



**BUREAU VAN DIJK**

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# **Biotech M&A Review April 2018**

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The following report details mergers and acquisitions activity in the biotech sector in April 2018 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 investment remains on an even keel in April, despite month-on-month decline

A decline in private equity, venture capital and development capital (PE, VC and DC) investment in global biotech companies in April reversed growth recorded in March as activity fell to 46 deals with a known total of USD 635 million in April, from 63 deals worth an aggregate USD 1,257 million last month.

On a positive note, April's results were by no means the lowest of the trailing 12 months as volume remained higher than February, December, October, July and April 2017 while value was up on January, September, July and April 2017.

It is worth noting that the month-on-month decline appeared particularly stark as the volume of PE, VC and DC investment in March matched that of November as the highest of the 12-month period, while value in March was behind just two other months.

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

Announced date	No of deals	Total deal value (mil USD)
Apr-18	46	635
Mar-18	63	1,257
Feb-18	43	912
Jan-18	52	576
Dec-17	43	960
Nov-17	63	971
Oct-17	40	3,197
Sep-17	47	623
Aug-17	48	723
Jul-17	44	513
Jun-17	47	5,986
May-17	49	963
Apr-17	27	173



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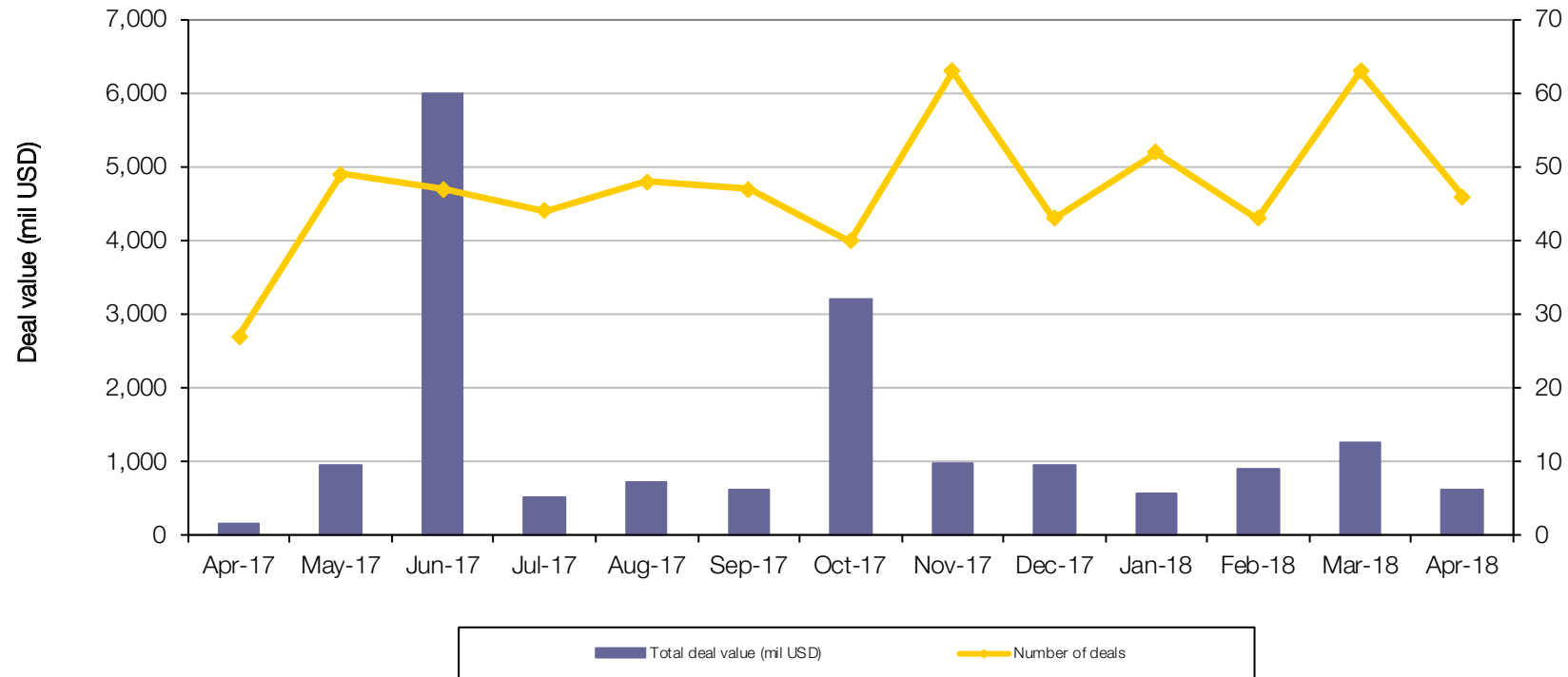
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### Private equity, venture capital and development capital deals by volume and value



