



BUREAU VAN DIJK

M&A Review

Biotech

July 2017



The following report details mergers and acquisitions activity in the biotech sector in July 2017 using data from the Zephyr database.

It focuses on global deals activity by target company within the cleantech sector.

Click [here](#) to access the raw data in an Excel spreadsheet.

Biotech PE, VC and DC value suppressed by lack of investments worth over USD 200mn

There were 43 private equity, venture capital and development capital (PE, VC and DC) deals worth USD 581 million targeting global biotech companies in July, compared to 46 deals totalling USD 5,950 million in June.

A lack of PE, VC and DC investments worth USD 200 million or more over the four weeks suppressed overall value and made the month-on-month slump, which had resulted in a new 12-month high in June, appear particularly stark. Value also fell year-on-year as it was down by a fifth from USD 754 million.

Volume, while certainly not at a new 12-month low, slipped for the second consecutive month and was down 4 per cent from 45 in July 2016.

Private equity, venture capital and development capital deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jul-17	43	581
Jun-17	46	5,950
May-17	49	352
Apr-17	26	173
Mar-17	58	478
Feb-17	31	397
Jan-17	48	639
Dec-16	49	648
Nov-16	42	555
Oct-16	39	223
Sep-16	55	466
Aug-16	43	2,849
Jul-16	45	754



BUREAU VAN DIJK

Welcome to the business of certainty.

We capture and treat private company and M&A information for better decision making and increased efficiency.

