



PRESS RELEASE

## Investment in health startups in Catalonia tops €200 million again in 2021

- Health startups in the BioRegion managed to raise €38 million in 2021, a new record. Venture capital remains the main source of investment, up 34% from 2020. 83% of the venture capital raised was in operations with international investors.
- The medical technology subsector attracted the most investment, fueled by two large operations, and digital health companies saw investment nearly double from 2020.
- These are just some of the figures from the 2021 BioRegion of Catalonia Report, promoted by Biocat, CataloniaBio & HealthTech and ACCIÓ, presented this morning at an event featuring the President of the Government of Catalonia and representatives from the sector.

*Barcelona, January 26, 2022.* Investment in health startups in the BioRegion continues to grow and again surpassed the €200 million mark for the second year in a row, despite the COVID-19 pandemic. In total, **companies raised €38 million, the most to date.** **Venture capital** funding was the main driver of this growth, with more than €187 million, or **79% of all capital**, three times as much as in 2019.

83% of the venture capital raised was in operations with international investors. In fact, more than 90% of operations worth over €10 million are syndicated (shared) among investors established in the BioRegion and international investors. In this regard, **there were nearly a hundred international investors in total that took part in rounds of investment, almost twice as many as in 2019.** They are mainly from Europe (51) and the United States (31), including noteworthy firms and international corporate ventures like Boheringer, Kurma Partners, Idinvest, Pontifax, Roche and Wellington.

In 2021, a total of 36 operations were closed, fewer than the previous year (41) but worth more each on average. It is worth noting once again the investment channeled through crowdequity platforms, which has been more than €10 million a year since 2019.

Regarding the investment trend, 2021 stood out for the increased **investment in medical technology, which was 2.4 times more than in 2020.** This increase was



mainly due to two important venture capital operations: **€41 million invested in Impress in what is currently the largest round the BioRegion has ever seen, and the €25 million attracted by Corus Dental**, both companies that work in dental health. Furthermore, **digital health companies have seen nearly twice as much investment as in 2020**, consolidating the increase in funds raised for the fifth year in a row with over €60 million.

“Without a doubt, 2021 was an exceptional year,” said **Biocat CEO Robert Fabregat**. “The ecosystem has continued growing despite the pandemic, generating highly valuable research and innovation and attracting local and international investment. We have to channel our efforts into **facilitating technology adoption by the system and taking advantage of the exponential growth of companies working in emerging therapies and transformative technology and digital health in order to accelerate their direct impact on people’s health and wellbeing.**”

The **startup creation rate in recent years has been one new company per week**, with a noteworthy increase in new biotechnology firms working on therapies, up 31% since 2018. Most of these companies are spinoffs of universities and research institutes like BSC, ICFO, IDIBAPS, IJC, IGTP, IMIM, IRB, Hospital SJD, UPF and UB. The Report also associates creation and investment for this type of companies, noteworthy among which are **the 24 with an ICREA researcher that through 2021 have received a total investment of €184 million: up 50% from the previous year (€120 million).**

In the section on large operations, although there weren’t any companies that went public last year, it is worth noting the **number of local businesses acquired by other companies**, mainly from the US, including GoodGut, a spinoff of UdG and IDIBGI that was acquired by Catalan pharmaceutical company HIPRA. “This operation is a clear example of **cooperation among companies and of the driving role that consolidated businesses** in the Catalan ecosystem must play in order to continue bringing innovative solutions to patients and the healthcare system,” said **CataloniaBio & HealthTech President Jaume Amat**.

The timeframe for research and **new therapies having an impact on patients is reflected in the BioRegion’s pipeline, with 56 therapies in total being developed** in a wide variety of clinical areas (mainly oncology, hematology, dermatology, the central nervous system and infectious diseases). Some of these are already in phase IIb and III, which means they are approaching commercialization and closer to being accessible to the public.

