



VENTURE VALUATION
GLOBAL VALUATION SERVICES

The Valuation Experts

Valuation for Licensing

PLCD

April 2026

www.venturevaluation.com



Overview

- **Introduction**
- Landscape
- Valuation as a tool for negotiation
- Valuation approaches
- Valuation to Deal Structure
- Conclusion

Company

SERVICES



VENTURE VALUATION
GLOBAL VALUATION SERVICES



HELLO PARTNERING
SPEED DATING FOR BUSINESS

OFFICES

HQ: Zurich with offices in Europe, North America and Asia

EMPLOYEES

40+ people in Switzerland (8) / UK & Ireland (8) / USA & Canada (3) / Malaysia (5) / India (18)

CLIENTS

Fundraising companies as well as Investors such as Novartis Venture Fund, GSK, European Investment Bank, 4SC, Arpida / Evolva, Ferring.

Biotech Associations / Governments like Advamed, Medicon Valley, Ausbiotech, BIO Deutschland, BioFlorida, Maryland, Montreal Invivo, etc.

Biotechgate.com



1) Business Development Database

- Licensing assets and products (95'000)
- Licensing agreements / terms (25'000)
- Financing rounds (25'000)
- Company profiles (65'000)
- Clinical trials (800'000)

2) Analyst Reports, Forecasting Excels, Therapeutic Reports

- Analyst Reports (160'000)

3) Investors database (LSN)

4) White label solution for clusters and association

Reports



VENTURE VALUATION
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VC funding rounds

