



BUREAU VAN DIJK

Monthly M&A Activity Report

Biotech, June 2016

zephyr

m&a research
catalyst



The following report details mergers and acquisitions activity in the biotech sector in June 2016 using data from the Zephyr database.

It focuses on deal activity by target company.

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

Biotech PE, VC and DC slips in June

The volume of private equity, venture capital and development capital (PE, VC and DC) targeting biotech companies declined in June to 41 deals worth an aggregate USD 413 million from 60 deals valued at USD 501 million in May.

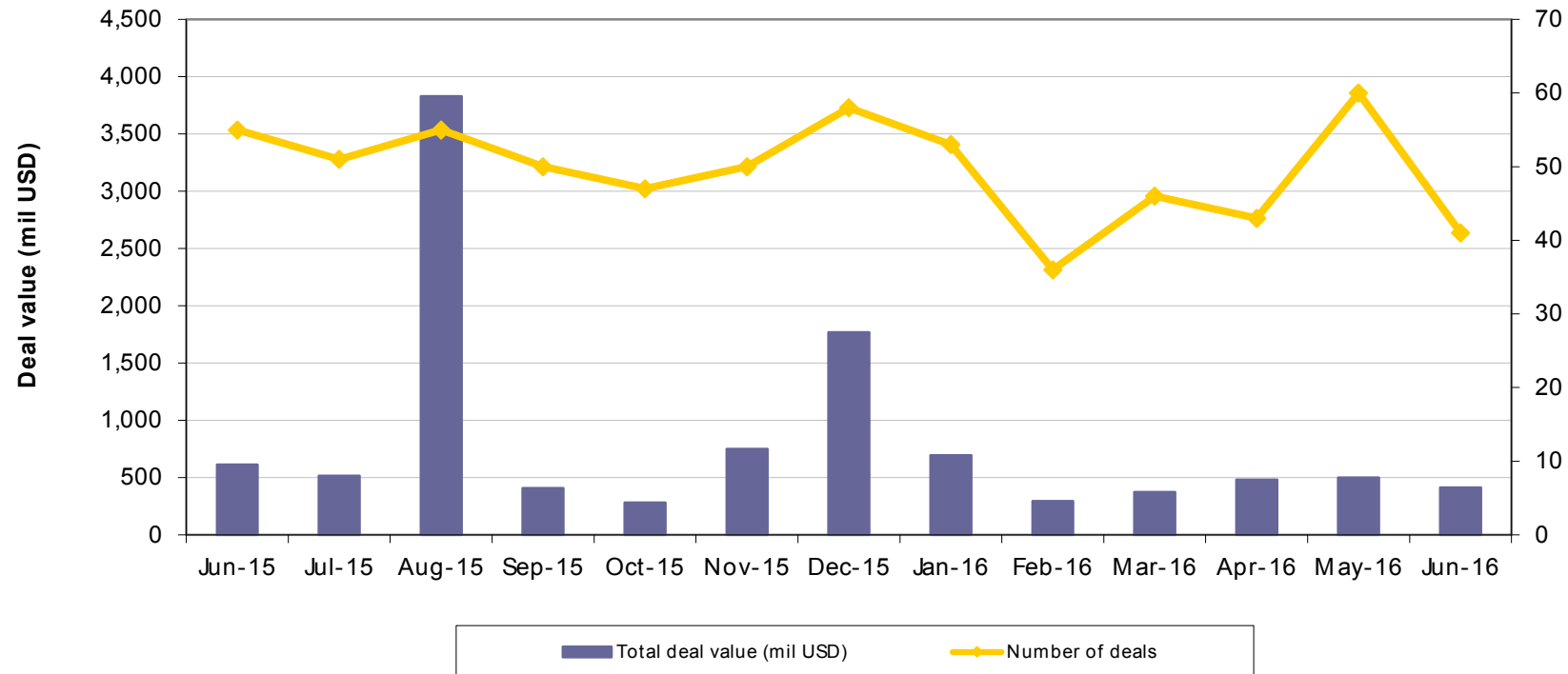
Volume slipped by almost a third month-on-month to one of the lowest recorded for the last 12 months (February 2016: 36) while value fell back 18 per cent and ended three consecutive months of growth (March: USD 373 million; April: USD 481 million; May: USD 501 million).

