

EUROPE HEALTHTECH ECOSYSTEM KEY TRENDS

THIRD QUARTER 2020

United Kingdom | France | Switzerland

- Funding
- Pipeline maturity
- Category focus
- Therapeutic priority
- Noteworthy deals, partnerships & investors



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JULIEN DE SALABERRY

CEO & Founder
Galen Growth

We are delighted to share with you our first Europe HealthTech ecosystems focused report, adding to our much sought-after go-to-reference reportage on key digital health ecosystems across the globe. Each one is rich in trends and insights that are essential to investors, corporations and digital health ventures.

In this interim report, we selected three key European ecosystems (UK, FR & CH) as they are indicative of the region's overall temperature.

Their YTD cumulative venture capital funding closed at US\$773M, down 61% YoY, driven by a collapse in deal volume in 2020. This excludes all M&A and IPO deal activities.

The third quarter witnessed a decrease in venture capital deals across all stages as compared to the same period in 2019. Series B and Late Stage deals decreased significantly by 72% and 88% respectively with no Series C funding recorded in Q3 2020, which is a stark contrast to Q3 2019 Series C total funding of \$790 M, which can be largely attributed to \$550 M funding for Babylon Health.

We also focus our analysis on the venture pipeline maturity, category focus, therapeutic priorities and noteworthy deals, exits, partnerships and investors.

Based on our analysis, we conclude that most of the analysis of these ecosystem has been inadequate due to inconsistent taxonomy and fragmentation.

With unmatched, unparalleled and indispensable coverage of the global digital health ecosystems, this report is powered by HealthTech Alpha, a Galen Growth proprietary solution, and the world's leading on-demand digital health intelligence platform.



AS AT Q3 2020 YTD,
EUROPE HEALHTECH (INDICATIVE)
TOTAL FUNDING DEPLOYED IN 2020 WAS

\$773 MILLION

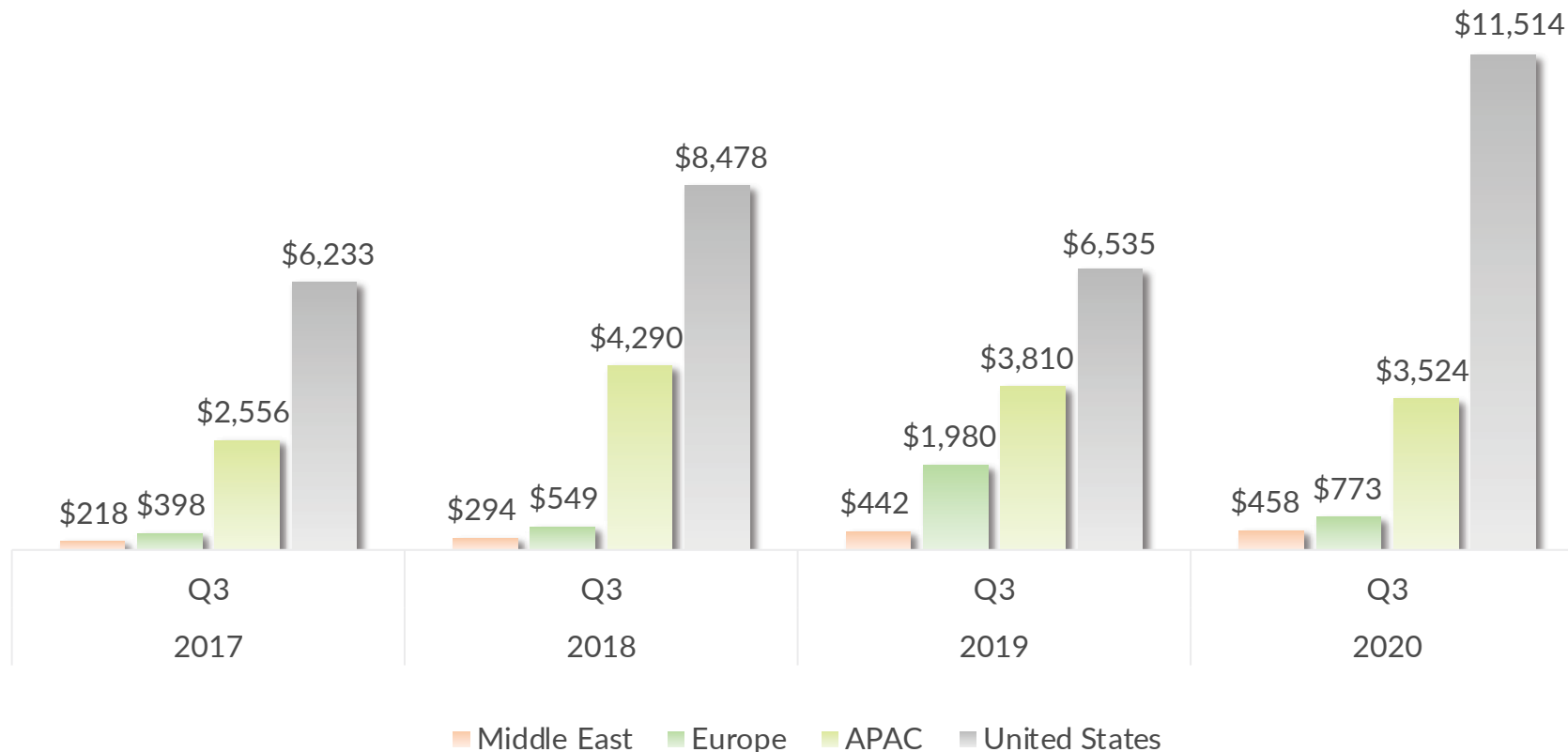
ACROSS

62 DEALS

WORLDWIDE

GLOBAL Q3 CUMULATIVE FUNDING IN DIGITAL HEALTH

As of Q3 2020, \$16.3 B was invested in digital health ventures across the United States, Europe, Middle East and Asia Pacific in 2020 with investment in Europe experiencing a more significant downward trend than other regions