Licensing deals

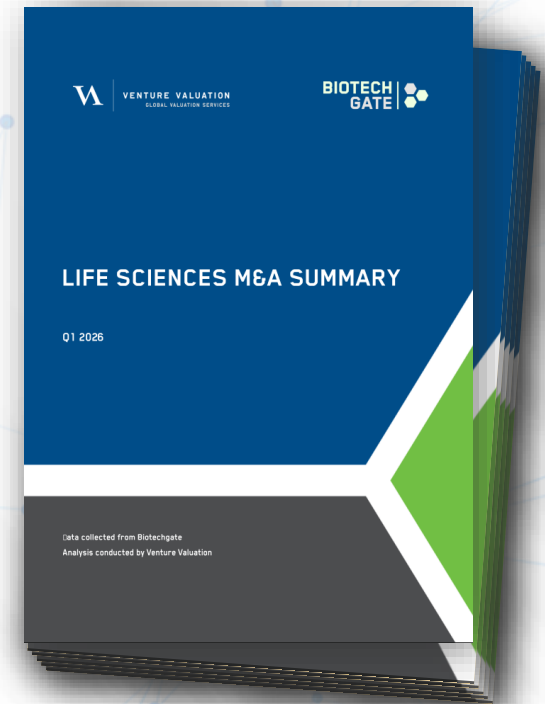
M&A transactions



Dec 2025



Feb 2026

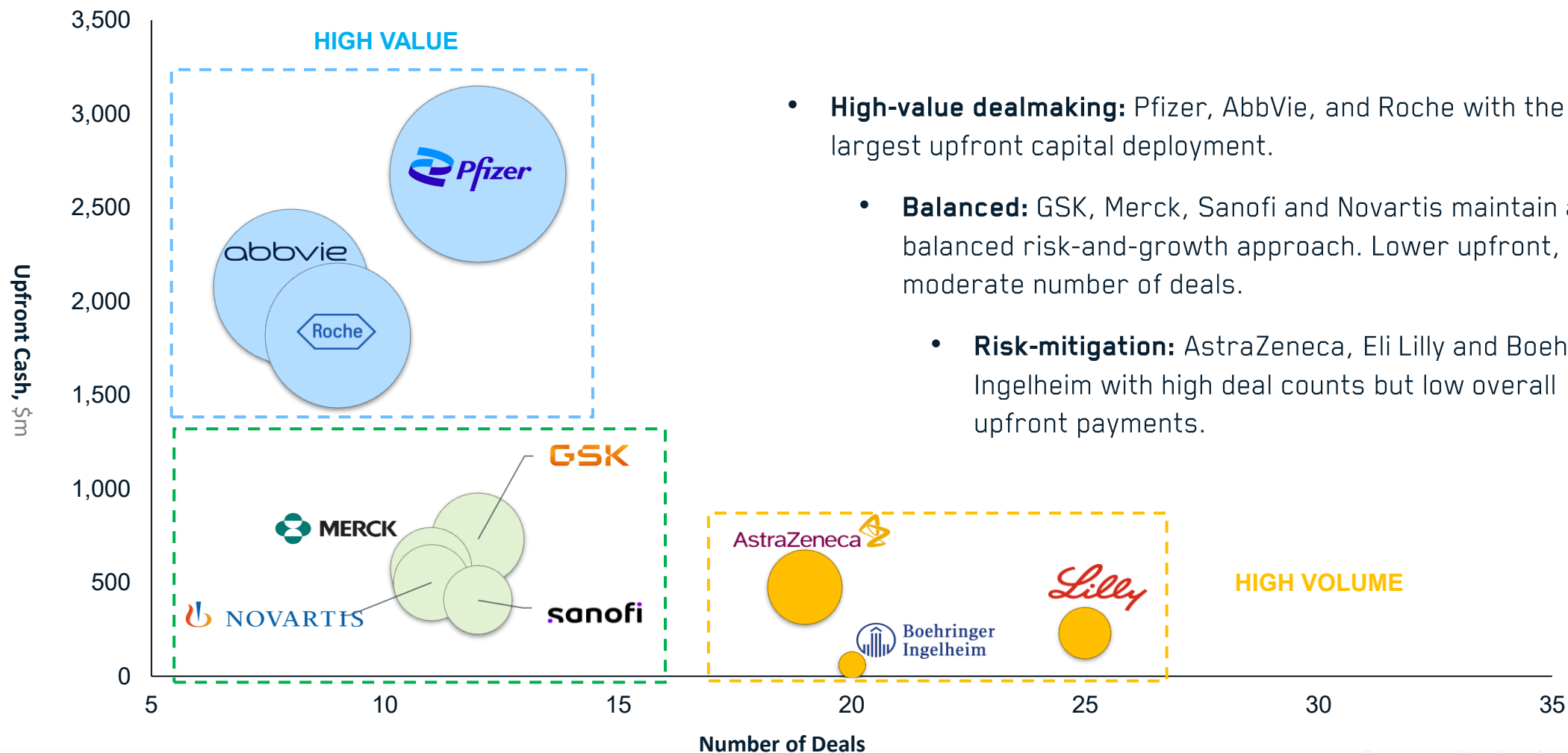


Jan 2026

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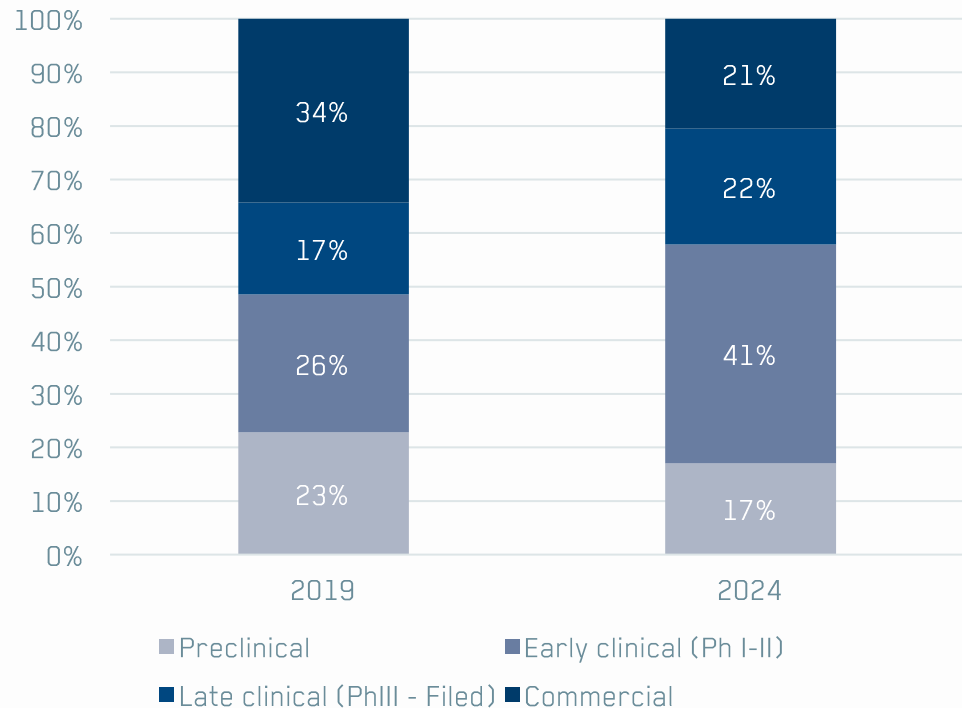
Top Licensees' Strategy



- **High-value dealmaking:** Pfizer, AbbVie, and Roche with the largest upfront capital deployment.
- **Balanced:** GSK, Merck, Sanofi and Novartis maintain a balanced risk-and-growth approach. Lower upfront, moderate number of deals.
- **Risk-mitigation:** AstraZeneca, Eli Lilly and Boehringer Ingelheim with high deal counts but low overall upfront payments.

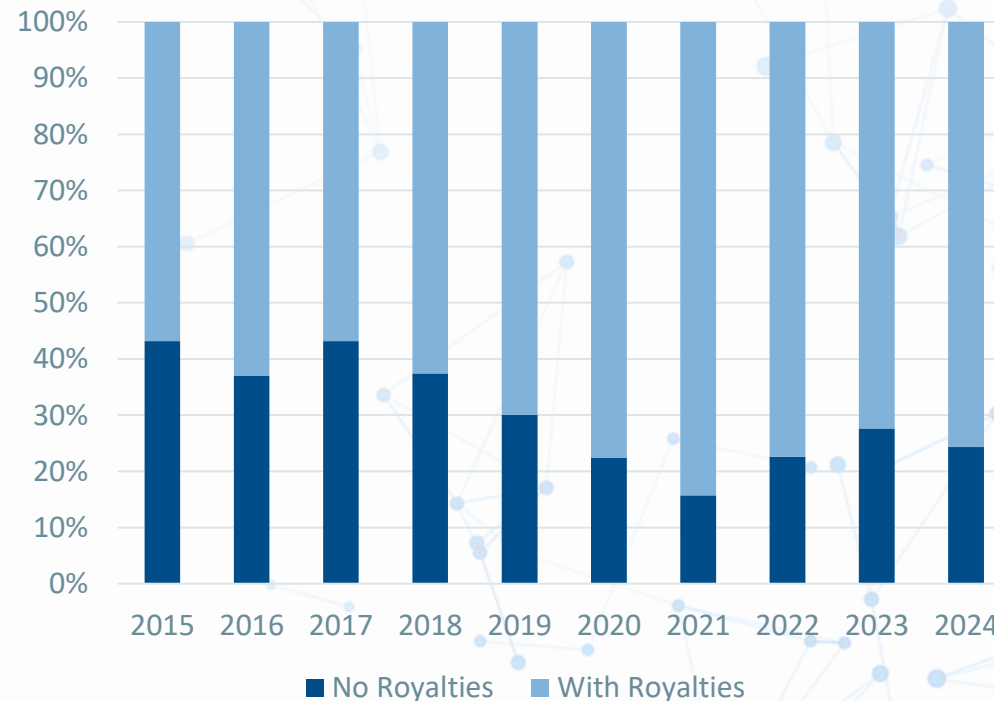
Deal Stage & Structure

Fewer early and late deals



- Preclinical dealmaking down.
- Strong growth in **early clinical** deals.
- Significant drop in deals with assets that are already commercial.

More deals with royalties

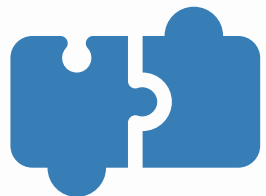


- Until 2018, only around **60%** of deals included royalties.
- In 2024 **75%** of all deals included royalties on revenues.
- Overall trend towards an increase in deals with back-loaded structures.

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Why valuation?



- **Value:** implies the inherent worth of a specific thing
- **Price:** depending on the market (supply / demand); whatever somebody is prepared to pay

"Price is what you pay. Value is what you get."

