

Fundraising process



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October 2016



Fundraising: a long but necessary process



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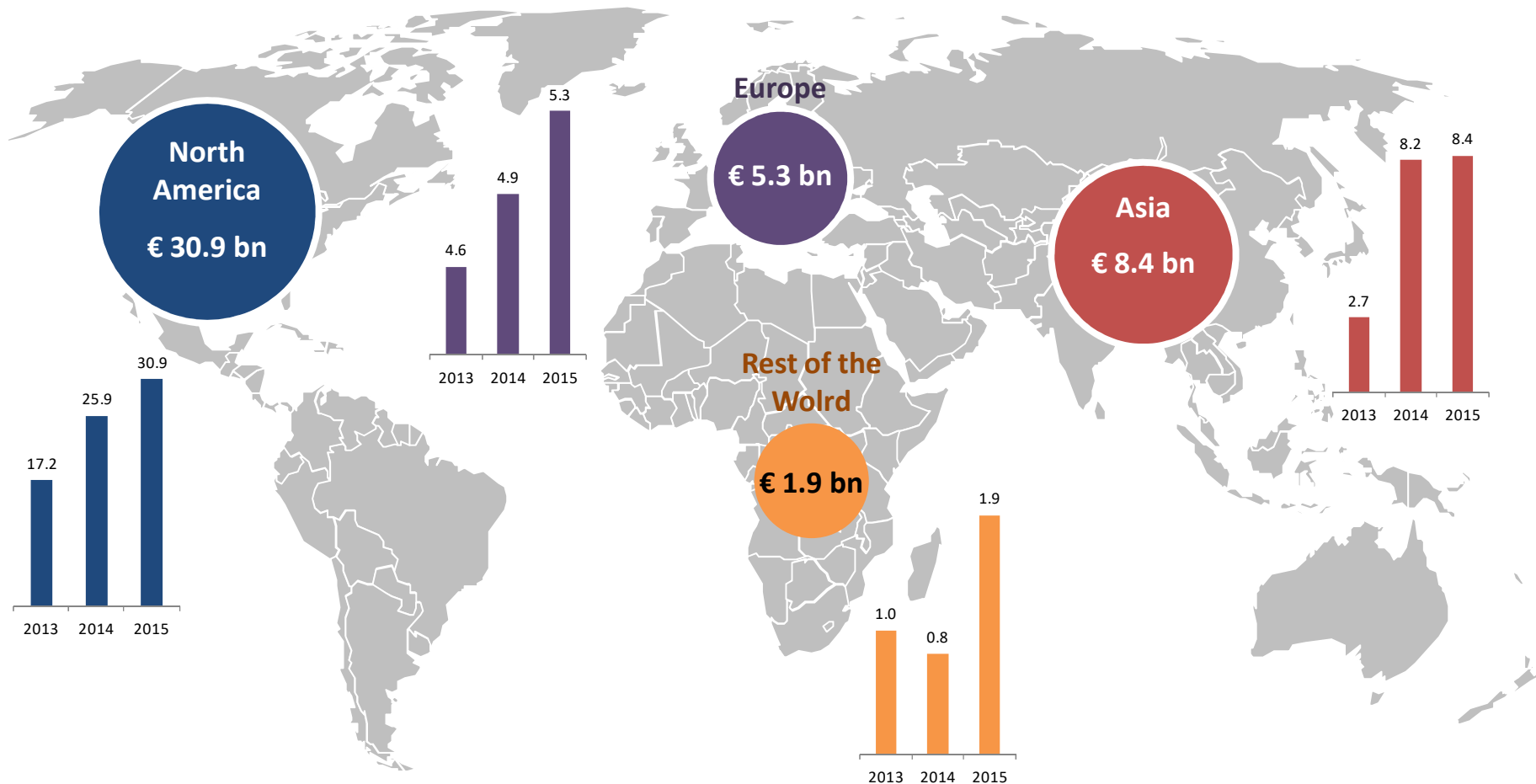
Venture Capital Firms

Worldwide fundraising in 2015



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Aggregate Capital Raised by Venture Capital Funds by GP Location (in bn €)