REGION	CAGR (2015 Q3 - 2020 Q3)
United States	25%
Europe	55%
Middle East	41%
APAC	9%

EUROPE

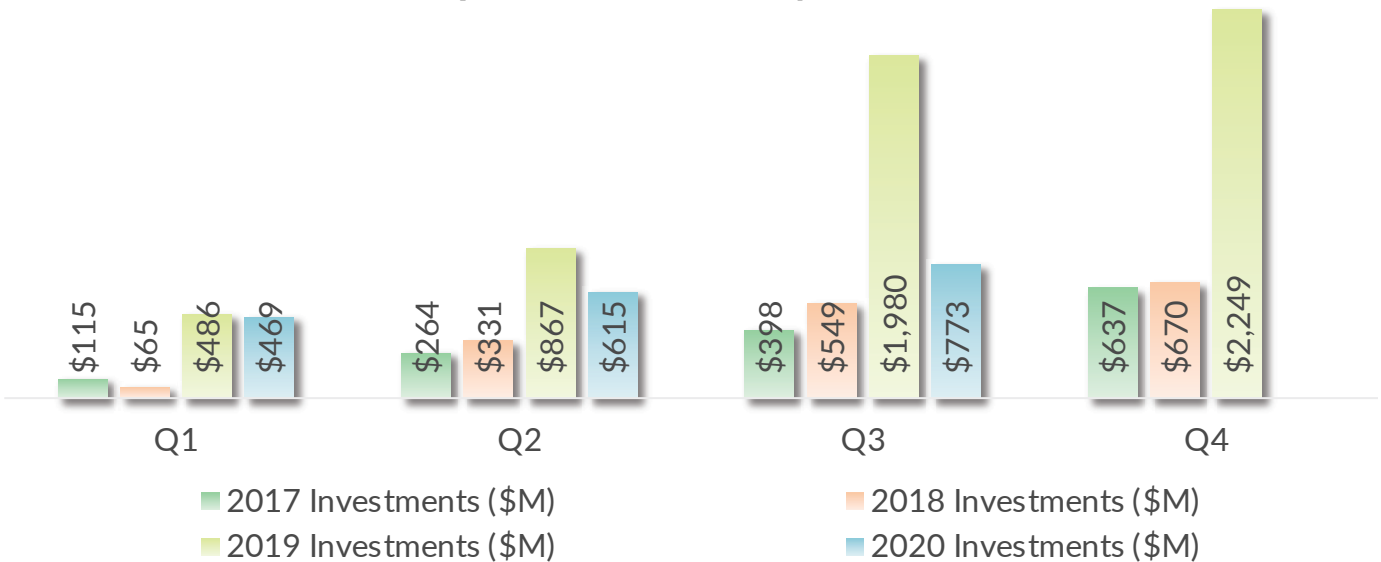
EUROPE HEALHTECH FUNDING HISTORY

- As of Q3 2020, HealthTech venture capital cumulative funding closed at \$773 M, a steep decrease of 61% when compared to the total funding of \$1.98 B in Q3 2019
- Funding in Q3 2020 alone was down 86% to \$158 M from \$1.1 B as compared to Q3 2019, and up 8% from \$146 M as compared to Q2 2020
- Total venture deal volume closed at 62 deals, down 63% YoY in Q3 2020 compared to Q3 2019
- Average deal size decreased by 17%, from \$11.2 M in Q2 2020 to \$9.3 M in Q3 2020