### Chinese biotech PE, VC and DC supported April's total value

Cormorant Asset Management was the main financial sponsor of biotech companies in terms of value in April, after backing the first- and fourth-largest PE, VC and DC deals of the month which, together, were worth USD 210 million.

The investor joined Capital Group Companies, Lilly Asia Ventures Management, Ally Bridge, Rock Springs Capital, Hillhouse Capital and Taikang Insurance in a series E round of funding by Innovent Biologics. The Chinese biomedical company will use the USD 150 million raised in the financing to accelerate and expand research and development activities, as well as to build up commercial capability.

Cormorant, along with the likes of Fresenius Medical Care and AstraZeneca's venture capital arm, among others, also participated in a series B financing by Corvidia Therapeutics worth USD 60 million.

Innovent Biologics Series E round was the only deal worth more than USD 150 million in April and it accounted for 24 per cent of the month's total PE, VC and DC value. It was also one of only two investments in a Chinese company that featured in the month's top 20, the second of which involved Beijing Biocytogen Gene Biological Technology completing a third round of funding worth CNY 65 million from CMB International Asset Management, SDIC Venture Capital Investment, Suzhou Oriza Holdings, Shenzhen Cowin Asset and 3E Bioventures.

While US-based biotech targets dominated the top 20 in April, companies based in France, Canada, Israel and the UK also announced or completed high-value deals over the four weeks.

Sofinnova Partners also featured twice in the top 20 as a financial sponsor, namely, Corvidia's funding round and Enobraq's USD 2 million series B financing, though other backers of April's top 20 ranged from Avalon Ventures, OrbiMed Advisors and IP Group to New Leaf Venture, Vivo Ventures and Auriga Partners.

### PE, VC and DC investors targeted the US, though China accounted for the two largest deals by value in April

Biotech companies based in the US were targeted in 35 deals worth a combined USD 352 million announced in April. Although this represents a decline on the 47 deals totalling USD 985 million recorded in March, the figure is still higher than the 21 deals worth USD 151 million which were announced in April 2017.

Chinese biotech companies were the next main targets of PE, VC and DC and while they accounted for the month's two largest deals by value, the combined value of the 5 deals announced in April only reached USD 215 million as three of these investments did not have a disclosed value. Still, the result represented a month-on-month and year-on-year increase.

Biotech companies based in the UK, Japan, France, Spain, Canada and Israel were targeted in one deal apiece in April and the values of these deals ranged from USD 41 million (UK) to USD 1 million (Spain).

An increase in the value of PE, VC and DC investment in countries such as Spain and Canada, among others, over the four weeks came at the expense of those in Poland, Ireland and Switzerland, as investments of USD 51 million, USD 50 million and USD 21 million, respectively, fell away to nothing in April.

