

Isomorphic Labs Pulls \$2.1B Series B Led By Thrive With MGX, Temasek, Ar UK Sovereign AI Fund: What The Capi Stack, IsoDDE Engine, And Novartis/Lilly/J&J Partnerships Mean For Drug Discovery

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Novartis/Lilly/J&J Partnerships Mean For Drug Discovery

Isomorphic Labs just closed a two point one dollars billion Series B. No approved drug. No Phase two human data publicly reported. The entire price tag is a platform thesis...

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Abstract

- Iso closed a \$2.1B Series B on May 12, 2026, led by Thrive Capital, the second consecutive lead by Thrive after the ~\$600M Series A in April 2024
- Cumulative disclosed equity now ~\$2.7B, putting Iso in the same capital tier as Insitro and Recursion combined
- Existing investors Alphabet and GV returned; new names include MGX (Abdullah Dhabbi), Temasek (Singapore), CapitalG (Alphabet late-stage), and the UK Sovereign AI Fund
- Reported post-money valuation in the \$15-20B range, roughly 5-10x the next largest AI-bio comparable by market value
- Underwriting unit is IsoDDE, the unified drug design engine, descended from AlphaFold 2 / AlphaFold 3 lineage built between DeepMind and Iso
- Disclosed pharma partnerships: Novartis (\$37.5M upfront, ~\$1.2B in biobucks targets, signed Jan 2024), Eli Lilly (\$45M upfront, ~\$1.7B in biobucks, signed Jan 2024), J&J (terms not fully disclosed, more recent)
- Headcount ~500 split across London HQ, Cambridge MA, and Lausanne; estimated annual burn \$300-500M; runway roughly 4-6 years before next funding event

- No Iso candidate has yet read out human Phase 2 data; entire valuation is platform thesis
- Notable structural choice: zero pharma corporate venture equity on the round preserving M&A optionality
- UK Sovereign AI Fund participation is industrial policy expressed through cap table mechanics, with downstream implications for inbound investment screening and acquirer eligibility

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The headline numbers and why two-point-one billion is not quite as wild as sounds

On May 12, 2026, Isomorphic Labs announced a \$2.1B Series B led by Thrive Capital. For context, the prior round was around \$600M in April 2024, also led by Thrive Capital. This makes the Thrive check-writing pattern here look less like traditional venture at

more like a growth equity continuation, with the lead doubling down at a meaningful markup to their prior basis. The total disclosed equity raised by the company is approximately \$2.7B, which puts Iso in the same neighborhood as Insitro and Recursion in cumulative capital and substantially ahead of Schrödinger on equity raised, though Schrödinger is publicly traded and has different optics around its capital structure.

The post-money valuation was not disclosed in the press materials, which is standard for private rounds but worth flagging. Industry chatter and partial reporting put it somewhere in a \$15-20B range. At \$2.1B raised against even a generous \$20B post-round implies a roughly 10% dilution event. That is reasonable for a Series B in percentage terms and absolutely enormous in absolute dollar terms for an AI-bio platform that has not publicly filed an IND off its internal pipeline yet. For outside underwriters trying to make sense of the price, the relevant comparable is not biotech Series B activity but rather frontier model lab fundraising. Anthropic, OpenAI, and xAI rounds are the closest analog by absolute dollars, structure, and investor mix. Iso is being underwritten less like a drug company and more like a foundation model company that happens to live in pharma. The math of that distinction matters when later thinking about runway and exit.

A check this size at this stage says a few things. The first is that capital intensity in AI-bio has decoupled from the rest of biotech. A traditional Series B in biotech 10 years ago would have been \$80-200M, with maybe one or two outliers pulling \$400M like Verily or Grail in their day. Anything past that was strategic and structured. A \$2.1B straight equity round in a private biotech, even a heavily AI-flavored one, would have been unthinkable in 2020. It is now the price of admission to be in the conversation.

The second is that the venture community has settled on a thesis that the marginal value of compute and senior research talent applied to AI-driven drug design is enough to justify burn that would have looked reckless three years ago. Whether that thesis turns out to be right is a separate conversation. The round itself is a market signal that heat in the space has not cooled, even after the rough trajectory of

Exscientia, the SPAC-era unwind of BenevolentAI, and the partial deflation of some of the earlier AI-bio darlings.

The third thing the round tells you is that Demis Hassabis is no longer the most expensive name in biotech that has yet to ship an approved drug. He is now a cat in the hat. The Hassabis trade is a market, and this round sets the price.

The cap table breakdown, Thrive doubling down, and the sovereign monies joining the party



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