zephyr

The most comprehensive deal database



orbis

The world's most powerful comparable data resource on private companies

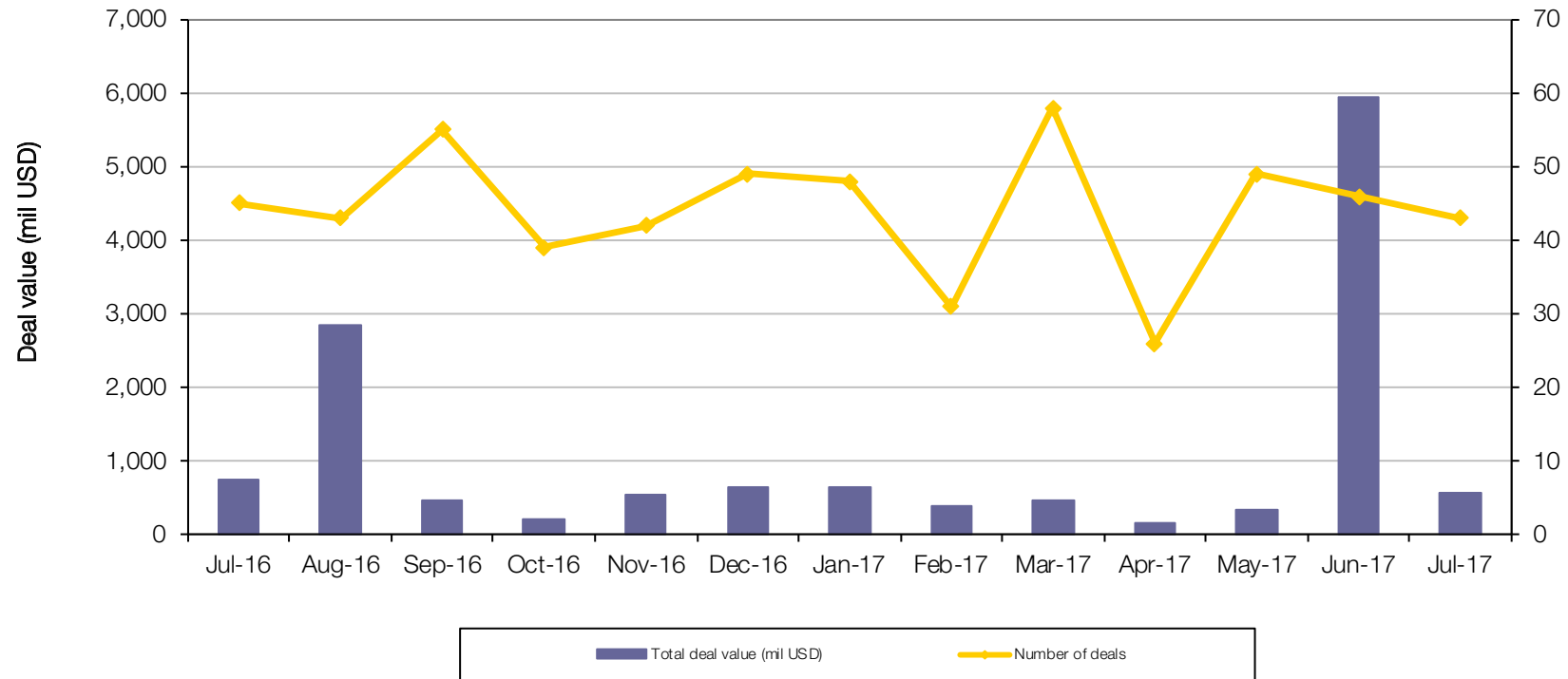
m&a research catalyst



Combining deal and company data



Private equity, venture capital and development capital deals by volume and value





Three non-North American companies feature in top 20

Biotech companies based in North America were once again the main targets of high-value PE, VC and DC investment in July as they accounted for 17 of the top 20 deals by value. However, of these, only one was worth more than USD 100 million: proteomics biomarker technology developer SomaLogic raised USD 163 million, representing 28 per cent of the month's total value.

As usual, US companies dominated the top 20 deals, although one Canadian biotech company featured as Milestone Pharmaceuticals, a cardiovascular drug developer that researches novel small molecule therapeutics, raised USD 7 million.

There were three top 20 deals by companies based outside of North America in July and they were all worth less than USD 30 million. Arseus Medical was the only Western European biotech company to feature in the top 20 after Gimv bought a minority stake in the Belgian diagnostic and therapeutic systems supplier from two shareholders for USD 17 million. The remaining two deals featured companies based in China; Qiagen Suzhou Translational Medicine raised USD 26 million via a series A financing round while Nanjing Geneseeq Biotechnology secured USD 15 million in a third round of funding.

Without exception all of the top 20 were minority stakes and featured investment from the likes of Morningside Ventures, New Enterprise Associates, Arch Venture Partners and Bay City Capital.

PE, VC and DC investment stripped away from UK and Canadian biotechs

US companies once again attracted the majority of global PE, VC and DC investment in biotech companies in July after being targeted in 35 deals worth a combined USD 461 million over the four weeks, or 81 per cent of the month's total volume (43 deals) and 79 per cent of overall value (USD 581 million).

While investment was down from 37 deals totalling USD 5,775 million in June, US dealmaking was still significantly ahead of China, which was targeted in 2 deals worth USD 41 million in July. PE, VC and DC investment in these companies was up month-on-month (July: 2; USD 0 million) but remained static in terms of volume and was down year-on-year (July 2016: 2; USD 59 million).

Belgium was the only country in which biotech growth was recorded both month-on-month and year-on-year. Conversely, growth was stripped away from PE, VC and DC investment in companies based in the UK over the same timeframe.



Private equity, venture capital and development capital deals by value

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	General Partner/Fund Manager	Deal status
1.	163	Minority stake	SomaLogic Inc.	Proteomics biomarker technology developer, Technical testing services	US		Completed
2.	50	Minority stake	Kezar Life Sciences Inc.	Protein homeostasis for autoimmune disorders research and development services	US	Pappas Capital LLC; Bay City Capital LLC; Morningside Ventures LLC; Qiming Weichang Venture Capital Management (Shanghai) Co., Ltd; Cowen Group Inc.; EcoR1 Capital LLC; Cormorant Asset Management LLC; Omega Fund Management LLC; AJU IB Investment Co., Ltd	Completed
3.	41	Minority stake	Complexa Inc.	Metabolic inflammation and dysregulation research and treatment developer	US		Completed
4.	36	Minority stake	GigaGen Inc.	Pre-clinical biotherapeutics developer	US		Completed
5.	29	Minority stake	LogicBio Therapeutics Inc.	Biotechnology	US		Completed
6.	26	Minority stake 10%	QIAGEN (Suzhou) Translational Medicine Co., Ltd	Clinic trial testing services, Laboratory diagnostic reagents products manufacturer	CN	Qiming Weichang Venture Capital Management (Shanghai) Co., Ltd; New Horizon Capital; Quanchuang Capital; Shanghai Anjie Medical Devices Co., Ltd	Completed
7.	17	Minority stake	Arseus Medical NV	Diagnostic and therapeutic systems wholesaler	BE	Gimv NV	Completed
8.	15	Minority stake	EdenRoc Sciences LLC	Biotechnology	US		Completed
9.	15	Minority stake	Nanjing Geneseeq Biotechnology Co., Ltd	Cancer related drug research services, Cancer related gene biotechnology research services	CN	Beijing Huatai Ruihe Investment Fund Management Partnership Enterprise (LP); Ningbo Meishan Bonded Port Area Boyuan Hongsheng Investment Partnership (LP); Shenzhen Co-Win Asset Management Co., Ltd; Industrial Innovation Capital Management Co., Ltd	Completed
10.	14	Minority stake	NeuroVia Inc.	Genetic neurological diseases pharmaceutical products manufacturer	US	Novartis AG; Felicitas Beteiligungsgesellschaft Hannover mbH; Sanofi-Genzyme BioVentures; Enso Ventures Ltd	Completed



