VENTURE VALUATION
GLOBAL VALUATION SERVICES

The Valuation Experts

Company Valuation & Licensing

RESI Boston, Sep 2026

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Overview

- **Biotech financing challenges**
- Company valuation approaches
- Licensing / Deal value
- Conclusion

Company

SERVICES

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BIOTECH GATE
BUSINESS DEVELOPMENT DATABASE

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 BioFloria, Medicon Valley, Ausbiotech, BIO Deutschland, Maryland, Montreal Invivo, etc.

Biotechgate – the unique BD&L Database

70K+
Company Profiles

Global life sciences companies with structured business and pipeline data.

386K+
Management Contacts

Executive and functional contacts for outreach, qualification and partnering.

42K+
Licensing-ready Assets

Assets and technologies with development phase, indication and licensing status.

1M+
Clinical Trials

Trial activity to support pipeline, competitor and market analysis.

250K+
Reports & Forecast Models

Curated analyst reports and financial models for research, valuation and due diligence.

47K+
License Agreements

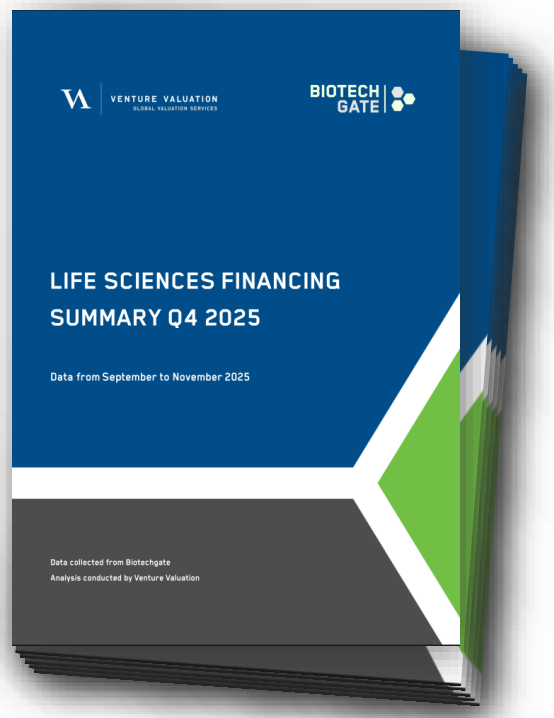
Deal terms, territories, payment structures and original contract references.

Reports

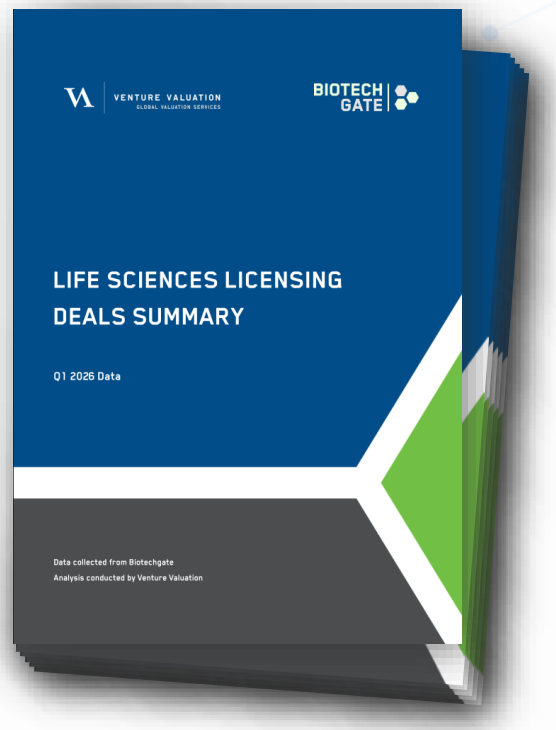
Sign up for Newsletter
Get additional information