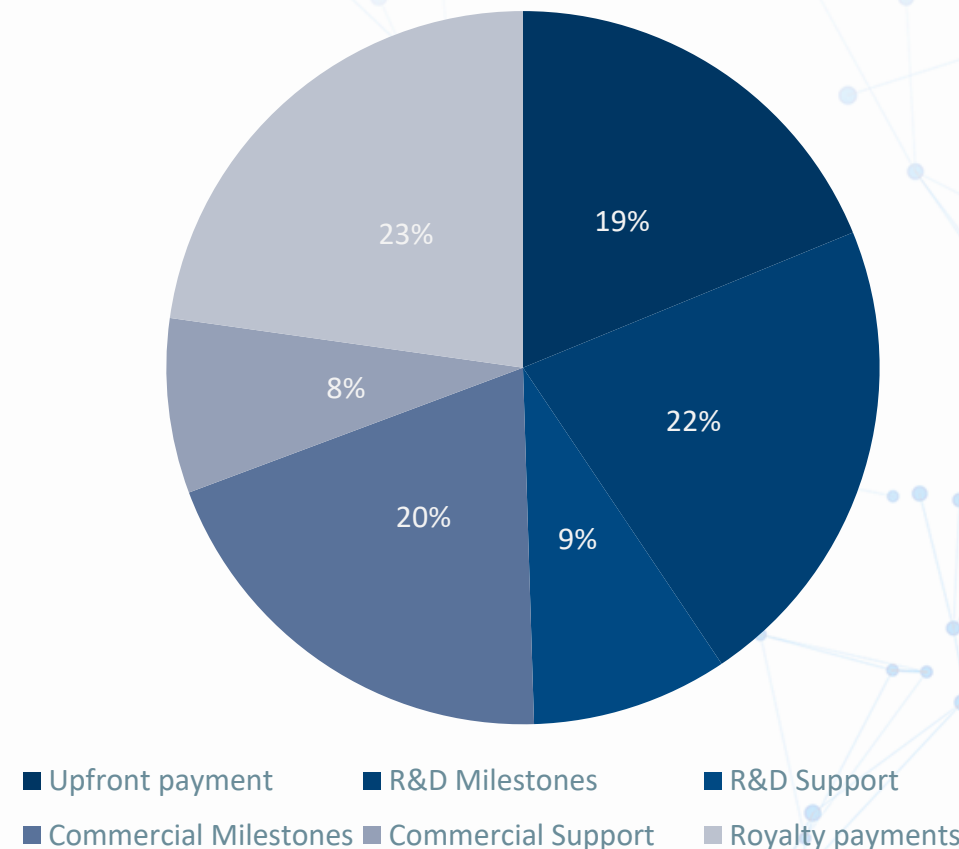
- Warren Buffett

**Valuation
is a tool**

- Determines a fair price
- Forms a basis for negotiation
- Leads to an investment decision

Why valuation?

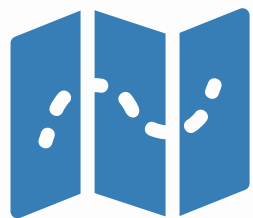
- Total (licensor) asset value of **10m.**
 - **2m** Upfront payment
 - **2m** R&D milestones
 - **1m** R&D support
 - **2m** Commercial milestones
 - **1m** Commercial support
 - **2m** Royalties



Source: LEK Consulting

The number most often quoted in press releases, total deal value, is usually the least informative number.

Assessment



- Understand the fundamentals
- Assumptions drive the valuation
- Assessment/assumptions are key

Assessment

1. Management
2. Market
3. Technology

Company



Product



Assessment to Valuation



Assessment → Define Risk



DCF

rNPV

- **Mature enterprise**
- Revenue generating

- Biotechnology company
- **Therapeutic product in development**

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Valuation Approaches



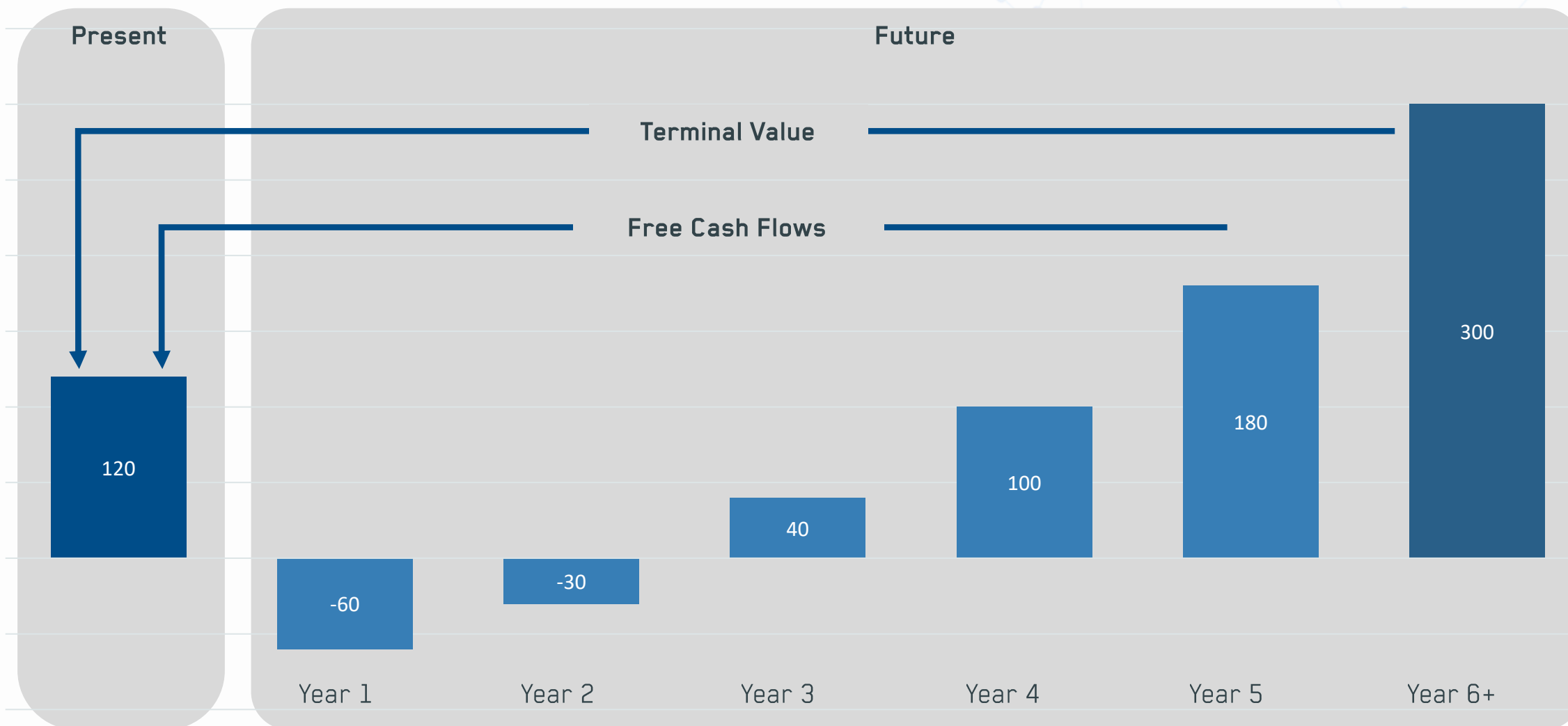
- **Operations-based methods:**
Business plan, fundamentals
- **Market-based methods:**
Price, trends, comparison difficulties

