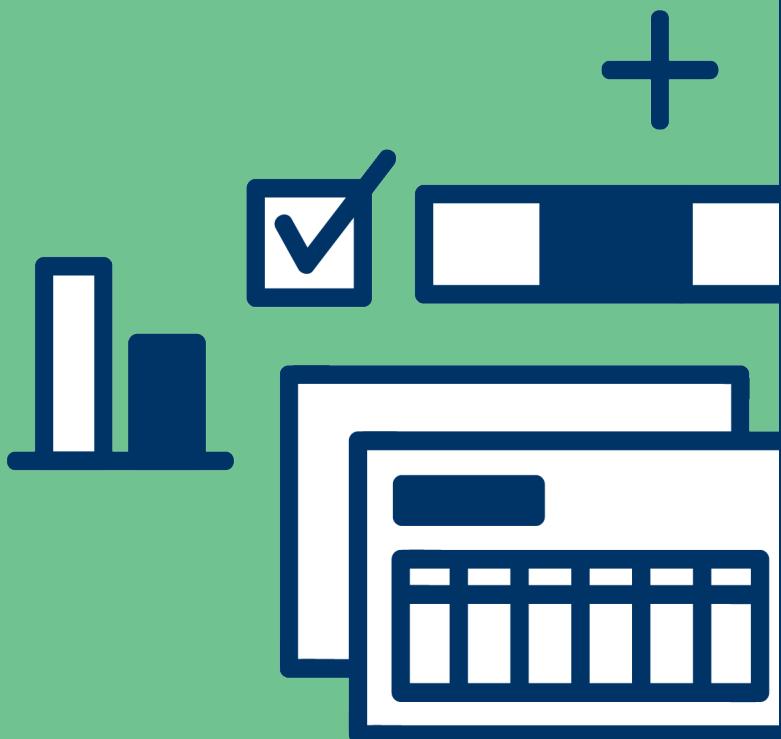




# The State Of Healthcare Report Q2'20



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“

Using the CB Insights platform has allowed AdventHealth to work smarter. We are able to identify competitive threats and understand where the market is moving so we can differentiate our product offering accordingly.

**Nicholas Archer**

CEO of Project Fulcrum, AdventHealth



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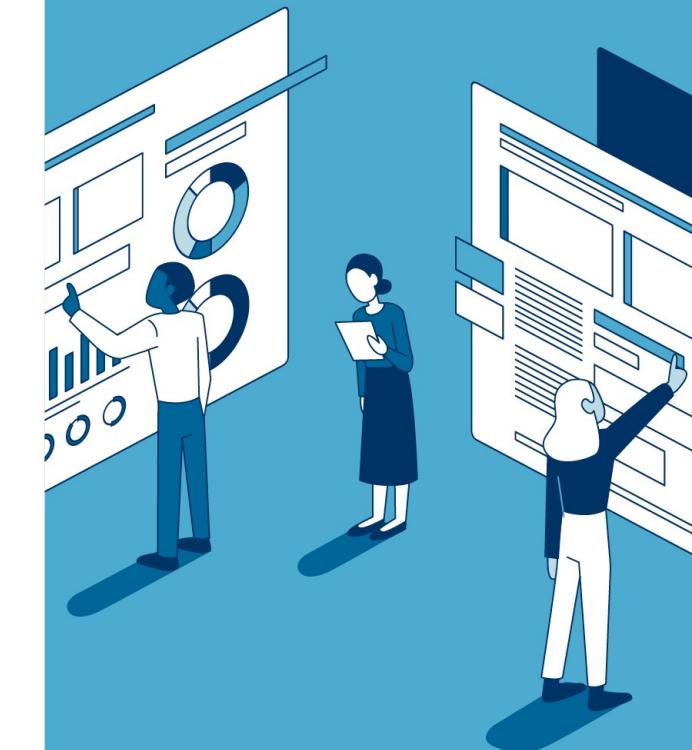
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[9 Startups Improving Aging At-Home End-Of-Life And Healthcare For Seniors](#)

[Global Healthcare Trends Q1 2020 And The Pandemic Impact](#)

[The Top 150 Digital Health Startups Of 2019: Where Are They Now?](#)

[Us Health Insurance Industry Trends To Watch In 2020](#)



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AI

Telehealth

Medical Devices

Digital Health In China

Women's Health

Mental Health

Regenerative Medicine

**66** Appendix

Most Active Healthcare VCs In Q2'20

Most Active Digital Health VCs In Q2'20

Methodology

# Summary of findings

## GLOBAL HEALTHCARE INVESTMENT

**Record global healthcare investment:** Global healthcare funding to private companies reached a new quarterly record of \$18.1B in Q2'20. There were 1,272 equity investments in Q2'20, growing 6% quarter-over-quarter (QoQ).

**Healthcare funding in Asia nearly doubled:** With \$5B invested, Asia-based companies saw a 98% uptick in funding QoQ. Europe-based companies raised \$2.3B, representing a 60% quarterly rebound.

**Globally, there are 46 healthcare unicorns worth a combined \$116.8B:** Cell therapy developer Orca Bio is the latest addition to the list.

## GLOBAL DIGITAL HEALTH INVESTMENT

**Digital health deals and dollars were up:** Global digital health equity funding grew by 22% to reach \$5.8B in Q2'20 – the second best-performing quarter for funding on record. There were 441 deals, an increase of 5% compared to the previous quarter.

**New York's role in the digital health ecosystem continued to grow:** With 47 deals in Q2'20, New York held its position as the US state with the second-most digital health deals. Deals to California-based companies saw a 14% quarterly decline to 66 deals. Meanwhile, the New York metro area was the most active US metro area for digital health deals in Q2'20, beating out Silicon Valley and Boston.

## HEALTHCARE INDUSTRY TRENDS

**Healthcare AI deals and dollars saw an uptick in Q2'20:** Healthcare AI startups raised \$1.1B in equity funding across 84 deals – a quarterly uptick of 14% and 2%, respectively. However, financing activity was well below the record-breaking Q3'19.

**Telehealth deals skyrocketed:** Telehealth saw a record 154 deals in Q2'20, a 23% increase QoQ. However, funding dipped by 18% compared to Q1'20. With 22 M&As, the quarter also set a record for telehealth exit volume.

**Record funding and exits for medical devices:** Medical device companies received \$4.3B in funding – a new quarterly high – across 371 deals. Exit activity also set a record with 34 M&As and 12 IPOs (of which 8 were based in China).

**Deals and dollars for digital health in China bounced back:** The quarter saw 47 deals – a 68% quarterly increase – and \$1.4B in funding. This funding total was largely driven by the \$1B Series B for DNA sequencing solution provider MG Tech.

**Women's health funding dipped but deals rose:** Women's health funding saw a 47% quarterly decline to \$206M after a strong Q1'20. However, Q2'20 deals jumped to 52, a 20% increase QoQ.

**Mental health deals reached a record high:** Mental health startups saw record deal volume in Q2'20 with 57 deals. However, funding fell by 15% QoQ to \$491M.

**Regenerative medicine dollars and deals reached an all-time high:** With \$2.7B invested across 99 deals, Q2'20 set a milestone for financing activity in the sector. Healthcare Smart Money investors\* continued to pour dollars into the space.



GET ALL THE DATA USED IN THIS REPORT

[Artificial Intelligence in  
Healthcare Collection](#)

[Digital Health In China  
Collection](#)

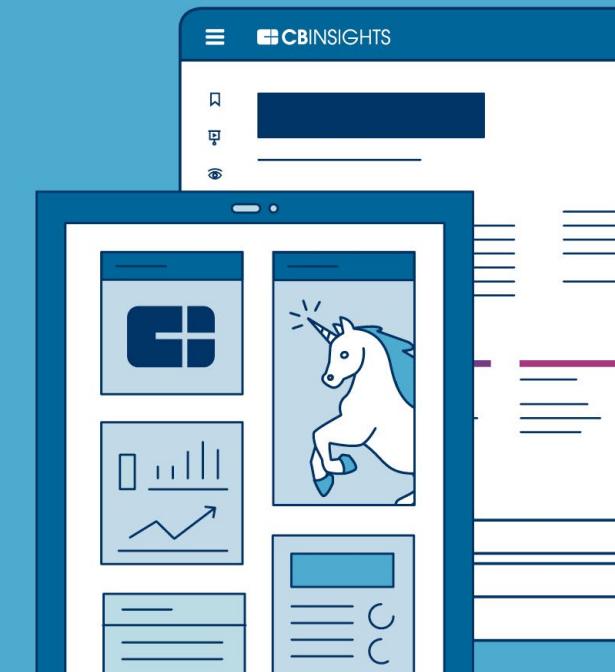
[Telehealth Collection](#)

[Women's Health Collection](#)

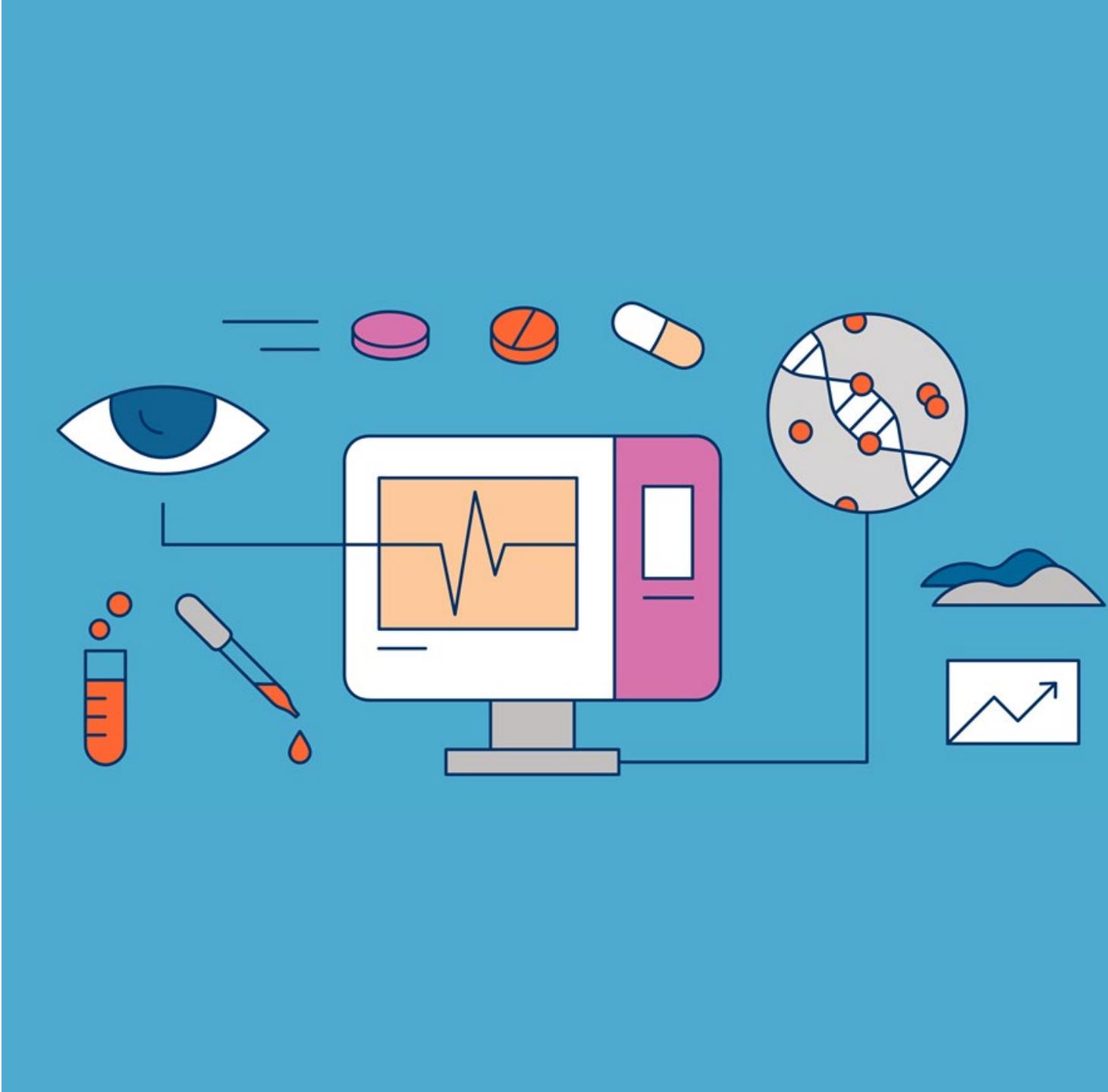
[Medical Devices  
Collection](#)

[Mental Health & Wellness  
Collection](#)

[Regenerative Medicine  
Collection](#)



# Q2'20 Global Healthcare Investment Trends



## GLOBAL HEALTHCARE INVESTMENT TRENDS

# Funding set a record and deals climbed 6% in Q2'20

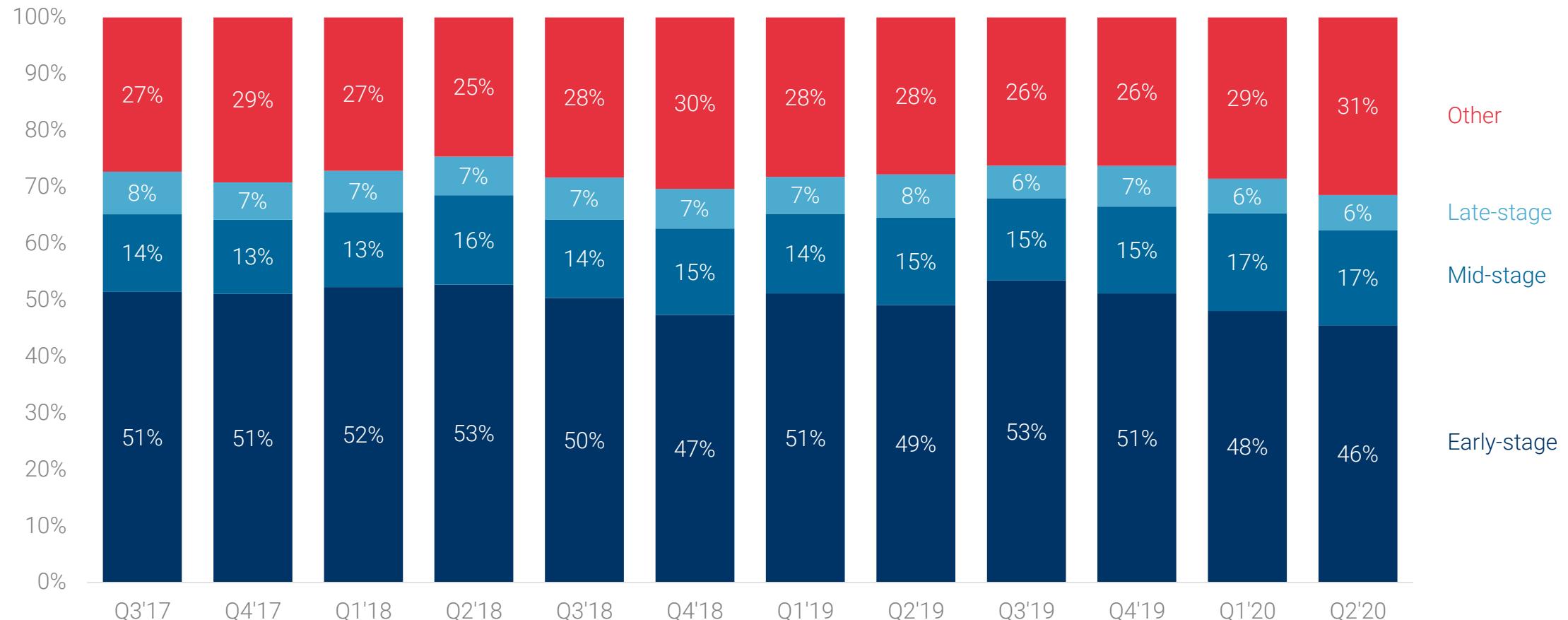
Quarterly global healthcare funding and deal count, Q3'17 – Q2'20



## GLOBAL HEALTHCARE INVESTMENT TRENDS

# Early-stage deal share continued to decline in Q2'20

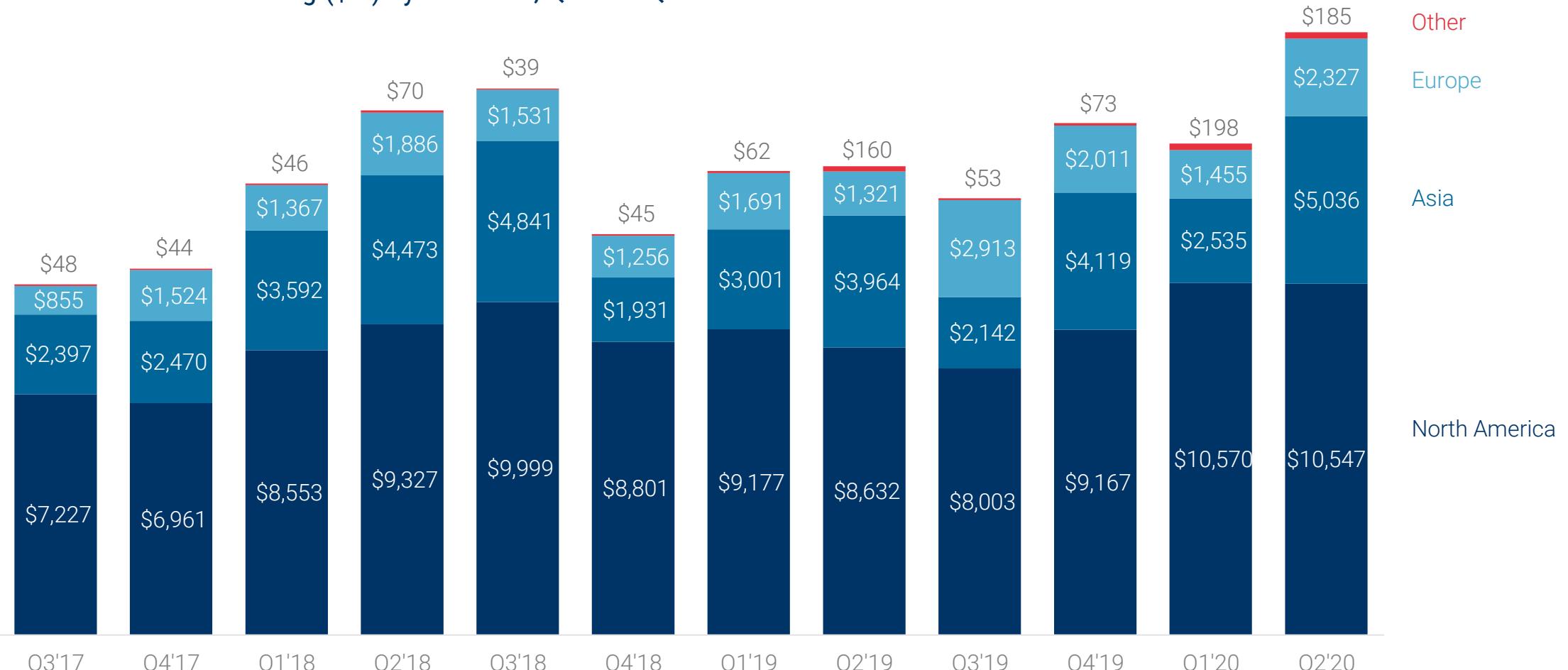
Percentage share of global healthcare deals by stage, Q3'17 – Q2'20