BIOTECH GATE

VC funding rounds



Licensing deals



M&A transactions

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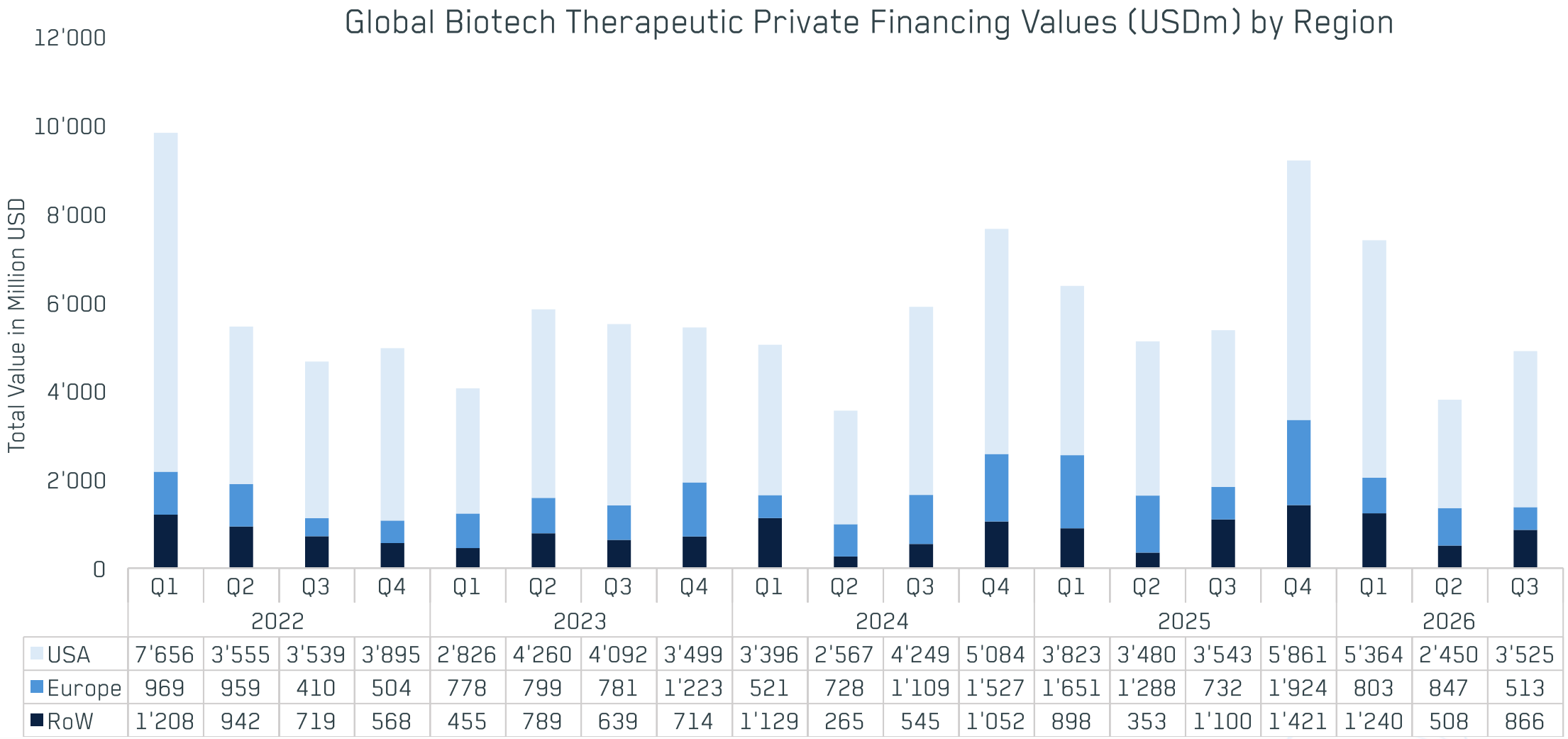
Global biotech VC funding



	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
USA	7'656	3'555	3'539	3'895	2'826	4'260	4'092	3'499	3'396	2'567	4'249	5'084	3'823	3'480	3'543	5'861	5'364	2'450	3'525
Europe	969	959	410	504	778	799	781	1'223	521	728	1'109	1'527	1'651	1'288	732	1'924	803	847	513
RoW	1'208	942	719	568	455	789	639	714	1'129	265	545	1'052	898	353	1'100	1'421	1'240	508	866

Source: Biotechgate Financing Report – Sep 2026 and Biotechgate.com (2026 Q3 only till 15th Sep 26)

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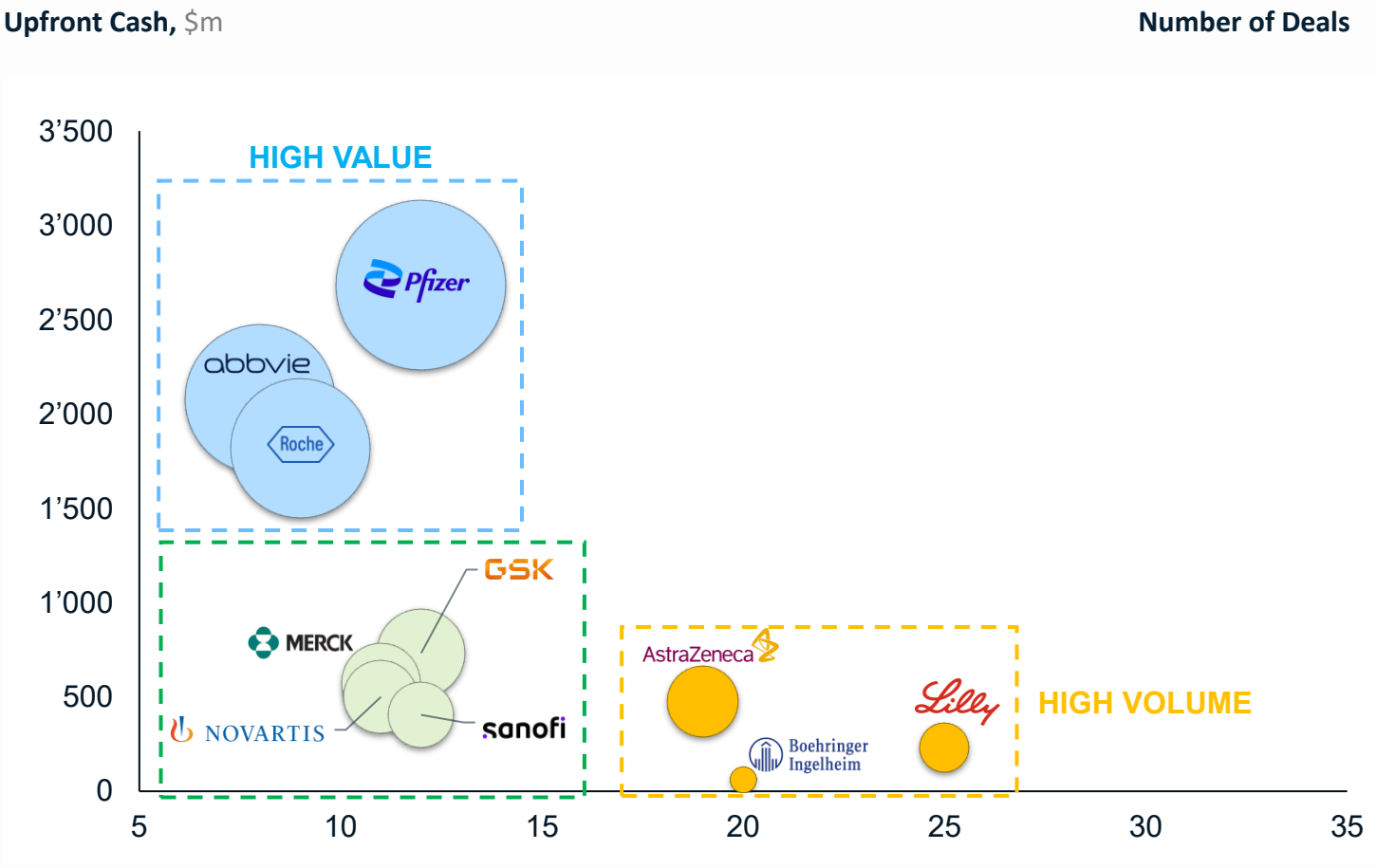
Top licensees strategies