### 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.	150	Minority stake	Innovent Biologics Inc.	Biotechnology research services, New drugs manufacturer	CN	The Capital Group Companies Inc.; Lilly Asia Ventures Management Co., Ltd; Ally Bridge Group (HK) Ltd; Rock Springs Capital Management LP; Cormorant Asset Management LLC; Hillhouse Capital Management Ltd; Taikang Insurance Group Co., Ltd	Completed
2.	65	Minority stake	Beijing Biocytogen Gene Biological Technology Co., Ltd	Gene targeting medicine research and development services	CN	SDIC Venture Capital Investment Co., Ltd; CMB International Asset Management (Shenzhen) Co., Ltd; 3E Bioventures; Suzhou Oriza Holdings Co., Ltd; Shenzhen Cowin Asset Management Co., Ltd	Completed
3.	63	Minority stake	Synthorx Inc.	Drug development use synthetic DNA bases research and development services	US	OrbiMed Advisors LLC; Avalon Ventures LLC; RA Capital Management LLC; Correlation Ventures LLC; Medicxi Ventures (UK) LLP; Osage Industries Inc.	Completed
4.	60	Minority stake	Corvidia Therapeutics Inc.	Precision cardiovascular therapeutics manufacturer, Precision cardiovascular therapies research and development services	US	Sofinnova Partners SAS; Apple Tree Venture Management LLC; HBM Healthcare Investments AG; Cormorant Asset Management LLC; VR Adviser LLC; Andera Partners SA	Completed
5.	52	Minority stake	Magenta Therapeutics Inc.	Stem cell therapeutics developer	US	Access Industries Inc.; EcoR1 Capital LLC; Casdin Capital LLC; Eventide Asset Management LLC	Completed
6.	41	Minority stake	Enterprise Therapeutics Ltd	Respiratory diseases therapeutic drugs research and development services	GB	Versant Venture Management LLC; IP Group plc; Forbion Capital Partners Management Holding BV; Epidarex Capital Partners LLC	Completed
7.	37	Minority stake	Rallybio	Early-stage biotechnology company	US	Canaan Management Inc.; Connecticut Innovations Inc.; 5am Venture Management LLC; New Leaf Venture Partners LLC	Completed
8.	31	Minority stake	Poseida Therapeutics Inc.	Lifesaving therapeutics focused biotechnology research developer, Lifesaving therapeutics manufacturer	US	Vivo Ventures LLC; Longitude Capital Management Company LLC; Malin Corporation plc	Completed
9.	24	Minority stake	SeLux Diagnostics Inc.	Biotechnology	US		Completed
10.	20	Minority stake	Orionis Biosciences LLC	Biotechnology	US		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.	17	Minority stake	Ayala Pharmaceuticals Inc.	Oncology drugs development services	IL	Harel Insurance Investments and Financial Services Ltd; Israel Biotech Fund GP Partners LP; AMoon Partners	Completed
12.	16	Minority stake	Rheos Medicines Inc.	Metabolic pathways in immune cells pharmaceuticals manufacturer, Metabolic pathways in immune cells research and development services	US		Completed
13.	7	Minority stake	Cellics Therapeutics Inc.	Biotechnology	US		Completed
14.	7	Minority stake	Tusker Medical Inc.	Biotechnology	US		Completed
15.	6	Minority stake	GenomeDx Biosciences Inc.	Molecular diagnostic development services, Prostate cancer diagnostic genomic test tool manufacturer	CA		Completed
16.	6	Minority stake	X-Biotix Therapeutics Inc.	Biotechnology	US		Completed
17.	4	Minority stake	Klaris Corp	Biotechnology	US		Completed
18.	3	Minority stake	Anelixis Therapeutics Inc.	Biotechnology	US		Completed
19.	2	Minority stake	Enobraq SAS	Dioxide based fermentation processes research and development services	FR	Auriga Partners SA; Institut Regional de Developpement Industriel de Midi-Pyrenees SA; Sofinnova Partners SAS; Supernova Invest SAS	Completed
20.	2	Minority stake	Promaxo Inc.	Biotechnology research and development services	US	Almond Tree Capital LLC	Completed

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

Target country	Apr-17	Mar-18	Apr-18
US	21	47	35
China	0	4	5
UK	1	4	1
Japan	1	0	1
France	0	1	1
Spain	0	0	1
Canada	1	1	1
Israel	0	2	1

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

Target country	Apr-17 (mil USD)	Mar-18 (mil USD)	Apr-18 (mil USD)
US	151	985	352
China	0	117	215
UK	7	2	41
Israel	0	23	17
Canada	12	0	6
France	0	5	2
Spain	0	0	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	Cormorant Asset Management LLC	2	2	210	105
2	Hillhouse Capital Management Ltd	1	1	150	150
3	Capital Group Companies Inc., The	1	1	150	150
4	Taikang Insurance Group Co., Ltd	1	1	150	150
5	Ally Bridge Group (HK) Ltd	1	1	150	150
6	Rock Springs Capital Management LP	1	1	150	150
7	Lilly Asia Ventures Management Co., Ltd	1	1	150	150
8	Shenzhen Cowin Asset Management Co., Ltd	1	1	65	65
9	Suzhou Oriza Holdings Co., Ltd	1	1	65	65
10	3E Bioventures	1	1	65	65
11	CMB International Asset Management (Shenzhen) Co., Ltd	1	1	65	65
12	SDIC Venture Capital Investment Co., Ltd	1	1	65	65
13	Correlation Ventures LLC	1	1	63	63
14	RA Capital Management LLC	1	1	63	63
15	Osage Industries Inc.	1	1	63	63
16	Medicxi Ventures (UK) LLP	1	1	63	63
17	OrbiMed Advisors LLC	1	1	63	63
18	Avalon Ventures LLC	1	1	63	63
19	Sofinnova Partners SAS	2	2	62	31
20	Apple Tree Venture Management LLC	1	1	60	60
21	VR Adviser LLC	1	1	60	60
22	Andera Partners SA	1	1	60	60
23	HBM Healthcare Investments AG	1	1	60	60