## GLOBAL HEALTHCARE INVESTMENT TRENDS

# Funding bounced back in Asia and Europe

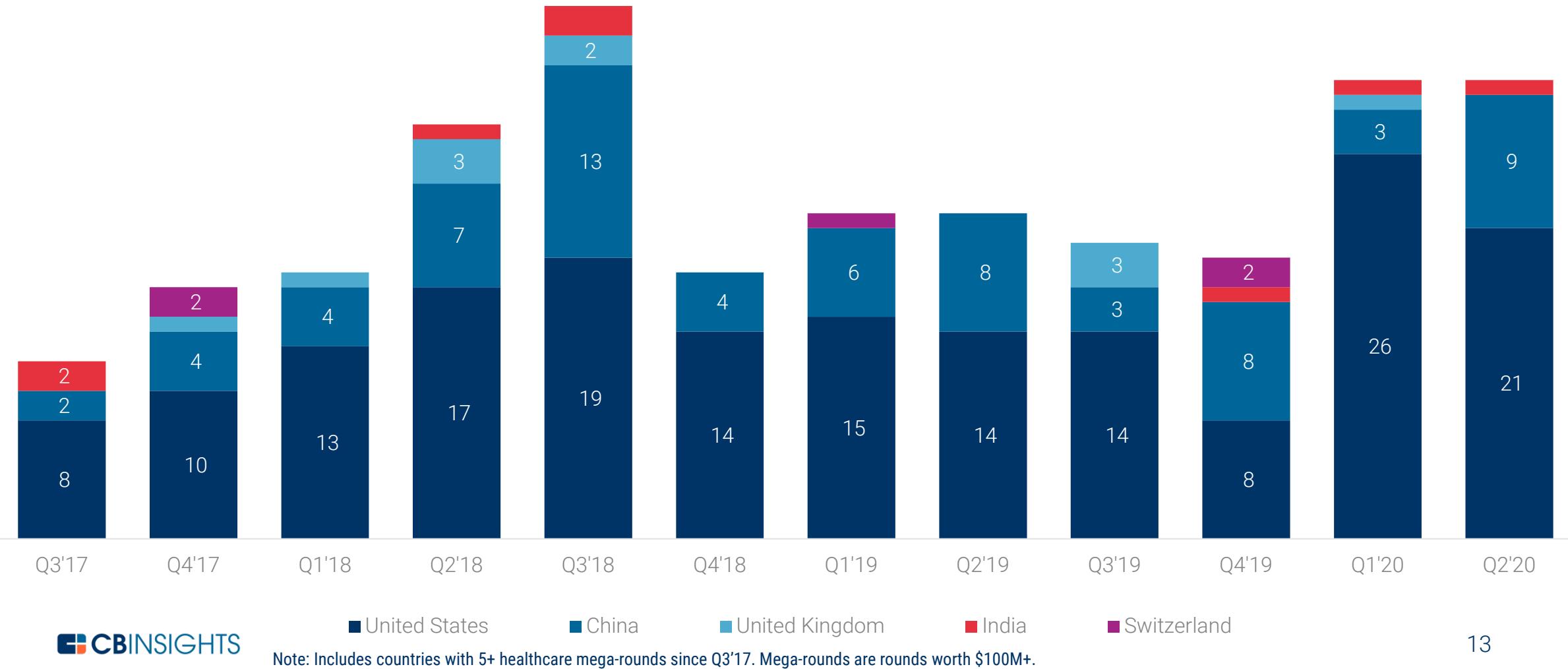
Global healthcare funding (\$M) by continent, Q3'17 – Q2'20



## GLOBAL HEALTHCARE INVESTMENT TRENDS

# Mega-rounds tripled in China QoQ

Quarterly healthcare mega-round deal count by country, Q3'17 – Q2'20



## GLOBAL HEALTHCARE INVESTMENT TRENDS

# Deals to China-based startups reached pre-Covid levels

Quarterly healthcare deals by country, Q3'17 – Q2'20

	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Total
<b>United States</b>	617	633	655	731	683	610	657	730	711	646	670	638	7,981
<b>China (Incl.HK)</b>	132	128	137	211	215	175	173	141	147	163	106	164	1,892
<b>United Kingdom</b>	42	46	52	54	53	53	63	56	48	52	60	57	636
<b>Canada</b>	43	35	47	43	40	38	48	50	36	38	39	46	503
<b>South Korea</b>	21	26	37	27	28	30	42	44	47	38	39	37	416
<b>France</b>	31	34	29	32	24	24	37	39	27	38	34	39	388
<b>India</b>	34	24	28	38	34	24	18	40	37	24	35	34	370
<b>Germany</b>	30	36	16	18	28	29	32	24	27	27	19	33	319
<b>Japan</b>	14	17	20	19	25	28	25	28	24	29	30	30	289
<b>Israel</b>	21	20	14	19	21	18	19	13	18	18	14	17	212
<b>Switzerland</b>	18	19	11	13	16	9	17	11	15	19	30	31	209
<b>Sweden</b>	9	15	11	19	14	7	14	22	12	12	23	17	175
<b>Spain</b>	17	7	12	11	8	11	7	10	11	11	13	14	132
<b>Netherlands</b>	11	6	6	9	12	9	15	7	8	9	10	7	109
<b>Singapore</b>	4	5	11	9	12	11	9	8	13	11	6	6	105
<b>Australia</b>	8	5	17	8	3	3	18	12	15	9	6	1	105

5 deals  731 deals

# Top 10 global healthcare deals in Q2'20

Company	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
 MGI 华大智造	Apr'20 // \$1000M	\$1200M	Co-Stone Venture Capital, GoldStone Investment, Green Pine Capital Partners, Guotai Junan Securities, IDG Capital, Sailing Capital	MGI Tech produces sequencing devices, equipment, consumables, and reagents to support life science research, medicine, and healthcare.
 Sana Biotechnology	Jun'20 // \$700M	\$700M	ARCH Venture Partners, Baillie Gifford & Co., Bezos Expeditions, CPP Investment Board, F-Prime Capital, Flagship Pioneering, Google Ventures, Public Sector Pension Investment Board	Sana Biotechnology focuses on developing engineered cells as medicines for patients.
 Piramal Pharma Solutions	Jun'20 // \$490M	\$490M	The Carlyle Group	Piramal Pharma includes an end-to-end contract development and manufacturing (CDMO) business, a complex hospital generics business, and a consumer healthcare business.
 CureVac the RNA people®	Jun'20 // \$337.5M	\$893.9M	KfW	CureVac develops mRNA-based cancer immunotherapies and prophylactic vaccines against infectious diseases.
 Mabwell 迈威生物	Apr'20 // \$278.3M	\$278.3M	Haitong Kaiyuan Investment, Huajin Capital, Oriental Fortune Capital, Power Capital, Shiyu Capital, Sincere Capital, Winfast Holding	Mabwell focuses on drugs like therapeutic monoclonal antibodies and long-acting recombinant proteins.

# Top 10 global healthcare deals in Q2'20

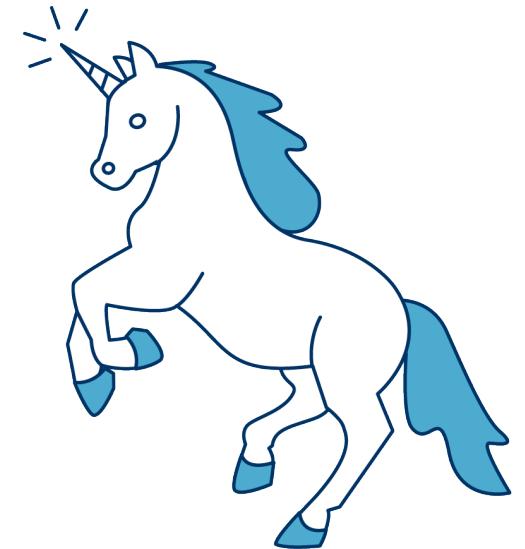
Company	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
 <b>PIONYR</b> IMMUNOTHERAPEUTICS	Jun'20 // \$275M	\$345M	Gilead Sciences	Pionyr develops cancer immunotherapies that target the tumor microenvironment using Myeloid Tuning.
 <b>EVEREST MEDICINES</b>	Jun'20 // \$260M	\$360M	Hillhouse Capital Management, Decheng Capital, RA Capital Management, HBM Healthcare Investments, CBC Group, Cormorant Capital	Everest Medicines is working on novel pharmaceutical therapies for patients in mainland China and other Asian territories.
 <b>OSCAR</b>	Jun'20 // \$225M	\$1492.5M	Alphabet, Baillie Gifford & Co., Coatue Management, Thrive Capital, Khosla Ventures, General Catalyst	Oscar is a technology-driven, consumer-focused health insurance company.
 <b>ATEA</b> Pharmaceuticals	May'20 // \$215M	\$283.4M	T. Rowe Price, Redmile Group, Bain Capital, Perceptive Advisors, RA Capital Management, Omega Fund Management, Morningside Venture Capital	Atea Pharmaceuticals is a clinical-stage biopharmaceutical company that aims to discover therapies for life-threatening viral diseases.
 <b>ERASCA</b> <sup>TM</sup>	Apr'20 // \$200M	\$264M	ARCH Venture Partners, Colt Ventures, EDBI, LifeSci Venture Partners, Invus Group, City Hill Ventures, Cormorant Asset Management, Terra Magnum Capital Partners	Erasca works on discovery programs for biological drivers of cancer and is pursuing additional opportunities for pipeline expansion through academic and biopharmaceutical collaborations.

GLOBALLY THERE ARE

# 46 HEALTHCARE UNICORNS

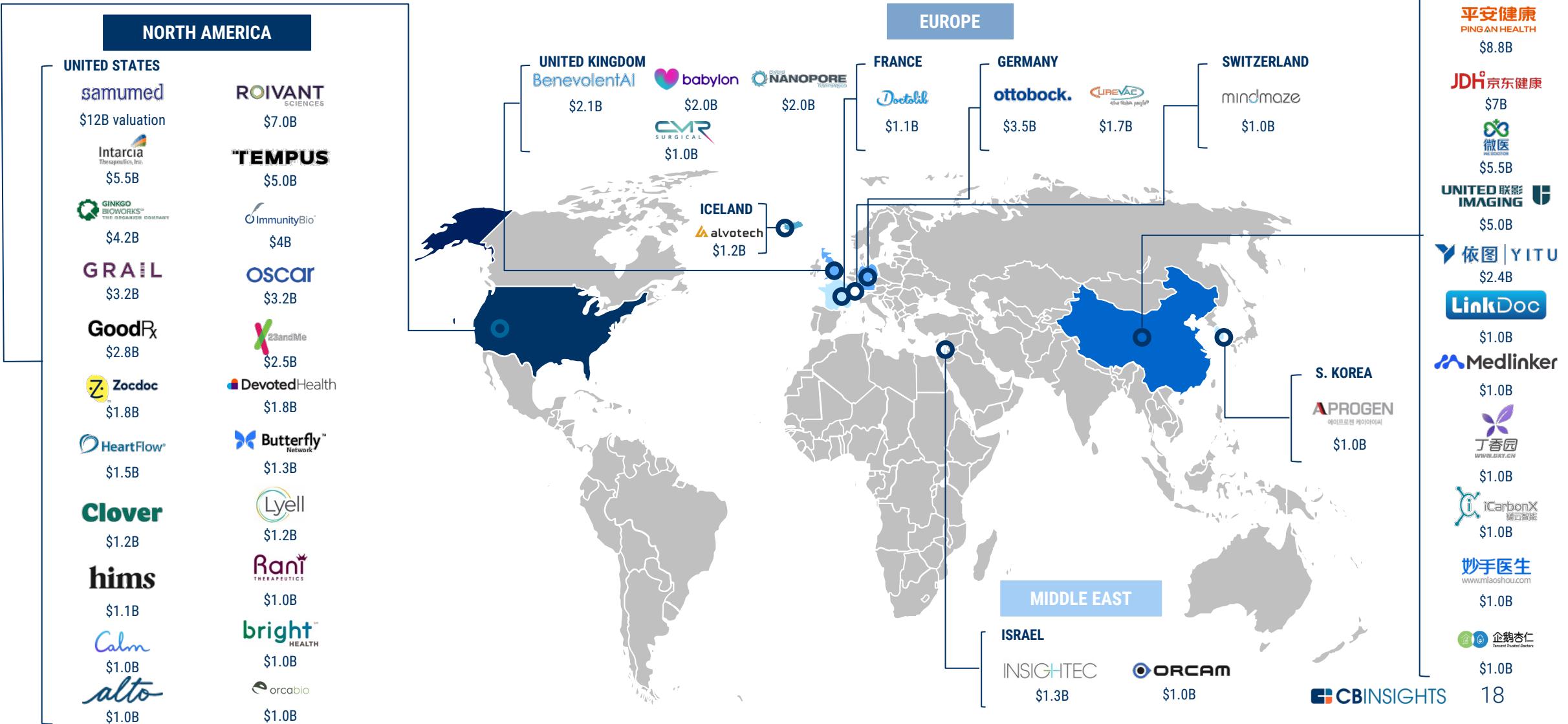
VALUED IN AGGREGATE AT

\$116.8B



# 46 healthcare unicorns valued at \$116.8B

Global healthcare companies with a private market valuation of \$1B+ (7/8/2020)



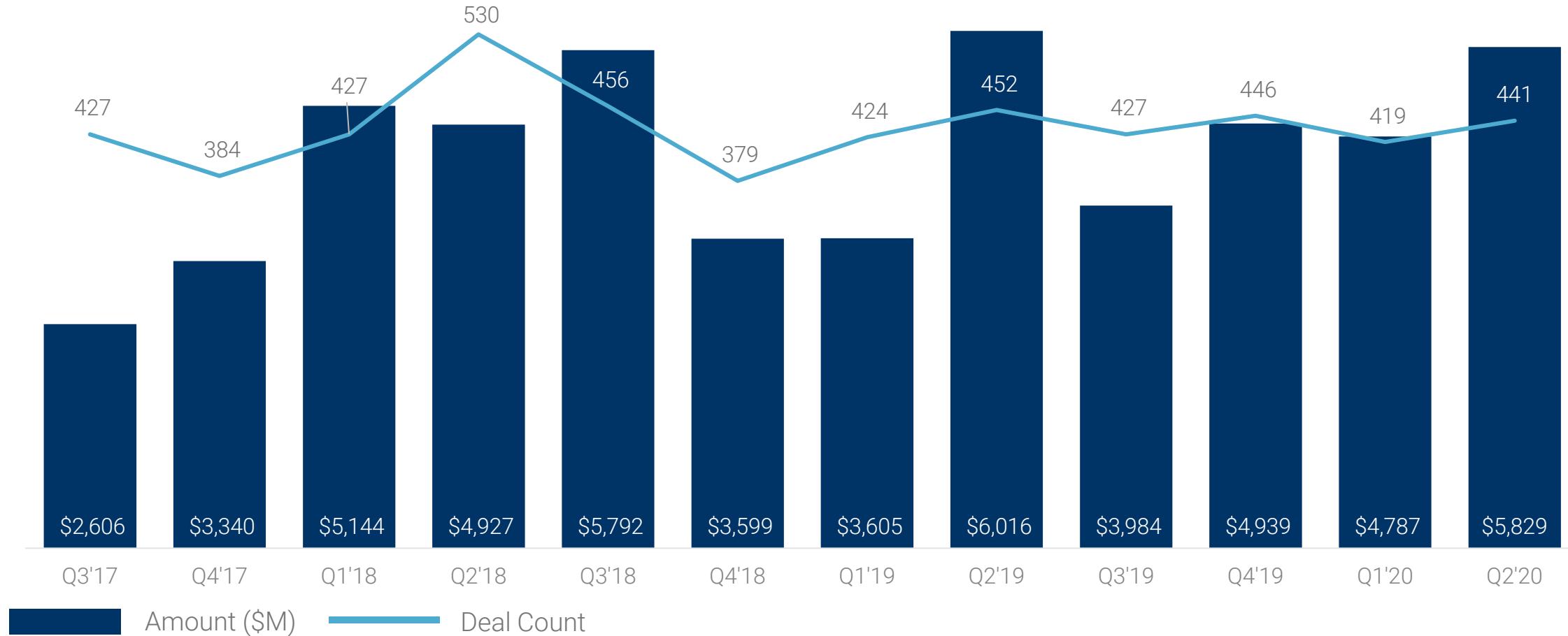
# Q2'20 Global Digital Health Investment Trends



## GLOBAL DIGITAL HEALTH INVESTMENT TRENDS

# Funding rose by 22% in Q2'20

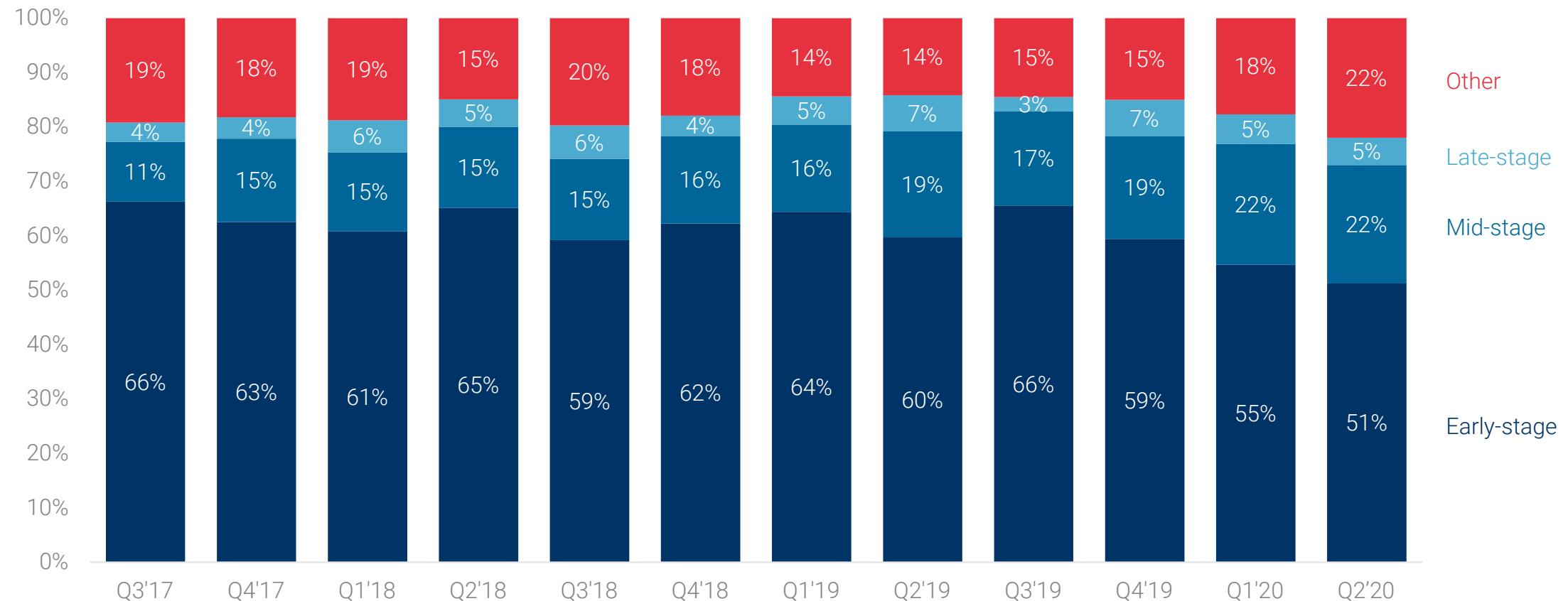
Global digital health funding and deal count, Q3'17 – Q2'20