Discounted Cash Flow	Operations Methods
rNPV	
Real Options	
Venture Capital Method	Mixed Method
Market Comparables	Market Methods
Comparable Transactions	

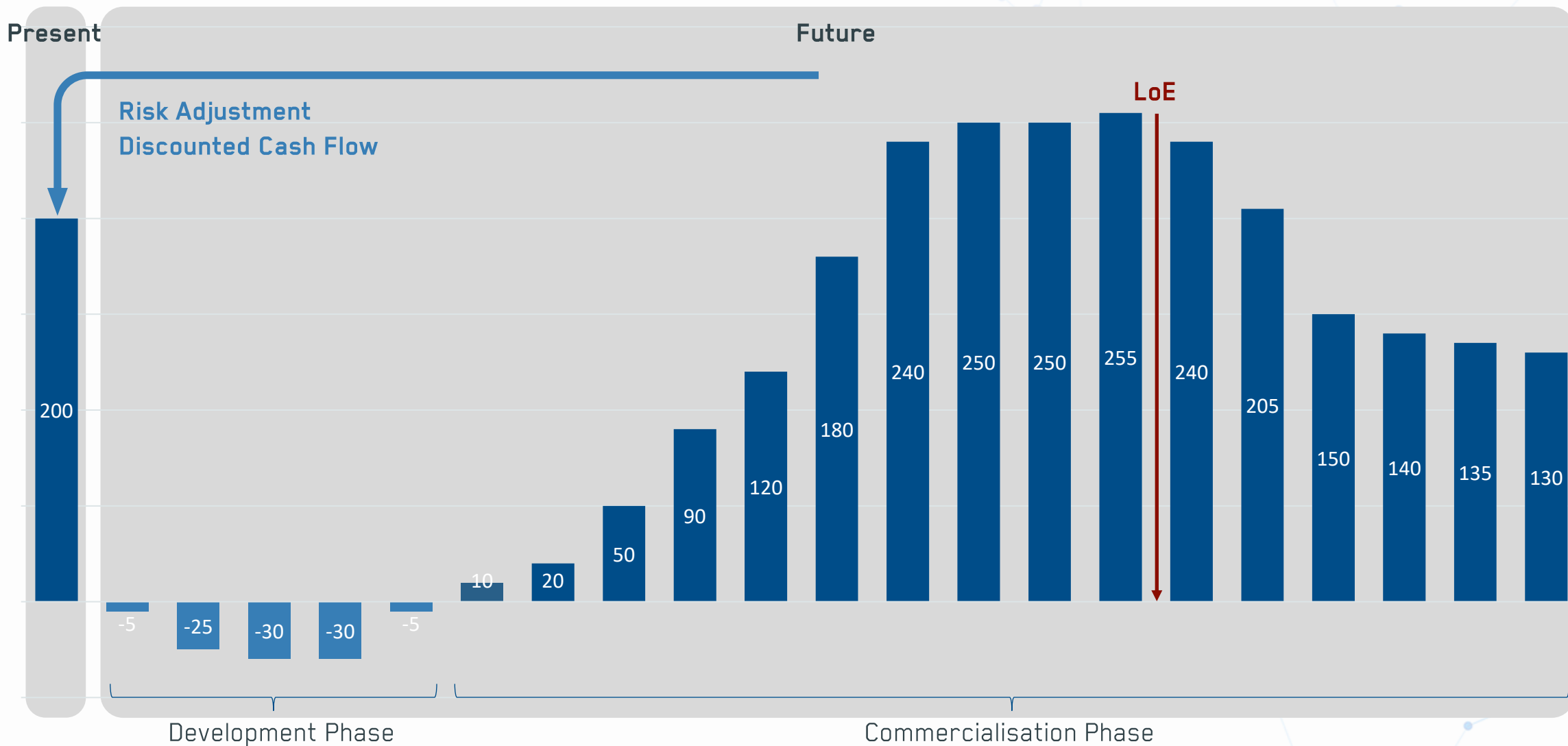
There is no "right method"

Combination of different methods

Discounted Cash Flow (DCF)



Risk adjusted Net Present Value (rNPV)



Technology/Platform Value as an Asset Creation Engine

Model one asset
becomes template for
the platform.

