



Vision paper

The
key to
successful
fundraising
in life
sciences



The key to successful fundraising in life sciences

One of the most characteristic features of the life sciences industry is its 'high risk – high return' nature. Innovative companies are dependent on external financing for a lengthy period, to cover the costs of scientific research and product development before they can start generating income for themselves.

— In this vision paper, we share some of our best practices and provide insight into how FFUND supports directors of innovative companies and projects in successfully securing an optimal blend of financing to bring their product to the market.

FFUND's team of entrepreneurs, science and business consultants has worked with hundreds of innovators in life sciences. We often see incredible product innovations that have the potential to transform the treatment of patients when they are introduced onto

the healthcare market. Fundraising, as part of a dedicated long-term financing strategy, is often the biggest challenge in completing the product development process. The founding team of the innovation is under constant pressure to secure funding and attract the right knowledgeable investors. That is why FFUND was founded: to support innovators by optimizing their fundraising process. We do so by providing hands-on financial, business, and fundraising support with our team of serial entrepreneurs and expert consultants.

FFUND supports innovative companies by taking care of their strategic and practical financing challenges. We do this by linking experienced entrepreneurs with an expert consultant team for each trajectory. This team provides support that is tailored to the specific needs of the company, ensuring that the business strategy and the various external financing sources are managed efficiently and used purposefully. Basically, we act as an extension of your management team and identify, secure, and maintain the full external funding portfolio. This enables the company or project management team to save time and bring knowledge onboard to maximize the chances of funding, while maintaining focus on the core business activity of developing innovative products for the healthcare system.

FFUND offers different services to raise and manage funding from external parties (investors, banks, governments) and to secure strong license and

exit deals. We offer project-based support to secure investment rounds, grants, loans, and tax rebates. For such trajectories, we provide hands-on support to deliver a high-quality proposition that is attractive to the specific funding party in question, and coordinate the full process to bring money into the bank. Furthermore, we provide full-service strategic venture financing support to a growing client base. Through these services, we strategize and coordinate fundraising efforts for our clients, thereby ensuring a continuous workstream to scout, secure, and manage the funding portfolio in line with the company strategy. For all our services, we perform expert desk research and market analysis through proprietary databases, such as GlobalData, and make use of our active network of investors and stakeholders. We help to determine a smart financing strategy for your company that is in line with your personal and business goals, and we support your venture during the process of obtaining and maintaining the financing.



We are not just advisors.

We stand alongside you in the process of implementation and:

1

Deliver solid action plans and funding roadmaps with opportunities and risks to effectively secure financing.

2

Provide hands-on support in building and optimizing your documentation (business plan, data room, grant applications, etc.) and company valuation.

3

Train and coach you to optimally present and negotiate your business proposition with investors and funding agencies.

4

Coordinate the full fundraising process from identification of the right investors and funding sources, to submitting applications, scheduling meetings with investors, and evaluating the term sheets.

5

Manage and maintain the procurement of awarded funding through hands-on grant management and reporting, administration of hours and costs, and organization of project meetings.

FFUND: Where business and life sciences come together

FFUND was founded by a group of experienced life sciences professionals with a common vision to accelerate the realization of innovation in the industry.

Our goal is to convert years of business and product development experience into an end-to-end solution for our customers. Coming from the life sciences industry ourselves, we understand the challenges that scientists and entrepreneurs face in making their highly innovative and patented products successful in the health sector.

Our team of experts is dedicated to sharing knowledge through our free educational publications and providing in-depth support to leaders of innovative projects and companies. In that process, we focus on all elements that contribute to success, including identifying the right market showcase, building a compelling business case, and ensuring a strong company valuation that considers all product development and business elements.

Our people have extensive experience in contributing to the sustainable growth of start-ups

and scale-ups in the field of life sciences. We are not only aware of the challenges and risks involved in the process of bringing a product to market, but

Our team consists of entrepreneurs, science and business consultants

we have also experienced them. Our team consists of entrepreneurs, science and business consultants who have joined forces to develop specialized services that are optimally aligned with what the field needs to accelerate the time-to-money and bring successful products to the healthcare system. Scientific research, launching start-ups, business development, securing funding, and closing licensing and exit deals have all been part of our

own journey.