## GLOBAL DIGITAL HEALTH INVESTMENT TRENDS

# Early-stage deal share continued to decline in Q2'20

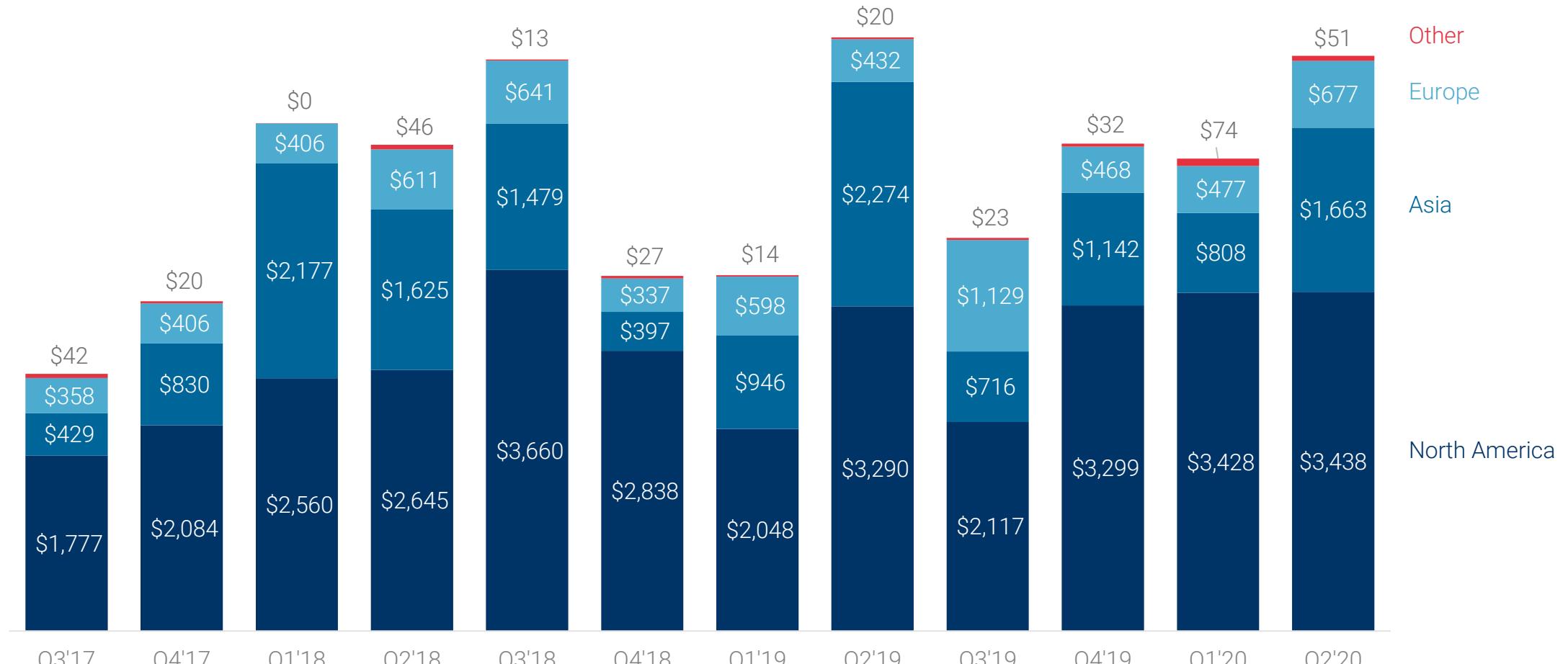
Percentage share of global digital health deals by stage, Q3'17 – Q2'20



## GLOBAL DIGITAL HEALTH INVESTMENT TRENDS

# Asia and Europe saw major quarterly funding gains

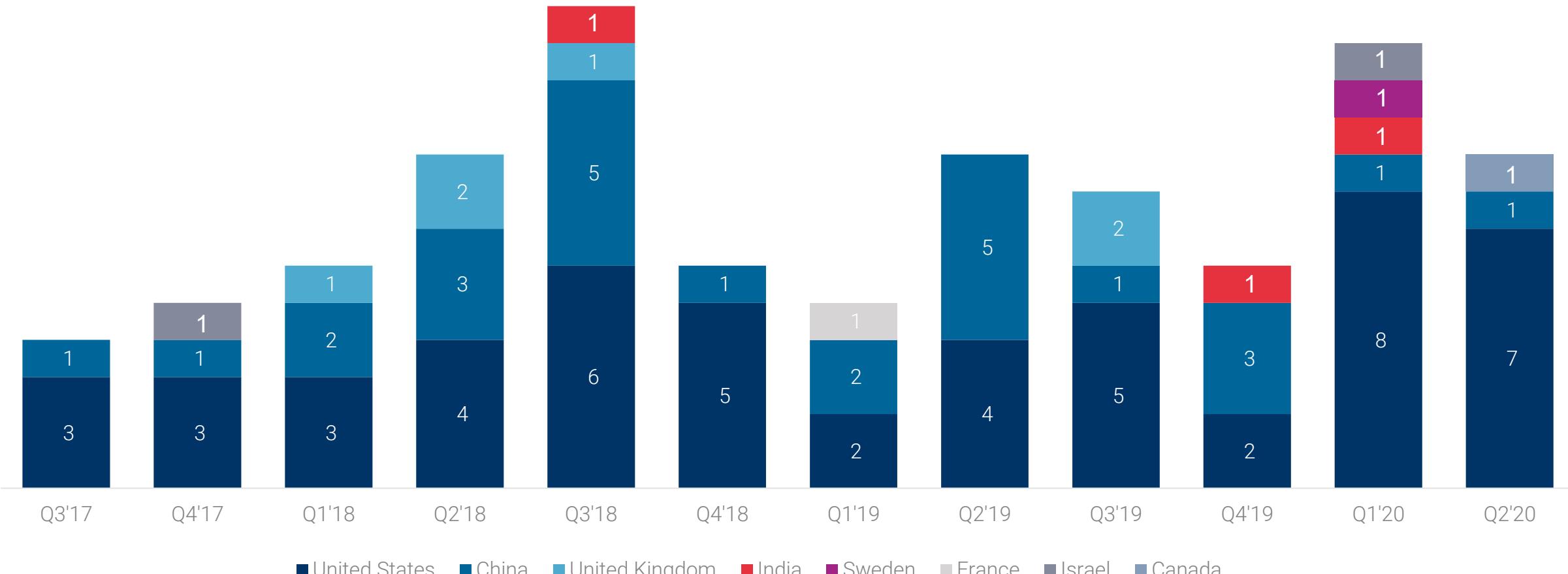
Global digital health funding (\$M) by continent, Q3'17 – Q2'20



## GLOBAL DIGITAL HEALTH INVESTMENT TRENDS

# The US had 7 digital health mega-rounds in Q2'20

Digital health mega-round deal count by country, Q3'17 – Q2'20



■ United States ■ China ■ United Kingdom ■ India ■ Sweden ■ France ■ Israel ■ Canada

## GLOBAL DIGITAL HEALTH INVESTMENT TRENDS

# China deals rebounded and US deals saw an uptick

Digital health deals by country, Q3'17 – Q2'20

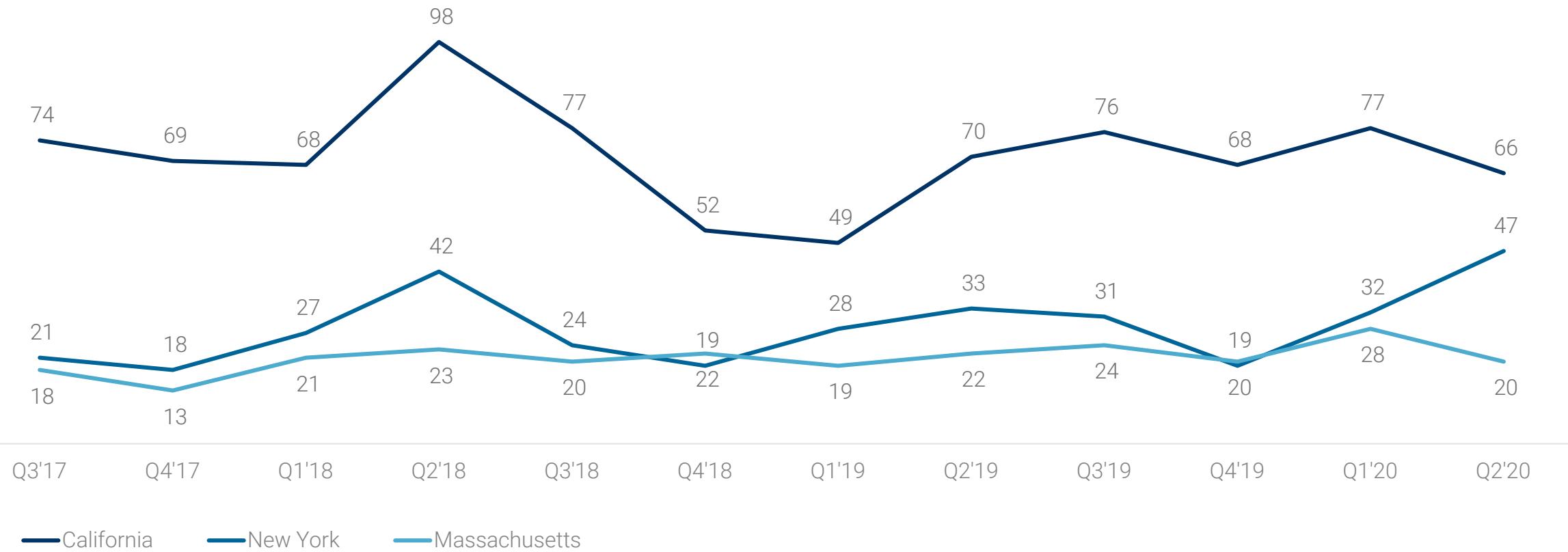
	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Total
<b>United States</b>	233	195	226	274	235	185	218	243	237	216	234	241	2,737
<b>China (Incl.HK)</b>	42	53	50	71	62	56	39	44	44	55	28	46	590
<b>United Kingdom</b>	25	21	22	19	22	19	26	21	17	17	21	20	250
<b>India</b>	16	11	17	22	19	6	8	17	16	14	14	12	172
<b>Canada</b>	13	6	19	18	11	9	16	16	10	15	10	19	162
<b>South Korea</b>	8	8	13	8	10	12	17	12	12	16	16	12	144
<b>France</b>	11	11	9	10	9	10	14	15	9	18	13	6	135
<b>Germany</b>	15	12	8	7	15	11	8	7	8	13	10	14	128
<b>Japan</b>	3	6	9	15	15	13	8	10	13	9	12	11	124
<b>Sweden</b>	3	6	5	13	9	3	10	14	6	5	13	8	95
<b>Israel</b>	3	6	6	10	9	5	5	2	7	5	7	5	70
<b>Australia</b>	5	5	5	7	-	-	9	5	8	4	5	-	53
<b>Singapore</b>	1	1	4	5	8	3	5	4	5	4	3	2	45
<b>Brazil</b>	3	1	-	3	3	4	3	2	3	3	5	6	36
<b>Spain</b>	5	1	6	3	2	4	1	1	2	2	5	3	35

1 deals  274 deals

## THE UNITED STATES OF DIGITAL HEALTH

# NY continued to gain steam while CA deals dipped

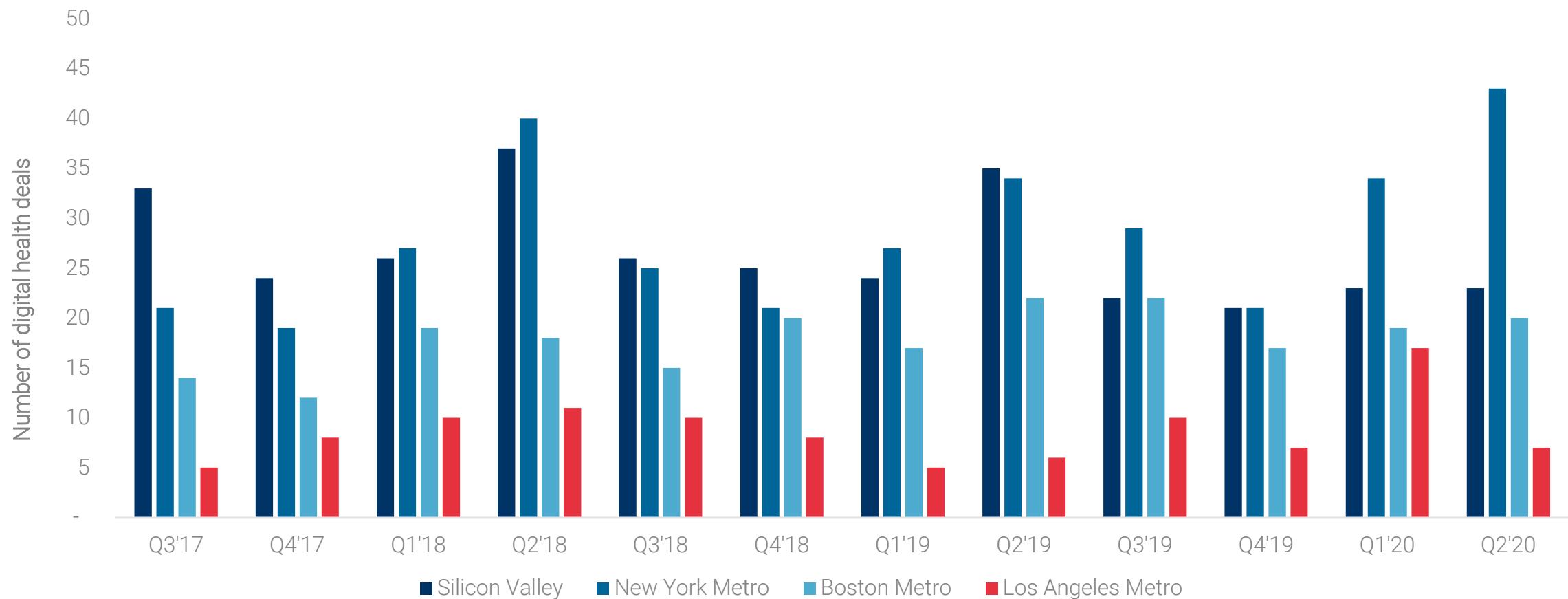
Digital health deals by US state, Q3'17 – Q2'20



## THE UNITED STATES OF DIGITAL HEALTH

# NY metro area recorded its highest quarterly deal count

Top 4 US metro areas for digital health deals, Q3'17 – Q2'20



# Top 10 global digital health deals in Q2'20

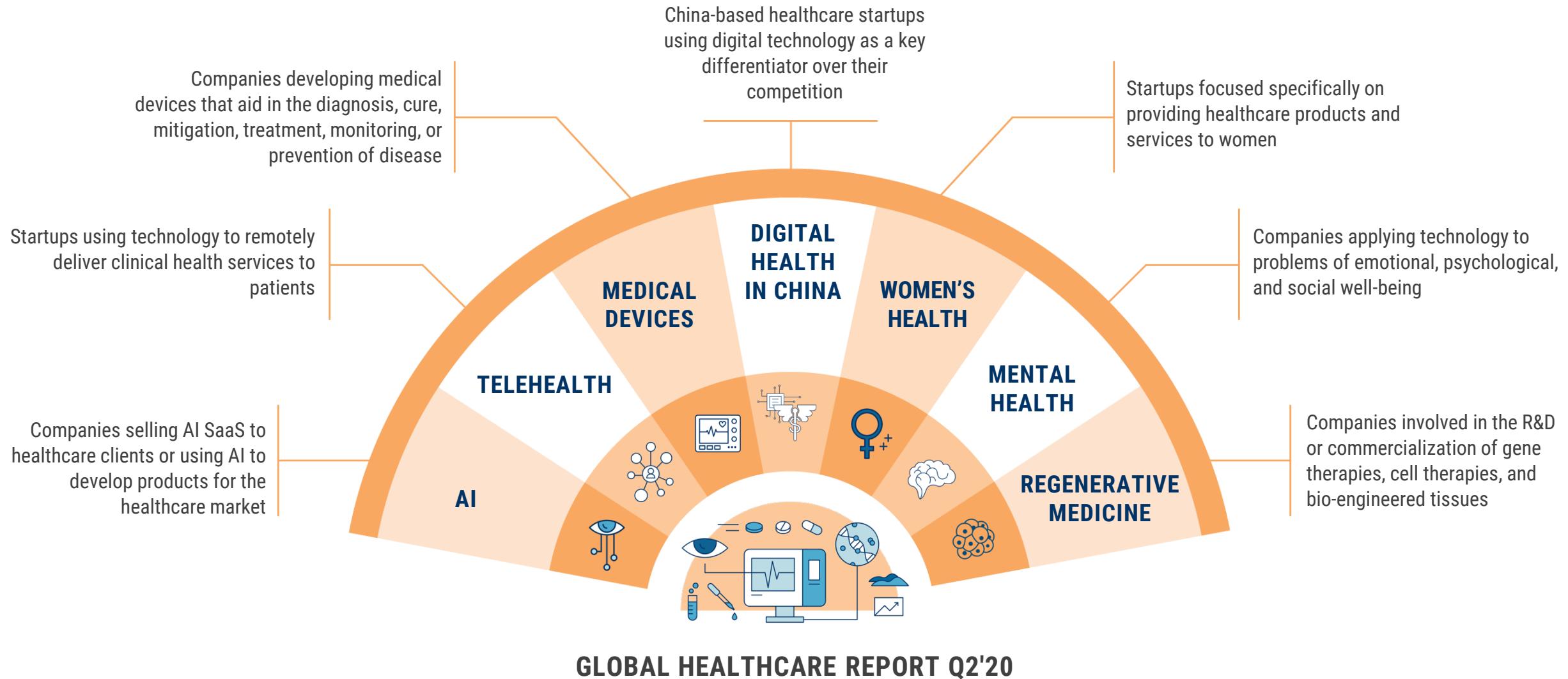
Company	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
 MGI 华大智造	Apr'20 // \$1000M	\$1200M	Co-Stone Venture Capital, GoldStone Investment, Green Pine Capital Partners, Guotai Junan Securities, IDG Capital, Sailing Capital	MGI Tech produces sequencing devices, equipment, consumables, and reagents to support life science research, medicine, and healthcare.
 OSCAR	Jun'20 // \$225M	\$1492.5M	Alphabet, Baillie Gifford & Co., Coatue Management, Thrive Capital, Khosla Ventures, General Catalyst	Oscar is a technology-driven, consumer-focused health insurance company.
 Insitro	May'20 // \$143M	\$243M	ARCH Venture Partners, Google Ventures, Foresite Capital, WuXi AppTec, CPP Investments, Casdin Capital, Andreessen Horowitz, Two Sigma Ventures, Third Rock Ventures	Insitro is a drug discovery and development company that uses machine learning to help create medicines.
 dispatch HEALTH	Jun'20 // \$135.8M	\$206.9M	Questa Capital, Alta Partners, Optum Ventures, Oak HC/FT Partners, Humana, Echo Health Ventures	DispatchHealth aims to offer on-demand acute care and advanced medical care for people at home.
 amwell	May'20 // \$134.3M	\$701.2M	Allianz X, Takeda Pharmaceutical	AmWell is a US-based telehealth platform that connects providers, insurers, and patients with the aim of delivering greater access to more affordable care.
 CB INSIGHTS				