Cumulative Venture Capital Deal Volume by Quarter

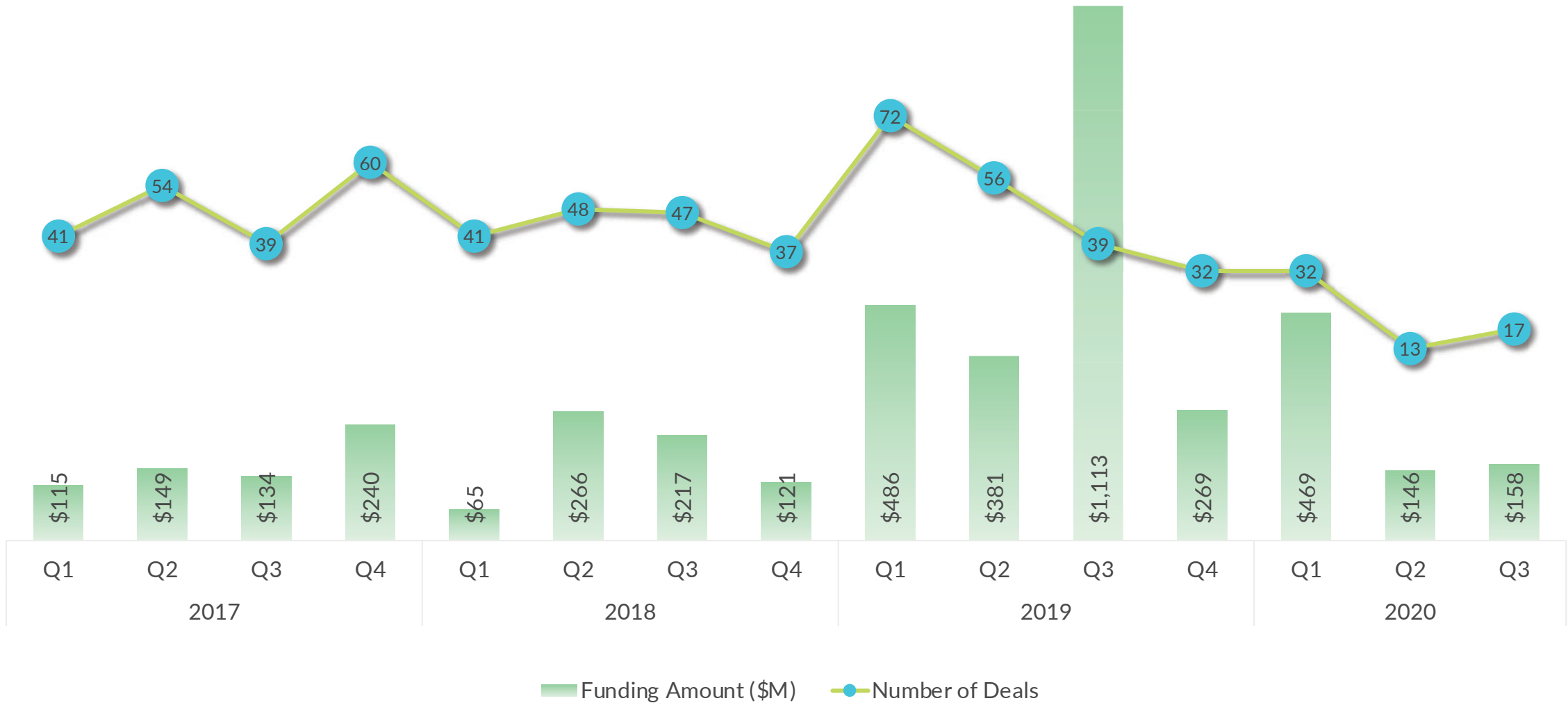
	Q1	Q2	Q3	Q4
2017 Deals	41	95	134	194
2018 Deals	41	89	136	173
2019 Deals	72	128	167	199
2020 Deals	32	45	62	

Cumulative Venture Capital Deal Value by Quarter



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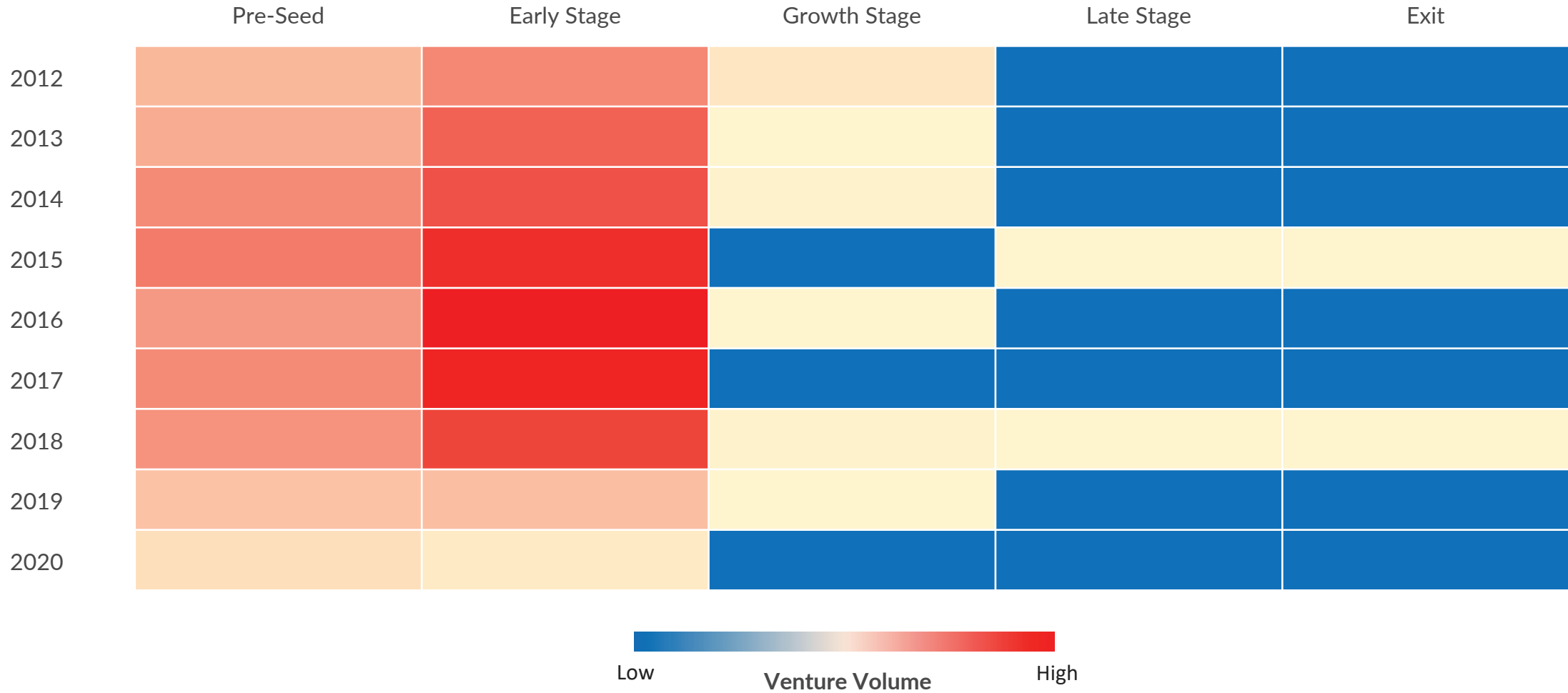
QQQ EUROPE HEALHTECH FUNDING HISTORY



