



Introduction to Investment in Infectious Diseases

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InnovFin Product Overview



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How does InnovFin Infectious Diseases work?



- Broad range of products - standard debt instruments (i.e. senior, subordinated, and mezzanine) to risk sharing instruments (RSL) with forgiveness options
- EIB can only finance 50% of project costs
- Comprehensive due diligence (legal, financial, technical, etc.)
- EIB standard documentation under English or Luxembourgish law

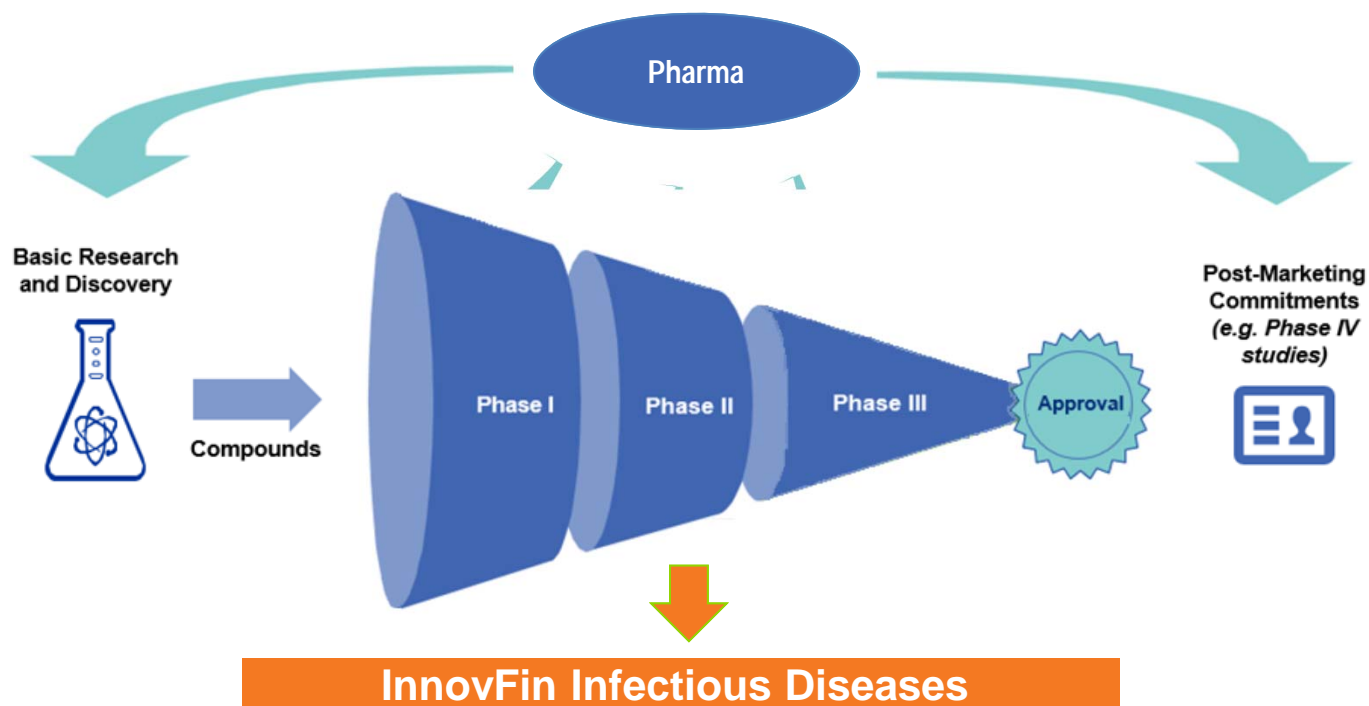
Which projects can be supported?

