

Swiss Biotech Report shows stability in high numbers

SWITZERLAND The Swiss biotech sector has again attracted record-breaking investments in 2021, according to the Swiss Biotech Report, compiled by the Swiss Biotech Association and EY with seven other partners presented at the Swiss Biotech Day(s) 2022 in Basel.

Capital investments in Swiss biotech companies reached the second-best amount ever with CHF3.33bn in the second year of the pandemic, according to the Swiss Biotech Report that was presented by EY on the occasion of the Swiss Biotech Day to the audience. The amount of invested money was at similar levels as record investments in 2020 that had tripled from 2019 as a positive effect of COVID-19 pandemic on the sector. Furthermore R&D investments during the pandemic grew to a record-high of CHF2.56bn, according to the report.

In 2021, Switzerland's life sciences sector again played a major role in combating the COVID-19 pandemic with two Swiss-based companies contributing to effective SARS-CoV-2-specific therapeutics (Humabs BioMed/Vir Biotechnology and Molecular Partners/Novartis). Of the CHF2.56bn that fueled R&D, the vast majority was directed to non-pandemic indications such as immune-oncology, neurology or treatments that modulate the human microbiome or cell-based regeneration. Investors also supported data-driven business models to enable the development of digital therapeutics or a more personalised medicine. The successful IPO of SOPHiA Genetics and the recent MDR certification for the Floodlight Application for multiple sclerosis patients from Roche are successful examples of such data-driven approaches.

Investors stay bullish

This year's report examines in depth the "Sources of Swiss innovation", which have enabled the country to maintain its



Switzerland

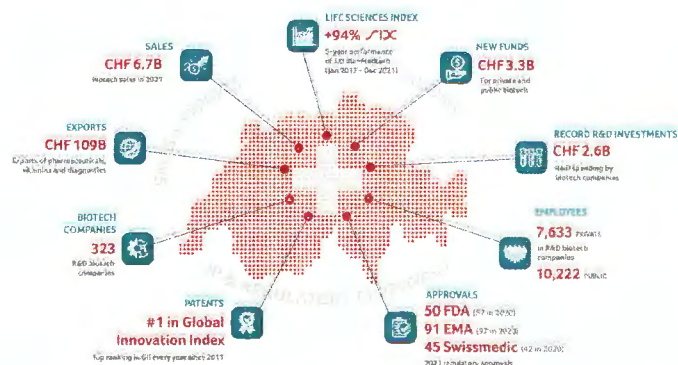
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|--------------|----------------------------------|
| LANGUAGES | German, Italian, French, Romansh |
| CAPITAL | Bern |
| GOVERNMENT | Swiss Confederation |
| AREA | 41,285 km ² |
| POPULATION | 8,6 Mio. |
| CURRENCY | CHF |
| COUNTRY CODE | CH |
| WEBSITE | www.ch.ch |

position heading the Global Innovation Index for over a decade. "Last year, we expressed some caution that the COV-

ID pandemic might take its toll and that the Swiss inclination not to intervene in the free market, and to avoid providing direct government support for venture-based startups and small/mid-sized R&D companies, could backfire and weaken the innovative power of Switzerland," said Michael Altorfer, CEO of the Swiss Biotech Association. "Record levels of financing 2020 and 2021 suggest that not only Swiss, but global biotech investors continue to recognize the attractiveness of investment opportunities on offer."

According to Frederik Schmachtenberg, EY Partner, Global Life Sciences Lead, in 2021, Swissmedic, the Swiss agency for therapeutic products, approved 45 new drugs (2020: 42). From the invested money in 2021, CHF2.51bn went to public companies. The largest portion of the private capital (CHF817m) was raised by Anaveon (CHF110m) and Numab Therapeutics (CHF100m). Overall, the Swiss biotech sector generated revenues of CHF6.7bn, compared to CHF4.9bn in 2020, an increase of +37%.

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Key 2021 figures at a glance

Italy and Japan strengthen bond

COLLABORATION At a press conference at Palazzo Chigi in Rome, Italy, following a bilateral meeting with Japanese Prime Minister Fumio Kishida, Italian Prime Minister Mario Draghi recalled the importance of strengthening the industrial partnership between Italy and Japan, especially in the field of renewable energy. In an effort to reduce dependence on Moscow in the energy sector in the face of Russia's invasion of Ukraine, Draghi cited rapid investment in renewable energy as an important goal, but included the life sciences sector in his priority list: "We need to strengthen our industrial partnerships, especially in the fields of renewable energy, biotechnology, pharmaceuticals, robotics and aviation," Draghi said after the meeting beginning of May. Japan, for its part, wants to generate between

36 and 38 percent of its energy from renewable energy sources by 2030, for which it sees cooperation with Italy as promising. "Our governments are working to support the further development of cooperation between companies in areas such as renewable energy and connectivity," Kishida added. In recent years, the alliance between Italy and Japan has grown mainly through cooperation in business and trade. Earlier in the day, Kishida met with Pope Francis in the Vatican. The last time that the Japanese prime minister visited the Pope at the Vatican was in 2014. Italy was the first stop of Kishida's visits to the European states of Vatican City, Italy and Britain.

With a trade volume of around 12 billion euros in 2021, Japan is Italy's second largest market in Asia. ■