■ Funding Amount (\$M) ● Number of Deals

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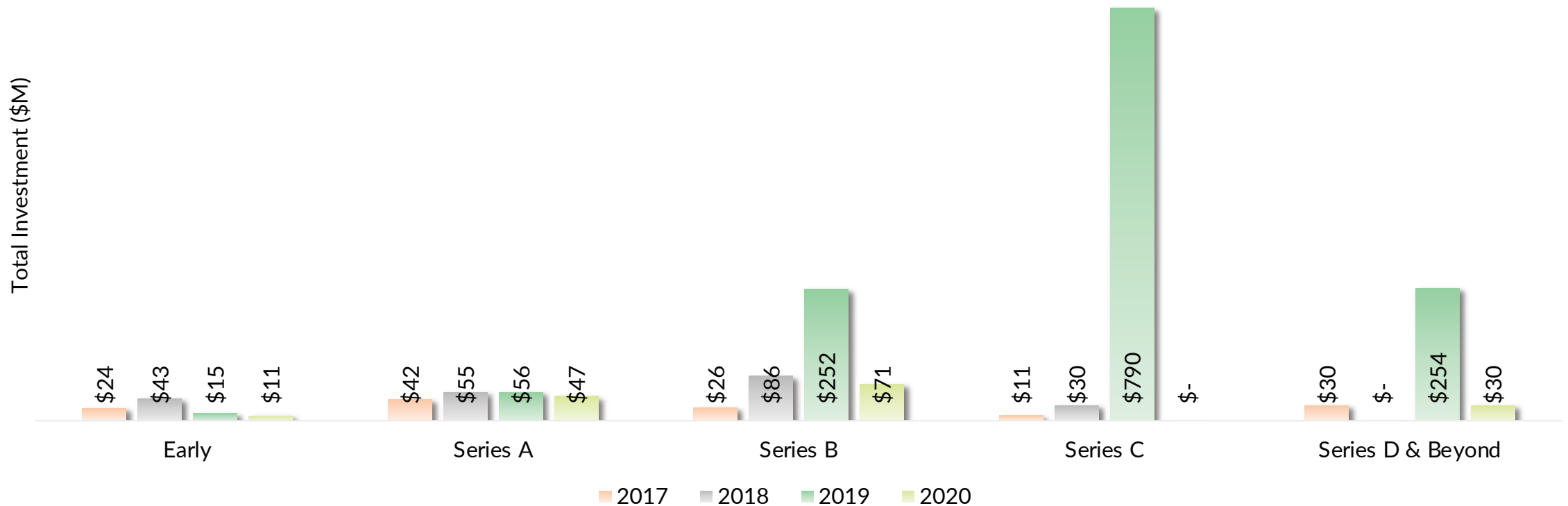
HEALTHTECH VENTURE MATURITY PIPELINE 2020



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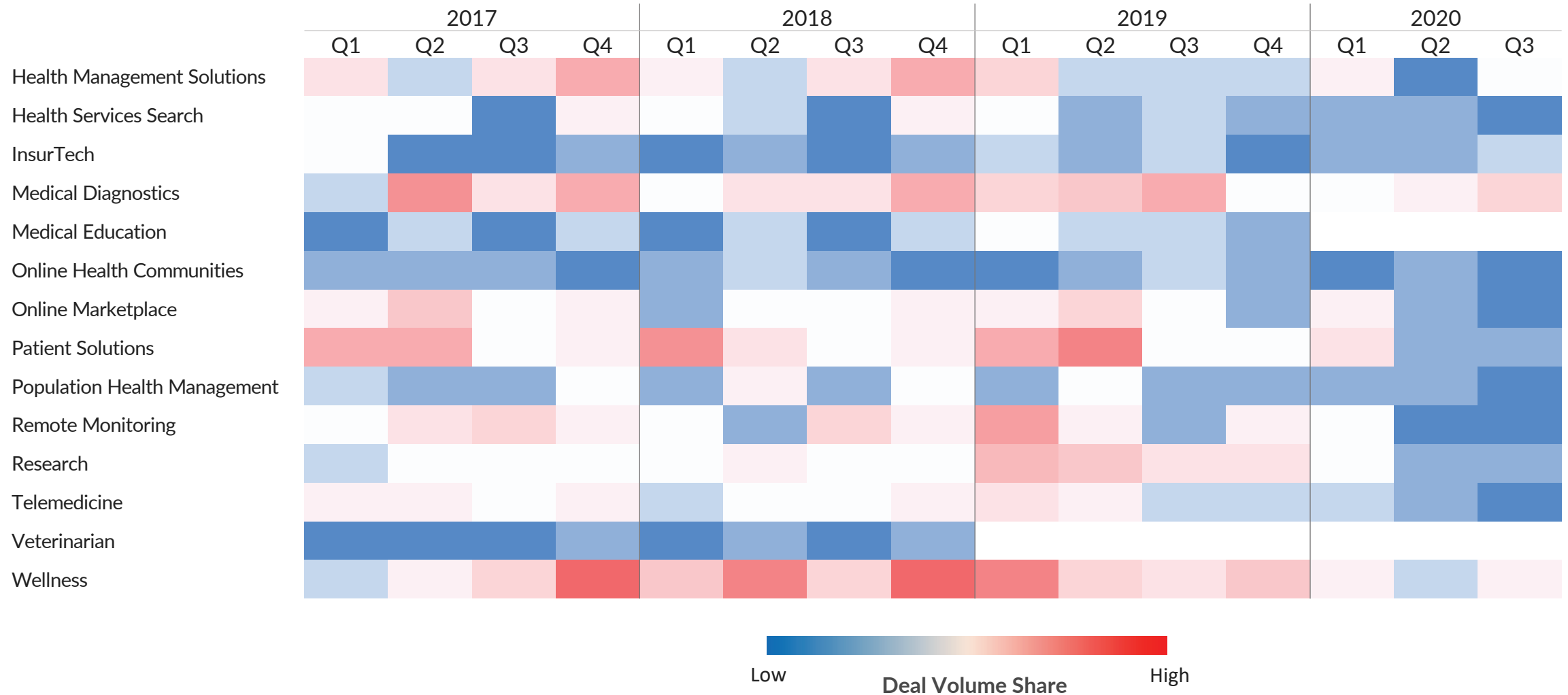
Q3 YOY INVESTMENT DISTRIBUTION COMPARISON