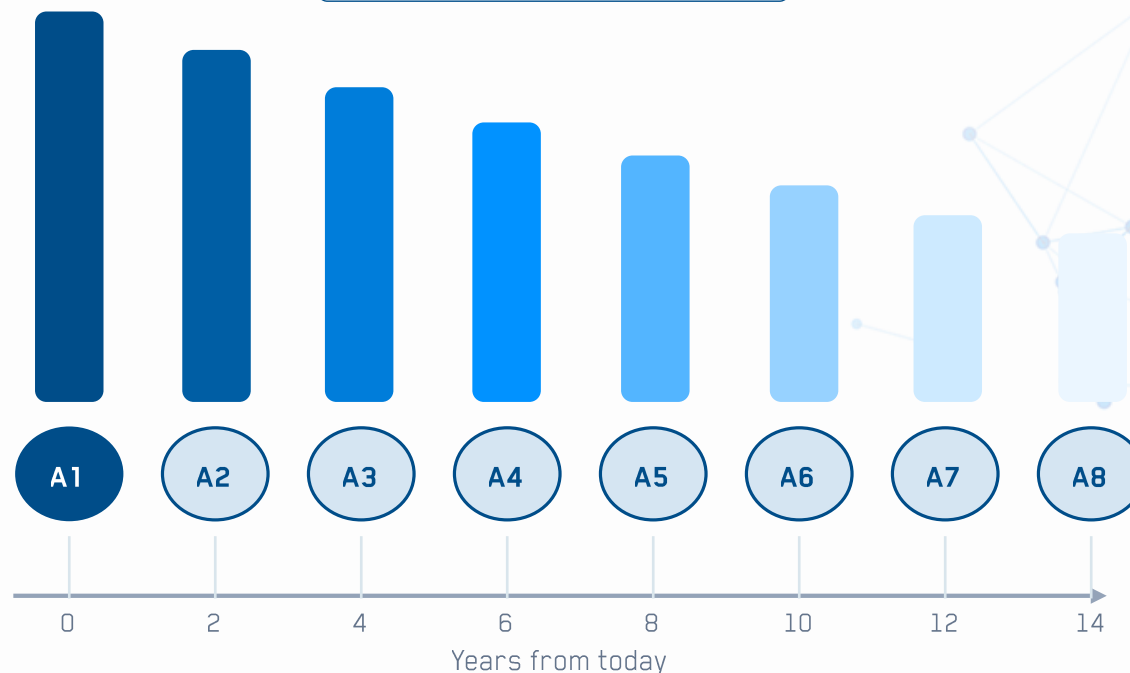
Set cadence and useful life
A2-A8 are assumed to resemble the
representative asset, adjusted as needed.

Sum present values
of all assets.

rNPV

Asset creation engine

Platform value



Platform value = representative asset value + discounted value of future platform-generated assets

Key sensitivities: cadence, platform life, similarity of economics, technical/commercial correlation and discount rate.

5 Steps rNPV



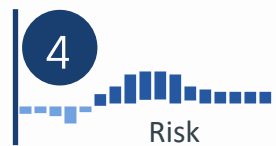
Determine Cash Flows in **Development Phase**