Eligible Projects



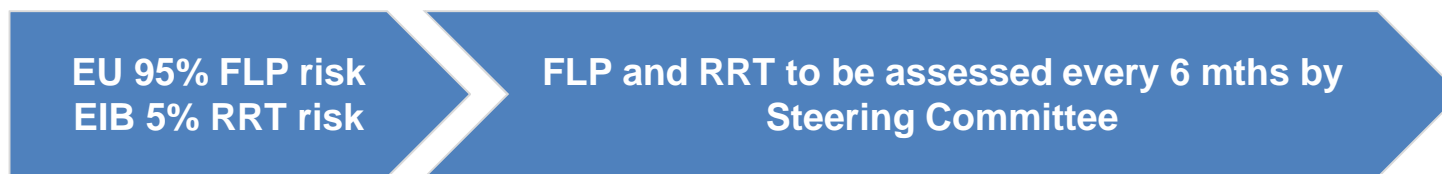
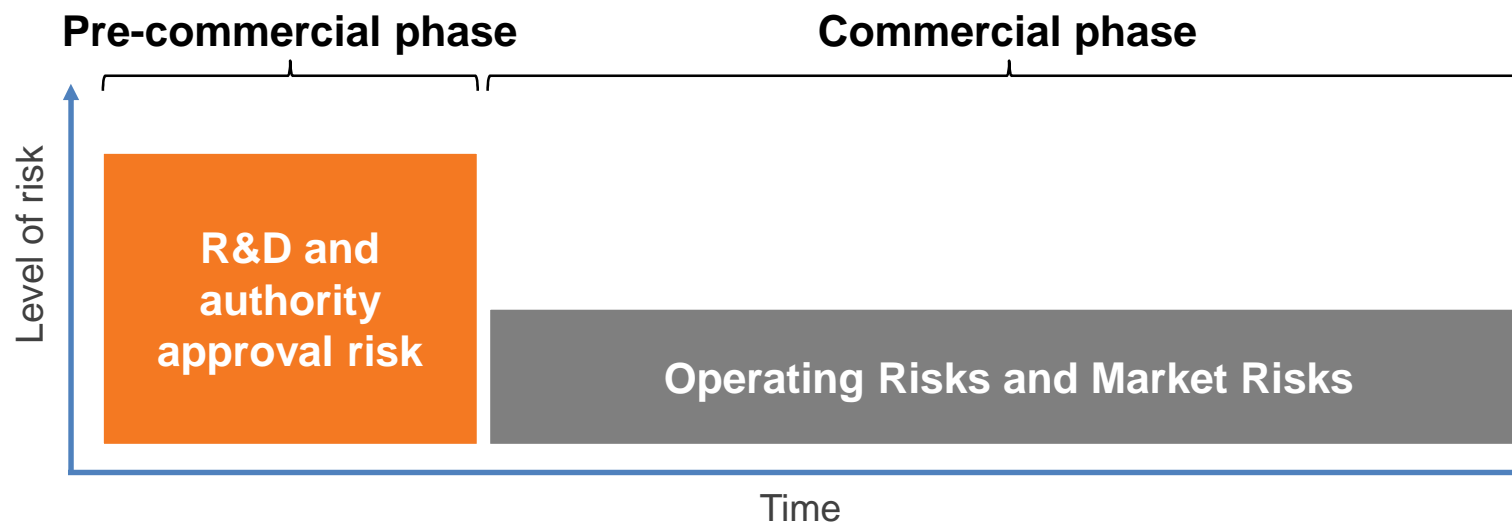
- Projects which have passed pre-clinical stage and for which clinical validation is needed for further development
- Loan amount: **min EUR 7.5m, max EUR 75m**
- Loan maturity: **up to 7 years**
- Currency: **EUR and local currency**
- Pricing : **commensurate to the risk incurred**