In a year-on-comparison volume was down by a quarter from 55 deals while value weakened at a faster rate of a third from USD 613 million.

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

Announced date	No of deals	Total deal value (mil USD)
Jun-16	41	413
May-16	60	501
Apr-16	43	481
Mar-16	46	373
Feb-16	36	295
Jan-16	53	695
Dec-15	58	1,769
Nov-15	50	750
Oct-15	47	281
Sep-15	50	407
Aug-15	55	3,828
Jul-15	51	515
Jun-15	55	613

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





Ginkgo Bioworks fundraiser is the largest PE, VC and DC deal by value

There was only one PE, VC and DC deal worth more than USD 50 million in June and it alone represented almost a quarter of the month's overall PE, VC and DC value (USD 413 million). It involved Allen & Company, Viking Global Investors, Baillie Gifford, Senator Investment and Y Combinator injecting USD 100 million into Ginkgo Bioworks of the US.

Only five companies not based in the US featured in the month's top 20 by value: Storm Therapeutics of the UK raised USD 16 million; Nanjing Geneseeq Biotechnology of China held a private placement worth USD 9 million; Vitaeris of Canada secured USD 7 million in a round of seed financing; InFlectis Bioscience of France completed a series A valued at USD 5 million; and Inocucor Technologies of Canada completed a USD 5 million equity injection.

US companies main targets of PE, VC and DC investment

Biotech companies based in the US were the main targets of PE, VC and DC investment once again, attracting USD 368 million-worth of deals which accounted for 89 per cent of the month's overall value (USD 413 million).

However, this represented a decline of 14 per cent over the four weeks (May 2016: USD 428 million) and of 11 per cent year-on-year (June 2015: USD 413 million). By comparison PE, VC and DC investment targeting French companies increased over the same timeframe (June 2015: USD 0 million; May 2016: USD 2 million; June 2016: USD 8 million).

A year-on-year increase in the value of dealmaking targeting companies based in the UK (June 2015: USD 5 million; June 2016: USD 16 million) came at the expense of those in Canada as value was stripped away from USD 190 million to USD 12 million.

In terms of volume US-based companies signed off 31 deals over the four weeks, representing a 35 per cent decline from 48 deals in May and 28 per cent from 43 deals in June 2015. Dealmaking targeting companies in the UK remained level across the same timeframe while PE, VC and DC investment in French targets tripled month-on-month and year-on-year to 3 deals.

Private equity, venture capital and development capital deals by value

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Equity provider	Announced date
1.	100	Minority stake	Ginkgo Bioworks Inc.	Biological research developer	US	Allen & Company Inc.; Viking Global Investors LP; Baillie Gifford & Co Ltd; Senator Investment Group LP; Y Combinator LLC	08/06/2016
2.	49	Minority stake	Alcresta Inc.	Enzyme-based nutritional products research and development services, Medical nutrition products manufacturer	US		14/06/2016
3.	40	Minority stake	Modern Meadow Inc.	Animal protein developer for food, leather and other bio-printing based tissue engineering applications	US		28/06/2016
4.	33	Minority stake	Rgenix Inc.	Biotechnology	US		15/06/2016
5.	27	Minority stake	Blade Therapeutics Inc.	Biotechnology	US		20/06/2016
6.	23	Minority stake	Cell Design Labs Inc.	Biotechnology	US		16/06/2016
7.	19	Minority stake	Applied Stemcell Inc.	Stem cell research solutions and tools developer	US	Virtus Inspire Ventures; Nanjing BioSciKin Co. Ltd; Ping An Dingchuang Equity Investment Management (Shanghai) Co., Ltd	06/06/2016
8.	18	Minority stake	Applied Stemcell Inc.	Stem cell research solutions and tools developer	US		16/06/2016
9.	17	Minority stake	Pieris Pharmaceuticals Inc.	Biotechnology	US		15/06/2016
10.	16	Minority stake	Storm Therapeutics Ltd	RNA-modifying enzymes therapeutics development services	GB	Imperial Innovations Group plc; Pfizer Venture Investments; Cambridge Innovation Capital plc; Merck Ventures BV	28/06/2016