Comments

- **High-value leadership:** Pfizer, AbbVie, and Roche lead in upfront capital deployment.
- **Volume-driven expansion:** Eli Lilly and Boehringer Ingelheim focus on high deal counts.
- **Mid-tier stability:** GSK, Merck, Sanofi and Novartis maintain a balanced risk-and-growth approach.

Bubble size correlates to total upfront cash | Includes only deals over the last 12 months | Source: Biotechgate Licensing Report – Feb 2026

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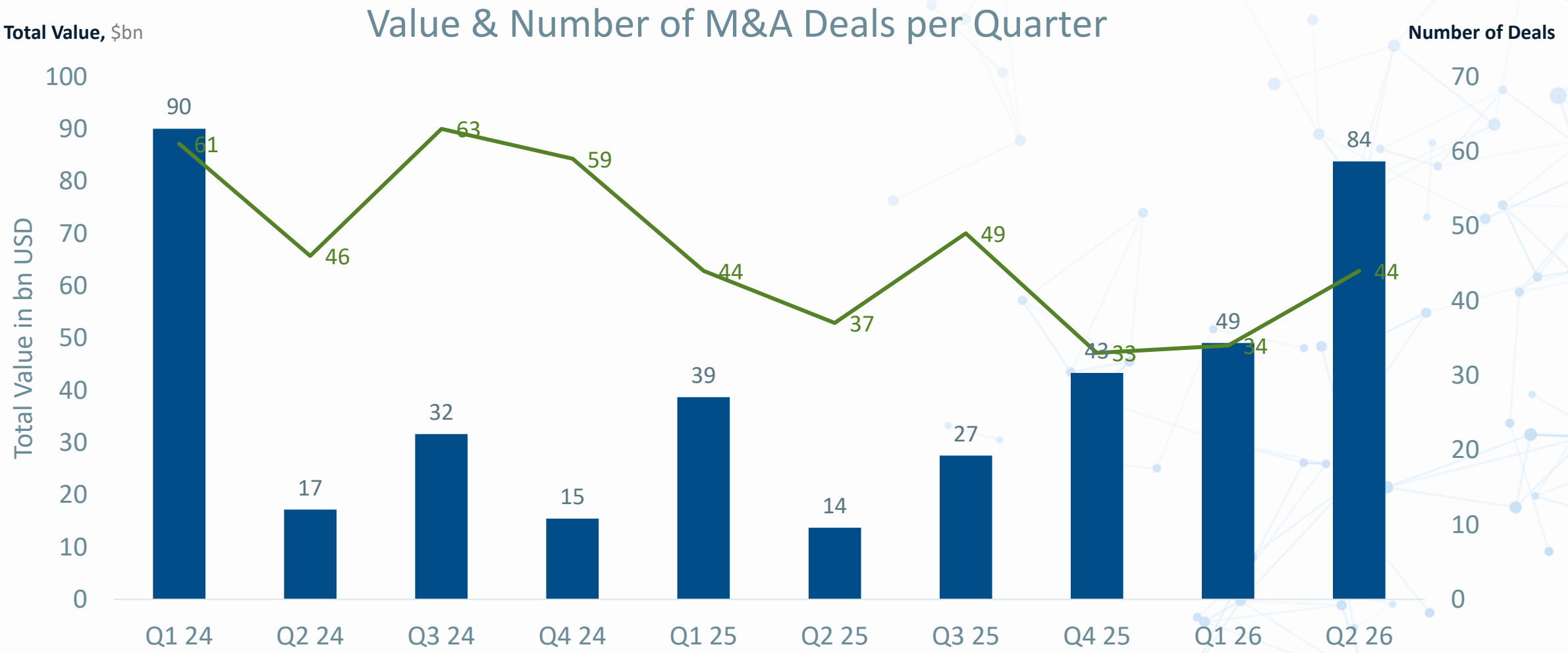
M&A values and deals



Source: Biotechgate M&A Report – Jul 2026

Fundraising challenges

- Limited exits (IPOs)
- Pricing under pressure (drug prices, tariffs)
- Interest rates
- Investors focus on existing portfolio
- General risk adversity of market due to uncertainty

Raising money is a challenge for most companies

There are more projects than available funding

How do companies cope with fundraising challenges?

- Corporate Investors and Family Offices more important
- Product / Project financing by VCs
- Early out-licensing
- Public money is very important where available
- Fee for Service as a way of financing innovation
- Offer, what investors are looking for

→ **Go to appropriate investor / own due diligence**

Equity Finance

	Venture Capital	Corporate Investors	Family Offices	Business Angels
Size	> USD 5 m	Open	Open	< USD 2m
Company type	High risk / potential	Strategic fit, innovative	Service component, opportunistic	Seed / early stage
Total capital requirement	High	High	Medium	Low
Exit	Set 5-10 years	M&A	Long-term partner	Medium term

Dos for Investor preparation

- You need a Business plan
- Be specific. Substantiate statements with market data
- Summarize and properly structure financial information
- Show how much money you need; how do you spend it
- Network like crazy
- Do reference checks on the investor (previous investments)

Overview

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- **Company valuation approaches**
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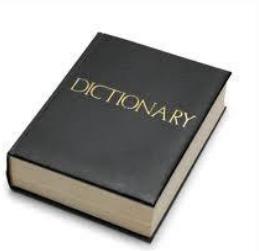
Why valuation?