# Top 10 global digital health deals in Q2'20

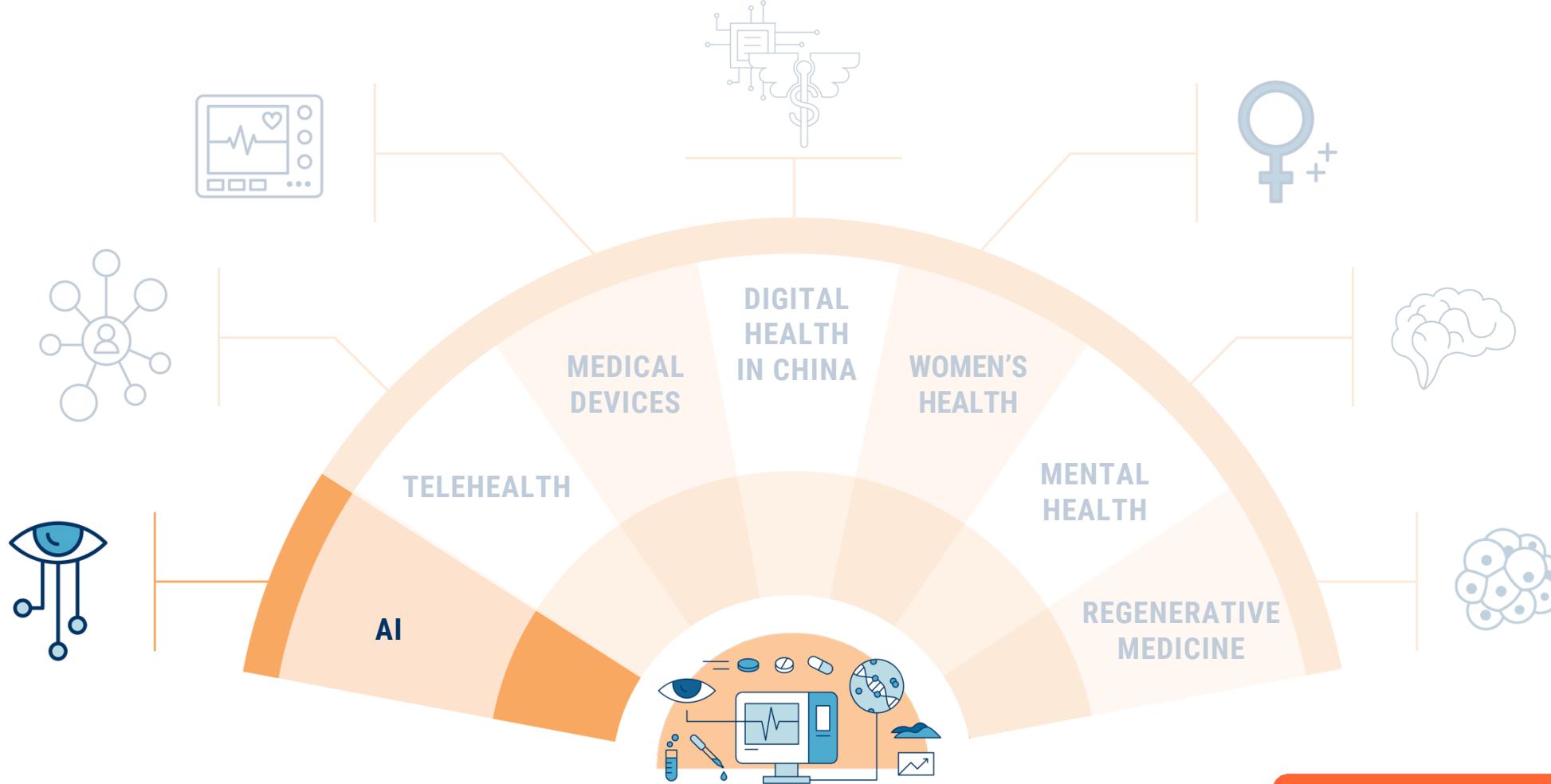
Company	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
 AbCellera	May'20 // \$105M	\$247.1M	OrbiMed Advisors, Founders Fund, Peter Thiel, Univ. of Minnesota, Viking Global Investors, Eli Lilly & Co., Presight Capital, Data Collective	AbCellera Biologics provides technologies to biotechnology and pharmaceutical partners with the goal of discovery and development of monoclonal antibody therapies.
 CUE	Jun'20 // \$100M	\$166M	Johnson & Johnson Innovation, ACME, CAVU Venture Partners, Madrone Capital Partners, Decheng Capital, Foresite Capital	Cue Health develops and manufactures consumer and professional medical diagnostic products that are designed to be used in the clinical and at-home settings.
 DNA Nexus	Jun'20 // \$100M	\$272.6M	Google Ventures, Perceptive Advisors, Regeneron Pharmaceuticals, Northpond Ventures, First Round Capital, Foresite Capital, TPG Capital	DNA Nexus offers a DNA data management and analysis platform that provides online genomics data centers.
 mindstrong	May'20 // \$100M	\$160M	Bezos Expeditions, ARCH Venture Partners, Optum Ventures, 8VC, General Catalyst, Foresite Capital	Mindstrong offers AI-supported services for the diagnosis and treatment of neuropsychiatric disorders.
 华银健康 HUAYIN HEALTH	Apr'20 // \$84.9M	\$119.1M	Bank Of China Group Investment, Qianhai Fund of Funds, Pearl River Investments, GL Capital, Everest Venture Capital	Huayin Health is a medical technology firm that focuses on pathological diagnosis, medical examination, precision medicine, and more.

# Q2'20 Healthcare Industry Highlights





# HEALTHCARE Q2 2020



GLOBAL HEALTHCARE REPORT Q2'20

Artificial Intelligence In  
Healthcare Collection

## HEALTHCARE AI DEALS AND DOLLARS

# Healthcare AI funding was up 14% QoQ, surpassing \$1B

Healthcare AI funding and deal count, Q3'17 – Q2'20



## HIGHLIGHT #1: TOP 5 HEALTHCARE AI DEALS OF Q2'20

# Drug R&D dominated top healthcare AI rounds

Company	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
 <b>Insitro</b>	May'20 // \$143M	\$243M	Andreessen Horowitz, Bezos Expeditions, Google Ventures, Two Sigma Ventures, T. Rowe Price	Insitro offers a machine learning platform to simulate drug effectiveness in clinical trials and streamline the drug R&D process.
 <b>AbCellera</b>	May'20 // \$105M	\$247.1M	Bill & Melinda Gates Foundation, Eli Lilly & Co., Founders Fund, OrbiMed Advisors, Peter Thiel	AbCellera Biologics is developing a machine learning platform to analyze naturally occurring antibodies to inform the development of new drugs.
 <b>mindstrong</b>	May'20 // \$100M	\$160M	8VC, Bezos Expeditions, General Catalyst, Optum Ventures	Mindstrong uses AI to analyze the way users interact with smartphones, such as typos or speed of use, to evaluate mood. It also offers teletherapy and appointments.
 <b>cedar</b>	Jun'20 // \$77M	\$150.8M	Andreessen Horowitz, Founders Fund, J.P. Morgan & Co., Kaiser Permanente, Thrive Capital	Cedar offers a machine learning-powered payment platform to help providers engage patients with personalized messages.
 <b>Exscientia</b>	May'20 // \$60M	\$103M	Bristol-Myers Squibb, Evotec, GT Healthcare Capital Partners, Novo Holdings	Exscientia is developing machine learning software to help pharmaceutical partners accelerate drug development.

## HIGHLIGHT #2: DRUG R&D RECEIVED THE LARGEST AI HEALTHCARE ROUND

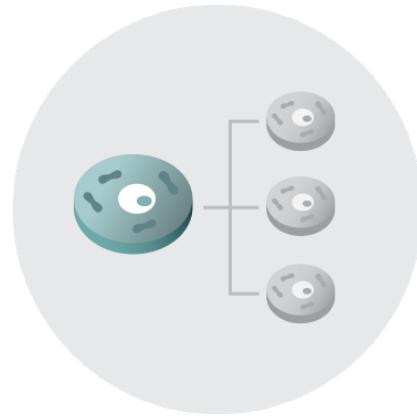
# Insitro closed its second mega-round



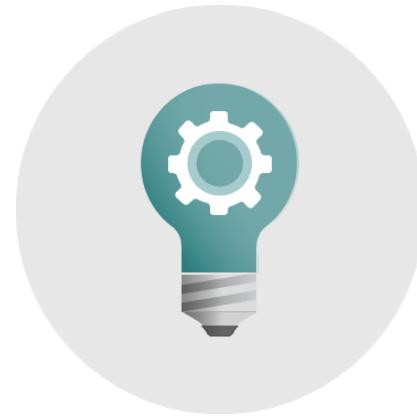
Population Scale Data



Cell-Based Disease Models



Biology at Scale



Cutting-Edge Machine Learning



Predictive Insights and New Medicines

**Latest Round:** Series B (5/26/2020)

**Amount:** \$143M

**Round Investors:** Google Ventures, BlackRock, Andreessen Horowitz, Third Rock Ventures, WuXi AppTec, Two Sigma Ventures, Alexandria Venture Investments

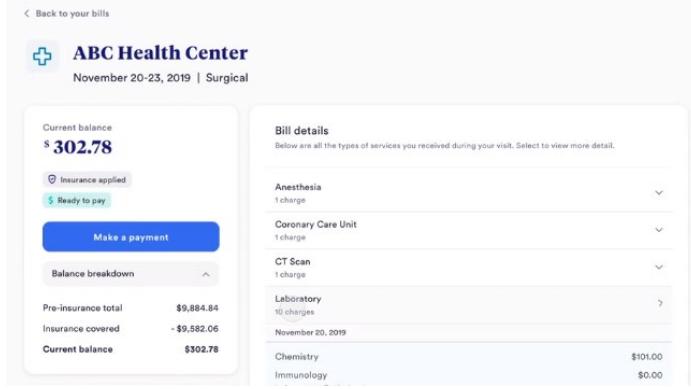
**About:** Insitro is developing a machine learning platform to analyze human genetics and functional genomics to simulate potential drug targets in clinical trials and streamline drug R&D processes.

The startup has partnered with biotechnology company Gilead Sciences to accelerate the development of liver inflammation treatments.

## HIGHLIGHT #3: AI-POWERED PAYMENT PLATFORMS GAINED ATTENTION

# a16z placed bets on using AI for healthcare payments

### STREAMLINING PATIENT ACCESS



**Latest Round:** Series C (6/22/2020)      **Amount:** \$77M

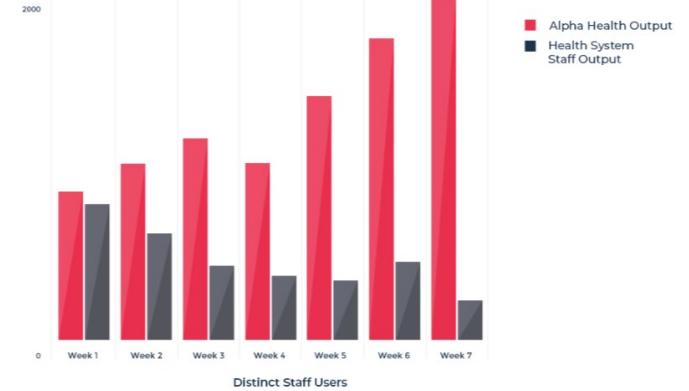
**About:** Cedar offers a payment platform that helps healthcare providers engage patients with personalized messages.

**Round Investors:** Andreessen Horowitz ("a16z"), Founders Fund, J.P. Morgan & Co., Kaiser Permanente, Thrive Capital

### AUTOMATING PROVIDER BACK OFFICE



Alpha Health Reduces Manual Workload for Health System Staff

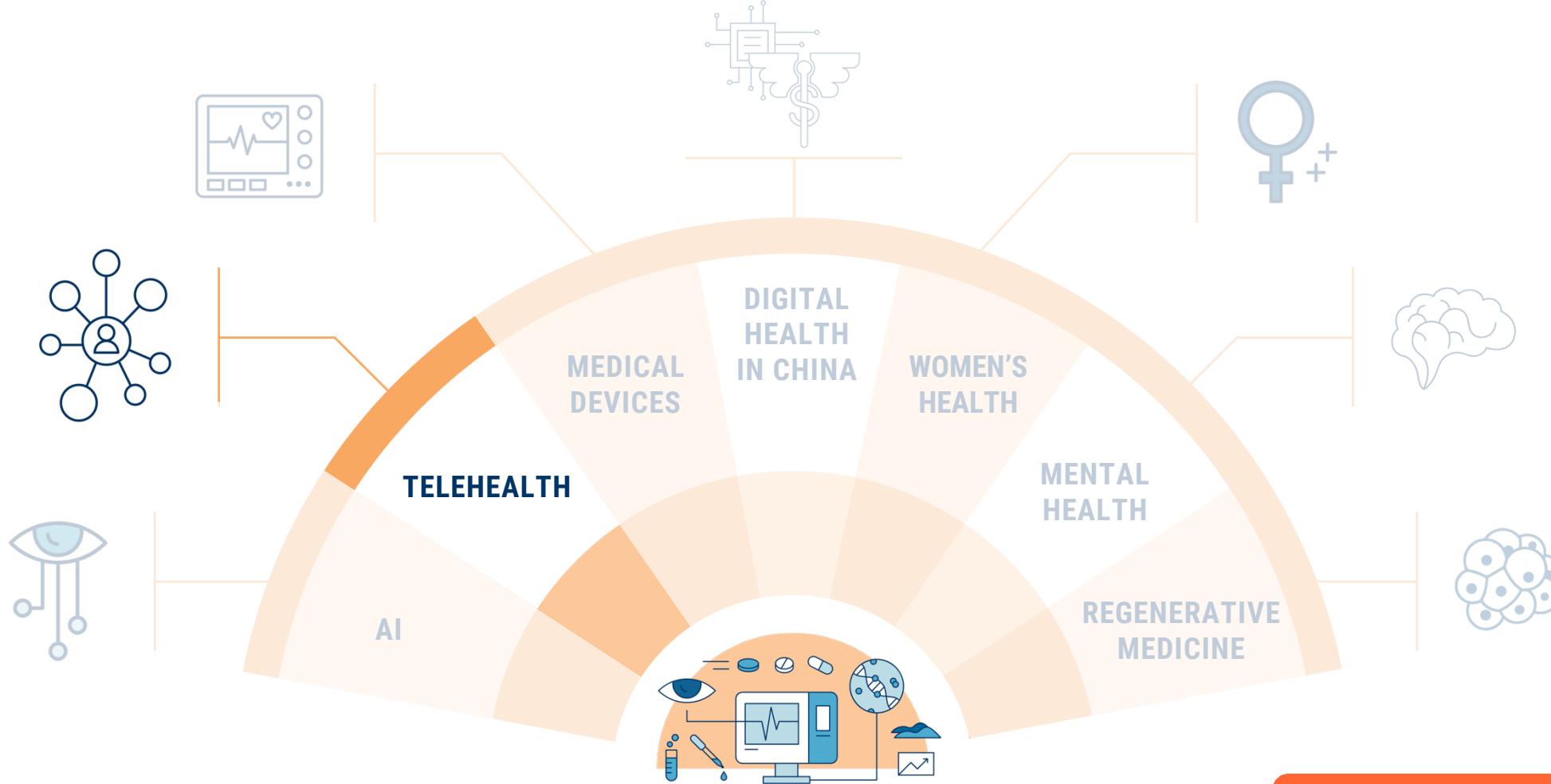


**Latest Round:** Series A (6/10/2020)      **Amount:** \$20M

**About:** Alpha Health is developing an AI-powered revenue cycle management (RCM) platform to expedite the translation of clinical information into codes and reduce human involvement in patient billing.