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

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Equity provider	Announced date
11.	9	Capital increase acquired 9%, to hold 27%	Nanjing Geneseeq Biotechnology Co., Ltd	Cancer related drug research services, Cancer related gene biotechnology research services	CN	Orient Bangxin Capital Co., Ltd	13/06/2016
12.	7	Minority stake	Vitaeris Inc.	Clinical-stage chronic inflammatory disease biopharmaceutical development services	CA	HBM Healthcare Investments AG	07/06/2016
13.	5	Minority stake	InFlectis Bioscience SAS	Protein misfolding diseases treatments research and development services	FR	Go Capital SAS; CM-CIC Capital Innovation SASU; Participations Besancon; Remiges Biopharma Fund GP Inc.	01/06/2016
14.	5	Minority stake	Curavac Inc.	Biotechnology	US		21/06/2016
15.	5	Minority stake	Inocucor Technologies Inc.	Agricultural biotechnology research services	CA	Cycle Capital Management Inc.; The Dorman Group of Companies; Closed Loop Capital; Desjardins Innovatech	01/06/2016
16.	5	Minority stake	Akriveia Therapeutics LLC	Biotechnology	US		15/06/2016
17.	4	Minority stake	Cell Design Labs Inc.	Biotechnology	US		16/06/2016
18.	4	Minority stake	toSense Inc.	Biotechnology	US		24/06/2016
19.	3	Minority stake	Quentis Inc.	Biotechnology	US		09/06/2016
20.	3	Minority stake	Immutrix Therapeutics Inc.	Biotechnology	US		28/06/2016

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

Target country	June-15	May-16	June-16
US	43	48	31
Canada	6	2	4
France	1	1	3
UK	2	2	2
China	1	0	1

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

Target country	June-15 (mil USD)	May-16 (mil USD)	June-16 (mil USD)
US	413	428	368
UK	5	3	16
Canada	190	1	12
China	2	0	9
France	0	2	8

Private equity, venture capital and development capital investors

	Private equity firm	Number of deals	Number with consideration	Total deal value (mil USD)	Average deal value (mil USD)
1	Baillie Gifford & Co Ltd	1	1	100	100
2	Y Combinator LLC	1	1	100	100
3	Senator Investment Group LP	1	1	100	100
4	Allen & Company Inc.	1	1	100	100
5	Viking Global Investors LP	1	1	100	100
6	Ping An Dingchuang Equity Investment Management (Shanghai) Co., Ltd	1	1	19	19
7	Nanjing BioSciKin Co. Ltd	1	1	19	19
8	Virtus Inspire Ventures	1	1	19	19
9	Merck Ventures BV	1	1	16	16
10	Imperial Innovations Group plc	1	1	16	16
11	Pfizer Venture Investments	1	1	16	16
12	Cambridge Innovation Capital plc	1	1	16	16
13	Orient Bangxin Capital Co., Ltd	1	1	9	9
14	HBM Healthcare Investments AG	1	1	7	7
15	Remiges Biopharma Fund GP Inc.	1	1	5	5
16	Go Capital SAS	1	1	5	5
17	CM-CIC Capital Innovation SASU	1	1	5	5
18	Participations Besancon	1	1	5	5
19	Closed Loop Capital	1	1	5	5
20	Desjardins Innovatech	1	1	5	5
21	Cycle Capital Management Inc.	1	1	5	5
22	The Dorman Group of Companies	1	1	5	5

M&A failed to sustain growth

Mergers and acquisitions (M&A) targeting global biotech companies in June failed to sustain the significant hike recorded in May as volume slipped 17 per cent while value was stripped away at a faster rate of 76 per cent. There were 95 deals worth USD 2,295 million in June, compared to 114 deals valued at USD 9,744 million in May.