- **Value:** implies the inherent worth of a specific thing

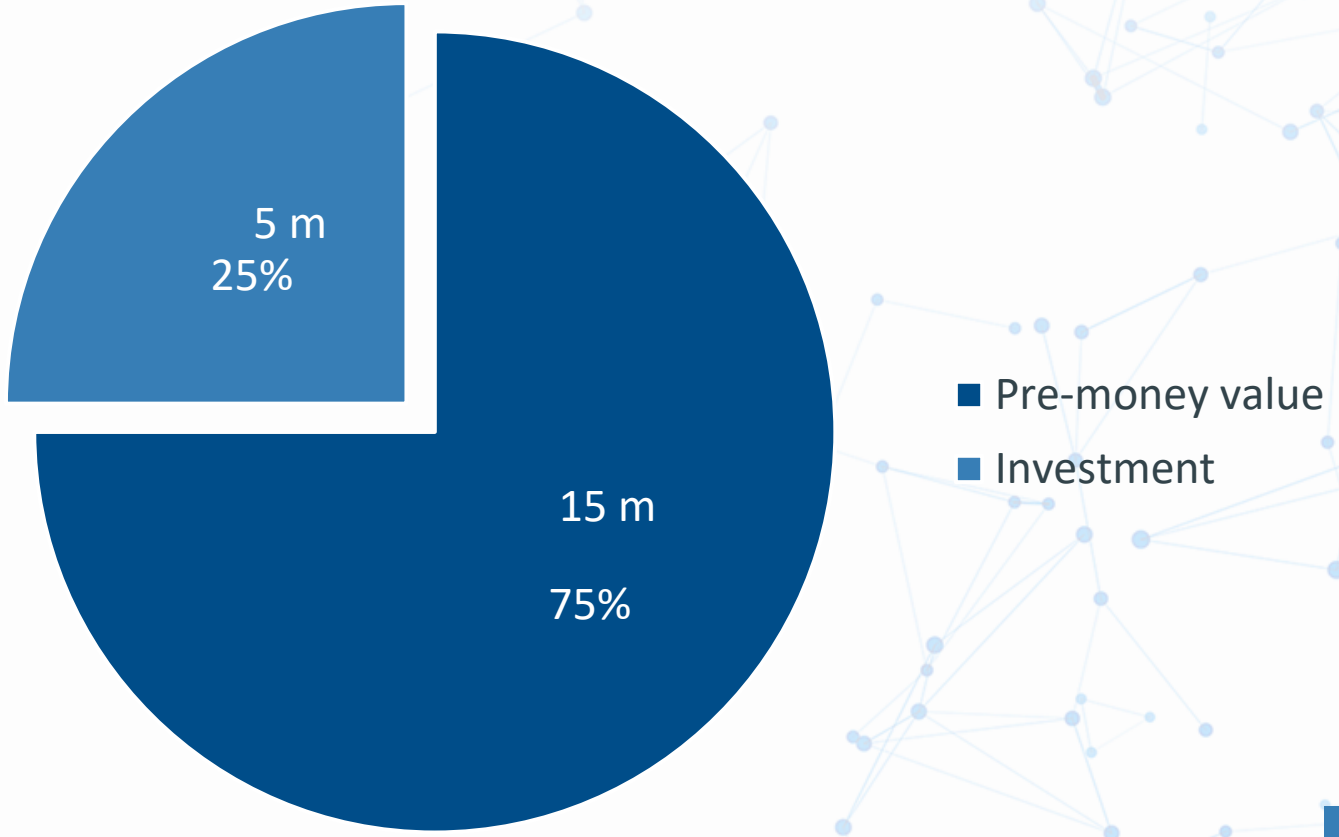
- **Price:** depending on the market (supply / demand); whatever somebody is prepared to pay

"Price is what you pay. Value is what you get."
By Warren Buffett

→ **Provide basis for negotiation, investment decision, fair share price**

Why Valuation

- Value before investment (pre -money value): USD 15 m
- Investment: USD 5 m
- Value after investment (post-money value): USD 20 m
- Share Investor: 5 m / 20 m = 25%



Life Science Valuation

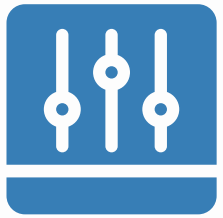
- Valuation is key issue for Biotech / LS companies
- Complex technology and IP situations
- Very difficult (high uncertainties, risk)
- High potential for investors
- Long investment cycle
- Traditional valuation methods unsuited

Mind-set of Investors

- Take high risk, but expect high returns
- Pressure from investors
- Compete in capital market

	Probability of failure	Return
Government Bond (10 year)	0%	4%
Bonds	5%	7%
Blue Chip Company	10%	9%
Tech company (Nasdaq)	50%	20%
Biotechnology Company	80%	50%