**Round Investors:** Andreessen Horowitz, Costanoa Ventures, Jim Momtazee

# HEALTHCARE Q2 2020



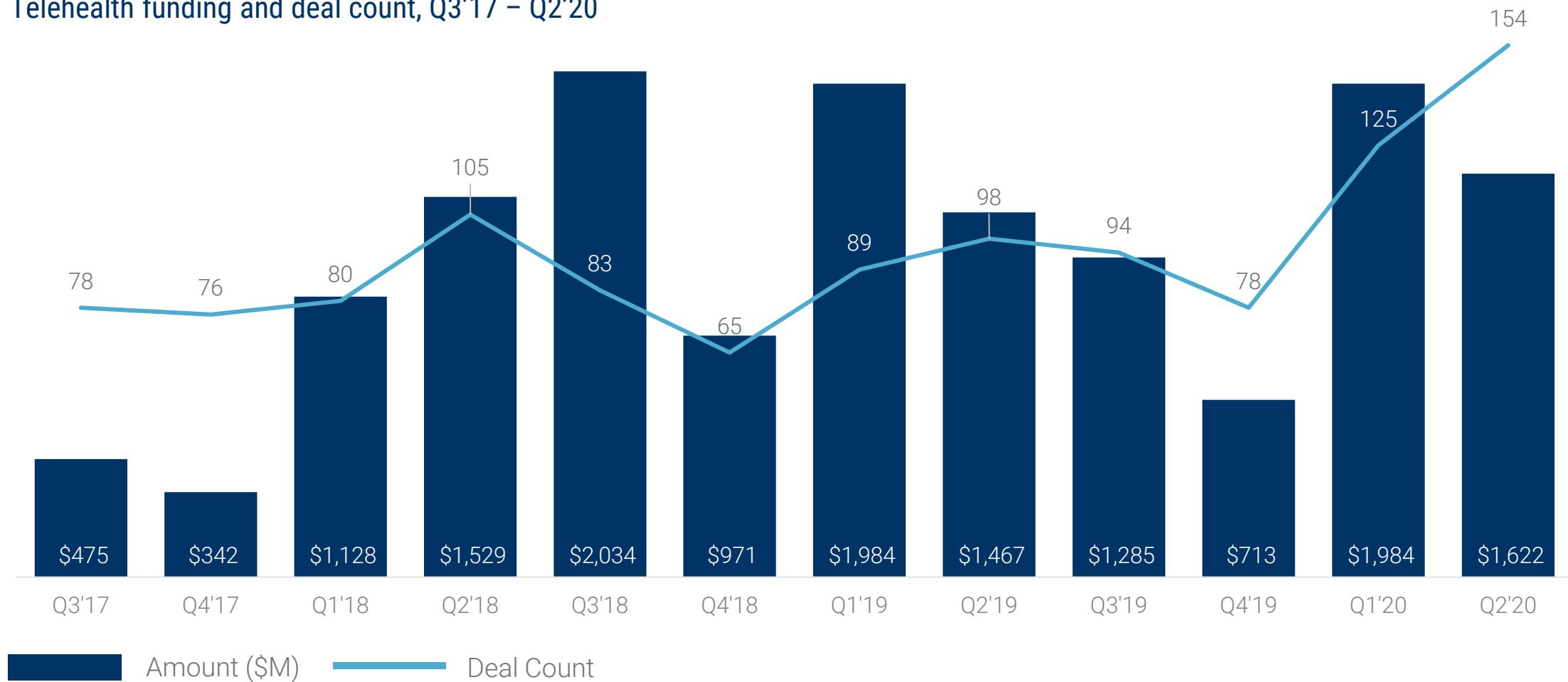
GLOBAL HEALTHCARE REPORT Q2'20

[Telehealth Collection](#)

## TELEHEALTH DEALS AND DOLLARS

# Deals continued to rise but funding dipped 18% QoQ

Telehealth funding and deal count, Q3'17 – Q2'20



## HIGHLIGHT #1: TELEHEALTH STARTUPS LAUNCHED NEW PRODUCTS AND SERVICES

# Telehealth businesses expanded their horizons

Eko

Eko Launches AI-Powered Telehealth Platform for Virtual Pulmonary and Cardiac Exam

May 19, 2020 |  HOT CONSULTANT

dr. on demand

Doctor On Demand Medical Care Now Available to 33 Million Medicare Part B Beneficiaries

May 13, 2020 |  businesswire  
A BERKSHIRE HATHAWAY COMPANY

amwell

Amwell Launches New Telehealth Offering Geared Towards Small, Medium Physician Practices

May 6, 2020 |  mobi health news

KRY

European Telehealth Startup Kry Lands in the US as Coronavirus Creates Spike in Demand

April 29, 2020 |  CNBC

hims | hers

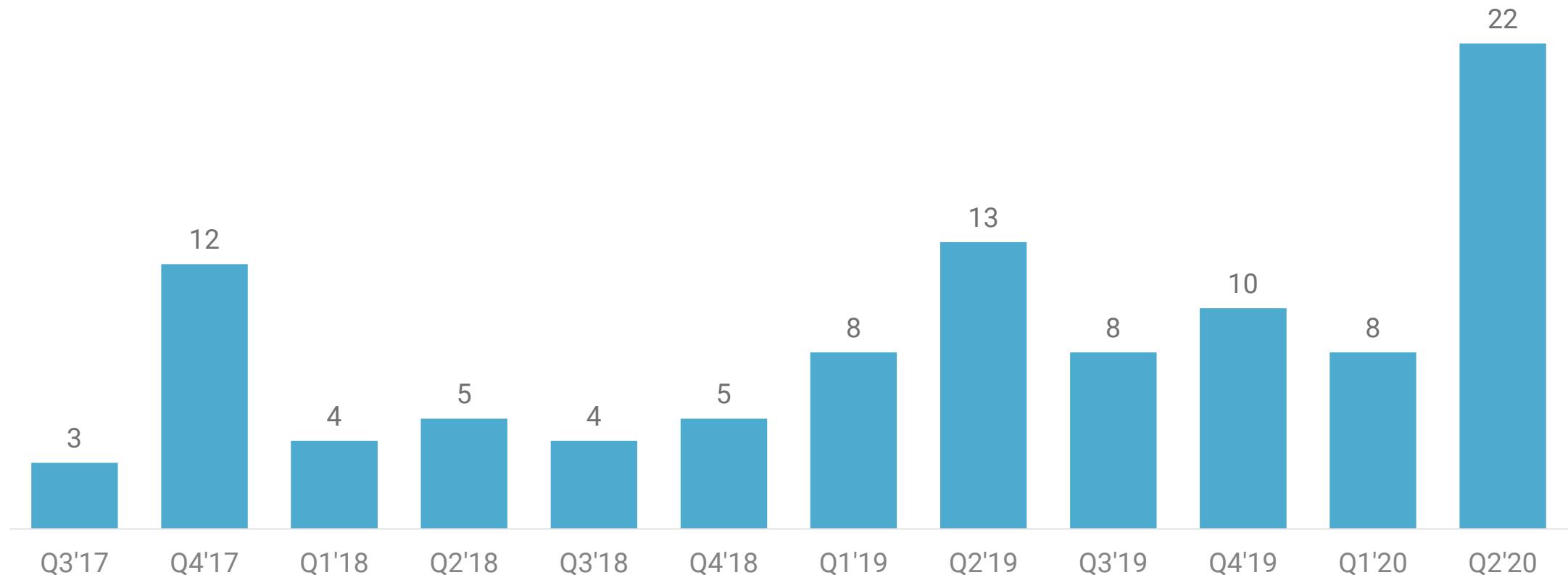
Hims & Hers Expands Into Virtual Mental Health Services

April 7, 2020 |  FIERCE  
Healthcare

## HIGHLIGHT #2: THE TELEHEALTH INDUSTRY IS CONSOLIDATING

# Jump in M&A drove vertical & horizontal consolidation

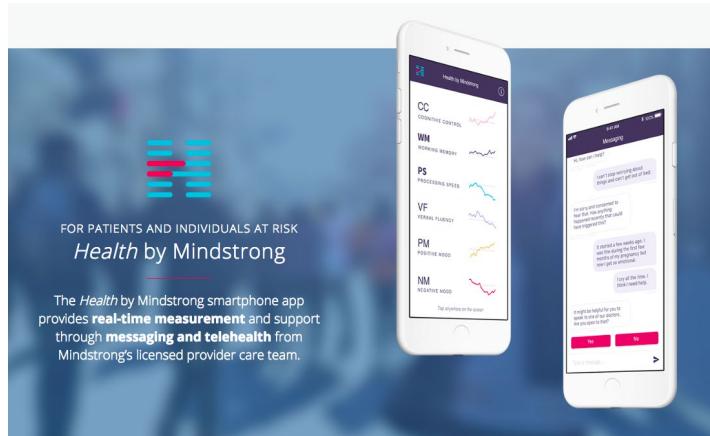
Telehealth startup M&A exits, Q3'17 – Q2'20



## HIGHLIGHT #3: HEALTHCARE SMART MONEY\* BET ON TELEMENTAL HEALTH

# Mental health remained a focal point for investors

### MINDSTRONG



FOR PATIENTS AND INDIVIDUALS AT RISK  
*Health by Mindstrong*

The *Health by Mindstrong* smartphone app provides **real-time measurement** and support through **messaging and telehealth** from Mindstrong's licensed provider care team.

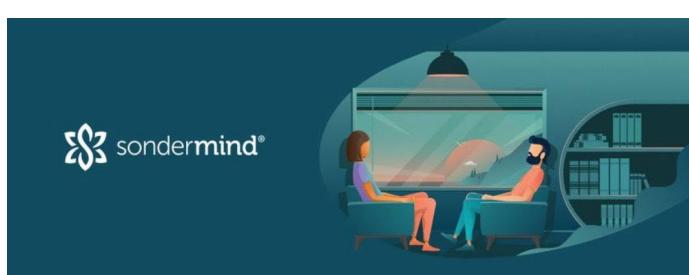
**Latest Round:** Series C (5/21/2020)

**Amount:** \$100M

**HC Smart Money:** ARCH Venture Partners, General Catalyst

**About:** Mindstrong develops mental health services through work in digital measurement, data science, and virtual care models.

### SONDERMIND



SonderMind Video Telehealth™ sessions are a safe, convenient, and secure way to see your therapist when time, weather, travel or any of life's curve balls make it difficult to have an in-person session. Be sure to talk with your therapist about how you may be able to benefit from video sessions.

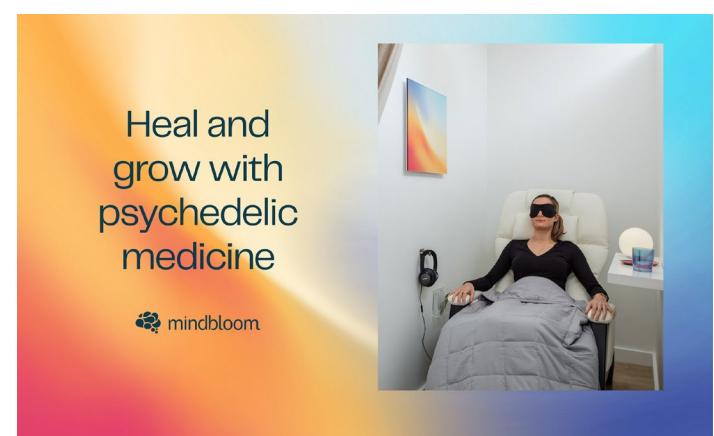
**Latest Round:** Series B (4/6/2020)

**Amount:** \$27M

**HC Smart Money:** F-Prime Capital, General Catalyst

**About:** SonderMind connects people seeking mental health support to licensed behavioral health professionals.

### MINDBLOOM



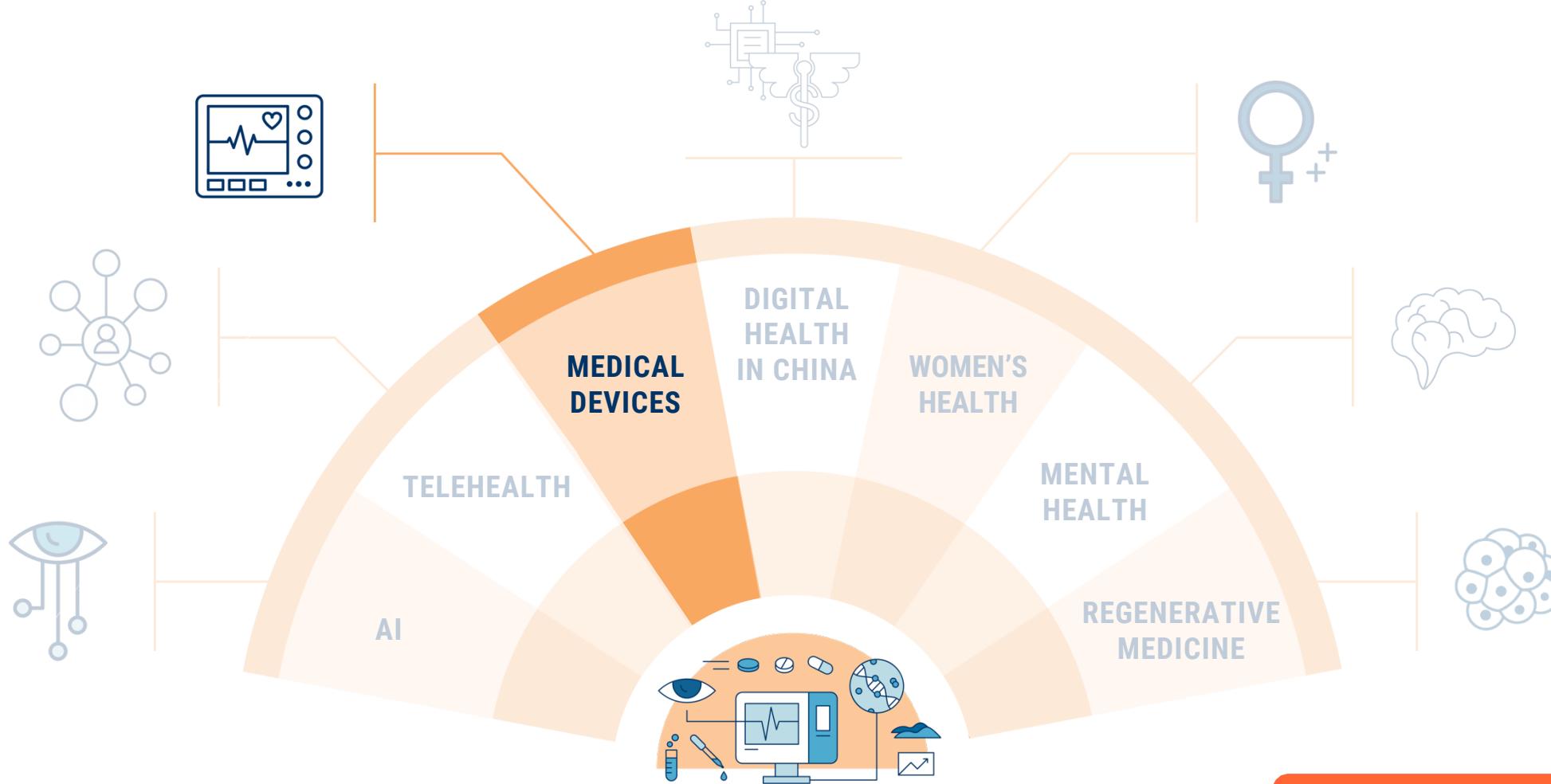
**Latest Round:** Seed VC (5/6/2020)

**Amount:** N/A

**HC Smart Money:** Founders Fund

**About:** Mindbloom provides a platform for psychiatrists to deliver remote, ketamine-assisted psychotherapy for depression and anxiety.

# HEALTHCARE Q2 2020



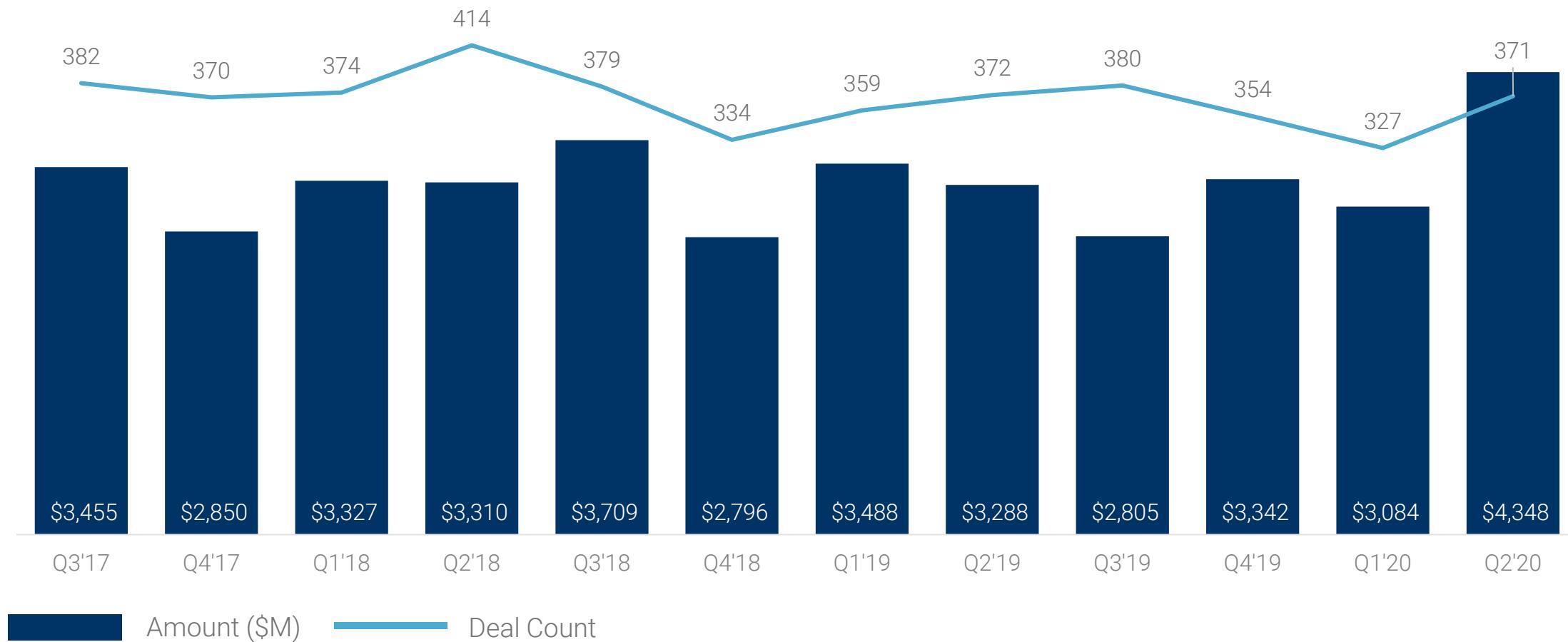
GLOBAL HEALTHCARE REPORT Q2'20

**Medical Devices**  
**Collection**

## MEDICAL DEVICE DEALS AND DOLLARS

# Funding reached an all-time high in Q2'20

Medical device funding and deal count, Q3'17 – Q2'20



## HIGHLIGHT #1: BREAKTHROUGH TECHNOLOGIES IN CARDIOLOGY, NEUROLOGY

# Bioelectronic, digital, and photo-therapeutics received FDA Breakthrough designations

Noctrix Health Granted FDA Breakthrough Device Designation for Wearable Restless Legs Syndrome Therapy

June 2, 2020 |



FDA Grants Breakthrough Designation for Non-Invasive Phototherapy Device in Parkinson's Disease

April 29, 2020 |



PhotoPharmics

VisCardia Announces its Novel Heart Failure Therapy Receives Breakthrough Device Designation From the FDA

April 23, 2020 |



preCARDIA, Inc. Receives FDA Breakthrough Device Designation for Novel, Catheter-Based Heart Failure Treatment

June 23, 2020 |



MedRhythms Receives FDA Breakthrough Device Designation for Chronic Stroke Digital Therapeutic

June 15, 2020 |

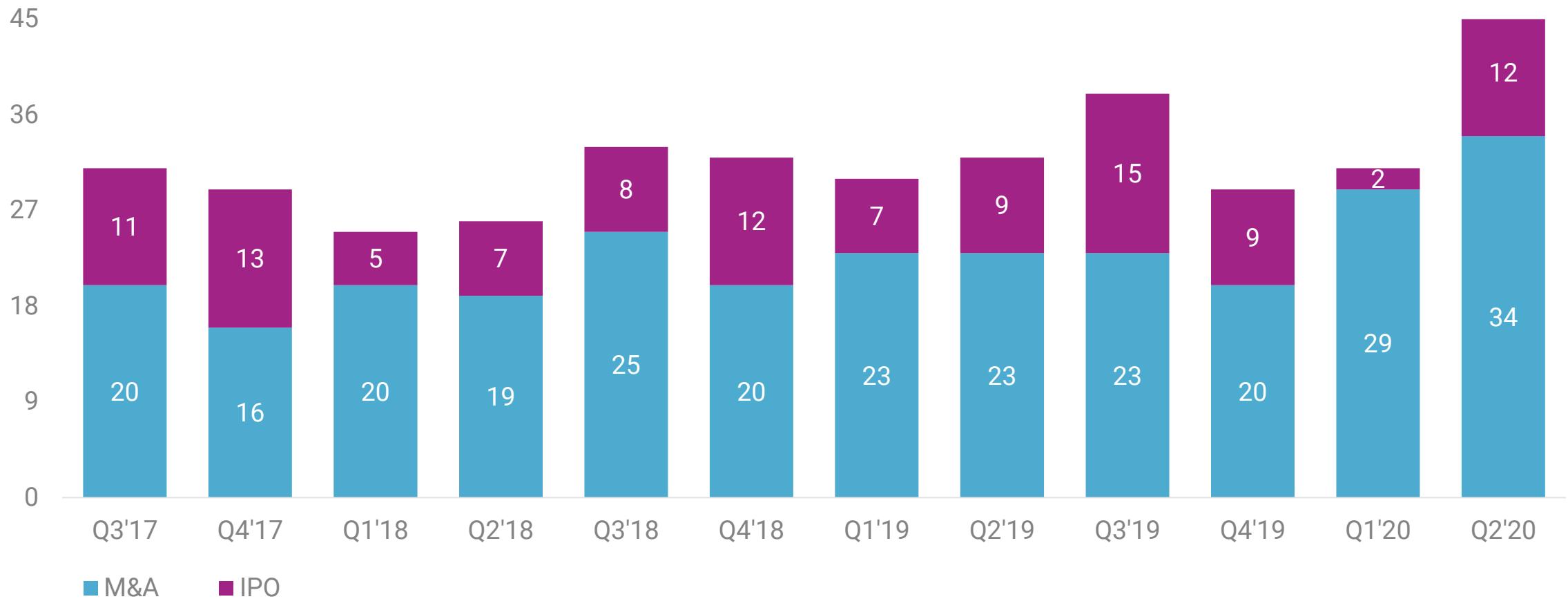


MEDRhythms

## HIGHLIGHT #2: INDUSTRY CONSOLIDATION ON THE RISE

# Medical device exits hit record high, driven by M&A

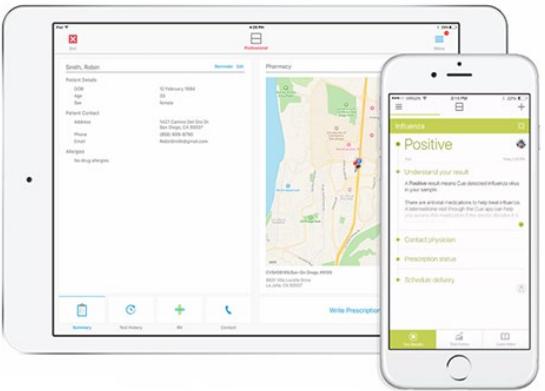
Medical device startup exits (M&A and IPO), Q3'17 – Q2'20



## HIGHLIGHT #3: AT-HOME DIAGNOSTICS SPACE HEATED UP

# At-home test developers sought to scale

### CUE HEALTH RAISED \$100M



**Latest Round:** Series C (6/10/2020)      **Amount:** \$100M

**About:** Cue Health is focused on developing medical diagnostic products that can be used in either clinical or at-home settings. Cue plans to use its recent funding to complete development, validation, and scale-up of manufacturing of its Cue Health Monitoring System and Cue Test Cartridges.

