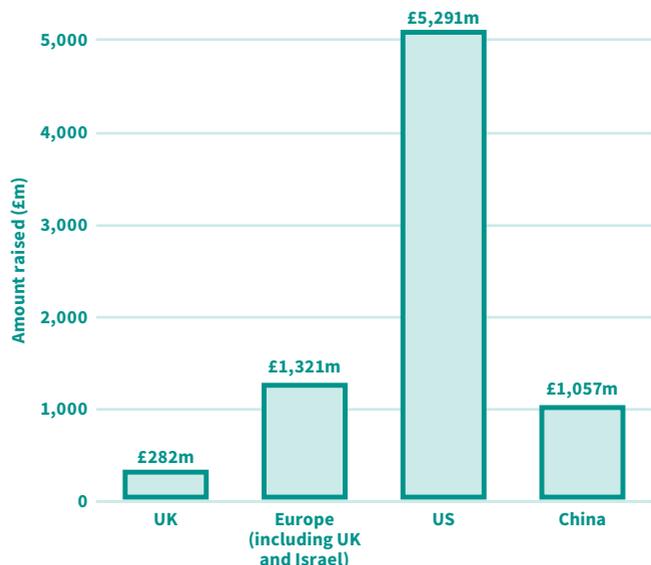
# International venture capital

Biotech companies across the globe raised almost £7.5bn in the three months to the end of August, which was the same as the previous quarter.

US companies accounted for 70% of the total and eight of the top 10 deals. Up-and-coming Californian cell and gene company Sana Biotechnology topped the chart with a £540m (\$700m) series-A financing, an all-time VC deal record.

Europe, including Israel, collectively raised the second largest sum globally at £1.32bn, up from £999m in Q2. Germany topped the European list thanks to four mega deals including CureVac.

## Biotech VC investment by region



# IPOs

Freeline Therapeutics, a clinical-stage gene therapy company founded by Syncona in 2015, became the latest UK biotech to achieve a straight-to-NASDAQ IPO, securing £119m (\$158.8m) on 7 August. The listing valued the company at \$624m. Prior to its listing, Freeline extended its series C round (which closed at \$120m) with an additional \$80m secured in a deal on 30 June led by Novo Holdings, Eventide Asset Management and Wellington Partners.

Syncona, an evergreen investment company listed on the London Stock Exchange, has developed a successful track record of building companies based on UK intellectual property and listing them on NASDAQ.



Freeline Therapeutics raised **£119m** on its NASDAQ IPO

# Other public financings and activity

As in the second quarter, public follow-on financings were extremely strong in Q3. A record £601m was raised across all markets. The high levels of activity were particularly pronounced in the US.

Leading the way was Adaptimmune Therapeutics, which raised £168m on NASDAQ. While Verona Pharma, which is dual-listed on AIM and NASDAQ, raised £160m in a private placing from Novo Holdings and 22 other investors.

## Follow-on financings by market

	Q3 2020 (£m)	Q2 2020 (£m)	Q3 2019 (£m)
AIM 2PO	110	218	0
LSE 2PO	40	0.6	0
NASDAQ 2PO	451	18	100
<b>Total</b>	<b>601</b>	<b>237</b>	<b>100</b>



[www.bioindustry.org](http://www.bioindustry.org)

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