Private equity, venture capital and development capital deals by value (Cont'd)

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	General Partner/Fund Manager	Deal status
11.	12	Minority stake	NuVera Medical Inc.	Biotechnology	US		Completed
12.	11	Minority stake 11%	Regulus Therapeutics Inc.	Micro-RNA blocking biopharmaceutical developer, Micro-RNA blocking biopharmaceutical manufacturer	US	New Enterprise Associates Inc.	Completed
13.	10	Minority stake	Ultivue Inc.	Life sciences biotechnology research developer	US		Completed
14.	9	Minority stake	AgeX Therapeutics Inc.	Biotechnology	US		Completed
15.	8	Minority stake	Hexagon Bio Inc.	Biotechnology	US		Completed
16.	8	Minority stake	Koia	Plant-based protein drinks manufacturer	US	KarpReilly LLC; AccelFoods LLC	Completed
17.	7	Minority stake	Amphivena Therapeutics Inc.	Biotechnology	US		Completed
18.	7	Minority stake	Milestone Pharmaceuticals Inc.	Small-molecule drug developer, Small-molecule drug manufacturer	CA		Completed
19.	6	Minority stake	Rodeo Therapeutics Corporation	Small-molecule therapies developer	US	Eli Lilly and Company; ARCH Venture Partners LLC; Alexandria Real Estate Equities Inc.; Washington Research Foundation; AbbVie Biotech Ventures Inc.; WuXi AppTec Co., Ltd; Johnson & Johnson Innovation - JJDC Inc.; Watson Fund LP	Completed
20.	5	Minority stake	Iowa Approach Inc.	Biotechnology	US		Completed



Target countries by volume - private equity, venture capital and development capital deals

Target country	Jul-16	Jun-17	Jul-17
US	35	37	35
China	2	0	2
Denmark	0	0	1
Belgium	0	0	1
UK	3	3	1
Canada	2	3	1

Target countries by value - private equity, venture capital and development capital deals

Target country	Jul-16 (mil USD)	Jun-17 (mil USD)	Jul-17 (mil USD)
US	689	5,775	461
China	59	0	41
Belgium	0	0	17
Canada	0	74	7
UK	4	46	1



Private equity, venture capital and development capital investors

	Company name	Number of deals	Number with consideration	Total deal value (mil USD)	Average deal value (mil USD)
1	Qiming Weichang Venture Capital Management (Shanghai) Co., Ltd	2	2	76	38
2	Omega Fund Management LLC	1	1	50	50
3	EcoR1 Capital LLC	1	1	50	50
4	Cowen Group Inc.	1	1	50	50
5	AJU IB Investment Co., Ltd	1	1	50	50
6	Bay City Capital LLC	1	1	50	50
7	Pappas Capital LLC	1	1	50	50
8	Morningside Ventures LLC	1	1	50	50
9	Cormorant Asset Management LLC	1	1	50	50
10	Shanghai Anjie Medical Devices Co., Ltd	1	1	26	26
11	Quanchuang Capital	1	1	26	26
12	New Horizon Capital	1	1	26	26
13	Gimv NV	1	1	17	17
14	Shenzhen Co-Win Asset Management Co., Ltd	1	1	15	15
15	Industrial Innovation Capital Management Co., Ltd	1	1	15	15
16	Ningbo Meishan Bonded Port Area Boyuan Hongsheng Investment Partnership (LP)	1	1	15	15
17	Beijing Huatai Ruihe Investment Fund Management Partnership Enterprise (LP)	1	1	15	15
18	Felicitas Beteiligungsgesellschaft Hannover mbH	1	1	14	14
19	Novartis AG	1	1	14	14
20	Enso Ventures Ltd	1	1	14	14
21	Sanofi-Genzyme BioVentures	1	1	14	14