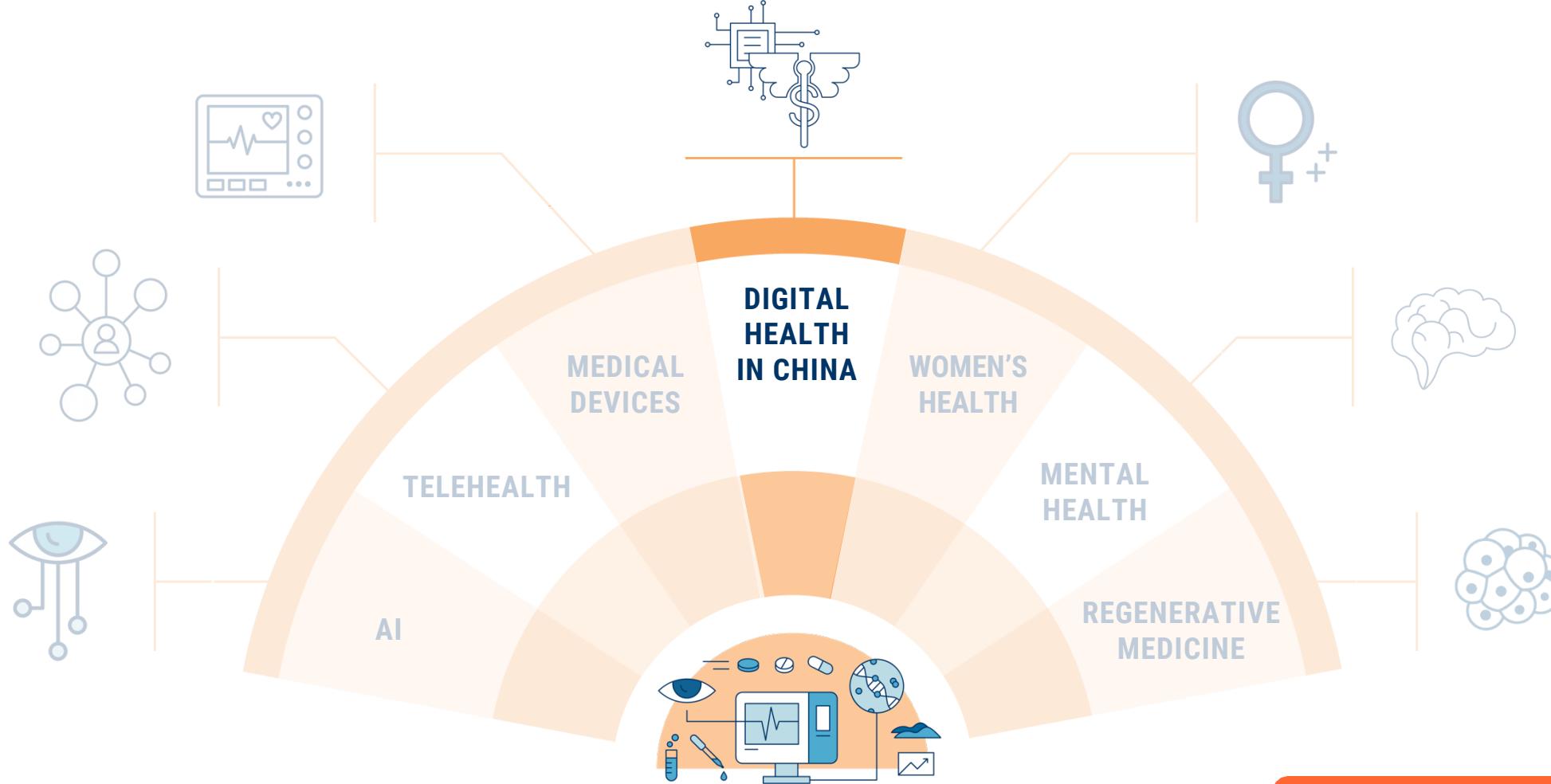
### HEALTHY.IO ACQUIRED INUI HEALTH



**Latest Round:** Series C (9/12/2019)      **Amount:** \$78M

**About:** Israel-based Healthy.io is a mobile health company turning smartphone cameras into medical devices. Its first product, Dip.io, is an at-home urinalysis kit. In June 2020, Healthy.io acquired competitor inui Health for \$9M to gain a greater foothold in the US market.

# HEALTHCARE Q2 2020



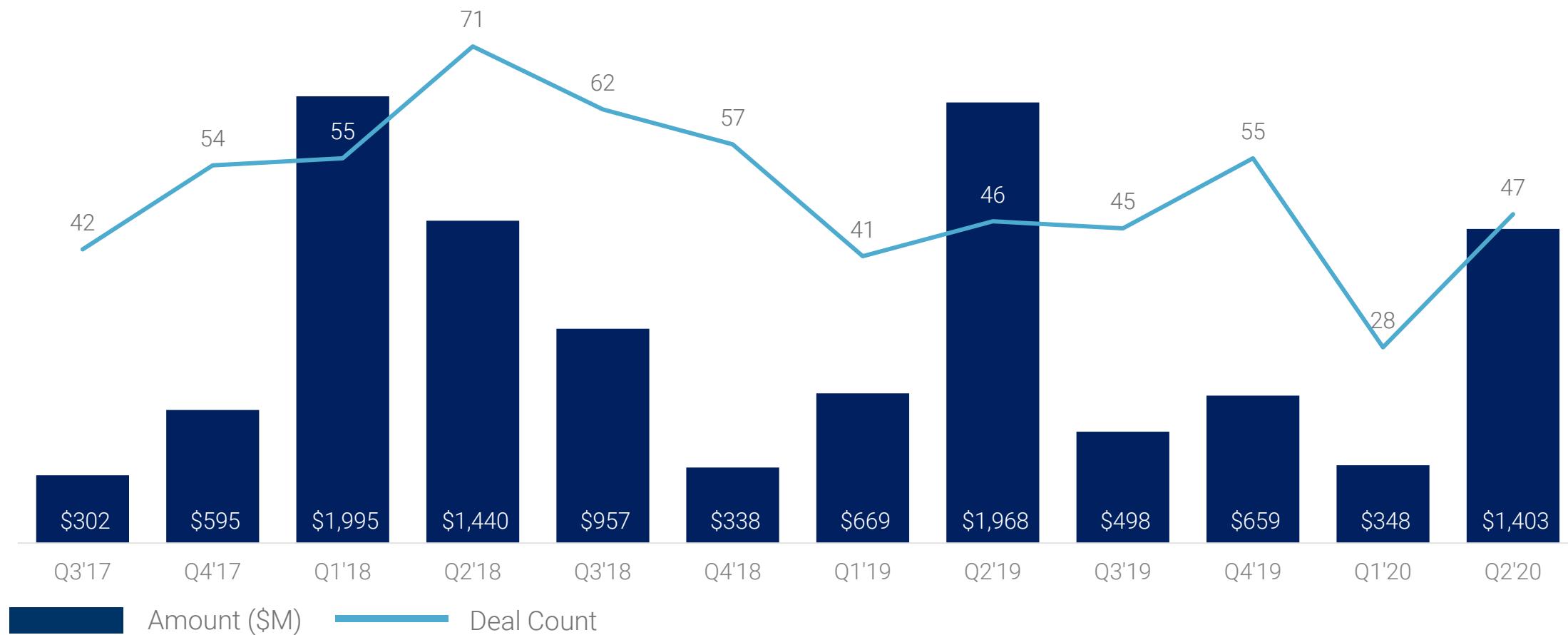
GLOBAL HEALTHCARE REPORT Q2'20

Digital Health In China  
Collection

## DIGITAL HEALTH IN CHINA DEALS AND DOLLARS

# Deals and dollars saw strong rebounds in Q2'20

Digital health in China funding and deal count, Q3'17 – Q2'20



## HIGHLIGHT #1: TELEHEALTH CONTINUED TO TRAILBLAZE IN CHINA

# Telehealth giants expanded quickly



We Doctor partnered with Shandong Province to provide the tech infrastructure for its public healthcare system

April 26, 2020 | 新华网 NEWS



JD Health launched in Tianjin City and plans to explore connected oncology solutions for city residents

June 19, 2020 | 新华网 NEWS

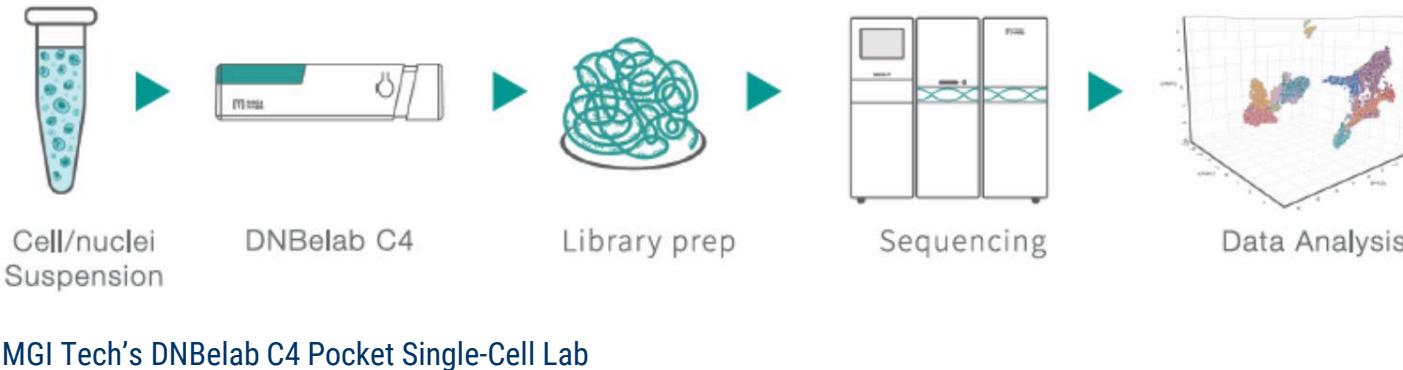
## HIGHLIGHT #2: DNA SEQUENCING SOLUTION PROVIDER RAISED \$1B SERIES B

# MGI Tech closed a \$1B round

### DNBelab C Series: Cell Omics Solution

From cell to  
single-cell analysis report

Starting with liquid cell suspension, the DNBELAB C4 will encapsulate single cells within liquid droplets, cell lysis and mRNA capture by designed beads, followed by efficient demulsification recovery of beads, reverse transcription, cDNA synthesis, and followed by high-throughput library preparation, sequencing, and data analysis.



**About:** MGI Tech markets DNA sequencing devices, equipment, consumables, reagents, and software suites to support healthcare research and the life science industry.

**Latest Round:** Series B (4/24/2020)

<b>Amount:</b>	\$1000M
<b>Select Round Investors:</b>	Green Pine Capital Partners, Huatai Zijin Investment, Co-Stone Venture Capital, Guotai Junan Securities, Guofang Investment, IDG Capital, CPE, GF Xinde Investment Management Co.

# HIGHLIGHT #3: NEXT-GEN SEQUENCING (NGS) SERVICE PROVIDERS MADE US DEBUT

## 2 NGS service providers went public in the US in Q2'20

### BURNING ROCK BIOTECH

Applicable Sample Types						
Cancer Type	Product Name	# of Genes	FFPE or Fresh tissue	ctDNA	White Blood Cells	Immunotherapy biomarkers
Pan-Cancer	Oncoscreen Plus	520 genes	●	●	●	MSI, TMB
	PurePlasma	108 genes	●	●		MSI
	HRDCore	72 genes	●	●	●	
	UGene	53 genes			●	
Lung Cancer	BRCA Testing	2 genes	●		●	
	LungCure	8 genes	●	●		
	LungCore	68 genes	●			
Gastrointestinal Cancer	LungPlasma	168 genes	●	●		MSI
	ColonCore	41 genes	●	●	●	MSI
	ProstateCore	72 genes	●	●	●	
Prostate Cancer	ProstateCore	72 genes	●	●	●	
Breast Cancer	BreastCore	36 genes	●	●	●	
Lymphomas	LymphPlasma	112 genes	●	●		
Thyroid Cancer	ThyroCore	18 genes	●			

13 tests offered by Burning Rock Biotech

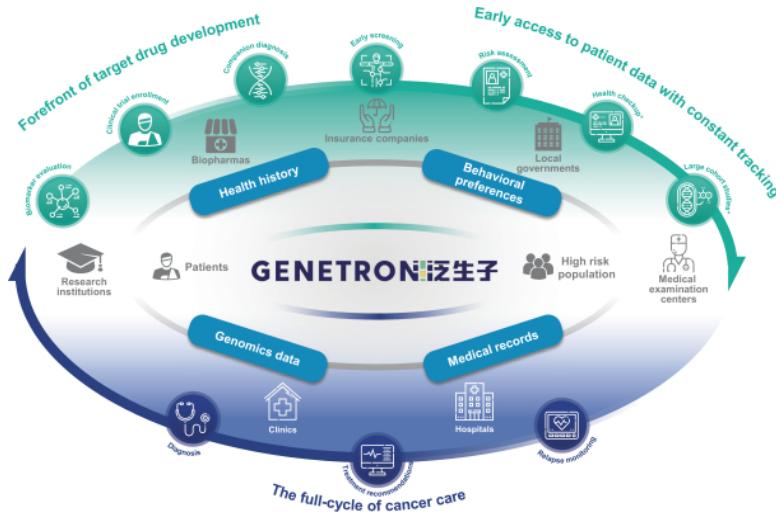
**Total Disclosed Private Funding:** \$201.3M

**Market Cap\*:** \$2.65B

#### About:

Burning Rock Biotech specializes in diagnostics solutions for precision medicine in oncology. The company focuses on helping cancer patients determine individualized treatment based on DNA sequencing, as well as genetic testing and research services.

### GENETRON HEALTH



**Total Disclosed Private Funding:**

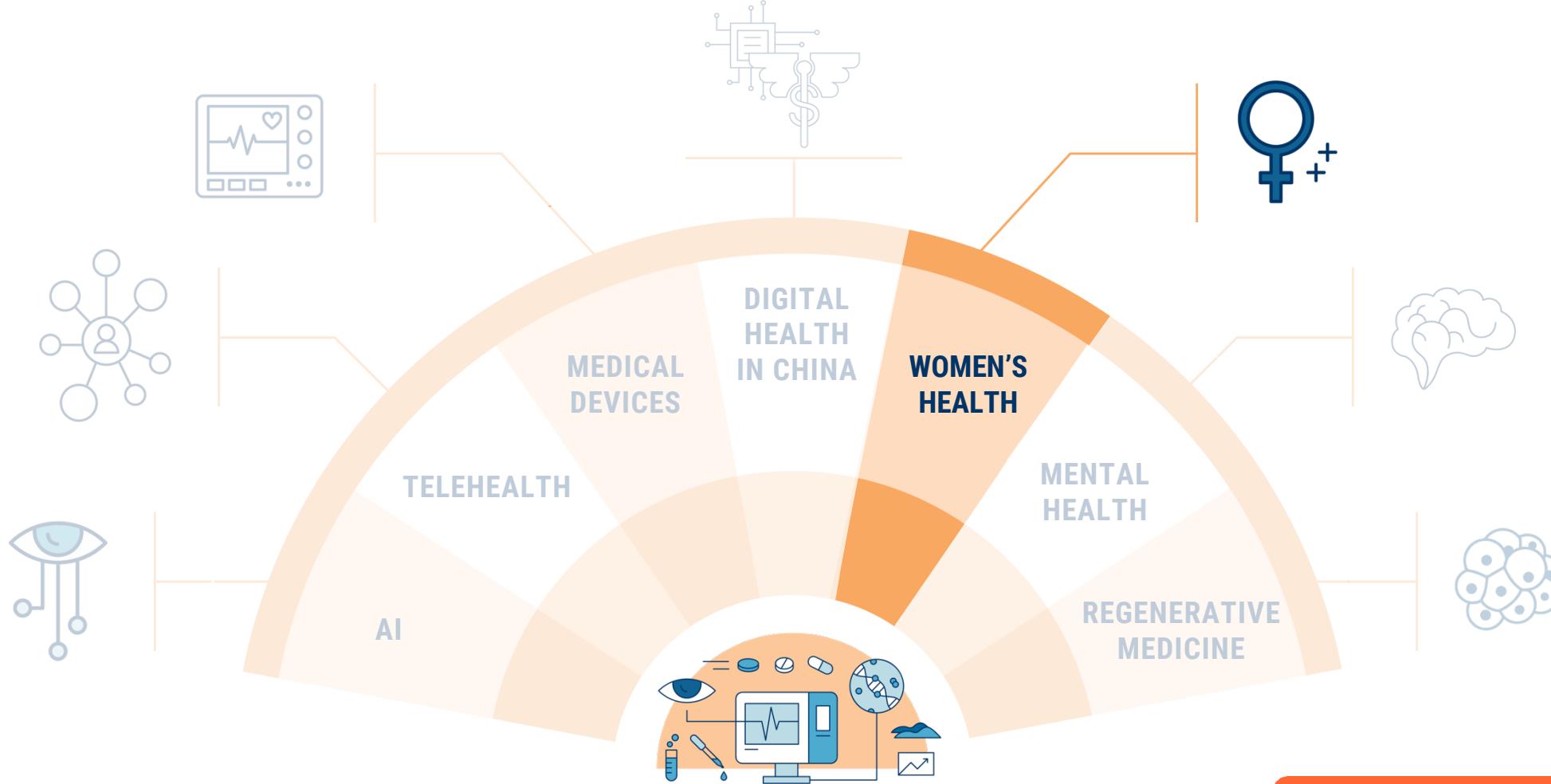
\$151.9M

**Market Cap\*:** \$1.22B

#### About:

Genetron Health is a precision medicine company that covers the full-cycle cancer clinical treatment process (risk assessment, early screening, molecular pathology diagnosis, medication guidance, and prognosis monitoring) to assist providers and researchers.

