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Medivate Partners to set up third fund to invest in US, Korean healthcare companies – CEO

 Proprietary Intelligence

Story

Medivate Partners, a South Korean venture capital and private equity firm, plans to raise a third fund in 2H16 after it completes the close of its second fund in March 2016, CEO & Managing Partner Paul H Kim said.

The PE fund, specialized in biotechnology and healthcare investment in Asia and North America, will look to raise between KRW 50bn (USD 40.3m) and KRW 100bn (USD 80.6m) for the third fund.

The potential investment ranges for the third fund would be between USD 5m and USD 40m, Kim noted.

Its potential targets would be Contract Research Organization (CRO), anticancer drug developers, biotechnology companies that develop early stage clinical trial prior to Phase I and medical device manufacturers in the US, Korea and China, he said.

Medivate would also consider investing into a China-based bio/healthcare company along with local financial investors, Kim said. A China deal could take place in about two to three years, he noted.

Medivate has not decided when to close the third fund, Kim said, when asked regarding the closing timeline of the third fund.

Medivate Partners, which was spun off from **POSCO BioVentures** in April 2014, and **Kamur Partners** established Medika Private Equity Fund No 1 (Medika PEF) in April 2015 and completed a USD 17m investment into California-based CRO **WCCT Global** (West Coast Clinical Trials) in May 2015, Kim noted. WCCT aims to launch a public listing in the second half of 2016, according to a local media report. **Kim & Chang** advised Kamur and Medika PEF in the deal, according to Kim & Chang's website.

Medivate's first two funds were project funds and were composed of domestic limited partners. The third fund would, however, be composed of domestic and overseas LPs, Kim said.

Limited partners for their first fund were **Bukwang Pharmaceutical**, **KDB Capital**, **Hyosung Capital**, **Moorim Capital** and **NHN Investment**. The LPs of its second fund are composed of domestic LPs, half of them being from the first fund, Kim said.

Through its second fund Medivate plans to invest an estimated KRW 12bn – 15bn into South Korean biotechnology company **Sillajen's** as part of a pre-IPO investment in March. Sillajen, which specializes in developing oncolytic immunotherapeutic, is raising approximately KRW 50bn from Medivate Partners and **Hana Financial Investment**, as reported.

Medivate Partners' assets under management (AUM) is estimated at KRW 22bn as of February 2016, according to a company report.

by SooYoung Park in Seoul