M&A volume and value declined in July

The value of mergers and acquisitions (M&A) targeting global biotech companies halved in July 2017, while volume declined at the slower rate of 29 per cent. In all there were 90 deals worth a combined USD 4,089 million announced during the month, compared to the USD 8,221 million injected across 126 deals in June. Results were more positive in a year-on-year comparison as value almost doubled from USD 2,415 million in July 2016. Despite the increase, volume was still down, from 105, over the timeframe.

Only one deal broke the USD 1,000 million barrier in July as Laboratory Corporation of America Holdings agreed to pick up Chiltern International for USD 1,200 million. Second place was taken by a USD 750 million takeover of US-headquartered Protein Sciences by Sanofi.

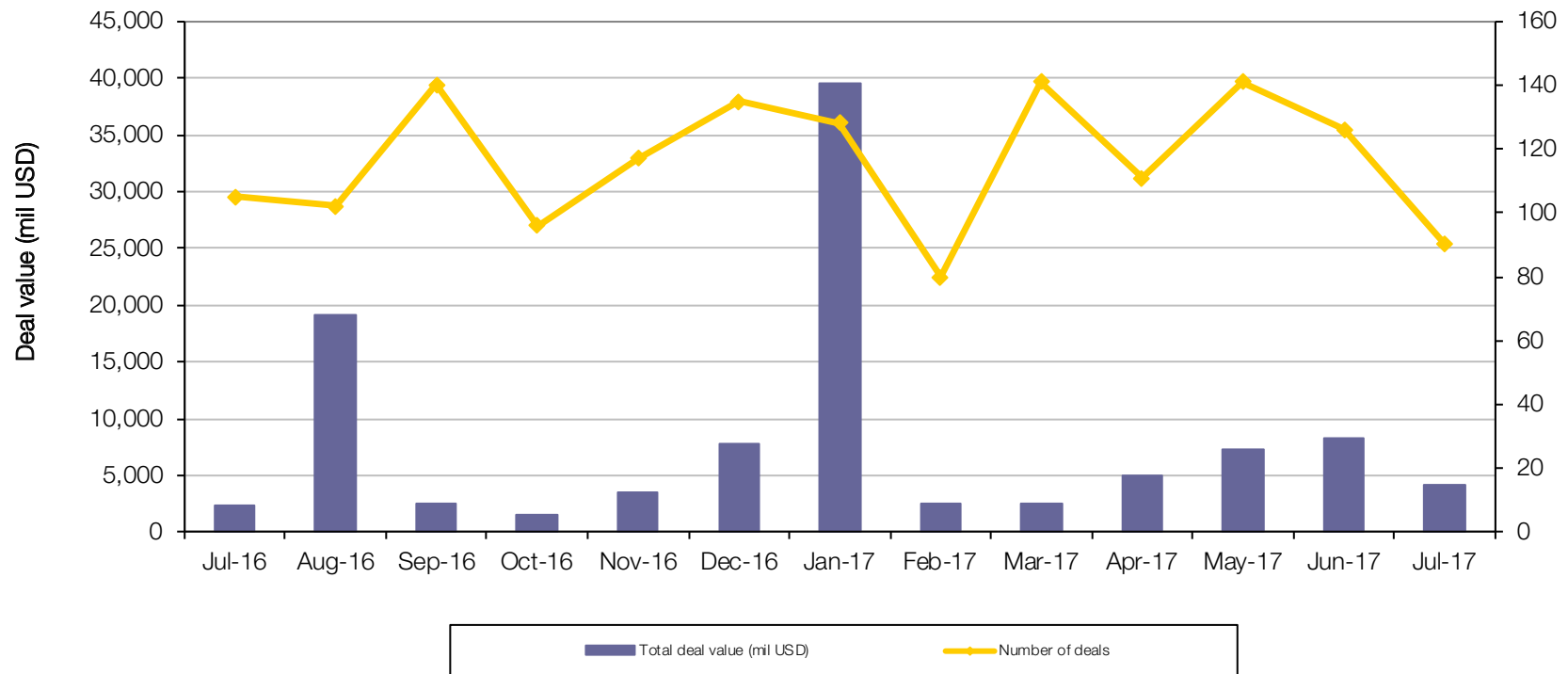
In all, 14 of the month's top 20 M&A deals by value featured targets based in the US. As such, it is unsurprising to see the country top both the volume and value rankings with 48 deals worth USD 2,058 million. In terms of value the UK was second with dealmaking of USD 1,318 million, placing it well ahead of third-placed China with USD 249 million. The latter was actually second by volume, with 10 deals, while the UK came third with five.

Deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jul-17	90	4,089
Jun-17	126	8,221
May-17	141	7,308
Apr-17	111	4,974
Mar-17	141	2,602
Feb-17	80	2,514
Jan-17	128	39,497
Dec-16	135	7,724
Nov-16	117	3,451
Oct-16	96	1,540
Sep-16	140	2,557
Aug-16	102	19,083
Jul-16	105	2,415



Deals by volume and value





Top 20 deals by value

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Acquiror	Announced date
1.	1,200	Acquisition 100%	Chiltern International Ltd	Clinical research services	GB	Laboratory Corporation of America Holdings	Announced
2.	750	Acquisition 100%	Protein Sciences Corporation	Baculovirus Expression Vector System (BEVS) protein research developer, Vaccines biotechnology company	US	Sanofi SA	Announced
3.	460	Acquisition 100%	Insanabilis Research LLC	Metabolic diseases treatment services	US	Excellence Health Inc.	Completed
4.	163	Minority stake	SomaLogic Inc.	Proteomics biomarker technology developer, Technical testing services	US		Completed
5.	152	Minority stake 2% to 5%	Liaoning Chengda Co., Ltd	Biological pharmacy manufacturer, General trading services, Investment services	CN	Tehua Investment Holding Co., Ltd	Completed
6.	150	Minority stake 6%	BeiGene Ltd	Immuno-oncology drugs research and development services holding company, Immuno-oncology preparations manufacturer holding company	KY	Celgene Switzerland LLC	Announced
7.	148	Acquisition 100%	Amatsi SAS	Human and veterinary drug development services, Human and veterinary drug manufacturer, Pharmaceutical and biotech drug development services, Pharmaceutical and biotech drugs manufacturer	FR	Eurofins Scientific SE	Announced
8.	104	Capital Increase 26%	Horizon Discovery Group plc	Precision genome editing research services	GB	Investors; INVESCO Asset Management Ltd; Woodford Investment Management Ltd	Pending
9.	85	Capital Increase 31%	CymaBay Therapeutics Inc.	Clinical-stage biopharmaceuticals research and development services	US		Completed
10.	65	Capital Increase 20%	Tetraphase Pharmaceuticals Inc.	Tetracycline antibiotic biopharmaceuticals developer, Tetracycline antibiotic biopharmaceuticals manufacturer	US		Completed



Top 20 deals by value (Cont'd)

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Acquiror	Announced date
11.	50	Capital Increase 18%	Clearside Biomedical Inc.	Clinical-stage eye disease biopharmaceuticals developer	US		Announced
12.	50	Minority stake	Kezar Life Sciences Inc.	Protein homeostasis for autoimmune disorders research and development services	US	Pappas Capital LLC; Bay City Capital LLC; Morningside Ventures LLC; Qiming Weichang Venture Capital Management (Shanghai) Co., Ltd; Cowen Group Inc.; EcoR1 Capital LLC; Cormorant Asset Management LLC; Omega Fund Management LLC; AJU IB Investment Co., Ltd	Completed
13.	50	Capital Increase 17%	Clearside Biomedical Inc.	Clinical-stage eye disease biopharmaceuticals developer	US		Announced
14.	41	Minority stake	Complexa Inc.	Metabolic inflammation and dysregulation research and treatment developer	US		Completed
15.	40	Capital Increase 45%	Regulus Therapeutics Inc.	Micro-RNA blocking biopharmaceutical developer, Micro-RNA blocking biopharmaceutical manufacturer	US		Completed
16.	40	Acquisition 100%	Alere Inc.'s BNP business	In-vitro diagnostic testing kit manufacturer	US	Quidel Corporation	Announced
17.	37	Capital Increase 17%	Wuhan Healthgen Biotechnology Corporation	Plant-derived recombinant human serum albumin and protein products manufacturer	CN	Investors	Pending
18.	36	Minority stake	GigaGen Inc.	Pre-clinical biotherapeutics developer	US		Completed
19.	35	Minority stake 44%	GigaGen Inc.	Pre-clinical biotherapeutics developer	US	Grifols Innovation and New Technologies Ltd	Completed
20.	29	Minority stake	LogicBio Therapeutics Inc.	Biotechnology	US		Completed



