

Fountain Healthcare Partners raises €118M for Third Fund

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Fund Raise Exceeds Target of €100m



Fountain Healthcare Partners announces the initial closing of its third fund, Fountain Healthcare Partners Fund III, L.P. ("Fund III") with €118 million of committed capital, exceeding its initial target raise of €100 million.

Fund III is a dedicated life science venture capital ("VC") fund and brings Fountain's total capital under management to €294 million. Within the life science sector, Fund III will primarily focus on specialty pharmaceuticals, biotechnology and medical devices.

Fountain will invest a majority of the capital in Fund III within Europe but expects to also make investments in the US market. Fund III is expected to make 10 to 12 investments in predominantly private life science companies.

The €118 million capital raised was sourced from major domestic and international institutional investors, including fund of funds, sovereign funds, corporate investors and family offices. Investors in Fund III include the European Investment Fund (EIF); Coolidge Limited, an investment vehicle of Mr Dermot Desmond; the Ireland Strategic Investment Fund (ISIF) and Allied Irish Bank (AIB).

Dr Manus Rogan, co-Founder and Managing Partner at Fountain said, "Fountain's investment strategy focuses on building a balanced portfolio of companies with complementary risk and return profiles within the life science sector. This strategy has resulted in a strong portfolio of investments for both Fund I and Fund II. The performance of our first and second funds is reflected in both the level and quality of new and existing investor participation in Fund III. With €118 million raised we are also pleased to have exceeded our initial close target of €100 million."

“With almost €300 million of capital under management, we are Ireland’s largest dedicated life science venture capital fund. We will continue to seek opportunities to identify life science investment opportunities with exciting potential both in Ireland and internationally. Our ability to deploy significant capital together with our proven track record of helping early stage companies commercialise their potential, positions us a partner of choice for ambitious life science growth companies”, he added.

Aidan King, co-Founder and Managing Partner at Fountain said, “Life sciences continues to be one of the best performing sectors for investor returns, driven by a consistent stream of IPOs and trade sales. Strong demand for life science investments is a reflection of investor’s belief in the underlying growth dynamics of the sector and the investment return opportunities presented by innovative life science companies. In addition to financial returns, we are proud of the fact that to date, funding by Fountain has resulted in US FDA approval of three products in the areas of Parkinson’s disease, stroke and cardiovascular disease. These products are transforming the standard of care in these therapeutic areas and will greatly benefit patients worldwide”

Andrew McDowell, European Investment Bank Vice President said, “The new €45 million European Investment Fund support for Fountain Healthcare represents our largest backing in more than a decade of successful cooperation with venture capital funds. It will further strengthen Ireland’s impressive venture capital ecosystem. Fountain’s third dedicated healthcare venture capital fund will benefit from proven success enabling world-class companies across Europe to develop impressive new treatments and technologies.”

Paul Saunders, Senior Investment Director, ISIF said, “Fountain is an excellent example of ISIF co-investing with private sector partners to attract significant levels of international capital to Ireland, supporting economic activity and employment here and generating commercial returns. This investment, our third with Fountain, builds on the success of our earlier investments in the biotech, medtech and life science sectors in which Ireland has emerged as a leading global hub. It will also help drive ISIF’s commitment to regional development by supporting these sectors in clusters located throughout Ireland and helping them to thrive.”

Finlay McFadyen, Head of Investment Banking of AIB said, “We are delighted to continue our support for Fountain Healthcare Partners in this fund which will invest in international and Irish early stage life science companies. These companies will benefit from Fountain’s expertise and experience. Fountain’s previous track record demonstrates their successful investment strategy of identifying companies and entrepreneurs with growth potential and assists to create value as they transition to the next phase of their business lifecycle. This strategy aligns to AIB’s strong focus on this growth sector.”

Fountain Healthcare Partners is a life science venture capital fund with offices in Dublin, and New York. Founded in 2008, Fountain is Ireland’s largest dedicated life science venture capital fund with more than €294 million under management.