Valuation Approaches



- **Operations-based methods:**

  Business plan, fundamentals

- **Market-based methods:**

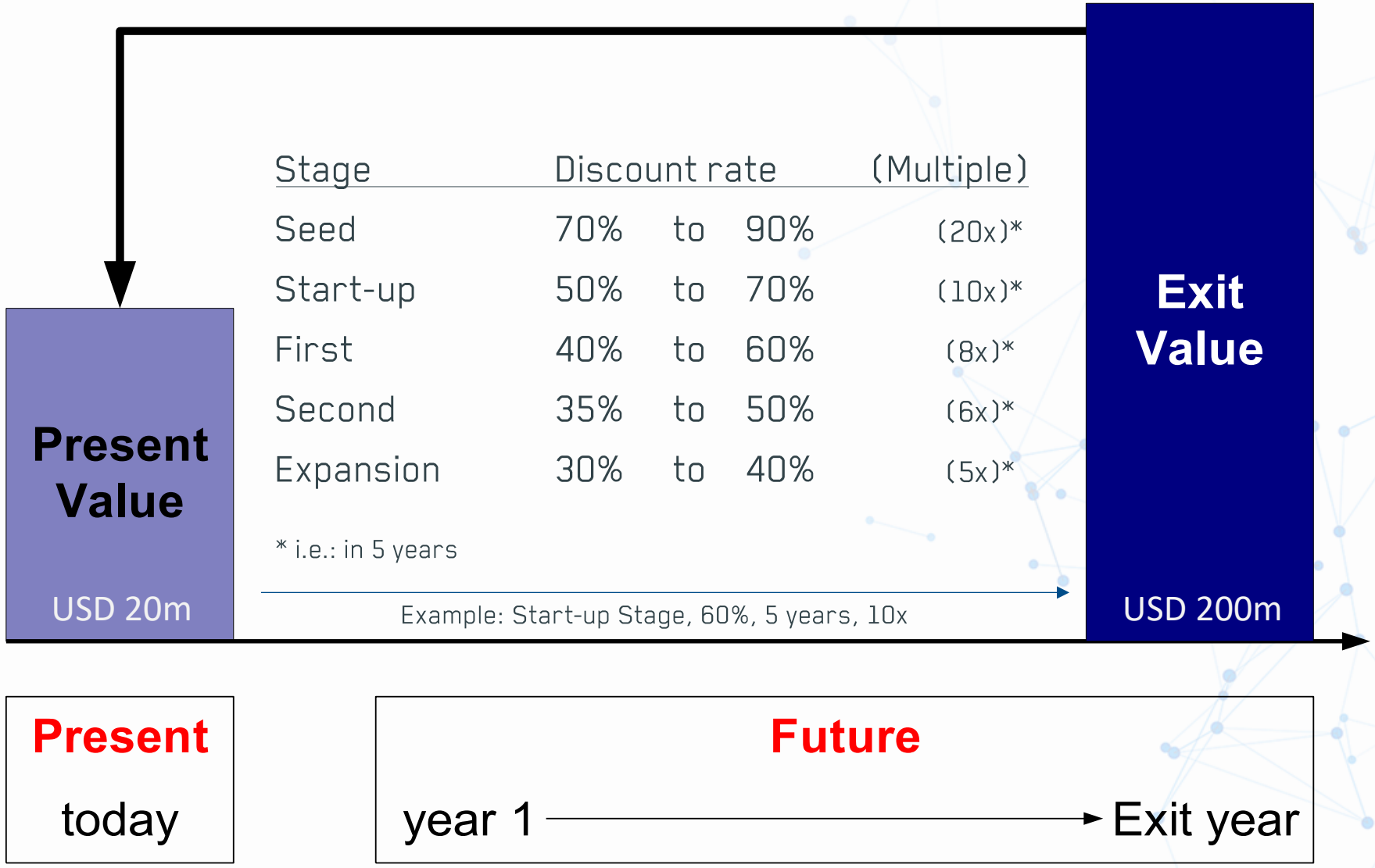
  Price, trends, comparison difficulties

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

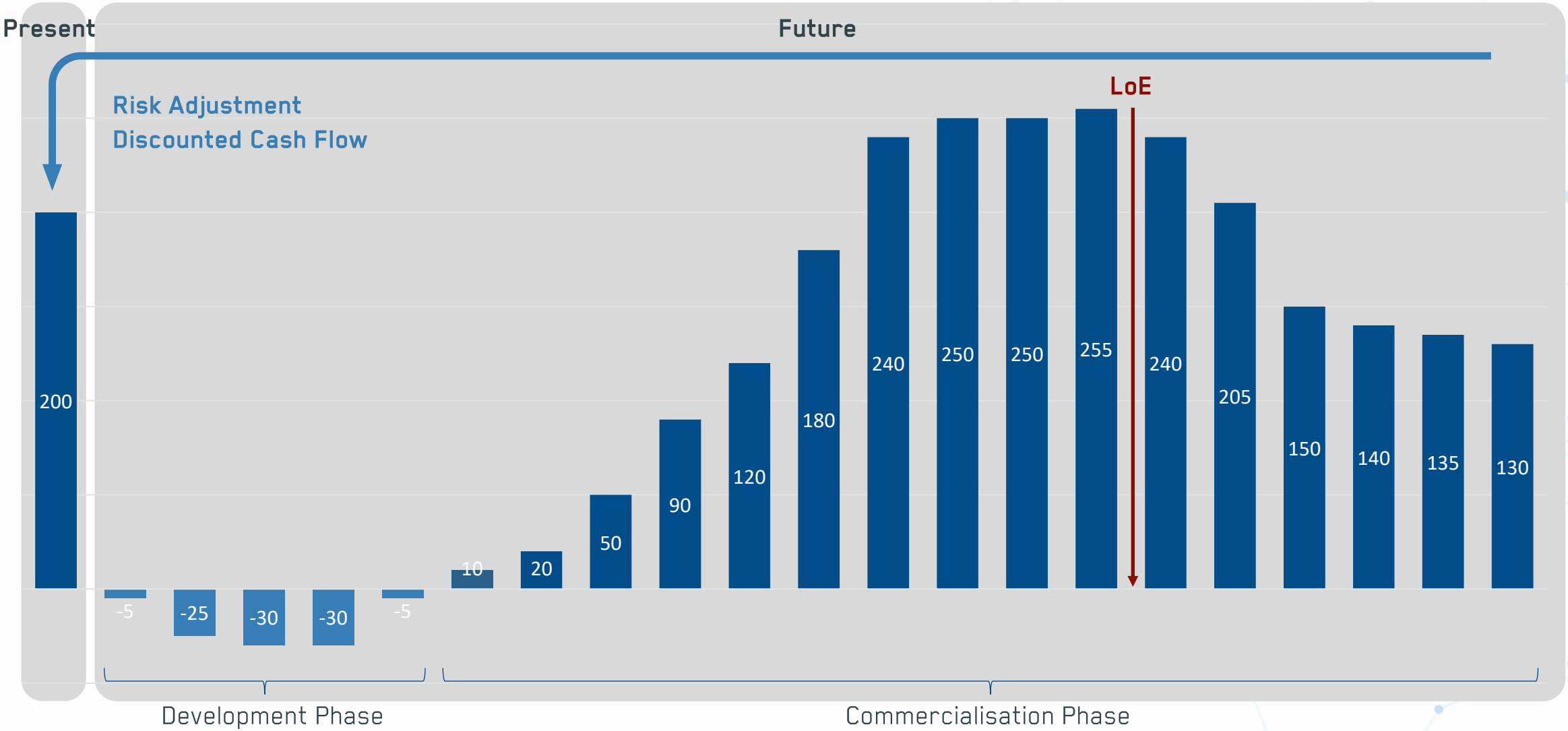
There is no "right method"