In a year-on-year comparison volume was down 38 per cent from 154 deals while value weakened 54 per cent from USD 5,000 million.

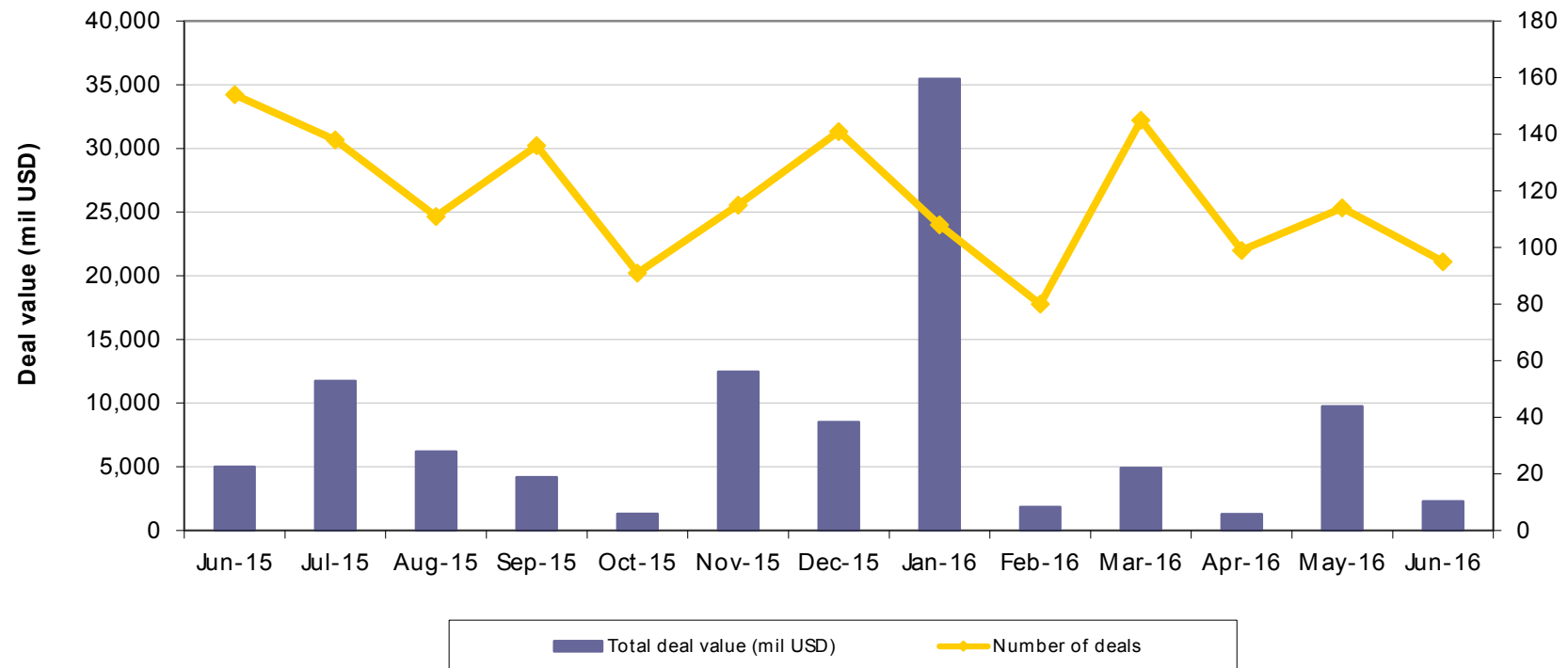
There were no blockbuster deals in June and there were only five deals worth USD 100 million or more during the four weeks and together they represented 59 per cent of the month's total M&A value (USD 2,295 million).