Innovative vaccines and R&D financing



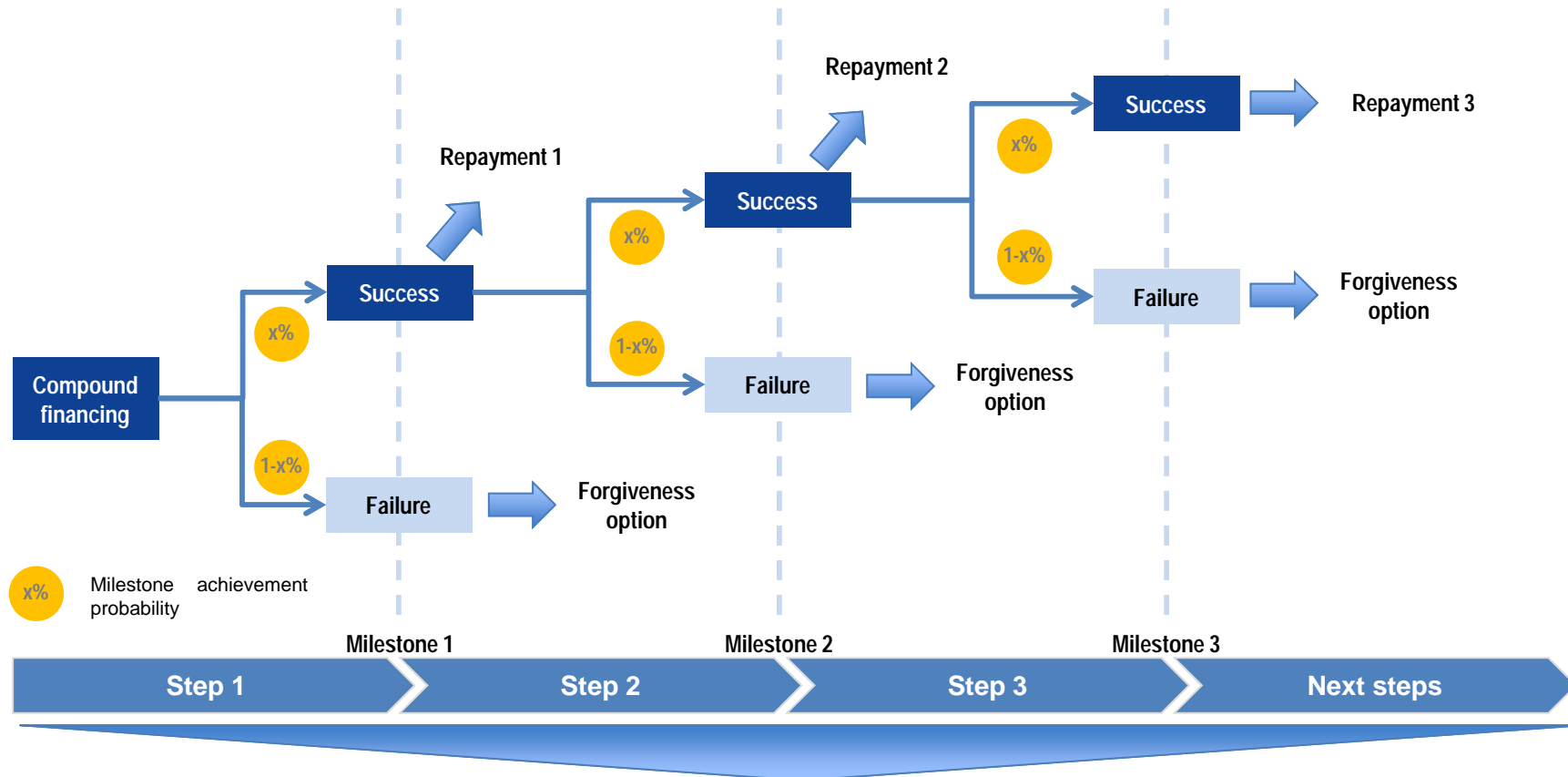
- Review of all Promoter's Infectious Diseases R&D activities
- Definition of risk-sharing portfolio (entire portfolio or sub-set of the most promising compounds incl. at least 5-10 different streams to diversify risk)

EU - EIB Sharing of Risk



FLP – First loss piece
RRT – Residual risk tranche

Risk-Sharing-Loan Mechanism



Set up of development milestones/related payments to be structured to target, on a probability adjusted basis, the repayment of the RSL plus a return commensurate with the risk incurred

Infectious Diseases Annex – Eligibility criteria (1/2)

- 1

Geography

 - ✓ Borrower must be established and/or operating in one or several of the Member States and H2020 Associated Countries (Participating Country)
 - ✓ As long as the condition above is fulfilled, the Project and/or the IP development (e.g., clinical trials can be undertaken outside a Participating Country)
- 2

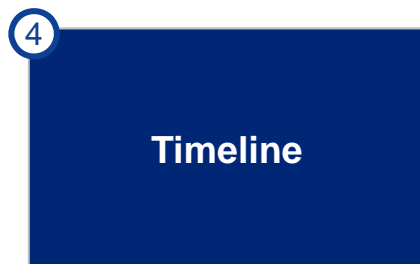
Innovativeness

 - ✓ The project has proven market potential and/or public health impact
 - ✓ Proceeds must be invested in producing or developing innovative products, processes and/or services in the field of infectious diseases
- 3

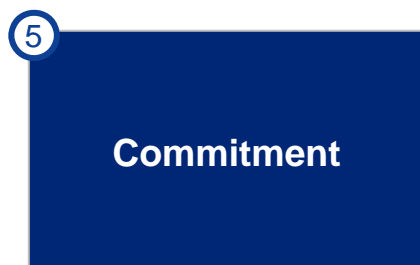
Validated technology

 - ✓ The project must have gone successfully through the pre-clinical stage
 - ✓ The project must be at pre-commercial stage

Eligibility criteria (2/2)



- ✓ At the time the project is included under the facility, the projected start of commercial operation of the product is expected to happen within a period of maximum 4 years (not applicable in the case of RSL)



- ✓ Promoters must be willing to substantially co-fund the project (with at least 25% of the identified project costs) with own funds (shareholders' equity).