Determine Cash Flows in **Market Phase**



Discount with **Discount rate**



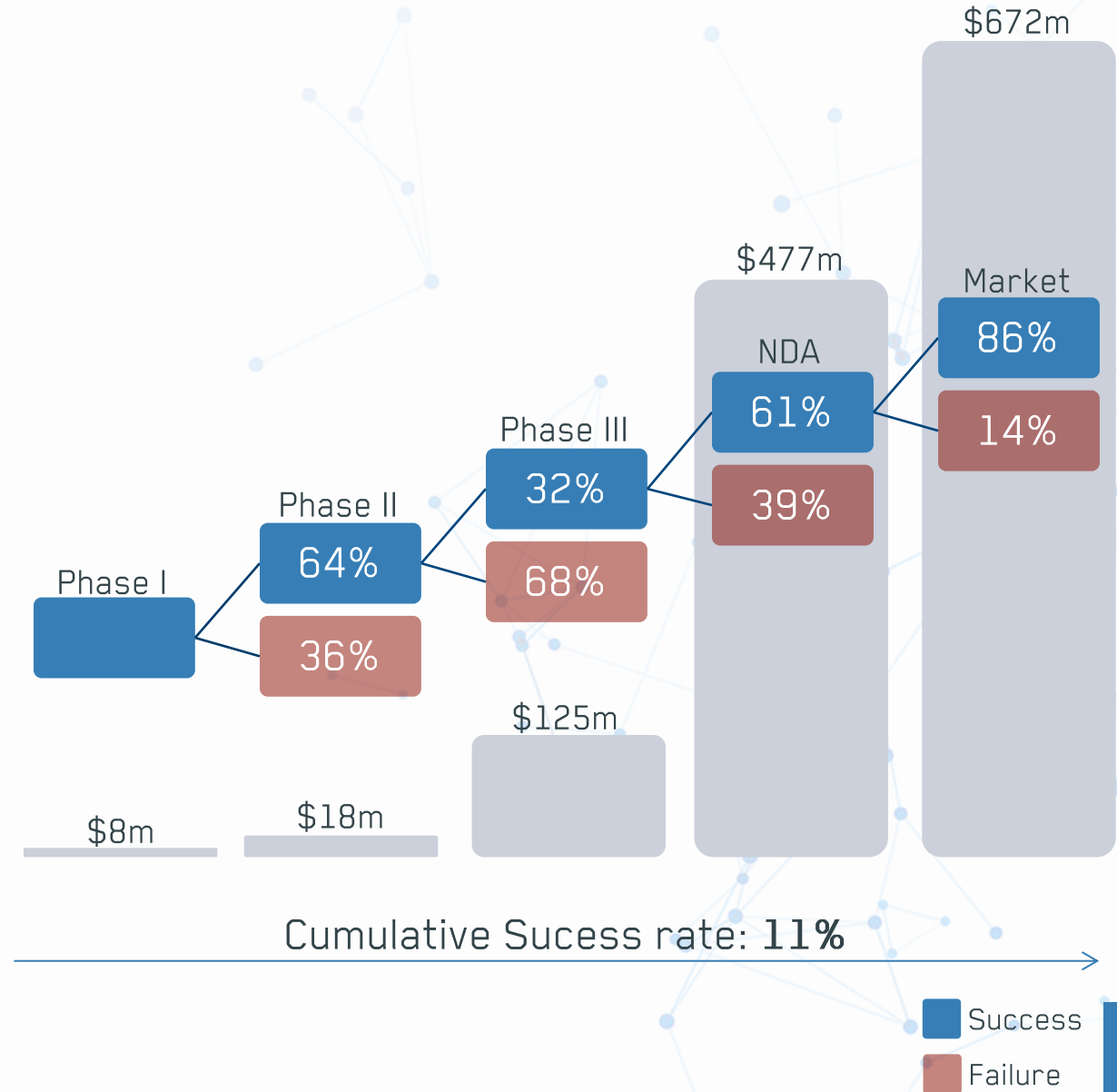
Adjust for **Risk**



Sum discounted cash flows

Adjustment for risk

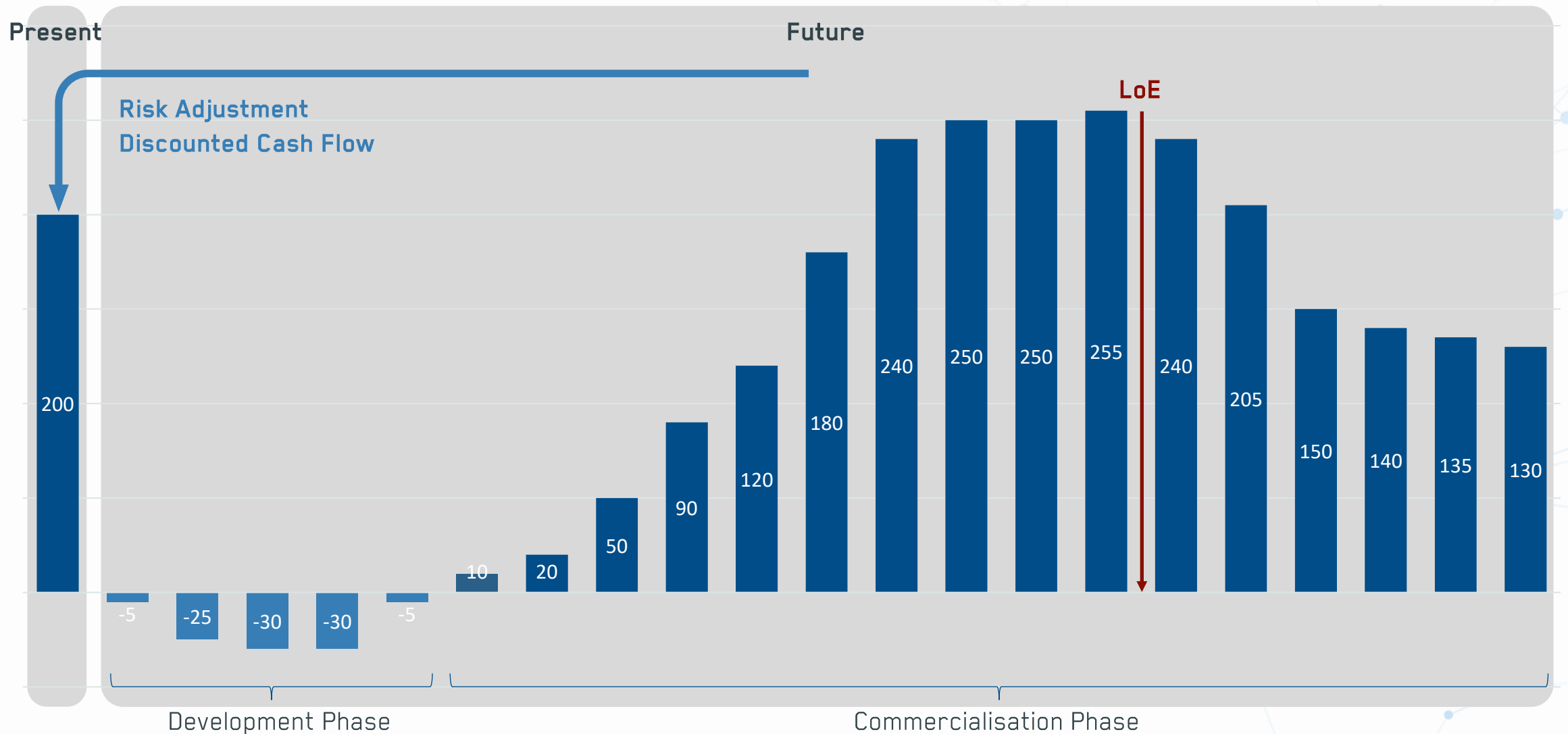
- rNPV → risk adjustment
- Probability to reach next clinical stage
- Value today / future
- Licensing deal terms



Overview

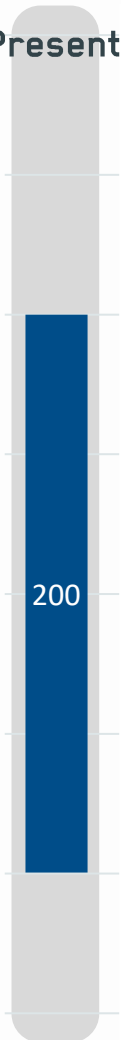
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Risk adjusted Net Present Value (rNPV)



Structuring the Deal

Present



Structuring the Deal

rNPV



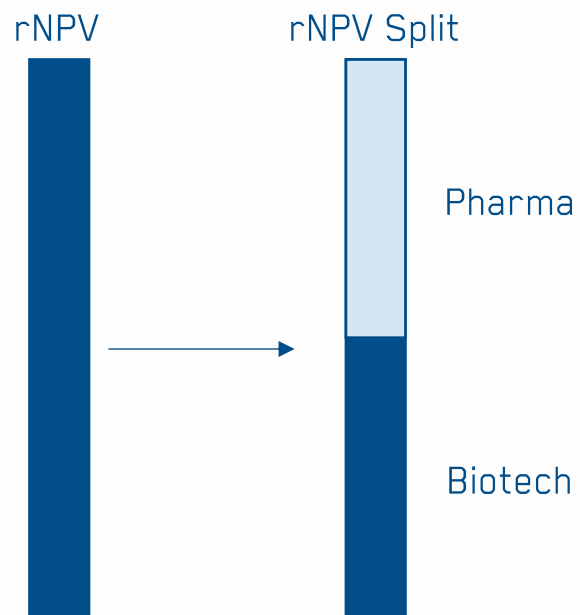
AIM: to develop a (fair) deal structure

- Understand the product value
- The licensee (Pharma) is compensated for taking on risk
- The licensor (Biotech) receives payments and shares some of the risk and rewards
- Deal value split:
 - Biotech - Pharma**
 - 20% - 80%
 - 50% - 50%

Deal value split depends on supply / demand

- Different assumptions (cost, time, market, risk)
- Different cost of capital

Structuring the Deal



AIM: to develop a (fair) deal structure

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Deal Terms = Distributed rNPV