Q3 2020 saw a decrease in venture capital deals across all stages as compared to Q3 2019. Series B and Late Stage deals decreased significantly, and no Series C funding was recorded in Q3 2020, in stark contrast to \$790 M funding in Q3 2019



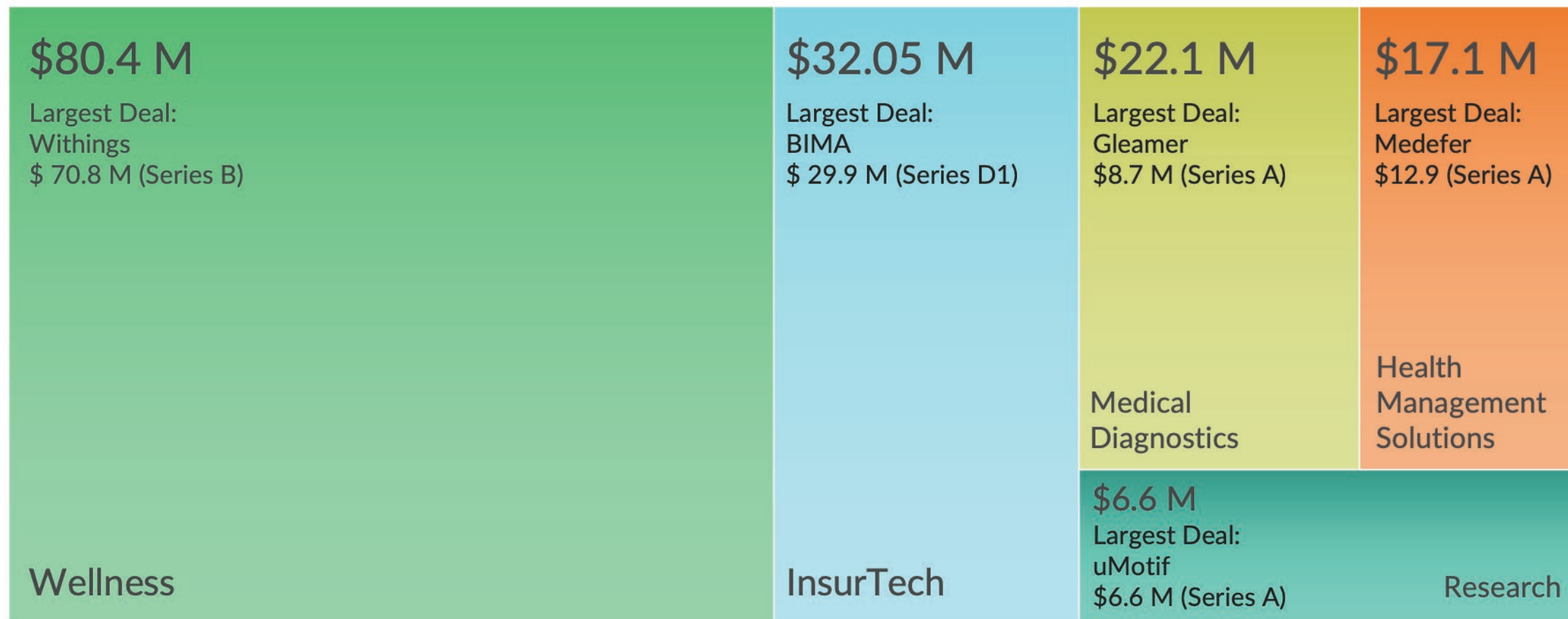
EUROPE

EUROPE HEALHTECH CATEGORY DISTRIBUTION



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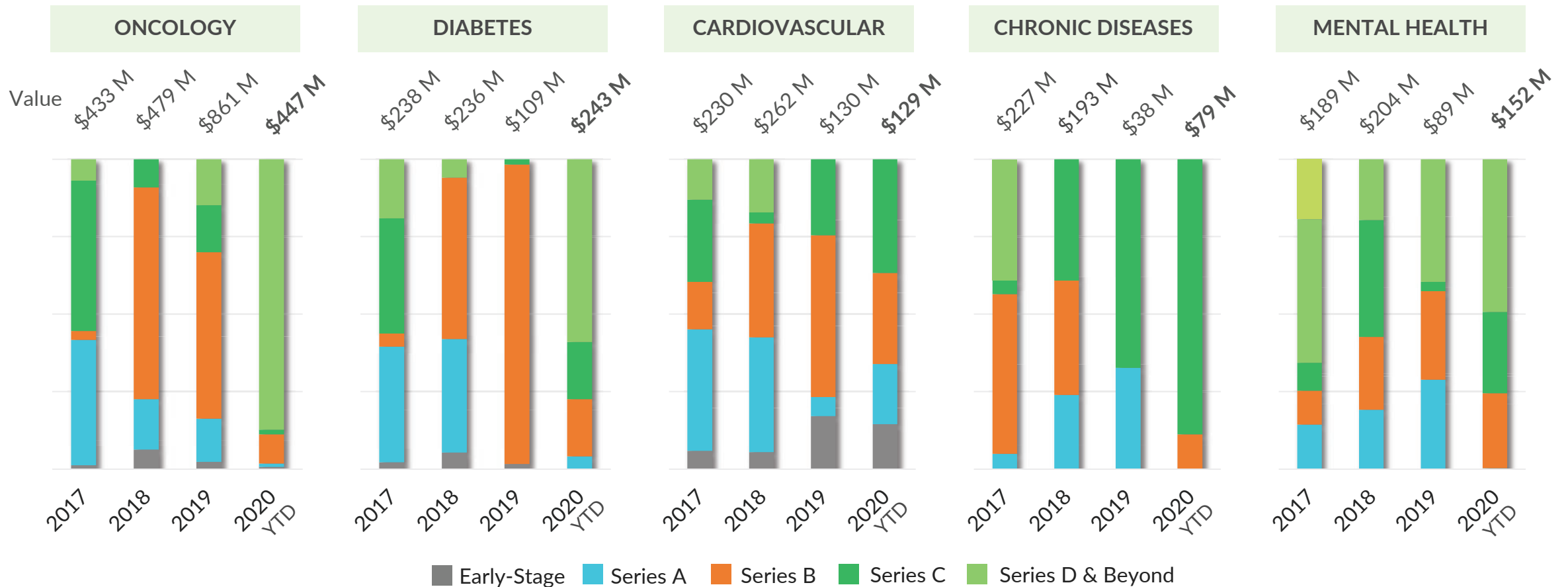
HEALTHTECH MOST FUNDED CATEGORIES BY VALUE



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THERAPEUTIC FOCUS AREAS BY VALUE SHARE

In Q3 2020, venture capital funding in ventures with Diabetes and Mental Health focus increased by 2.2x and 71% respectively, whilst funding in Oncology ventures decreased by 48%







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Q3 2020 NOTEWORTHY DEALS

Startup	Investors	Country	Category	Stage	Date	Deal Value (\$M)
 BIMA	 CreditEase Fintech Investment Fund	United Kingdom	Health Insurance	Series D1	09 / 2020	\$ 29.9
 MEDEFER Reframing Healthcare	 Nickleby Capital	United Kingdom	Hospital	Series A	09 / 2020	\$ 12.9
 withings	 Idinvest Partners, Glide Healthcare, Bpifrance	France	Wearables	Series B	07 / 2020	\$ 70.8
 FitXR	 HIRO CAPITAL	United Kingdom	Wellness	Series C	07 / 2020	\$ 6.3
 inHEART	 Elaia	France	Medical Diagnostics	Series C	07 / 2020	\$ 4.4













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Q3 2020 NOTEWORTHY DEALS (M&A)

Startup	Acquirer	Country	Category	Date	Deal Value (\$M)