# HEALTHCARE Q2 2020



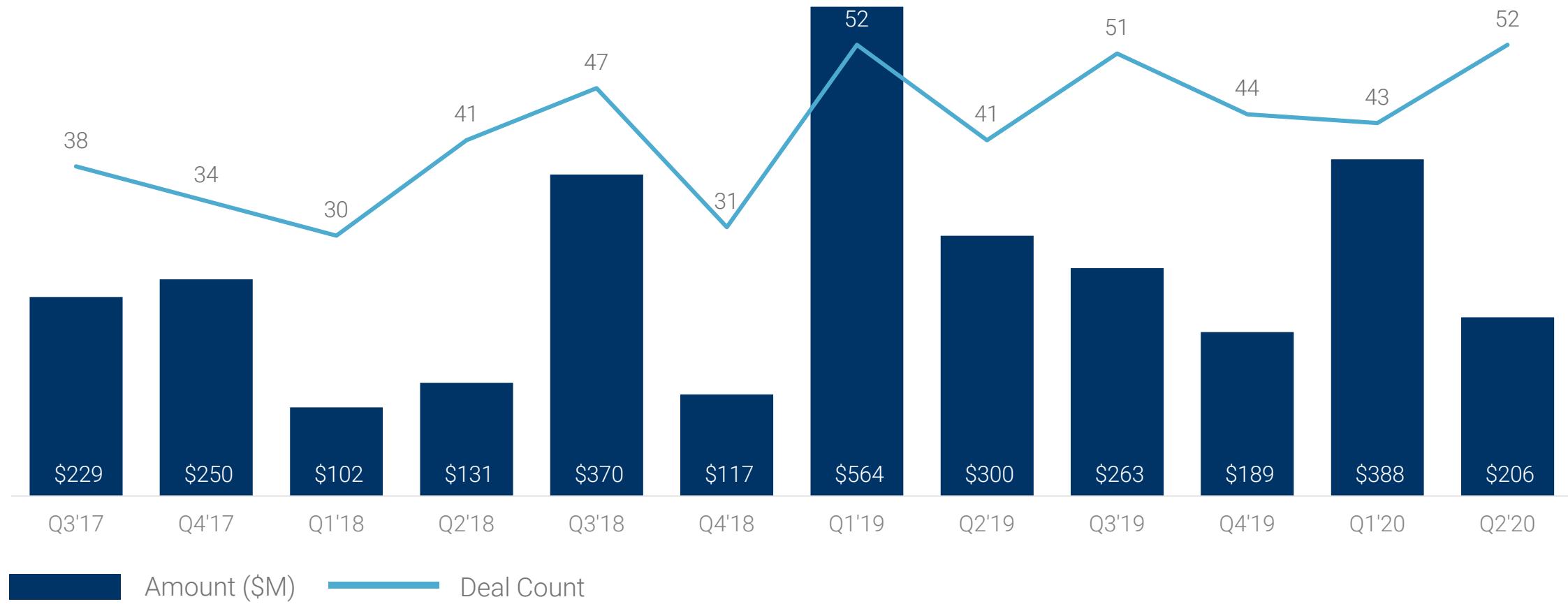
GLOBAL HEALTHCARE REPORT Q2'20

**Women's Health Collection**

## WOMEN'S HEALTH DEALS AND DOLLARS

# Funding dipped but deals rose by 20% in Q2'20

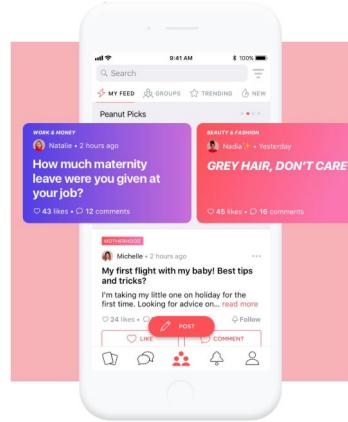
Women's health funding and deal count, Q3'17 – Q2'20



## HIGHLIGHT #1: SOCIAL PLATFORMS EMPHASIZED CONTENT QUALITY & COMMUNITY

# Community-focused startups saw early-stage deals

### PEANUT



**Latest Round:** Series A (5/6/2020)

**Amount:** \$12M

**About:** UK-based Peanut develops a social networking app that connects women at similar life stages. It plans to launch a new community focused on menopause.

### MOTHERLY



**Latest round:** Series A (4/8/2020)

**Amount:** \$5.4M

**About:** Motherly is a content and community platform for millennial mothers. Its online shop sells both company-branded products and a curated selection of products from other D2C brands.

### PUMPSPOTTING



**Latest Round:** Unattributed (4/13/2020)

**Amount:** \$580,000

**About:** Pumpspotting offers a social network and companion app for breastfeeding mothers. It connects them with relevant information along with best places to pump.

## HIGHLIGHT #2: NON-HORMONAL CONTRACEPTIVE OPTIONS ON THE RISE

# New hormone-free contraceptives emerged



### Evofem wins US FDA approval for non-hormonal birth control gel

May 22, 2020 |  REUTERS

**Product:** *Phexxi* – made of lactic acid, citric acid, and potassium bitartrate – regulates the vagina's pH levels in an acidic range, killing sperm.



### Israeli FemTech startup OCON lands \$2M for its alternative contraceptive solution

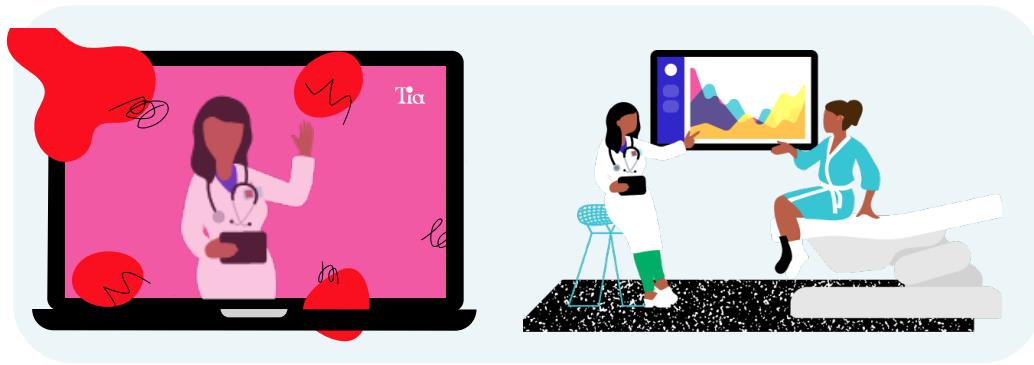
June 24, 2020 |  Geektime

**Product:** *IUB Ballerine* – a spherical intra-uterine ball made of alloy Nitinol – releases small amounts of copper. The company claims it is effective for up to 5 years.

## HIGHLIGHT #3: WOMEN-SPECIFIC REMOTE CARE OPTIONS GREW

# Digital women's health platforms gained traction

### LARGEST Q2 DEAL

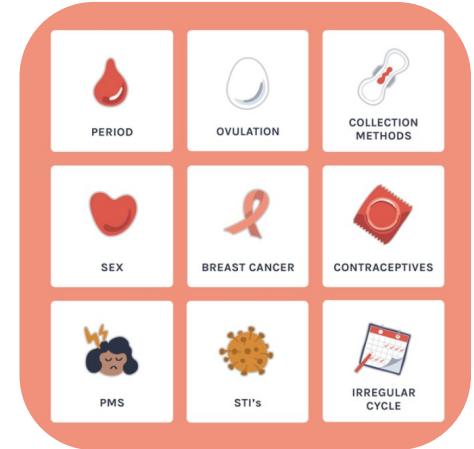
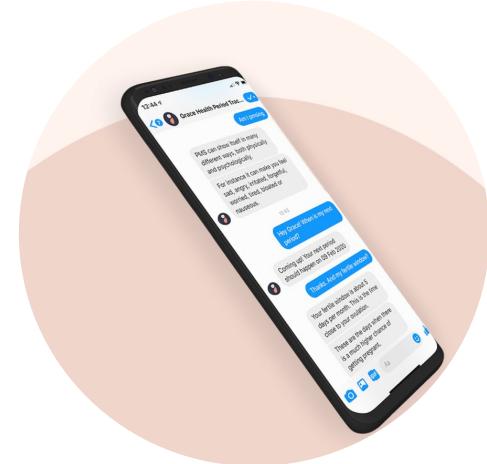


**Latest Round:** Series A (5/28/2020)      **Amount:** \$24.3M

**About:** Tia offers membership-based in-person and virtual care for women. Its mobile app facilitates prescription refills and communication with care teams.

In 2019, it launched its first brick-and-mortar clinic in NYC. Due to the pandemic, it began offering its telehealth services in March 2020.

### GLOBAL REACH IN 16 COUNTRIES

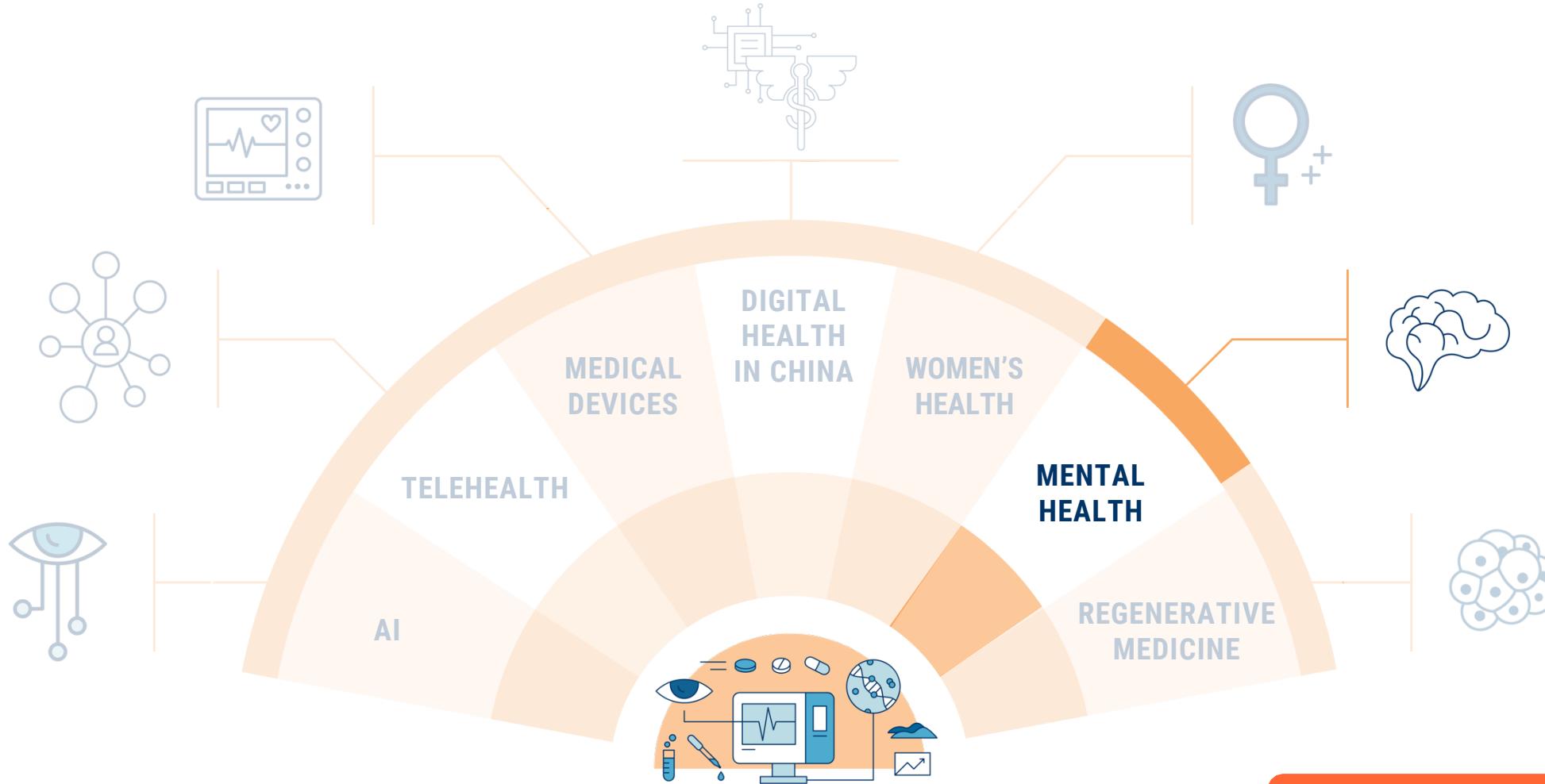


**Latest Round:** Series A (5/22/2020)      **Amount:** \$2.1M

**About:** Sweden-based Grace Health offers a chatbot health assistant for women on WhatsApp & Messenger. It aims to build a digital clinic for emerging markets and has plans to add virtual care services and last-mile delivery of products.

It states it has 500,000 users in 16 countries, including Nigeria, Ghana, and Kenya.

# HEALTHCARE Q2 2020



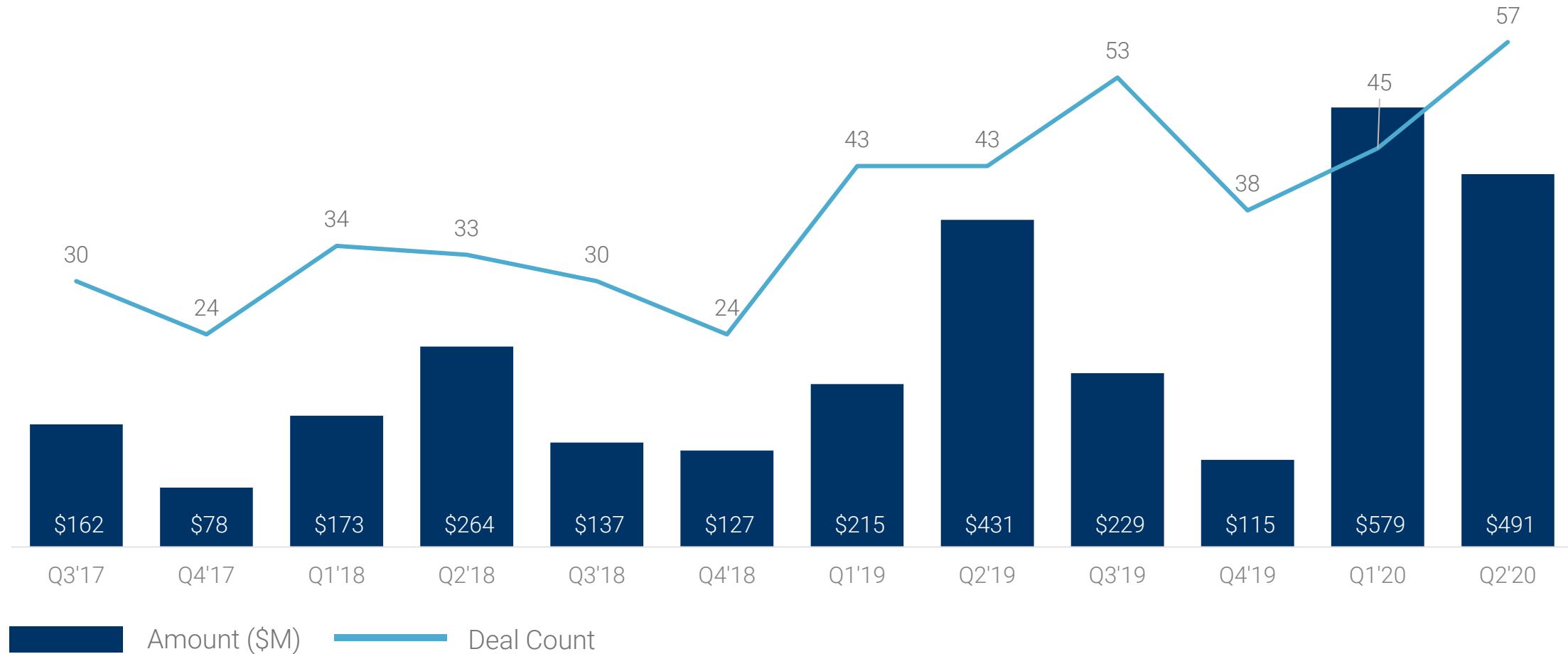
GLOBAL HEALTHCARE REPORT Q2'20

Mental Health & Wellness  
Collection

## MENTAL HEALTH DEALS AND DOLLARS

# Mental health deals reached a record high in Q2'20

Mental health funding and deal count, Q3'17 – Q2'20



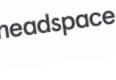
## HIGHLIGHT #1: MENTAL HEALTH & WELLNESS SERVICES BECAME MORE ACCESSIBLE

Pandemic prompted companies to offer free mental health & wellness apps

**Omada Mental Health Program Now Available at No Cost**

April 06, 2020 | 

**Headspace offering all US healthcare professionals who work in public health settings free access to Headspace Plus through 2020**

May 13, 2020 | 

**NHS staff across England get free access to mental health apps Daylight and Sleepio**

May 6, 2020 | 

**Mental Health App Now Available to Members at No Cost**

April 2, 2020 | 

## HIGHLIGHT #2: A GAME FOR ADHD

The first FDA-approved, game-based treatment for children with ADHD



A screenshot of Akili Interactive's EndeavorRx product



**About:** Akili Interactive Labs builds cognitive treatments and assessments that are delivered through an action video game interface.

The FDA granted clearance to its EndeavorRx product in mid-June 2020 based on 5 clinical studies.