Australian branded and generic drugs developer and maker Mayne Pharma accounted for the largest deal by value after announcing a right issue worth USD 441 million to partially finance the purchase of 37 approved and five Food and Drug Administration filed medicines from Teva Pharmaceuticals and Allergan.

Deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jun-16	95	2,295
May-16	114	9,744
Apr-16	99	1,291
Mar-16	145	4,908
Feb-16	80	1,841
Jan-16	108	35,455
Dec-15	141	8,524
Nov-15	115	12,458
Oct-15	91	1,319
Sep-15	136	4,191
Aug-15	111	6,192
Jul-15	138	11,752
Jun-15	154	5,000

Deals by volume and value



Top 20 deals by value

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Acquirer	Announced date
1.	441	Capital Increase 32%	Mayne Pharma Group Ltd	Biotechnology research and development services, Generic pharmaceutical products manufacturer	AU		28/06/2016
2.	308	Minority stake 10%	China Biologic Products Inc.	Plasma-based biopharmaceuticals manufacturer	US		02/06/2016
3.	300	Capital Increase 8%	Tesaro Inc.	Oncology-focused biopharmaceutical products developer, Oncology-focused biopharmaceutical products manufacturer	US		30/06/2016
4.	216	Capital Increase 13%	Mayne Pharma Group Ltd	Biotechnology research and development services, Generic pharmaceutical products manufacturer	AU		28/06/2016
5.	100	Minority stake	Ginkgo Bioworks Inc.	Biological research developer	US	Allen & Company Inc.; Viking Global Investors LP; Baillie Gifford & Co Ltd; Senator Investment Group LP; Y Combinator Continuity Fund I LP	08/06/2016
6.	98	Capital Increase 9%	PharmaEssentia Corporation	Biotechnology research and development services, Pharmaceutical products manufacturer	TW	Employees; Shareholders	01/06/2016
7.	80	Capital Increase 29%	Laboratorio Reig Jofre SA	Biotechnology research services, Food ingredients manufacturer holding company, Food supplement manufacturer	ES		23/06/2016
8.	77	Capital Increase 20%	Flexion Therapeutics Inc.	Musculoskeletal disorder biotherapeutics developer, Therapeutics for musculoskeletal disorders manufacturer	US		07/06/2016
9.	60	Capital Increase 61%	Verona Pharma plc	Chronic respiratory diseases drugs developer, Chronic respiratory diseases drugs manufacturer	GB	New Enterprise Associates Inc.; Existing Investors; Novo A/S; Hargreave Hale Ltd; New Investors; Edmond de Rothschild Investment Partners SA; Aisling Capital LLC; Polar Capital Group LLC; OrbiMed Private Investments VI LP; Aris Bioscience Ltd; Abingworth Bioventures VI LP; Vivo Capital Fund VIII; Mr David Ebsworth	17/06/2016
10.	49	Minority stake	Alcresta Inc.	Enzyme-based nutritional products research and development services, Medical nutrition products manufacturer	US		14/06/2016

Top 20 deals by value (Cont'd)