Combination of different methods

Venture Capital Method



Risk adjusted Net Present Value (rNPV)

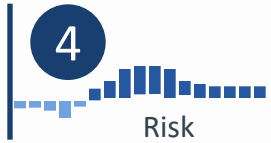


5 Steps rNPV

Determine Cash Flows in **Development** Phase

Determine Cash Flows in **Market** Phase

Discount with **Discount rate**

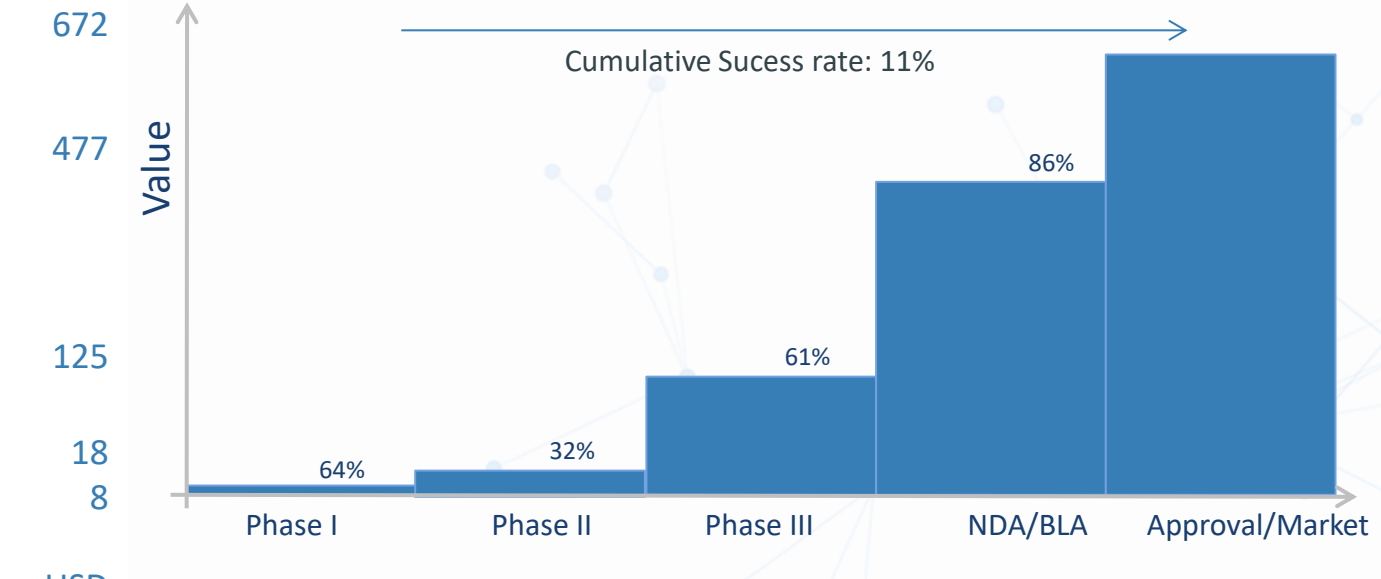


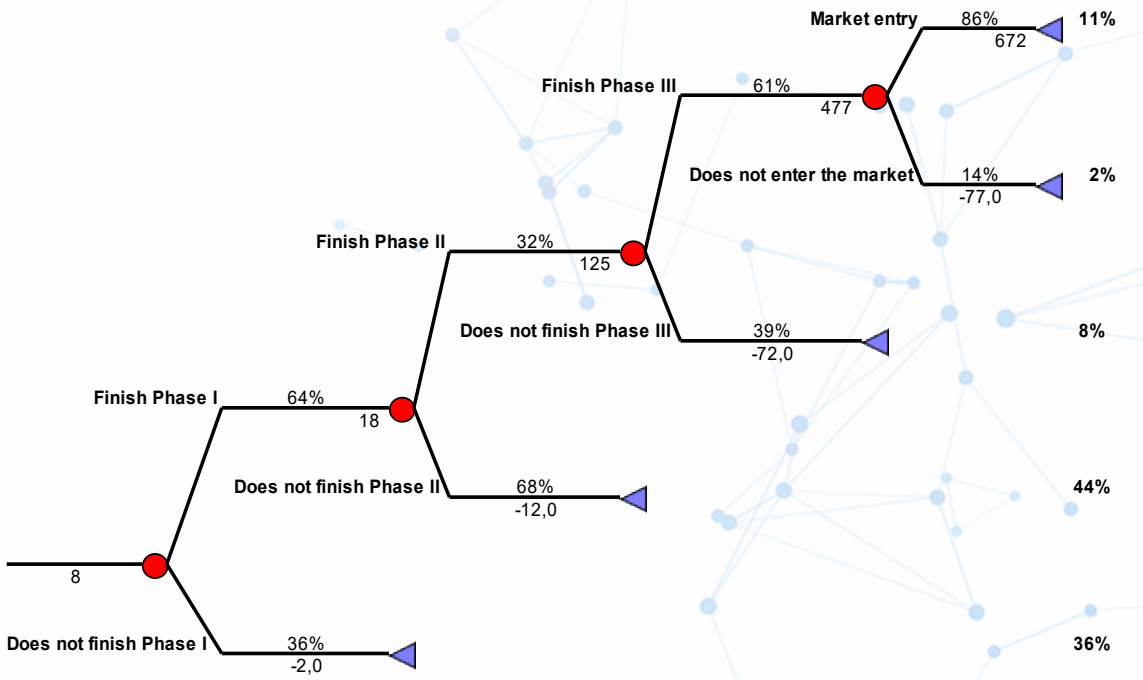
Adjust for **Risk**

Sum discounted cash flows

Adjustment for risk

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





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Licensing Deal terms

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

In USD m	Payment of	rNPV* (or up-front)
Up-front	1 m	1 m
Finish Pre-clinical	1 m	0.44 m
Finish Phase I	1 m	70'000
Finish Phase II	1 m	17'000
Finish Phase III	1 m	8'000
Approval / Enter market	1 m	5'000
Royalties	1%	0.70 m

* Time value of money and Risk adjusted

Deal Value examples