### M&A value at 12-month high

The value of mergers and acquisitions (M&A) targeting biotech companies reached a new 12-month high in April as one deal worth USD 8,700 million - the acquisition of AveXis by Novartis of Germany - pushed dealmaking up to USD 10,645 million.

April's overall value not only doubled month-on-month (March: USD 4,941 million) and year-on-year (April 2017: USD 4,941 million) but was also the highest recorded since January 2017, when biotech companies announced deals worth an aggregate USD 39,048 million.

While value was skewed by the multi-billion-dollar acquisition of AveXis, volume remained as consistent as can be expected and continued to form a series of peaks and troughs – a pattern that first emerged in November and December 2017 – by falling back to 104 deals from 125 in March.

AveXis of the US accounted for the month's largest deal after Novartis of Germany – through a local acquisition vehicle – announced plans to take over the clinical-stage gene therapeutics company for USD 8,700 million. This one deal helped make the US the main target by value as it represented 94 per cent of the total USD 9,286 million-worth of deals recorded for companies based in the country.

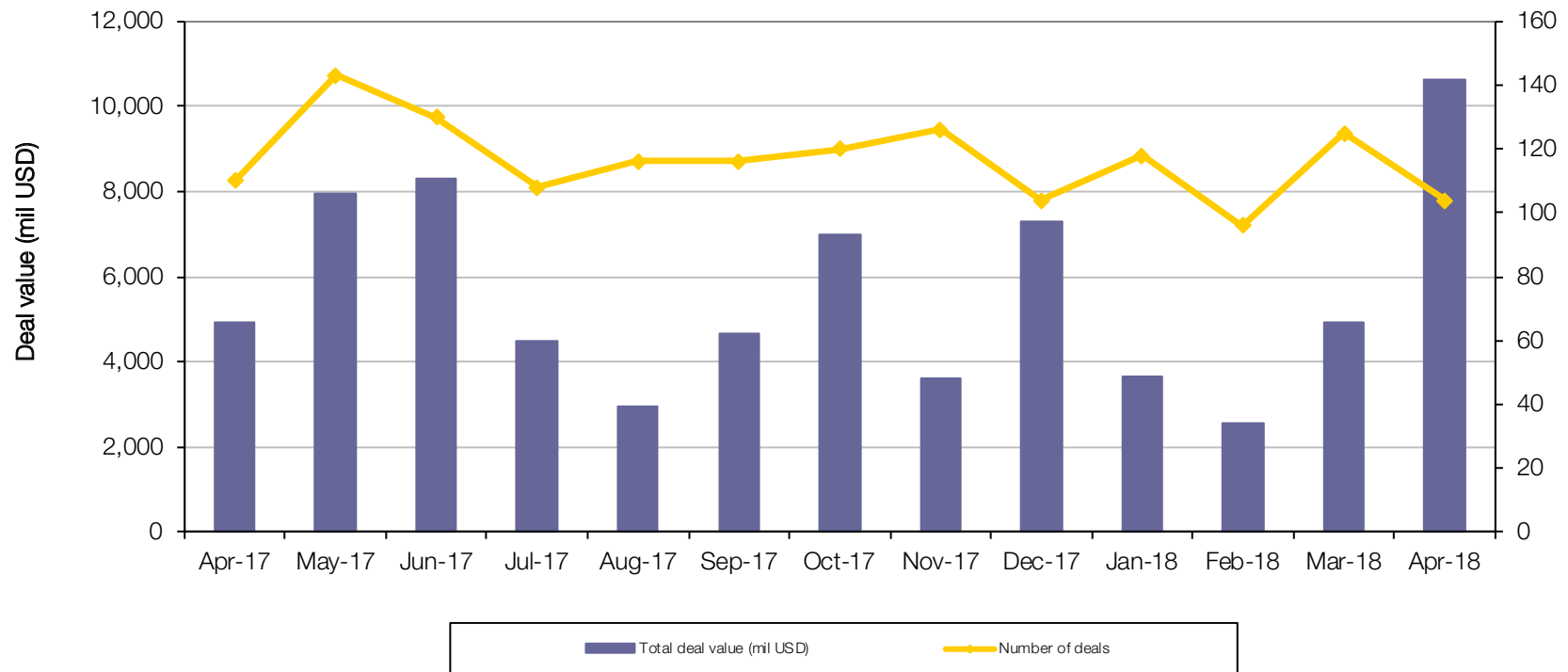
China featured in seven of the month's top 20 M&A deals by value and was the next main target country by volume and value, with 24 deals totalling USD 768 million.

### Deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Apr-18	104	10,645
Mar-18	125	4,910
Feb-18	96	2,569
Jan-18	118	3,642
Dec-17	104	7,283
Nov-17	126	3,590
Oct-17	120	7,002
Sep-17	116	4,665
Aug-17	116	2,951
Jul-17	108	4,509
Jun-17	130	8,286
May-17	143	7,954
Apr-17	110	4,941



### 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.	8,700	Acquisition 100%	AveXis Inc.	Clinical-stage gene therapeutics manufacturer, Clinical-stage gene therapies research and development services	US	Novartis AM Merger Corporation	09/04/2018
2.	175	Capital Increase 12%	Collectis SA	Genome engineering research and development services	FR	Private Investors	04/04/2018
3.	150	Minority stake	Innovent Biologics Inc.	Biotechnology research services, New drugs manufacturer	CN	The Capital Group Companies Inc.; Temasek Holdings Pte Ltd; Lilly Asia Ventures Management Co., Ltd; Ally Bridge Group (HK) Ltd; Rock Springs Capital Management LP; Cormorant Asset Management LLC; Hillhouse Capital Management Ltd; Taikang Insurance Group Co., Ltd; Legend Capital Management Co., Ltd	26/04/2018
4.	123	Capital Increase	Guangdong VTR Bio-Tech Co., Ltd	Bio-enzyme manufacturer, Feed enzyme developer	CN		11/04/2018
5.	119	Acquisition to 100%	Hisun Biopharmaceutical Co., Ltd	Biological agents manufacturer	CN	Hisun Pharmaceutical (Hangzhou) Co., Ltd	12/04/2018
6.	106	Minority stake 21%	Genor Biopharma Co., Ltd	Monoclonal antibody and biological products manufacturer, Monoclonal antibody and biological products research services, Monoclonal antibody drugs manufacturer	CN	Zhejiang Conba Pharmaceutical Co., Ltd	26/04/2018
7.	105	Acquisition 48% to 100%	LaserGen Inc.	DNA sequencing medicine development services	US	Agilent Technologies Inc.	03/04/2018
8.	91	Acquisition 51%	Qingdao Zhiying Medical Technology Co., Ltd	In-vitro diagnostic substance wholesaler	CN	Dian Diagnostics Group Co., Ltd	10/04/2018
9.	65	Minority stake	Beijing Biocytogen Gene Biological Technology Co., Ltd	Gene targeting medicine research and development services	CN	SDIC Venture Capital Investment Co., Ltd; CMB International Asset Management (Shenzhen) Co., Ltd; 3E Bioventures; Suzhou Oriza Holdings Co., Ltd; Shenzhen Cowin Asset Management Co., Ltd	10/04/2018
10.	63	Minority stake	Synthorx Inc.	Drug development use synthetic DNA bases research and development services	US	OrbiMed Advisors LLC; Avalon Ventures LLC; RA Capital Management LLC; Correlation Ventures LLC; Medixi Ventures (UK) LLP; Osage University Partners	30/04/2018