 LIXOFT Lixoft	 Simulation Plus	France	Clinical Trials	04 / 2020	\$ 16.5
 biobeats Biobeats a HUMA company	 Huma	United Kingdom	Corporate Health	04 / 2020	undisclosed





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EUROPE MOST ACTIVE INVESTORS

Investor	Type	No. of HealthTech Deals		Latest Participated Investment	Date	Amount Invested (\$M)
		in 2020 in Europe	Total			
 AlbionVC	Venture Capital	5	13	 uMotif	08 / 2020	\$ 6.6
 Innovate UK	Government	3	21	 RIVIAM Digital Care	07 / 2020	\$ 0.06
 Idinvest Partners	Venture Capital	3	12	 Withings	07 / 2020	\$ 70.8
 ParTech	Venture Capital	3	11	 Ambler	06 / 2020	\$ 7.1
 F-Prime Capital	Venture Capital	2	47	 Oviva	01 / 2020	\$ 21.0
 Bpifrance	Investment Bank	2	31	 Gleamer	09 / 2020	\$ 8.7

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Q3 2020 NOTEWORTHY PARTNERSHIPS

Partners	Startup	Location	Date	Category
 PERFORMANCE KITCHEN Performance Kitchen (Food Delivery)	 Baze Baze	Switzerland	07 / 2020	Wellness Apps
 SOMPO HIMAWARI LIFE SOMPO Himawari Life Insurance Inc. (Insurance)	 dacadoo dacadoo	Switzerland	07 / 2020	Population Health Management

EUROPE

2020 VENTURE SPOTLIGHT

Ventures who have raised the most significant amount of funding in 2020

Cera



Country
United Kingdom

Primary Sector
Online Marketplace

Current Stage
Series B

Recent Funding
\$71 M

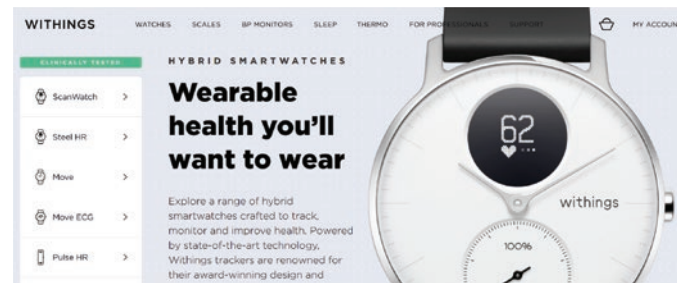
Valuation:
\$340.6 M

HTA Score:
69.6

Cera is a provider of home care services for seniors, older adults and individuals requiring personal care.