Scynexis Inc. (USA) out-licensed Brexafemme (*infectious disease* - Candidiasis) phase III to **GSK plc** (UK) in 2023

=> Deal value: USD 593m

- Up-front: USD 90m
- Regulatory & Commercial milestones: USD 260m & USD 243m
- Royalties: ~ 5%-15%

ABL Bio (Korea) out-licensed ABL301 (Parkinson) pre-clinical to **Sanofi** (France) in 2022

=> Deal value: USD 1’060m

- Up-front: USD 75m
- Near-term regulatory milestones: USD 45m
- Other regulatory and commercial sales milestones: USD 940m
- Royalties: yes

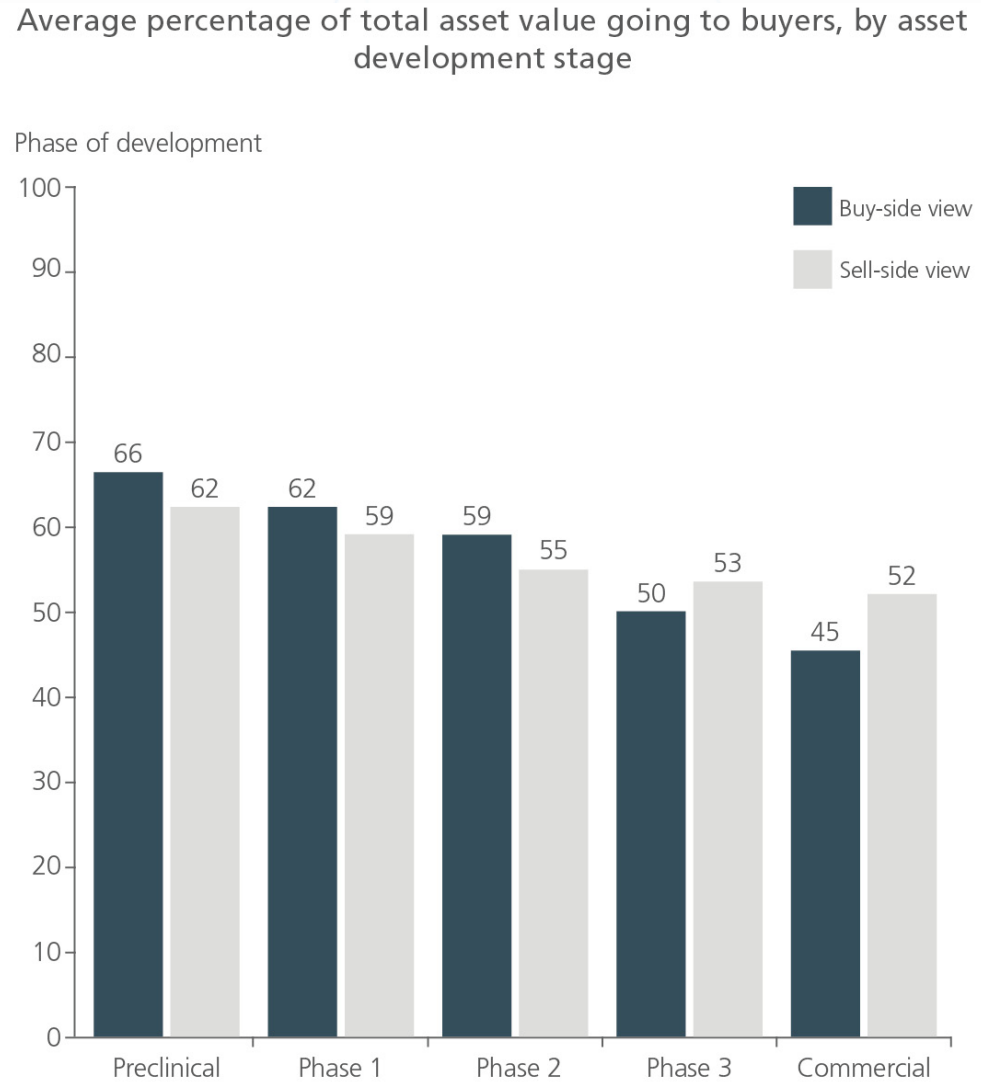
Licensing deal split

In USD	Scynexis Inc. (USA) GSK plc (UK)		ABL Bio (Korea) Sanofi (France)	
Deal Value**	**593m**	**Phase III (PoS)**	**1'060m**	**Pre-clinical (PoS)**
Up-front	90m	100%	75m	100%
Early regulatory milestones (finish ph I)*			45m	29%
Later regulatory milestones (finish ph III)*	260m	64%	940m 300m*	8%
Commercial milestones (first sales)*	234m	59%	640m*	4%
rNPV (risk adjusted & discounted)	**226m**		**82m**	