## Top 20 deals by value (Cont'd)

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Acquiror	Announced date
11.	60	Minority stake	Corvidia Therapeutics Inc.	Precision cardiovascular therapeutics manufacturer, Precision cardiovascular therapies research and development services	US	Sofinnova Partners SAS; MedImmune Ventures Inc.; Apple Tree Venture Management LLC; HBM Healthcare Investments AG; Cormorant Asset Management LLC; Venrock Healthcare Capital Partners LP; Fresenius Medical Care Ventures GmbH; VR Adviser LLC; Andera Partners SA	25/04/2018
12.	58	Capital Increase 34%	Evoform Biosciences Inc.	Injectable fat tissue reduction treatment and other aesthetic pharmaceutical and biomedical products developer, Injectable fat tissue reduction treatment and other aesthetic pharmaceutical and biomedical products manufacturer	US		06/04/2018
13.	52	Minority stake	Magenta Therapeutics Inc.	Stem cell therapeutics developer	US	Access Industries Inc.; EcoR1 Capital LLC; Casdin Capital LLC; Eventide Asset Management LLC; Be The Match BioTherapies; Watermill Asset Management Corporation	09/04/2018
14.	50	Minority stake 14%	Mabion SA	Biotechnology medicines manufacturer, Biotechnology medicines research and development services	PL	Twiti Investments Ltd	18/04/2018
15.	45	Capital Increase	Circassia Pharmaceuticals plc	Allergy and respiratory therapeutics developer, Allergy and respiratory therapeutics manufacturer	GB	AstraZeneca plc	24/04/2018
16.	44	Capital Increase 18%	Inventiva SAS	Oncology therapies research services	FR	Undisclosed investors; Sofinnova Crossover I Fund	19/04/2018
17.	41	Minority stake	Enterprise Therapeutics Ltd	Respiratory diseases therapeutic drugs research and development services	GB	Novartis Venture Fund; Versant Venture Management LLC; IP Group plc; Forbion Capital Partners Management Holding BV; Epidarex Capital Partners LLC	12/04/2018
18.	37	Capital Increase 23%	EirGenix Inc.	Biotech drug commissioned development and production services	TW	Employees; Investors; Shareholders	17/04/2018
19.	37	Minority stake	Rallybio	Early-stage biotechnology company	US	Canaan Management Inc.; Connecticut Innovations Inc.; Sam Venture Management LLC; New Leaf Venture Partners LLC	24/04/2018
20.	35	Capital increase acquired 2%, to hold 14%	Shanghai Junshi Bioscience Co., Ltd	Monoclonal antibody drugs and other therapeutic protein drug research and development services	CN	Zhuhai Hillhouse Tiancheng Equity Investment Fund (LP); Mr Xiong Jun	10/04/2018



## Target countries by volume

Target country	Apr-17	Mar-18	Apr-18
US	46	58	42
China	10	15	24
UK	6	8	8
France	3	1	6
South Korea	2	2	4
Netherlands	0	1	3
Canada	4	4	3
Japan	4	4	3
Poland	0	1	2
Australia	5	9	2
Sweden	2	2	2
Spain	1	1	1
Israel	0	3	1
Taiwan	1	2	1
Singapore	1	0	1
Bahamas	0	0	1

## Target countries by value

Target country	Apr-17 (mil USD)	Mar-18 (mil USD)	Apr-18 (mil USD)
US	1,832	1,703	9,286
China	47	1,026	768
France	33	5	241
UK	146	67	128
Poland	0	51	50
Netherlands	0	1,114	41
Taiwan	2	17	37
South Korea	25	308	22
Israel	0	24	17
Bahamas	0	0	16
Australia	56	214	15
Canada	19	50	14
Sweden	4	10	8
Spain	0	8	1
Japan	16	172	1



## IPOs by volume and value

Announced date	No of deals	Total deal value (mil USD)
Apr-18	1	0
Mar-18	1	107
Feb-18	4	189
Jan-18	3	86
Dec-17	5	334
Nov-17	2	314
Oct-17	11	515
Sep-17	2	189
Aug-17	5	143
Jul-17	6	36
Jun-17	8	672
May-17	4	313
Apr-17	4	180



### April IPOs

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Deal status	Announced date
1.	n.a.	Planned IPO unknown stake on Catalist of Singapore Stock Exchange	Hyphens Pharma International Ltd	Specialty dermatological products manufacturer, Specialty pharmaceutical products manufacturer	SG	Announced	26/04/2018

## 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