In addition to the growing number of international investors, the BioRegion is also seeing more consolidated activity from solid, specialized VCs established in Catalonia, which invest actively in the ecosystem and outside of the Catalan sphere. For **the second year in a row, the capital committed by local funds was roughly €100 million**. Each day that goes by confirms that the Catalan ecosystem has a growing number of specialized investors backing local innovation.

The chapter based on a survey of CataloniaBio & HealthTech members **shows that companies’ R&D investment stays mainly in Catalonia. Of biotech and medtech startups, the main destination is Catalonia: over 52% for biotech firms and 78%**



**for medtech businesses.** Also of note is the high level of R&D collaborations among startups and research bodies in the BioRegion. **90% of biotech or medtech startups say they collaborate with the network of research bodies,** universities and hospitals, which clearly shows the ecosystem's capacity for transfer.

### **A growing sector, despite the pandemic**

The 2021 Report also looks at other macroeconomic and innovation indicators for the life sciences and healthcare sector, including companies' turnover and employment figures, which are up despite the pandemic and have had an impact on the sector's GDP, now **8.7% of the Catalan GDP** (up 1.4% from 2018). The sector **has over 1,300 companies, which export over 50% of all life sciences and healthcare products from Spain, employs 244,000 people (more than 8% of the working population of Catalonia)** and is consolidating its place as one of the most attractive hubs in Europe with international innovation centers arriving on a regular basis.

In this regard, as announced by **Director General of Industry and CEO of ACCIÓ Natàlia Mas**, **“Catalonia has attracted over €700 million in foreign direct investment (fDi Markets) over the past five years in the life sciences and healthcare arena, mainly from Germany, the United States, France and Japan. This foreign investment has translated into 3,000 new qualified jobs.”** In fact, according to the international rankings, “Barcelona is the most attractive location in southern Europe to invest in an R&D center in the life sciences, due above all to its top-notch talent and quality scientific facilities,” she highlighted. All in all, Mas summed up that the Report shows “Catalonia is a unique setting in Europe given its combination of a strong local industrial fabric in healthcare and the life sciences, an ecosystem of cutting-edge startups, benchmark multinational corporations in this arena and a strong network of research bodies.”

All of this data is from the **BioRegion of Catalonia Report presented this morning**, which Biocat has published since 2009 in collaboration with AMGEN and for this 2021 edition is promoting jointly with CataloniaBio & HealthTech and ACCIÓ. This study, which also received support from Alira Health, EATRIS+, EY and PONS IP, was presented this morning live in person and streamed online at an event featuring the President of the Government of Catalonia and over 200 professionals from the sector.

— Report available on the [Biocat](#) website.

### **About Biocat**

[Biocat](#) is the institution that promotes the life sciences and healthcare ecosystem in Catalonia and works to maximize its economic and social impact. Biocat's strategy focuses on positioning the BioRegion of Catalonia as one of the leading European hubs, offering researchers and professionals innovative capacity with programs to improve talent and entrepreneurship, accelerating technology transfer and business growth by supporting TTOs and startups, and helping attract investors and investment to the ecosystem. Created in 2006 by the Government of Catalonia and the Barcelona City Council, Biocat also promotes far-reaching political strategies and projects aimed at contributing to Catalonia's competitiveness.



### **About CataloniaBio & HealthTech**

[CataloniaBio & HealthTech](#) is an association with more than 180 member companies and leading knowledge stakeholders in R&D in the healthcare and life sciences sector in Catalonia. Its mission is to help boost companies' competitiveness and size so they can generate new products and services that improve people's health by promoting innovation, entrepreneurship and networking, as well as positioning Catalonia as one of the top healthcare hubs in the world.

### **About ACCIÓ**

[ACCIÓ](#) is the Government of Catalonia Agency for Business Competitiveness. Under the Ministry of Business and Employment, ACCIÓ works to improve the Catalan business fabric through internationalization and innovation, with 40 Trade and Investment Offices all over the world available to companies. Plus, it is the agency in charge of attracting foreign investment to Catalonia.

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