In the past few years, FFUND has supported over 300 innovative parties in life sciences, including start-ups, scale-ups with products on the market, SMEs, and universities in the EU, with a range of consulting services. This has resulted in a four to ten times increase in the chances of securing grants and loans, and significant speeding up of the time to close investment rounds and deals. We are on the journey to building an EU-wide network to foster leading innovations in four domains: Therapeutics, MedTech, Diagnostics, and Digital Health. Our working methods and high success rate stem from our close personal connection with our clients and passion for the technologies that they aim to bring to the market.



“FFUND brings strategic experience to design and secure the venture’s financing, which saves our clients time and sharpens the business proposition. Ultimately, we accelerate the timeline to secure money and bring innovations to the market”

– Dr. Henk Viëtor, CBO at FFUND.

Our three most important takes on start-ups and scale-ups:

1.

An idea is rarely too crazy to be funded. If well-presented and supported by a committed and strong team, every venture can be guided towards becoming a great company with strong financing. An idea needs to contain something challenging or stimulating to stand out and stick in the minds of investors. These unique aspects need to be optimally leveraged to optimize the chance of financing.

2.

The process of raising funding cannot begin early enough. Writing a grant application is an excellent exercise to sharpen your business plan before bringing it out into the open. Participation in competitions and ensuring that you are visible to professional investors to get on their radar and create track records are also essential to accelerate the fundraising process by the time you need investment.

3.

A supervisory board can be extremely valuable, so consider installing one early on and make sure you, as a CEO, take an active role in the composition of the supervisory and advisory board(s). Choose experienced people that have a relevant network and who are willing to share their knowledge and contacts. Regular contact between the CEO and the chairman is essential to leverage the value of an advisory board and make your venture prosper.

FFUND's working method

Our working method is based on **knowledge sharing** to accelerate the realization of innovation in the life sciences industry.

— We do so through regular free publications on best practices and key insights for successful fundraising. Furthermore, FFUND offers dedicated solutions and hands-on services to secure funding and steer companies toward exit and license deals with solid company valuations. A sound financing strategy is essential to bring new innovations to the market and build a healthy company. The long-term and capital-intensive development path that accompanies the development of innovations requires a smart mix of dilutive and non-dilutive funding to ensure the greatest chance of success. The course to success should always be a focal point for the venture. By taking 'the end' as a starting point, difficult decisions are brought forward and dealt with earlier in the process to prevent unpleasant surprises later down the road.

Through our structured Investor Readiness Analysis, we assess our clients' business propositions using 14 key business acumens

and over 120 data points. These clearly reveal the strengths and weaknesses to be adequately addressed and leveraged in the business plan and company story. The key business acumens range from the team and company development path to the technology, IP position, business model, financial projections, and (exit) deal planning. The analysis uncovers potential blind spots for the company owners and brings to light the opportunity they hold. Both elements are critical in order to design the optimal proposition to gain financing.

Once the strengths and weaknesses are clarified, and the personal and business goals of the management team are clear, we structure the financing strategy and company business development plan to effectively build value, secure financing, and steer for success. Ultimately, we aim to help innovators speed up their development timelines as much as possible and provide the strategic steering

power needed to close financing rounds at a good deal value while minimizing costs, timelines, and resources. Together, we make the company stronger and ready for the next step.

In addition to providing leadership and hands-on support, we provide a 'mirror function' by showing innovators a critical reflection of how different investors and funding agencies will see them. This helps to ascertain the current investor readiness and valuation, and the outlook and inflection points to gain the right interest from potential future

investors and stakeholders. Based on these insights, you can make informed decisions, solve potential challenges, and be strategic about your strengths and weaknesses before approaching specific investors. In preparation for reaching out, we run practice rounds and enable CEOs to sharpen their pitch along the way by testing and repeating their story for our in-house trial investor forum. After all, you only have one chance to make a great first impression on your preferred investor or governmental funding board when disclosing your full company story and data room.



Five key features in managing **life** **science companies**

1

The international protection of intellectual property (i.e. patents and trade secrets).

2

Building a healthy financial position to mitigate risks.

3

Dealing with unexpected experimental and validation results that set back or fast forward product development.

4

Placing the right people (ranging from scientist to regulatory experts, financial experts, and business developers) in the right positions at the right time.

5

Creating pitches and matching them to different audiences to attract investors, strategic partners, and stakeholders who are beneficial to the company goals.