**Latest Round:** Series C (8/9/2018)

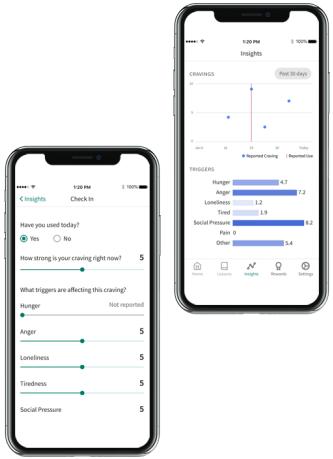
**Amount:** \$13M

**Select Round Investors:** CLSA, DG Ventures, DG Daiwa Ventures, Fearless Ventures, Omidyar Technology Ventures

## HIGHLIGHT #3: DIGITAL THERAPEUTICS GAINED ATTENTION AROUND THE WORLD

# Asian and European authorities gave the nod to DTx

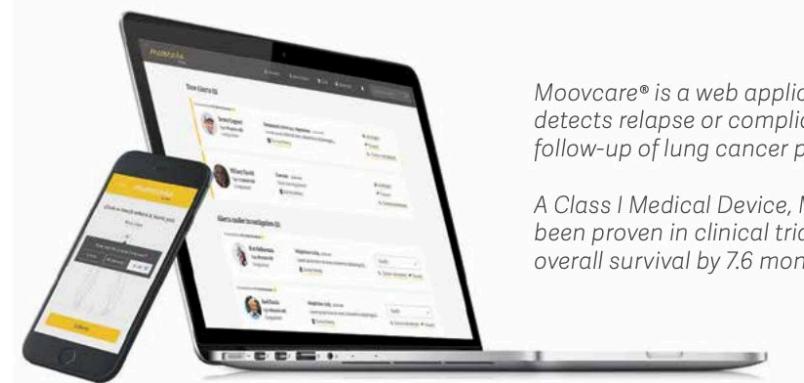
### PEAR THERAPEUTICS & HSA



**Latest Round:** Series C (1/4/2019)      **Amount:** \$64M

**About:** In late June 2020, Pear Therapeutics received market authorization of its reset product from Singapore's Health Science Authority (HSA) for adults with Substance Use Disorder (SUD). This is the first time HSA has approved a prescription-based digital therapeutic.

### MOOV CARE & CEPS



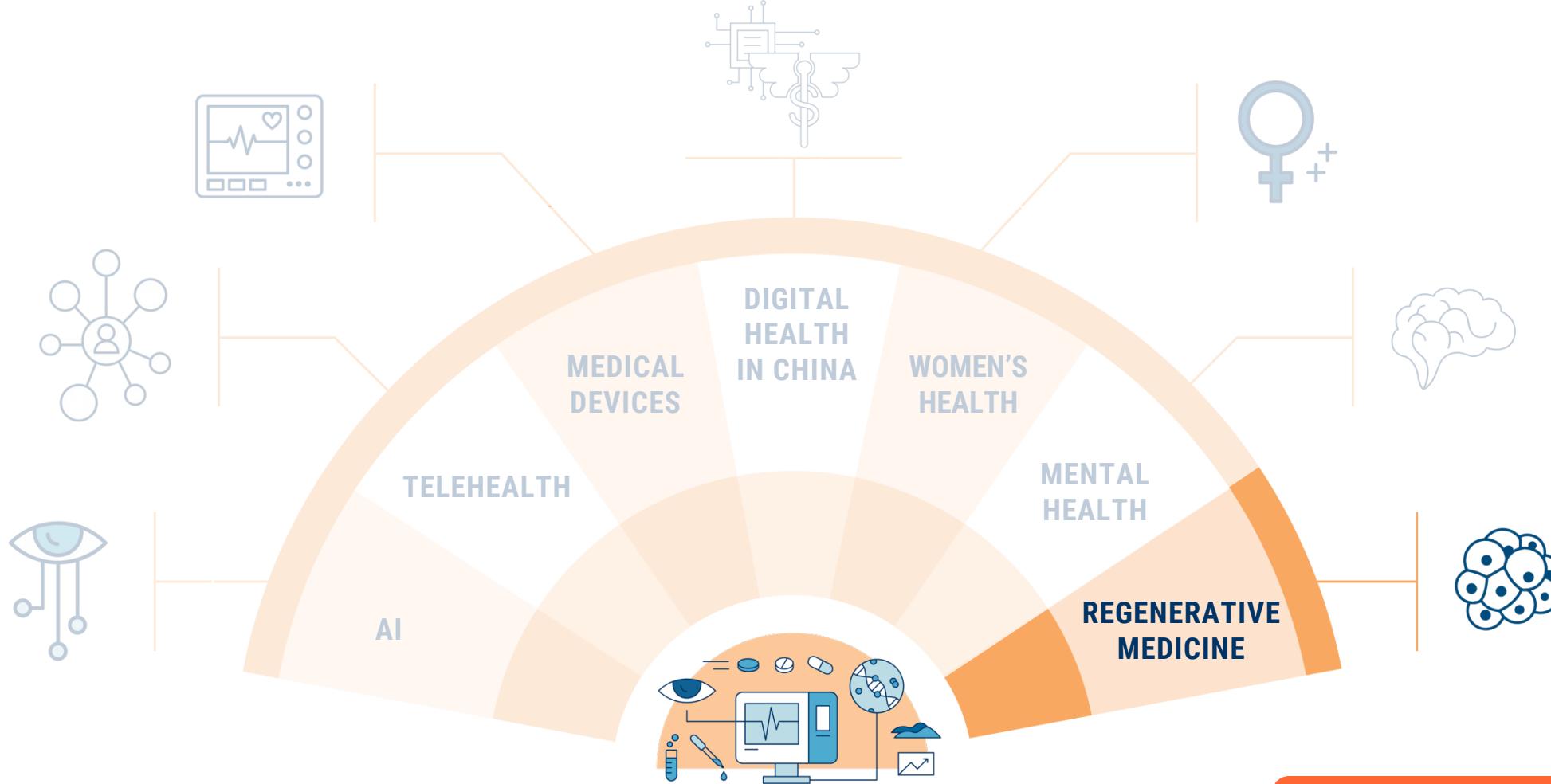
Moovcare® is a web application that detects relapse or complication during follow-up of lung cancer patients.

A Class I Medical Device, Moovcare® has been proven in clinical trial to improve overall survival by 7.6 months<sup>1</sup>

**Latest Round:** N/A      **Amount:** N/A

**About:** In June 2020, Moovcare Lung, a prescription cancer digital therapeutic created by Sivan Innovation, was approved by France's CEPS for reimbursement under its health system. A study showed that the software improved patients' overall survival by almost 8 months.

# HEALTHCARE Q2 2020



GLOBAL HEALTHCARE REPORT Q2'20

[Regenerative Medicine Collection](#)

## REGENERATIVE MEDICINE DEALS AND DOLLARS

# Record-breaking funding and deal volume in Q2'20

Regenerative medicine funding and deal count, Q3'17 – Q2'20



## HIGHLIGHT #1: 6 REGENERATIVE MEDICINE MEGA-ROUNDS TOTLED CLOSE TO \$1.3B

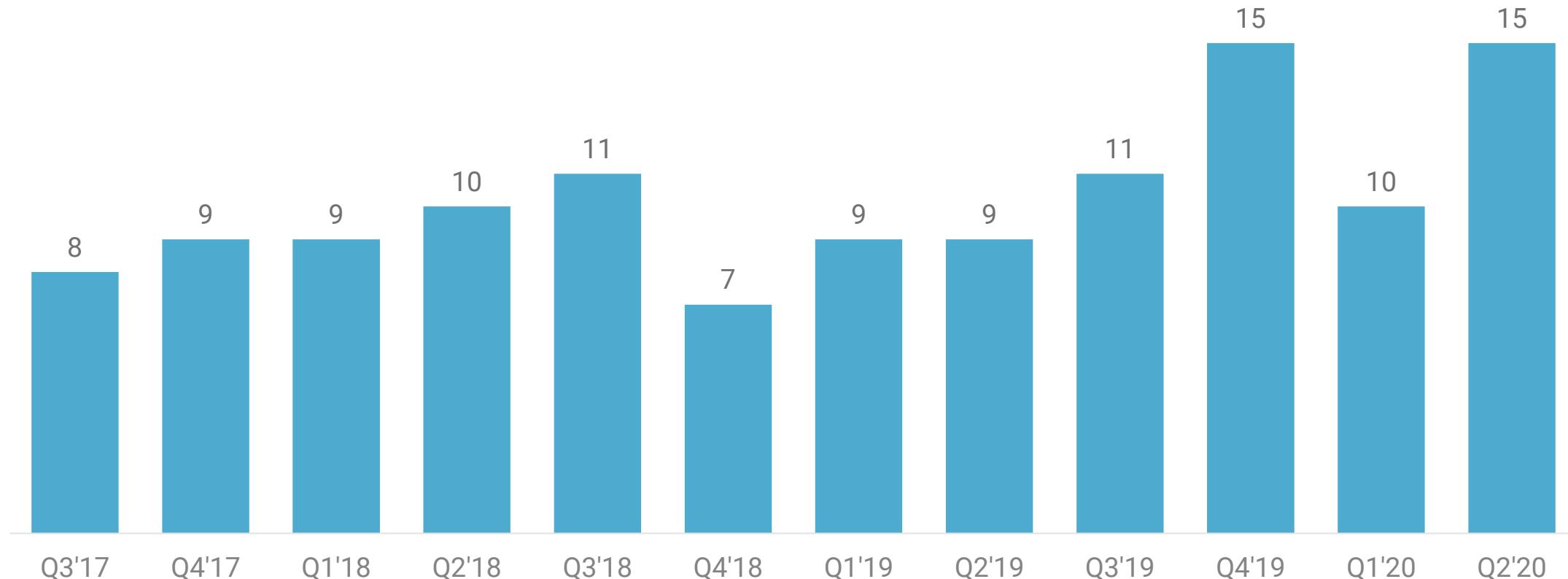
# Immuno-oncology startups accounted for 4 of the 6 mega-rounds

Company	Deal Date // Amount Raised	Total Disclosed Funding	Select Investors	Description
 Sana Biotechnology	Jun'20 // \$481M	\$700M	Google Ventures, ARCH Venture Partners, Flagship Pioneering, Bezos Expeditions, Biogen Idec New Ventures, F-Prime Capital	Sana Biotechnology focuses on developing engineered cells as medicines for patients.
 PIONYR	Jun'20 // \$275M	\$345M	Gilead Sciences	Pionyr Immunotherapeutics is developing cancer immunotherapies based on a proprietary Myeloid Tuning approach that targets the tumor microenvironment.
 orcabio	Jun'20 // \$192M	\$192M	Lightspeed Venture Partners, Data Collective, Kaiser Permanente, 8VC, +ND Capital	Orca Bio is developing high-precision cell therapies to help treat diseases like blood cancers.
 iT eos Therapeutics	Apr'20 // \$125M	\$248.4M	MPM Capital, Vives, HBM Partners, Boxer Capital, Fund+, 6 Dimensions Capital, Curative Ventures	iTeos Therapeutics' discovery platform aims to improve cancer immunotherapy by identifying therapeutics targeting the immune tumor micro-environment.
 POSEIDA THERAPEUTICS	Jun'20 // \$110M	\$323.7M	Adage Capital Management, Fidelity Investments, Schonfeld Strategic Advisors, Rapha Capital Management	Poseida Therapeutics is a clinical-stage biotechnology company developing a pipeline of CAR-T drugs.
 药明巨诺 JW Therapeutics	Jun'20 // \$100M	\$190M	ARCH Venture Partners, Sequoia Capital China, Temasek, WuXi AppTec, Juno Therapeutics, CR-CP Life Science Fund	JW Therapeutics offers cancer CAR-T immunotherapies.

## HIGHLIGHT #2: HEALTHCARE SMART MONEY VCS\* PARTICIPATED IN 15 DEALS

# Smart Money investors saw opportunity

Regenerative medicine equity deals with Healthcare Smart Money participation, Q3'17 – Q2'20



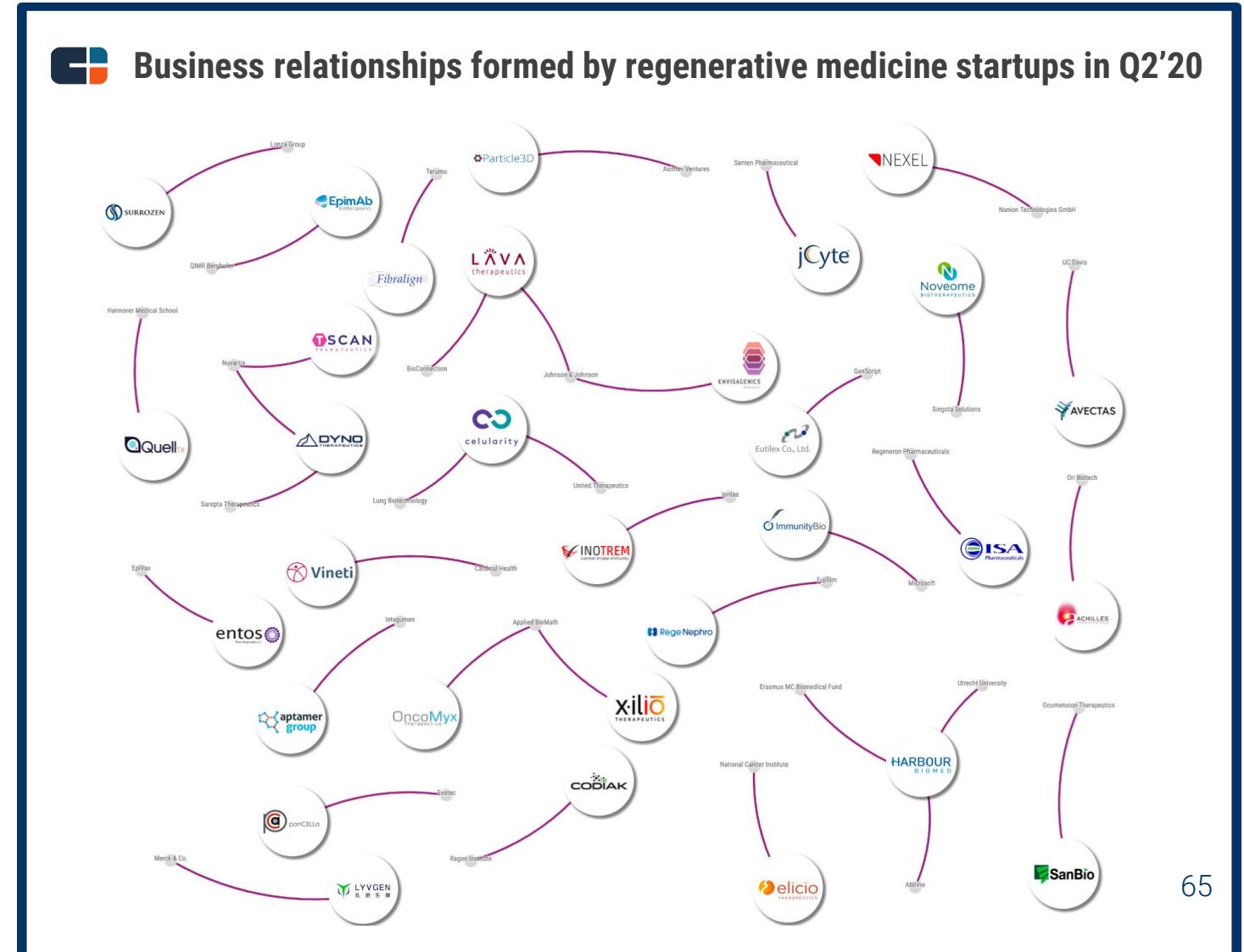
## HIGHLIGHT #3: BUSINESS RELATIONSHIP ACTIVITY PICKED UP

# Collaborative R&D initiatives picked up amid Covid-19

Regenerative medicine startups formed 36 business relationships during Q2'20, roughly 50% more than were formed in Q1'20.

One quarter of the Q2'20 relationships – like Celularity's partnership with United Therapeutics and Codiak Biosciences' partnership with the Ragon Institute – were focused solely on Covid-19 research and development.

Novartis and Johnson & Johnson were the most active corporate partners, each allying with 2 regenerative medicine startups in the quarter.

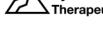


# Most Active Healthcare VCs In Q2'20



# The most active healthcare VCs in Q2'20

By unique investments in healthcare companies (new or follow-on)

Rank	Investor	HQ Country	Q2'20 Healthcare Investments														
1	 PERCEPTIVE ADVISORS		          														
1			          														
1			          														
4			         														
5	polarispartners		Ankyra Therapeutics       														
5			       														
5			       														

# Most Active Digital Health VCs In Q2'20



# The most active digital health VCs in Q2'20

By unique investments in digital health companies (new or follow-on)

Rank	Investor	HQ Country	Q2'20 Healthcare Investments							
1	 OPTUM VENTURES			 REVOLUTIONIZING KIDNEY CARE						
2	GENERAL CATALYST									
2	ANDREESSEN HOROWITZ									
2	khosla ventures									
5										

# Methodology

CB Insights encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been under-represented, please send an email to [info@cbinsights.com](mailto:info@cbinsights.com) and we can work together to ensure your firm's investment data is up to date.

## What is included:

- Equity financings into emerging healthcare companies. Equity financings include: convertible notes, seed, Series A, Series B, Series C, Series D, Series E+, private equity, growth equity, other venture capital, and other investment rounds.
- Fundings of only private companies. Funding rounds raised by public companies of any kind (including Pink Sheets) are excluded from our numbers, even if a company received investment from a venture firm.
- Only includes the investment made in the quarter for tranches investments. If a company does a second closing of its Series B round for \$5M and previously had closed \$2M in a prior quarter, only the \$5M is reflected in our results.
- Round numbers reflect what has closed – not what is intended. If a company indicates the closing of \$5M out of a desired raise of \$15M, our numbers reflect only the amount which has closed.
- Only verifiable fundings are included. Fundings are verified via various federal and state regulatory filings, direct confirmation with firms or investors, or press releases.
- For the purposes of this report, digital health is defined as companies in the healthcare space that use technology/software as a key differentiator vs. their competition. This includes everything from disease diagnostics to tech-enabled health to AI-driven drug discovery, and more.
- Categories are not mutually exclusive (for example, a company that applies AI to mental health would be included in both categories). Criteria for categories can be found on page 30.
- Historical funding data is subject to change as our technology & data operations explore data sets globally and refine company classifications.

## What is excluded:

- No contingent funding. If a company receives a commitment for \$20M subject to hitting certain milestones but first gets \$8M, only the \$8M is included in our data.
- No business development/R&D arrangements, whether transferable into equity now, later, or never. If a company signs a \$300M R&D partnership with a larger corporation, this is not equity financing, nor is it from a venture capital firm. As a result, it is not included.
- No buyouts, consolidations, and/or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.
- No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are excluded even if made by a venture capital firm.
- No debt/loans of any kind (except convertible notes). Venture debt or any kind of debt/loan issued to emerging startup companies, even if included as an additional part of an equity financing, is not included. If a company receives \$3M with \$2M from venture investors and \$1M in debt, only the \$2M is included.
- No government funding. Grants, loans, or equity financings by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.



WHERE IS ALL THIS DATA FROM?

The CB Insights platform  
has the underlying data  
included in this report

[CLICK HERE TO SIGN UP FOR FREE](#)