Withings

withings



Country
France

Primary Sector
Wellness

Current Stage
Series B

Recent Funding
\$70.8 M

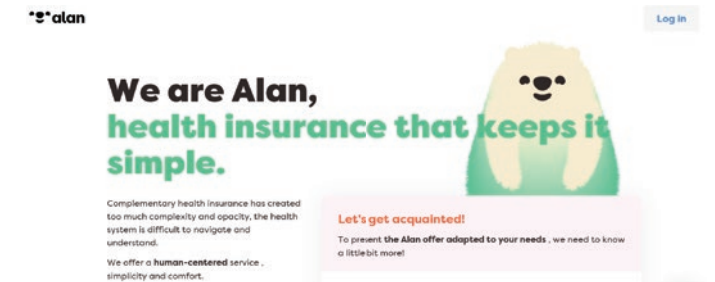
Valuation:
\$240.6 M

HTA Score:
81.0

Withings is a developer of digital health and wellness smart devices including fitness trackers, and blood pressure monitors.

Alan

Alan



Country
France

Primary Sector
InsurTech

Current Stage
Series C

Recent Funding
\$59 M

Valuation:
\$346.9 M

HTA Score:
76.9

Alan is the first digital health insurance platform in Europe with an excellent price-quality ratio health plan.

KEY INFORMATION



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SCOPE OF REPORT

This report covers HealthTech ventures with incorporation date after 2002 in the United Kingdom, France and Switzerland. Ventures incorporated outside these countries have not been included in this analysis.

HealthTech is defined as the intersection between healthcare and technology, and is also referred to as digital health. HealthTech does not include Biotech (protein research or pharmaceuticals), MedDev (devices that are mechanical and electronic in nature), neuro-stimulates, opioids and minimal-invasive instruments. We recommend reviewing our taxonomy on the next page for further details.

DATA SOURCING AND TRACKING

Galen Growth tracks a comprehensive inventory of key data points ranging from company demographics, funding and valuation to in-market capabilities on a continuously growing and curated list of HealthTech ventures drawn from global markets. Data is collated from primary research, public domain sources (press releases, news, public fillings), proprietary analytics and from its unique network.

The information is:

- Disclosed and undisclosed by nature
- Continuously updated with the latest data
- Curated from both direct and indirect verified sources
- Augmented with our proprietary algorithms

Each HealthTech Alpha Index and Score is calculated using proprietary algorithms and data points drawn from our carefully curated HealthTech Alpha database. We recommend reviewing our venture spotlights for further insights.

KEY TERMS AND DEFINITIONS

BASE CURRENCY	USD
EARLY STAGE	All deals up to and including Pre-A & Series A stage
GROWTH STAGE	All deals at Series B & C stage
LATE STAGE	All deals at Series D & Beyond stage
EXIT	IPO and M&A deals
HTA	HealthTech Alpha

IMPORTANT INFORMATION

This report is provided solely for informational purposes and was prepared in good faith on the basis of public information available at the time of publication without independent verification. Numbers will be updated from time to time to reflect information identified after the event.

Galen Growth does not guarantee or warrant the reliability or completeness of the data nor its usefulness in achieving any particular purposes.

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RESEARCH INQUIRIES

For more information about data, research and Galen Growth's proprietary algorithm contact: dario.heyman@galengrowth.com for more information.

KEY INFORMATION

OUR TAXONOMY

**Health Services Search**

Medical Concierge
Medical Tourism
Track & Trace
Triage

**Online Marketplace**

Consumer Marketplace
Professional Marketplace
On-demand Lab Tests

**Online Health Communities**

Patient Health Forums
Physician Networks
Other HCP Networks

**Health InsurTech**

Health Claim Management
Medical Payments
Health Insurance

**Medical Diagnostics**

Medical Imaging
Diagnosis Tools
Genomics Related Diagnosis

**Research**

Drug Discovery
Next Generation Sequencing
Genomics Related Research
Clinical Trials

**Remote Monitoring**

Home Healthcare
Remote Monitoring Devices
Care Coordination

**Medical Education**

HCP Education
Health Information Platform
Consumer Education

**Wellness**

Wellness Apps
Wearables
Smart Equipment
Wellness Information Platform
Genomics Related Applications

**Veterinarian**

Health Forums
Animal Imaging
Animal Monitoring

**Patient Solutions**

Digital Therapeutics
Patient Self-Diagnosis
Disease Management

**Health Management Solutions**

EHR / EMR
Physician / Clinic
Hospital
Pharmacy
Prescriptive Analytics

**Telemedicine**

Teleconsultation
Teleradiology
Telepathology

**Population Health Management**

Corporate Health
Integrated Solutions

**Others**

Social Enterprise
HCP Job Board
Software Provider
Contamination Management

Who we are

Galen Growth is the global leader in digital health intelligence, analytics and matchmaking, empowering global Fortune 500 companies and institutional investors to fast track their growth strategies.



OUR MISSION

Fast Tracking your HealthTech Innovation Ambitions across the Globe

It is an external game! The most innovative companies partner with ecosystem specialists to gain access to different capabilities and sources of data which they then use to build new business models or develop new products and services.

