



## Swiss Biotech Industry Biotech Valuations

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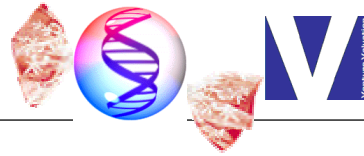
## Agenda



- Swiss Biotech
- Valuation of Biotechnology Companies
- Venture Valuation

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
# Swiss Biotech



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# Statistics



 SWISS LIFE SCIENCES DATABASE	247 {	Biotechnology:	42
		Biotechnology Instrumentation & Services:	110
		Biotechnology related:	95
		Medical Technology:	108
		Supplier:	256
		Consulting:	67
		Investors:	42
		Public organizations/NPO:	89
		<b>Total</b>	<b>809</b>

Source: [www.swisslifesciences.com](http://www.swisslifesciences.com)

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## Statistics



### All Biotechnology (3 Sectors)

247

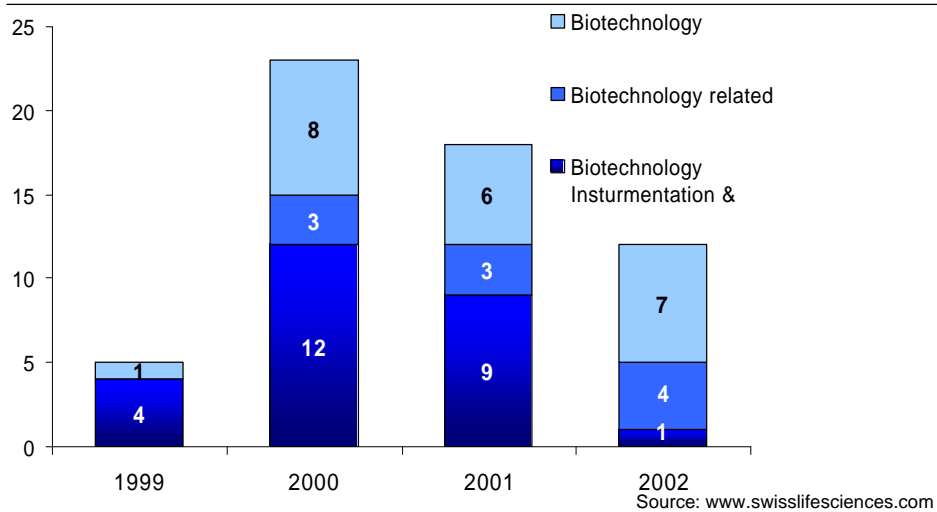
#### Clusters:

- BioAlps 22%
- BioValley Basel 25%
- Greater Zurich Area 36%
- Rest of Switzerland 17%

Source: [www.swisslifesciences.com](http://www.swisslifesciences.com)

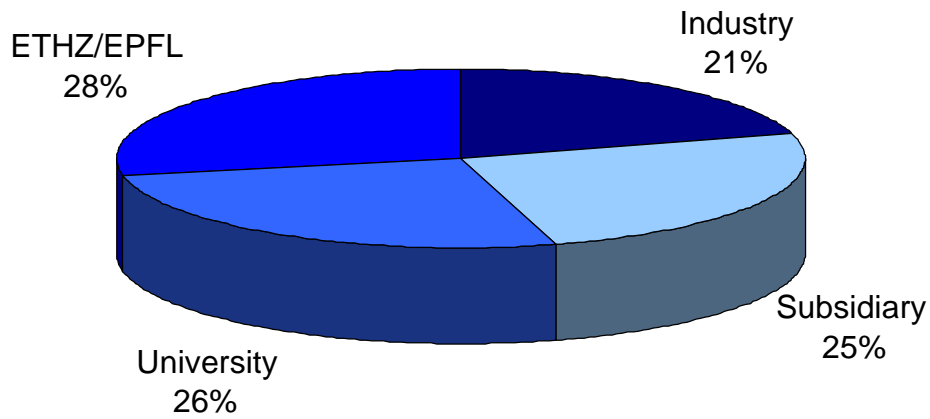
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## New Companies



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## Source of Foundation



Source: [www.swisslifesciences.com](http://www.swisslifesciences.com)

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## Factors to influence value



Soft factors are essential ...

- Management
- Market
- Science & Technology

... and the company stage

to define the risk profile of company

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## Management



- Composition / Complementary skills
- Track record / Experience
- Ability to reach set goals
- Motivation / Incentive structure
- Composition and involvement of Board of Directors and Advisory Board
- Organization / Capacity to run a structure
- Emotional intelligence / social competence

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## Market



- Substitutes
- Rivalry among existing competitors
- Barriers of entry
- Bargaining power of suppliers / buyers
- Market trends
- Market size

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## Science & Technology



- Intellectual Property (IP)
- Competitive Advantages
- Technological platform
- Product pipeline status
- Ability to reach milestones
- Management of future discoveries
- Collaboration agreements & alliances

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## Venture Valuation



- Independent, third party Valuations
- Experts Finance / Biotech / Medtech
- Not a venture capitalist
- International experience (North America and Europe)
- Systematic / Validated Approach
- Track record of over 70 valued companies

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## Valuation approaches



- Operations-based methods:  
⇒ *business plan, fundamentals*
  - Market-based methods:  
⇒ *price, trends, comparison difficulties*
  - 5 methods:
    - Discounted Cash Flows/DTA } Operations meth.
    - Real Options/Monte Carlo } Operations meth.
    - Venture Capital method ⇒ Mixed meth.
    - Market Comparables } Market meth.
    - Comparable Transactions } Market meth.
- ⇒ *use several methods and weigh depending on the company valued*

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**your valuation expert**



Thank you

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**...and how do you  
value your company?**

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