* Venture Valuation simplified assumptions; ** Royalties not included

How the Deal Value Split Works

- Deal terms => split of value
- Does not increase/decrease the value
- Split between different parties (biotech, pharma, university) => total = 100%
- Starting point: value of the whole asset
- Generally, earlier stage assets => higher value to buyer / pharma / licensee



Source: L.E.K. HIC BD simulator survey (2020)

Different Cost of Capital

- Different WACC => different values
- Lower WACC => higher value
- Pharma has lower WACC => could offer better deal-terms (still positive)
- Who will benefit from lower cost of capital?
- Deal-terms determine value share => negotiations

	Base case — equal WACC			Pharma at lower WACC		
	Value	WACC	Deal share	Value	WACC	Deal share
Pharma	35	**17%**	40%	94	**12%**	65%
Biotech	52	17%	60%	52	17%	35%
Total	**87**	**—**	**100%**	**146**	**—**	**100%**

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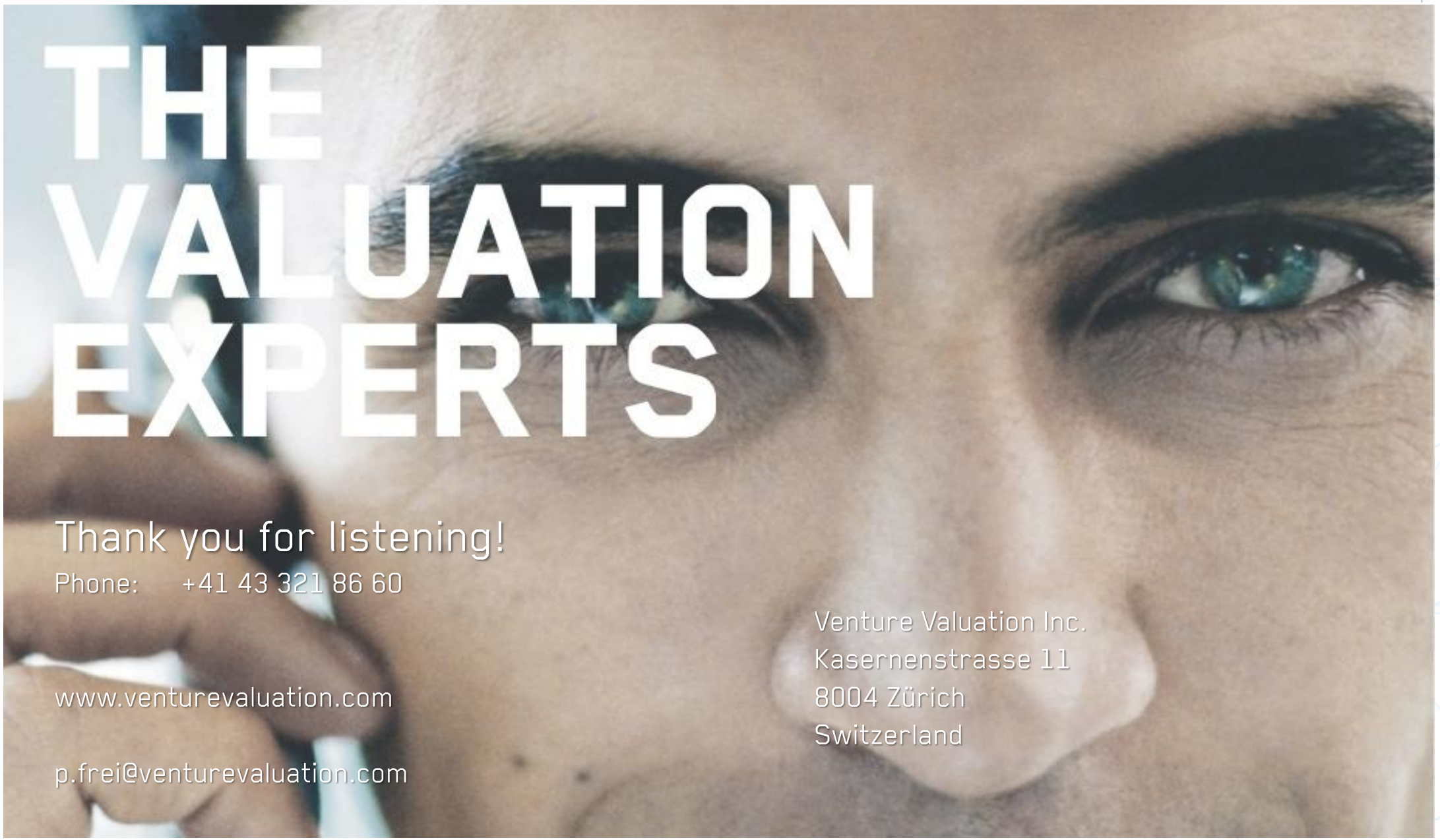
Conclusion

- Think outside the box / be creative
- Finding investor is a numbers game
- Valuation is all about the assumptions
- Price vs. Value
- Deal value ≠ Value today
- Reduce the risk to increase value



Thank you for listening!

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