We believe the fastest, most effective way to scale digital health innovation is to be the preferred innovation partner for investors, corporations and startups to enable them to re-invent healthcare and realise its full societal value.

Galen Growth is the only trusted expert dedicated to digital health innovation across the entire value chain of healthcare: from R&D to payments. We partner with proven HealthTech ventures, leading corporations and institutional investors to empower them to execute winning strategies.

With our unmatched and unequalled coverage of Asia, USA, Europe and the Middle East, we are the only innovation platform capable of bridging the ambitions of global headquarters and investor teams, to enable near term tangible business results.

OUR DIFFERENTIATORS

1

GLOBAL REACH

Unmatched global ecosystems coverage

- Unmatched, unequalled and indispensable breadth, depth, accuracy and velocity of global data
- 4 regions, 6,300+ ventures, and 75+ million data points
- Unique global network of digital health innovation leaders
- Offices in Asia and Europe

2

CORE SOLUTIONS

Cutting edge HealthTech innovation solutions

- **HealthTech Alpha:** Real-time data, analysis and news at your fingertips
- **Next Gen Scouting:** Problem statement driven scouting, selection and profiling
- **Acceleration Solutions:** Empowering enterprise innovation teams to win
- **Research:** Go-to-reference digital health research
- **Events:** Matchmaking dedicated to enterprise leaders, investors and startups

3

RECOGNISED SPECIALISTS

Proven team track record

- Preferred partner for many leading corporations and investors
- Trusted advisor with superb client credentials
- Specialist team with extensive industry leadership experience and proven track record
- Team members in USA, Japan, Switzerland and Singapore

OUR CORE SOLUTIONS



NEXT GEN SCOUTING

SCOUT | SELECT | PROFILE

Scouting and profiling enabled by advanced analytics and insights

Leverage our analyst team and technology to fast track the analysis of hundreds of thousands of data points, way beyond financials, to pinpoint, evaluate and prioritise best fit ventures for your organisation's needs ahead of your peers.



HEALTHTECH ALPHA

MONITOR | IDENTIFY | TRACK

Real time data, analysis and news at your fingertips

The global leading on-demand HealthTech intelligence and analytics platform, preferred by enterprises, investors, startups and scale-ups, giving access to actionable insights and unique market intel on the thousands of digital health ventures enabling better decisions, based on real time and accurate data.



ENTERPRISE ACCELERATION









DESIGN | MOBILISE | BUILD

Empowering enterprise innovation teams to win

A full suite of cutting edge HealthTech enterprise acceleration programmes, powered by Galen Growth's unique capabilities, ranging from our **Innovation Xplorer** membership to our dedicated end-to-end in-house **Innovation Accelerator**.

ABOUT GALEN GROWTH

OUR PARTNERS

			Asia's Leading Life Insurer			
	HEALTH X CAPITAL					
						
						

ABOUT GALEN GROWTH

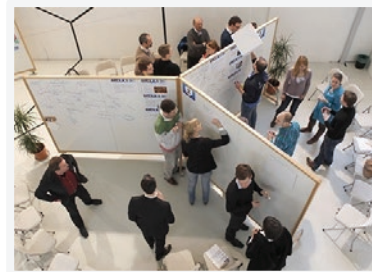
SOLUTIONS OVERVIEW



**HealthTech
Alpha**



**Acceleration
Solutions**



**Next Gen
Scouting**



Events



Research



ABOUT GALEN GROWTH

THE GALEN GROWTH DIFFERENCE



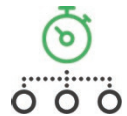
Monitor, evaluate and engage with the globe's HealthTech innovation ecosystems



Focus valuable resources on partnership deal execution for near term business impact versus the grind of research



Fast track your timelines to achieve earlier business impact



Develop real time actionable insights and transparency to the fast changing ecosystem



Start with the entire ecosystem picture versus a snapshot before zooming into best fit ventures



Build stronger capabilities and sustainable organisational knowledge



Operate with the most comprehensive and accurate data that is never out of date



Mitigate risks and avoid hype

Bringing The World's Leading Digital Health Rendez-Vous To You

The Global HealthTech Summit is the culmination of the industry's finest thought-leadership and innovators. Bringing the experience to your screens, catch over 30 riveting discussions with pharma, insurers and more. Connect with more than 100 innovative HealthTech startups from around the world in expansive virtual exhibition halls, and network with 1,000 plus industry leaders and decision-makers.

[Contact](#) us if you are interested



- Exclusive by-invitation-only
- Largest HealthTech deal-flow event – expect over 400 investors and CVCs
- Latest trends, insights and opinions from leading experts around the world
- Meet the world's top 100 digital health's most promising ventures
- Celebrate the World's Most Innovative HealthTech Startup 2020 winner

What you can expect from the Global HealthTech Summit 2020

1000+
participants

400+
investors
and CVCs

100+
HealthTech
startups

50+
speakers

FEATURED IN

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MILKEN INSTITUTE
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Galen Growth Asia Pte Ltd
100 Amoy Street
Singapore 069920
Singapore

Galen Growth GmbH
Switzerland Innovation Park Basel Area
Site Novartis Campus
Fabrikstrasse 2
Basel 4056
Switzerland

 galengrowth.com

 twitter.com/galengrowth

 linkedin.com/company/galen-growth

Interested?

Contact us to discuss further

For Pharmaceutical & Medical Devices

 julien.desalaberry@galengrowth.com


For Insurance

 matt.whittingham@galengrowth.com

For Japan

 hajime.sato@galengrowth.com

For Europe

 julien.desalaberry@galengrowth.com