



EFSI Operation Scoreboard¹

<u>PROJECT PRESENTATION</u>	
<u>Project name</u>	SKIN HEALTH R&D
<u>Promoter or financial intermediary</u>	ALMIRALL SA
<u>Country of implementation</u>	Spain
<u>Summary project description</u>	The project concerns the R&D activities of the promoter in its strategic therapeutic areas in medical dermatology, in particular in immuno-inflammatory diseases and non-melanoma skin cancer. It addresses indications such as psoriasis and actinic keratosis, as well as orphan diseases.

¹ 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5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].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 sustainability²;*
- (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.*

² 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 is in line with the EFSI objectives of supporting (i) human capital, culture and health, and (ii) research, development and innovation (RDI) by promoting research and development activities in order to develop health solutions for medical dermatology, in particular immune-inflammatory diseases, non-melanoma skin cancer and orphan diseases. The financing of this project supports RDI activities, which generate significant positive knowledge, technology externalities, through the creation of innovative processes, products or services and through skills development and upgrading.

The project addresses a sub-optimal investment situation in the branded prescription drug segment of the pharmaceutical industry, a sector which requires heavy investments for continuous innovation. Financing solutions available from private-sector sources are lacking, considering the long-term nature of the investments and the inherent risk structures in regard to the research, development and launch of new products.

The Promoter is sub-investment grade and the operation falls under the EIB Special Activities category. Due to the expected riskiness of the operation, the loan could not have been provided to the same extent by the EIB without EFSI support.

The EIB will be providing long-term financing with an unsecured structure, which is expected to result in a validation of the project and of the Promoter's strategic vision. This will contribute to crowd-in private sector funding for the project itself and for future investment needs.

This will be the first EIB operation with the Promoter.

Set of indicators related to the macroeconomic environment

Spain - Economic environment				
Economic Performance				
	ES	EU	US	ES
	2017	2017	2017	2001-2007
GDP per capita (EUR, PPS)	27,557	29,900	43,098	28,706
GDP growth (%)	3.3	2.0	1.5	3.8
Potential GDP growth (%)	0.98	1.7	2.2	3.6
Output gap (% of potential GDP)	-0.24	-0.19	-0.03	2.9
Unemployment Rate (%)	16.5	7.3	4.1	10.0
Unemployment Rate (%) - Y/Y change (% points)	-2.0	-0.9	-0.6	-0.34
Bank-interest rates to non-financial corporations (%)	1.6	1.3	2.4	3.8
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	0	-0.04	0.4	-0.05
Investment rate (GFCF as % of GDP) - Total	20.6	20.1	19.7	28.7
Investment rate (GFCF as % of GDP) - Public	2.0	2.7	3.2	4.1
Investment rate (GFCF as % of GDP) - Private	18.6	17.3	16.5	24.6

General Sector Indicators					
	2013	2014	2016	2018	EU (latest available)
Value added in Manufacture of basic pharmaceutical products and pharmaceutical preparations (% of total)	--	--	--	--	0.7
Employment in Manufacture of basic pharmaceutical products and pharmaceutical preparations (% of total)	--	--	--	--	0.3

Research, development and innovation					
	2013	2014	2016	2018	EU (latest available)
Gross domestic expenditure on R&D (GERD) (% of GDP)	1.3	1.2	1.2	--	2.0
Gross domestic expenditure on R&D (GERD) distance to EU 2020 target (% of GDP)	0.73	0.76	0.78	--	0.97
Research and development expenditure - Government (% of GDP)	0.24	0.23	0.23	--	0.24
Research and development expenditure - Higher education (% of GDP)	0.36	0.35	0.34	--	0.47
Research and development expenditure - Business (% of GDP)	0.67	0.65	0.64	--	1.3
Research and development expenditure - Private non-profit sector (% of GDP)	0	0	0	--	0.02
Eco-Innovation Index (EU =100)	110.0	107.0	105.0	--	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 indicators³

Key project characteristics

	Expected at PCR
Start of works	01.01.2019
End of works	31.12.2022
Project investment cost	288.70 MEUR
EIB/EFSI eligible investment mobilised	252.50 MEUR
External EFSI multiplier	2.10
External EIB (non-EFSI) multiplier	
Amount of private financing	148.70 MEUR
Quick start (% of expenditure during 2015-2018)	
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	1,070 person years
Employment during operation - new permanent jobs	20 FTE

³ 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. If applicable, a difference between the amount of Project investment costs and EIB/EFSI eligible investment mobilized might derive from the fluctuation of the underlying exchange rate.