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Acquiror	Announced date
11.	40	Minority stake	Modern Meadow Inc.	Animal protein developer for food, leather and other bio-printing based tissue engineering applications	US		28/06/2016
12.	38	Capital Increase 55%	Sygnis AG	Innovative DNA and RNA amplification kits manufacturer, Innovative DNA and RNA amplification kits research and development services	DE	Qualified investors	20/06/2016
13.	33	Minority stake	Rgenix Inc.	Biotechnology	US		15/06/2016
14.	30	Acquisition increased to 100%	La Jolla Biologics Inc.	Biological drugs manufacturer, Biological drugs technology development services, Biologics production services	US	Tanvex BioPharma Inc.	14/06/2016
15.	28	Capital Increase	Cascadian Therapeutics Inc.	Anti-cancer biopharmaceuticals developer	US		23/06/2016
16.	27	Minority stake	Blade Therapeutics Inc.	Biotechnology	US		20/06/2016
17.	23	Minority stake	Cell Design Labs Inc.	Biotechnology	US		16/06/2016
18.	22	Acquisition 100%	Imugen Inc.'s assets	Clinical and research laboratory operator	US	Oxford Immunotec Global plc	23/06/2016
19.	19	Minority stake	Applied Stemcell Inc.	Stem cell research solutions and tools developer	US	Hermed Capital Co., Ltd; Virtus Inspire Ventures; Nanjing BioSciKin Co. Ltd; Ping An Ventures Capital	06/06/2016
20.	18	Minority stake	Applied Stemcell Inc.	Stem cell research solutions and tools developer	US		16/06/2016

Target countries by volume

Target country	June-15	May-16	June-16
US	77	63	48
Canada	13	8	15
Australia	11	2	7
UK	12	8	5
China	10	7	5
France	1	3	4
Spain	0	4	3
Poland	1	2	2
Japan	3	0	1
Taiwan	0	2	1
India	3	1	1
Italy	3	1	1
Germany	0	4	1
Denmark	0	0	1

Target countries by value

Target country	June-15 (mil USD)	May-16 (mil USD)	June-16 (mil USD)
US	1,885	7,792	1,230
Australia	231	7	670
Taiwan	0	16	98
UK	216	1,221	86
Spain	0	4	80
Germany	0	92	38
Canada	418	14	35
China	598	66	32
France	0	19	13
India	1,181	4	10
Japan	119	0	3



IPOs by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jun-16	3	228
May-16	1	157
Apr-16	4	225
Mar-16	0	0
Feb-16	5	18
Jan-16	7	404
Dec-15	5	122
Nov-15	0	0
Oct-15	4	250
Sep-15	5	378
Aug-15	3	180
Jul-15	3	279
Jun-15	11	1,146



June IPOs

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Deal status	Announced date
1.	125	Planned IPO on NYSE	Kadmon Holdings LLC	Biopharmaceuticals manufacturer holding company, Biopharmaceuticals research and development services holding company	US	Announced	10/06/2016
2.	58	IPO 22% on Nasdaq	Syros Pharmaceuticals Inc.	Cancer and critical diseases genetic control biotechnology research and development services	US	Completed	03/06/2016
3.	46	Planned IPO 28% on Alternext Paris	Pharnext SAS	Neurological diseases biopharmaceutical treatments developer	FR	Announced	24/06/2016

Notes to editors

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

The key words and phrases are: "alternative energy" OR "alternative power" OR "biomass" OR "bioenergy" OR "bio energy" OR "bio-energy" OR "biofuel" OR "fuel cell" OR "hydrogen" OR "photovoltaic" OR "renewable energy" OR "reuseable energy" OR "re-usable energy" OR "solar" OR "waste to energy" OR "wind power" OR "wind farm" OR "wave power" OR "geothermal" OR "geothermal" OR "hydropower" OR "hydro-power" OR "bio-diesel" OR "biodiesel" OR "energy resource management" OR "electric vehicle" OR "water purification" OR "intelligent power" OR "air quality" OR "energy efficiency" OR "thin film energy" OR "thin-film energy" OR "energy efficiency software" OR "energy storage" OR "battery power" OR "water treatment" OR "waste management" OR "biogas" OR "anaerobic digestion" OR "wastewater" OR "green construction" OR "green buildings" OR "smart meter" OR "smart grid" OR "energy monitoring" OR "marine energy" OR "solar thermal" OR "algae" OR "green energy" OR "cleantech" OR "clean tech" OR "environmental technology" OR "greentech" OR "charging station" OR "green infrastructure" OR "clean energy" OR "tidal power" OR "tidal energy" OR "biodegradable" OR "alternative fuel"

Activity is based on the activity of the target company

Deal status is announced, completed, pending or unconditional