

Biotech financing update



March 2021–May 2021



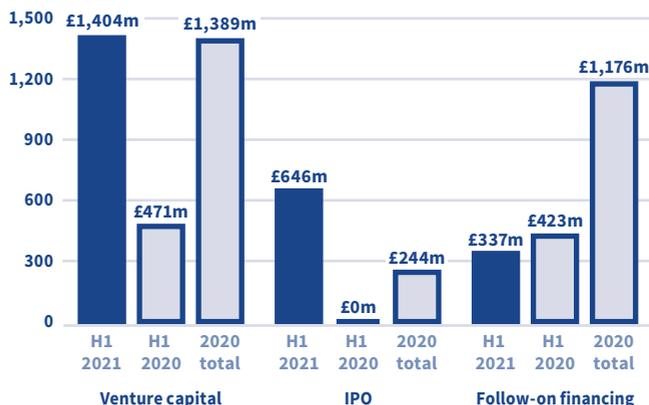
Overall figures

Financing for the UK biotech sector has boomed in the second quarter of 2021 driven by a string of super-sized venture capital deals and Nasdaq listings.

A total of £1.56bn was invested in the sector in the three months to the end of May. An outstanding £1,068m was raised in venture capital, £431m through IPOs, and £58m in follow-on public financings.

The stellar performance means £2.39bn has been raised in the year to date, compared to £2.81bn in the whole of 2020.

UK biotech fundraising



* The dataset in this report covers the period from 1 March 2021 to 31 May. It provides fundraising data based on the headquarters location of the company. The data is provided by Clarivate, with additional data sourced from Pitchbook and verified by Clarivate. The analysis is by BIA.

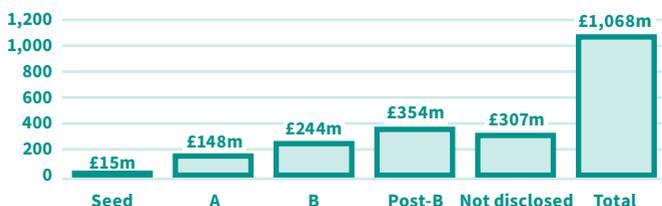
UK venture capital funding

UK biotechs raised a record total of £1,068m in private capital in the three months to the end of May.

There were thirteen £20m+ deals, including four over £100m, which together represented 90% of the total private haul. A mix of US, European, Japanese and UK investors led the deals.

Oxford Nanopore came close to claiming the all-time record for UK VC deals but fell just short of Immunocore's £205m, achieved in 2015. Exscientia also raised an impressive £157.5m, and our data doesn't include a further \$300m made available from Softbank that the company may choose to draw down later.

UK VC financing by round, March 2021–May 2021



Top UK biotech VC fundraisers, March 2021–May 2021

Company name	Deal date	Round	Value (£m)
Oxford Nanopore Technologies	04/05/2021	N/A	195
Exscientia	28/04/2021	Series D	157.5
Vaccitech	17/03/2021	Series B	117.6
Gyroscope Therapeutics	26/03/2021	Series C	103.6
Pulmocide	27/05/2021	Series C	64.4

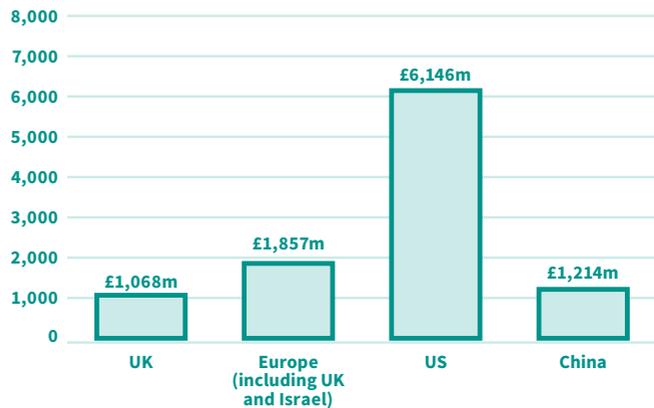
International venture capital

Globally, the biotech sector raised just over £9.4bn from venture and private sources, up from £7.6bn in the same period last year.

In the US, where the majority of global biotech capital is focussed, £2,227 was raised in Massachusetts and £1.239m in San Francisco.

In Europe, German and Swiss biotechs raised £190m and £152m respectively. The UK accounted for almost 60% of the total European venture capital invested biotech.

Global biotech VC financing



IPOs

Nasdaq welcomed three new UK biotech companies between 1 March and 31 May, which together raised £431m.

Largest amongst them was Centessa, a new financing model launched by UK investors Medicxi in February 2021 to combine ten of its portfolio companies into one organisation but run them as independent asset-centric projects. It raised £231m on Nasdaq on 28 May. Upon launch with a £183m Series A, the company was registered in Boston Massachusetts so didn't feature as a UK company in our Q1 report, but it is included in this one because it has since moved its registered headquarters to Cambridge, UK.

Achilles Therapeutics, a developer of T-Cell therapies, secured £123m and Vaccitech, the Oxford spin-out with rights to the viral vector technology behind that university's COVID-19 vaccine, secured £77m to develop the platform to treat a range of diseases, including cancer.

UK biotech IPOs, March 2021–May 2021

Company name	Deal date	Market	Value (£m)
Centessa Pharmaceuticals	28/05/2021	NASDAQ	231
Achilles Therapeutics	31/03/2021	NASDAQ	122.9
Vaccitech	30/04/2021	NASDAQ	77.4

Other public financings and activity

£58m was raised in follow-ons by UK biotechs on London's AIM, and no other activity was recorded on markets either side of the Atlantic.

Many companies took advantage of the strong market conditions last year, which may account for less demand for additional fresh capital this year. Larger initial raises and deeper VC pockets through 2020 is allowing management teams in 2021 to focus on driving their business rather than refinancing through repeated small drip, drip rounds of funding.

Follow-on financings by market

	Q2 2021 (£m)	Q1 2021 (£m)	2020 (£m)
AIM	58	78	515
LSE	0	0	42
Nasdaq	0	177	620
Euronext	0	23	0
Total	58	279	596