Upfront payment

1 Deal signing

Development & Regulatory Milestones

2 End Phase III

3 Regulatory Approval

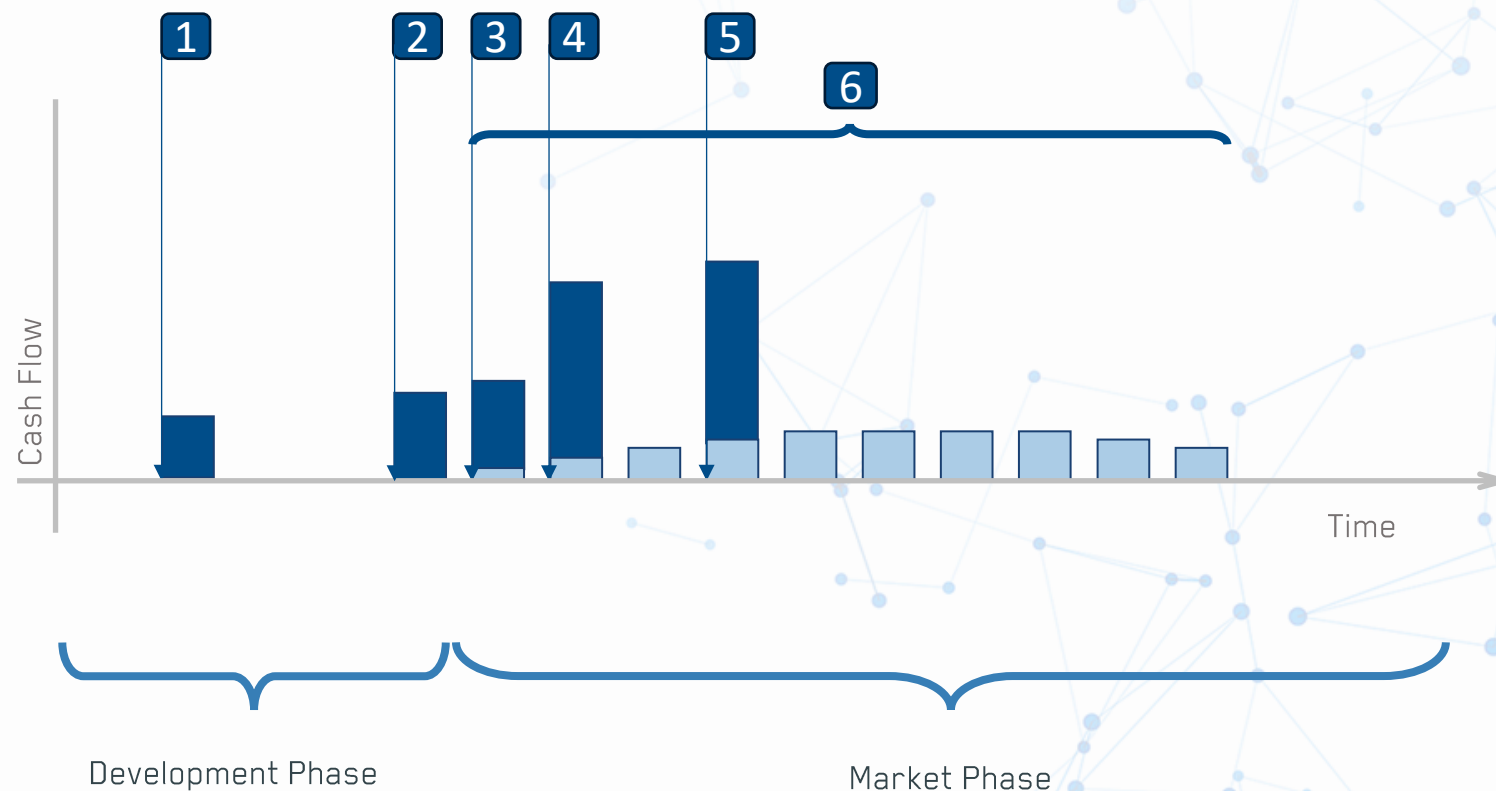
Sales & Commercial Milestones

4 Sales over \$100m

5 Sales over \$200m

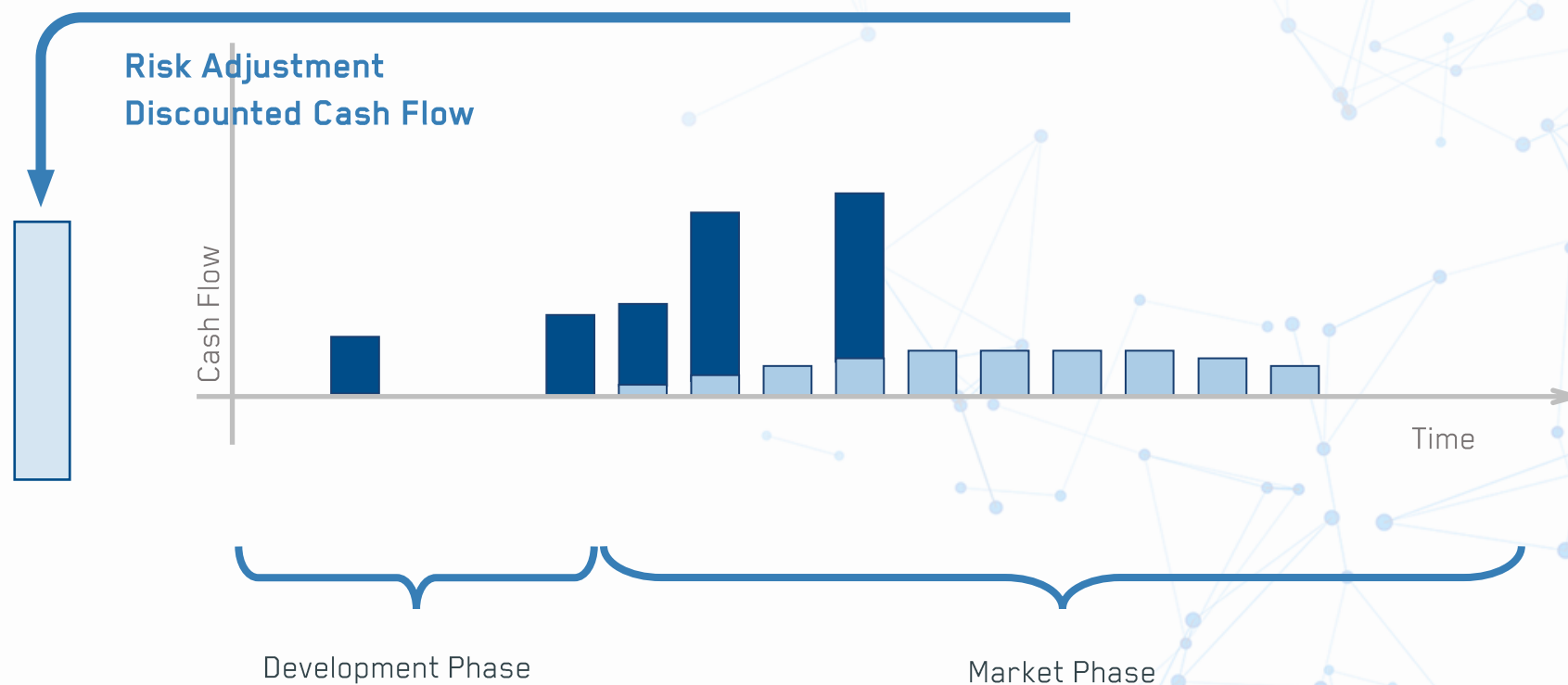
Royalties*

6 Tiered 8% – 12% on net sales

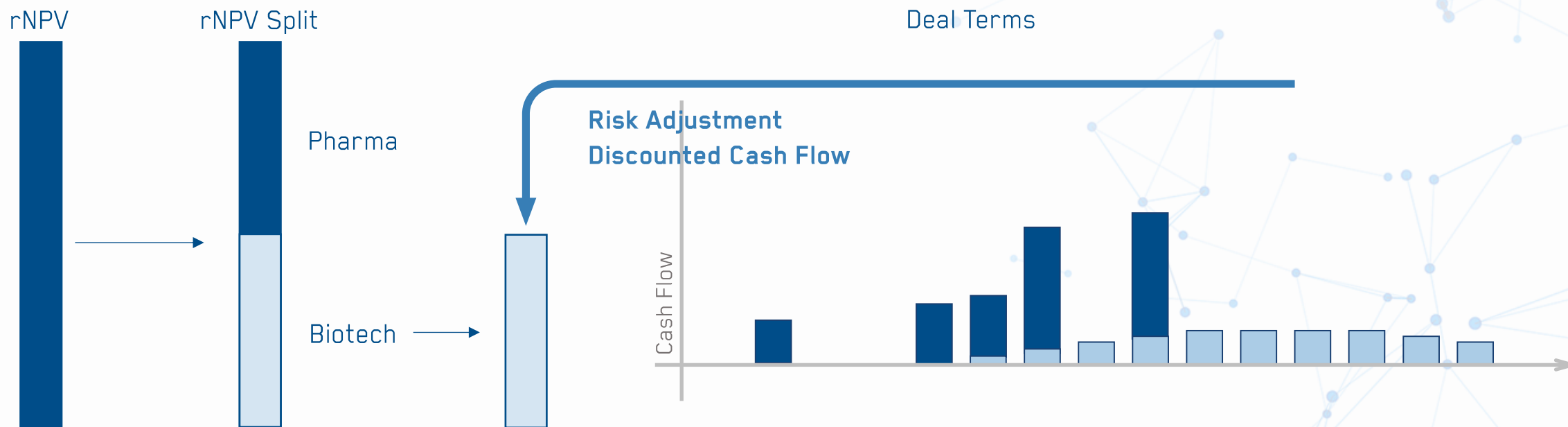


*Typically excluded from "Total Deal Value"

Deal Terms = Distributed rNPV



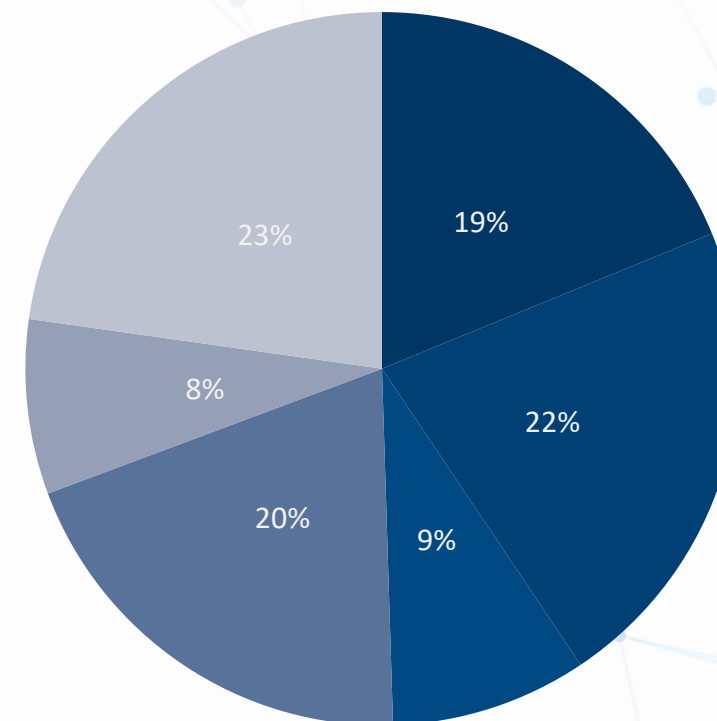
Structuring the Deal



Biotech's Split of Asset rNPV = Present Value of Future Payments

Why valuation?

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 - **1m** R&D support
 - **2m** Commercial milestones
 - **1m** Commercial support
 - **2m** Royalties



■ Upfront payment ■ R&D Milestones ■ R&D Support
■ Commercial Milestones ■ Commercial Support ■ Royalty payments

Source: LEK Consulting

- Front/ back-loading a deal can heavily influence deal structure
- Deal terms dependent on needs of both parties

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Conclusion



- Valuation is a tool to determine the starting point for negotiation.
- Not about finding one right number. It is about deciding which risks deserve cash today and which should remain contingent.

BIOTECHGATE DIGITAL PARTNERING

Virtual business development & licensing event | Aug 31 – Sep 4, 2026

Biotech-Pharma Deal Structure Insights

A Case Study of Contrave



December 2025

Version 1.05

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Biopharma Licensing Insights

Real-World Data from Biotechgate



August 2025

Version 1.05

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THANK YOU FOR YOUR ATTENTION!

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