Target countries by volume

Target country	Jul-16	Jun-17	Jul-17
US	53	62	48
China	10	10	10
UK	9	5	5
France	6	2	4
Japan	3	12	3
Canada	5	8	3
Cayman Islands	0	0	2
Israel	3	1	2
Sweden	0	3	2
Germany	1	2	2
South Korea	4	4	1
Netherlands	0	1	1
Belgium	0	0	1
Spain	1	1	1
Italy	4	1	1
Australia	1	5	1
Russia	0	0	1
Denmark	0	0	1

Target countries by value

Target country	Jul-16 (mil USD)	Jun-17 (mil USD)	Jul-17 (mil USD)
US	1,508	7,118	2,058
UK	54	74	1,318
China	357	508	249
France	49	30	164
Cayman Islands	0	0	151
Japan	202	95	24
Australia	2	36	17
Belgium	0	0	17
Israel	9	40	15
Canada	5	90	11
Italy	8	0	11
Netherlands	0	7	11
Germany	12	46	9



IPOs by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jul-17	2	27
Jun-17	7	400
May-17	4	82
Apr-17	4	180
Mar-17	4	210
Feb-17	1	51
Jan-17	2	259
Dec-16	6	1,075
Nov-16	1	3
Oct-16	3	1,962
Sep-16	4	349
Aug-16	2	52
Jul-16	1	57



June IPOs

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Deal status	Announced date
1.	23	Planned IPO on NASDAQ	Genprex Inc.	Molecular cancer therapy biopharmaceuticals research and development services	US	Announced	21/07/2017
2.	5	Planned IPO on Nasdaq OMX Tallin	Medical Pharmacy Group AS	Vitamin, mineral and health supplement manufacturer	EE	Announced	28/07/2017

Notes to editors

The search criteria uses a key word system based on the targets' business description

The key words and phrases are: "biotechnology" OR "antimicrobial" OR "CNS" OR "neurotransmitter" OR "cardiovascular" OR "blood system agent" OR "cell control agent" OR "dermatological" OR "genetic" OR "hormone" OR "immunomodulator" OR "Ion Channel" OR "modulat" OR "metabolic" OR "musculoskeletal" OR "renal system" OR "reproductive" OR "respiratory" OR "diagnostic" OR "gastrointestinal" OR "degeneration" OR "endocrine" OR "growth disorder" OR "gynecology" OR "obstetrics" OR "haematological" OR "neurological" OR "neoplasm" OR "neurological" OR "nutritional" OR "psychiatric" OR "toxicity" OR "ulcer" OR "genitourinary" OR "oncology" OR "biological" OR "clinical" OR "biomedical" OR "bioinformatics" OR "cheminformatics" OR "biologicgenerics" OR "genetics" OR "genomics" OR "transgenic" OR "protein" OR "RNA" OR "DNA" OR "enzyme" OR "fermentation" OR "oncogenomics" OR "proteomics" OR "nanobiotechnology" OR "Gene" OR "Central nervous system" OR "Cloning" OR "genome" OR "genotyping" OR "molecular" OR "microbiology" OR "animal cell culture" OR "biochemistry" OR "embryology" OR "cell biology" OR "Tissue Engineering" OR "Stem Cell" OR "Pharmacogenomics" OR "Escherichia Coli" OR "E. Coli" OR "Embryos" OR "molecule" OR "transgenic" OR "biotechnology" OR "biotech" OR "bio tech" OR "biopharmaceuticals" OR "micropropagation" OR "biobased products" OR "biopharming" OR "biotechnology-derived" OR "bt corn" OR "chromosomes" OR "embryonic stem cells" OR "fibroblast" OR "molecular biology" OR "mutation" OR "nucleotide" OR "organic agriculture" OR "phenotype" OR "plant-incorporated protectants" OR "pollen" OR "tissue culture" OR "transfection" OR "virus" OR "vitamin" OR "xenotransplantation" OR "zygote"

Activity is based on the activity of the target company

Deal status is announced, completed, pending or unconditional