FFUND's services

FFUND offers a variety of services designed to support directors of innovative companies, R&D driven start-ups, and projects in creating a sound financing strategy, raising funds, and successfully bringing their products to the market. Our services are divided into three key fundraising areas of expertise that work closely together: Venture Finance Services, Grants & Loans, and Project Management. Each of our services is delivered by a dedicated team of experts. To each project, we attach a dedicated project leader, a product strategy expert, and a serial Life science entrepreneur, which together form the core team to deliver high-quality support. They are fully equipped to fast-track business propositions for science-based innovations that can make it as actual products in the healthcare system and benefit society.



Venture Finance Services



Our Venture Finance Services are dedicated to developing sound financing strategies for our clients and making efficient use of different investor types, grants, loans, and tax credits. We employ a two-stage approach tailored to optimizing the full financial potential of your company and reaching your targets. The first stage is an investor readiness analysis and the creation of a strategic blueprint of the key actions and timelines. The second stage is the actual fundraising process, whereby we organize the full coordination and optimize the chances of securing funding from the selected non-dilutive and dilutive funding sources. We coordinate your equity trajectory, including the optimization of your business plan, data room, and company valuation, identifying investors and making introductions, and managing talks with and propositions from investors. We continuously coach you to ensure that you have a strong and consistent pitch and can answer any possible question. At the end of this process, we leverage our wealth of experience in managing life science mergers & acquisitions and license deals to support our clients on the way to a lucrative transaction that reflects the success of all the efforts made over the years.

Our services include:

Venture finance management

Strategizing and managing your financing portfolio.

Investor readiness analyses

Identifying the strategic action plan to gain financing.

Equity fundraising support

Optimizing and coordinating your investment round.

Deals, merger, and acquisition support

Identifying your deal partner(s) and closing strong deals.



Grants & Loans

Our Grants & Loans teams are specialized in raising European and Dutch grants and loans for innovative projects. We are experts in securing funding for product development and validation projects, such as EIC accelerator, Eurostars, Horizon Europe and Innovation credits. In addition, we support universities, innovative early-stage projects, and research consortia in securing large research grants with our PhD-level scientific team.

Based on our clients' requirements, we offer different kinds of support for grant and loan applications. We can take over the entire application process, including writing applications, administration, submissions to online portals, and building the consortium required to raise funding. And for clients who prefer to retain control over the application process, we offer our knowledge and expertise in the form of review support. In all cases, we tailor our approach to your needs and together determine which grants or loans are best suited and give you the optimal chance of securing financing.

Our services include:

Grant & loan applications

Funding roadmaps for non-dilutive funding

Review support and pitch training

Project Management



Our Project Management experts manage and report awarded funding, either in the form of single projects or a portfolio of multiple grants and loans. In addition, we specialize in matching the reporting of awarded projects to the operational business strategy of the venture and deal with changes in the development path that may occur over time. Our services include administrative support, timely and accurate reporting, arranging consortium meetings, and relationship management with the grant providers. As part of our services, we help to execute the dissemination activities requested by the funding agencies, including but not limited to arranging the set-up of the project website, publication of results, and organizing stakeholder events at project meetings. As part of any project coordination, we help our clients to match the administration and reporting to the full company or research department strategy. Our Project Management services not only optimize the use of the different types of financing, but are fully dedicated to optimizing the timing of the interim project payments and securing the total grant amount awarded until the end of the project.

Our services include:

Grant management and reporting

Portfolio management & strategy

Project coordination & dissemination activities

About FFUND

Our team consists of >25 entrepreneurs, science and business consultants who joined forces to develop specialized services that are optimally aligned with the field's needs in order to accelerate the time to money and successful products for the healthcare system. We are not only aware of the challenges and risks that occur in the process of bringing a product to market, but we have also experienced them first-hand. Scientific research, launching start-ups, business development, securing funding, and closing licensing and exit deals have all been part of our own journey.

Track record

In the past couple of years, FFUND has supported over 300 innovative parties, ranging from start-ups to scale-ups with products on the market, resulting in a 4-10x increase in the chances of securing grants and loans, and significantly speeding up the time to close investment rounds and deals. With our support, we ensure that you gain expertise, save time, and secure financing.

FFUND supports innovative ventures with their strategic and hands-on financing challenges to save time, bring expertise and accelerate the development of innovative products for the healthcare system. In doing so, FFUND helps companies fine-tune their business plan, including the product-market fit and (financial) development plan on the path to attracting financing. If you want to convince an investor to come aboard, you need the right arguments and data. You need proper showcases and a sound proposition that is backed up by the passionate commitment of the company leaders.