



## EFSI Operation Scoreboard<sup>1</sup>

<b>PROJECT PRESENTATION</b>	
<b><u>Project name</u></b>	BOEHRINGER- INGELHEIM VENTURE FUND
<b><u>Promoter and financial intermediary</u></b>	BOEHRINGER INGELHEIM VENTURE FUND GMBH
<b><u>Country of implementation</u></b>	Regional – EU countries
<b><u>Summary project description</u></b>	The operation concerns a quasi-equity loan to finance R&D investments in a portfolio of innovative life science start-up companies and SMEs. The project supports the growth phase of innovative technology SMEs by ensuring their capacity to fund their development programmes. In partnership with Boehringer Ingelheim a special purpose vehicle (SPV) will be set up that will fund activities ranging from seed financing and proof of concept studies to pilot production or clinical trials. The larger investments, targeted at the more mature portfolio companies, are made on a milestone/tranche basis that matches the companies' needs for cash. The investee companies to be included in the project represent a mix of enterprises in the life science sector, primarily focused on the following therapeutic areas: oncology, immunology, respiratory, cardio-metabolic and Central Nervous System.

<sup>1</sup> This Scoreboard of indicators reflects the information presented to the EFSI Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under the articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].

## PROJECT PILLAR ASSESSMENT

### **Pillar 1**

**Contribution to EU policy** **Significant**

EFSI	
Contribution to EFSI	100.00%
EFSI: Research, development and innovation	100.00%
Projects that are in line with Horizon 2020	100.00%

### **Pillar 2**

**Quality and soundness of the project** **Excellent**

1. Growth	[...]
2. Promoter capabilities	[...]
3. Sustainability	[...]
4. Employment	[...]

*This pillar evaluates the quality and soundness of the operation. This pillar is composed of four indicators which include:*

- (i) "Growth" i.e. for example and where relevant the economic rate of return ('ERR'), which considers the project's socioeconomic costs and benefits, including its spillover effects;*
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;*
- (iii) "Sustainability" i.e. environmental and social sustainability<sup>2</sup>;*
- (iv) "Employment" i.e. the project's direct employment effect.*

### **Pillar 3**

**EIB Technical and financial contribution to the project** **Significant**

1. Financial contribution	[...]
2. Financial facilitation	[...]
3. Advice	[...]

*This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through three indicators:*

- (i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor),*
- (ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments,*
- (iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer – provided in-house by the EIB or in the form of assignments to external consultants – to facilitate the preparation or implementation of a project.*

<sup>2</sup> For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

## **Pillar 4 – Complementary indicators**

### ***Additionality***

This operation addresses the EFSI objective of supporting research, development and innovation by providing financing to early-stage biotech start-ups, and for small and medium-sized later-stage biopharmaceutical companies.

Europe has long-standing structural problems in providing adequate access to public and private financing for early stage life science companies, and these problems are exacerbated by the short-term focus of traditional venture capitalists. There is a relative lack of private investors and venture capital for biopharmaceutical product development, both for early-stage biotech start-ups, and for small and medium-sized later-stage biopharmaceutical companies, which need continuous investments to reach the next development stage and eventually bring products to market. By co-investing with this specialized Fund, the EIB will contribute to address this financing gap.

With EFSI support, the EIB will be able to provide equity type financing under its Special Activities to support the investment in the fund in selected life science companies in Europe. Those companies are faced with a number of high risks, related notably to the uncertainty of the success of research activities, regulation, patent delivery, dependency on highly qualified staff and investing in those companies therefore represents a very high financial risk.

By increasing the capacity of the Fund to be an early stage corner-stone investor in the underlying companies, the EIB financing under EFSI will be able to catalyse additional investments in support of those companies, which can have an important impact on the health and well-being of society and are forging and progressing medical therapies to improve health and quality of life.

## Set of indicators related to the macroeconomic environment

### Regional - EU countries - Economic environment

#### Economic Performance

	EU 2016	EU 2016	US 2016	EU 2001-2007
GDP per capita (EUR, PPS)	29,440	29,440	42,615	28,710
GDP growth (%)	1.9	1.9	1.6	2.3
Potential GDP growth (%)	1.3	1.3	2.1	2.1
Output gap (% of potential GDP)	-0.75	-0.75	-0.03	1.0
Unemployment Rate (%)	8.2	8.2	4.7	8.5
Unemployment Rate (%) - Y/Y change (% points)	-0.8	-0.8	-0.3	-0.26
Bank-interest rates to non-financial corporations (%)	1.4	1.4	1.8	3.9
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.21	-0.21	-1.4	-0.02
Investment rate (GFCF as % of GDP) - Total	19.7	19.7	19.6	21.4
Investment rate (GFCF as % of GDP) - Public	2.7	2.7	3.4	3.1
Investment rate (GFCF as % of GDP) - Private	17.0	17.0	16.2	18.3

#### General Sector Indicators

	2013	2014	2015	2016	EU (latest available)
Value added in Scientific research and development (% of total)	--	--	--	--	0.5
Employment in Scientific research and development (% of total)	--	--	--	--	0.4

#### Research, development and innovation

	2013	2014	2015	2016	EU (latest available)
Gross domestic expenditure on R&D (GERD) (% of GDP)	2.0	2.0	2.0	--	2.0
Gross domestic expenditure on R&D (GERD) distance to EU 2020 target (% of GDP)	0.97	0.96	0.97	--	0.97
Research and development expenditure - Government (% of GDP)	0.25	0.25	0.24	--	0.24
Research and development expenditure - Higher education (% of GDP)	0.48	0.48	0.47	--	0.47
Research and development expenditure - Business (% of GDP)	1.3	1.3	1.3	--	1.3
Research and development expenditure - Private non-profit sector (% of GDP)	0.02	0.02	0.02	--	0.02
Eco-innovation index (EU =100)	100.0	100.0	100.0	--	100.0

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

### **Other indicators<sup>3</sup>**

#### **Key project characteristics**

	<b>Expected at PCR</b>
Start of works	01.01.2018
End of works	31.12.2022
Project investment cost	100.00 MEUR
EIB/EFSD eligible investment mobilised	481.00 MEUR
External EFSD multiplier	9.70
External EIB (non-EFSD) multiplier	
Amount of private financing	50.00 MEUR
Quick start (% of expenditure during 2015-2018)	10.00 %
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc)	
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	
Employment during construction - temporary jobs	0 person years
Employment during operation - new permanent jobs	30 FTE

<sup>3</sup> For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report.