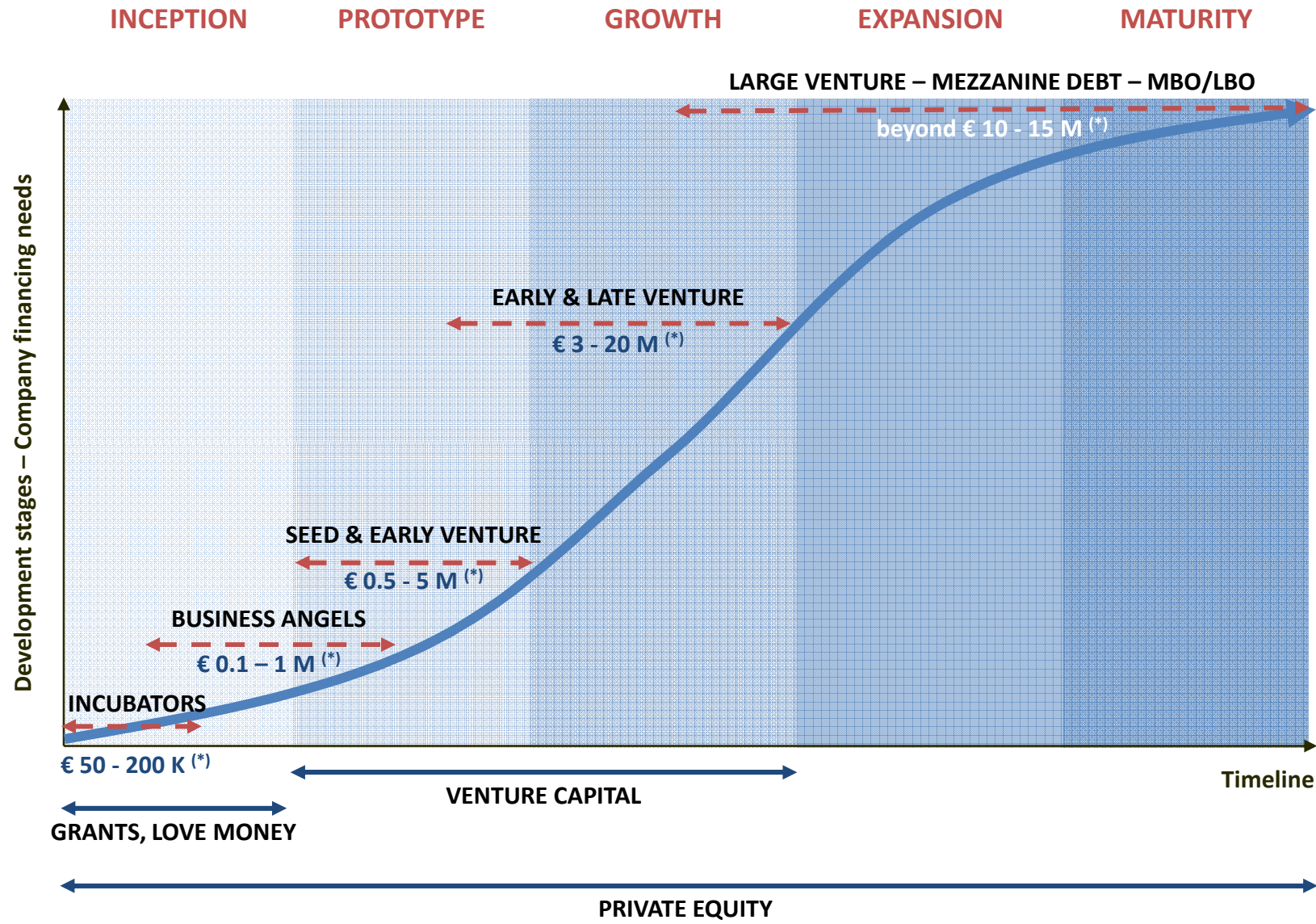
Note: According to Invest Europe, amount raised by VC in Europe was €4 947 M in 2014 vs €5 330 M in 2015 (historical annual mean currency rate: 1US\$=0.7336€ in 2013 vs 0.7856€ in 2014 vs 0.9168€ in 2015)

Sources: Invest Europe / PEREP Analytics ("2015 European Private Equity Activity Report"); Preqin Private Equity Online database - Funds in Market ("Private Equity Spotlight" - March 2016); Oanda website

Funding stages in a nutshell



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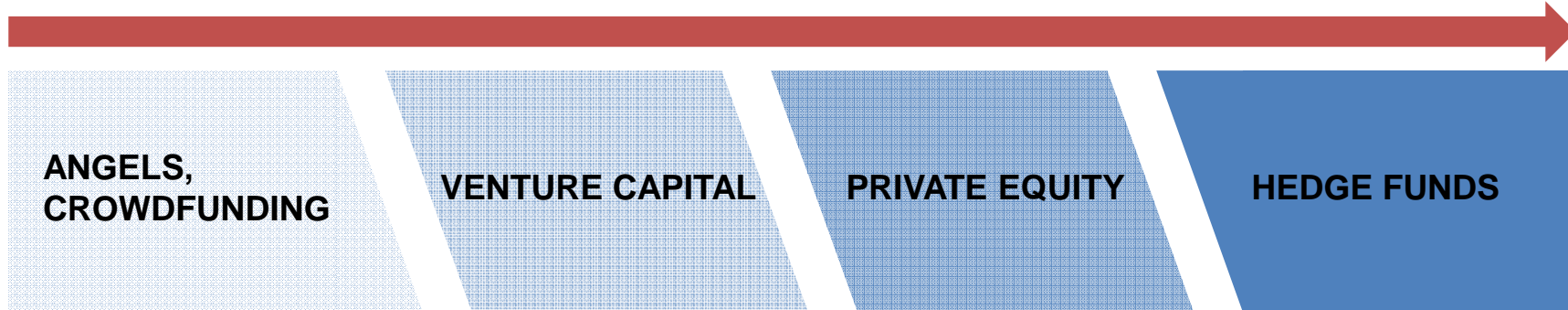


(*) Range of financing needs

Investment fund characteristics

PRIVATE INVESTMENT

PUBLIC INVESTMENT



- Risk/return relationship: +++++
- Investing in projects and early start-ups
- Crowdfunding in France: capped to € 1 M per yr and per company (AMF rules)
- Hoping to survive and success their P.O.C

- Risk/return relationship: ++++
- Investing in young companies and/or start-ups
- Hoping to be significantly efficient and exit with IPO or stake sale

- Risk/return relationship: +++
- Investing in listed and/or unlisted companies
- Exit with IPO or stake/equity sale

- Risk/return relationship: ++
- Investing in stocks, derivatives, commodities or any money market product
- Provide a positive return depending the fund's strategy and settlement

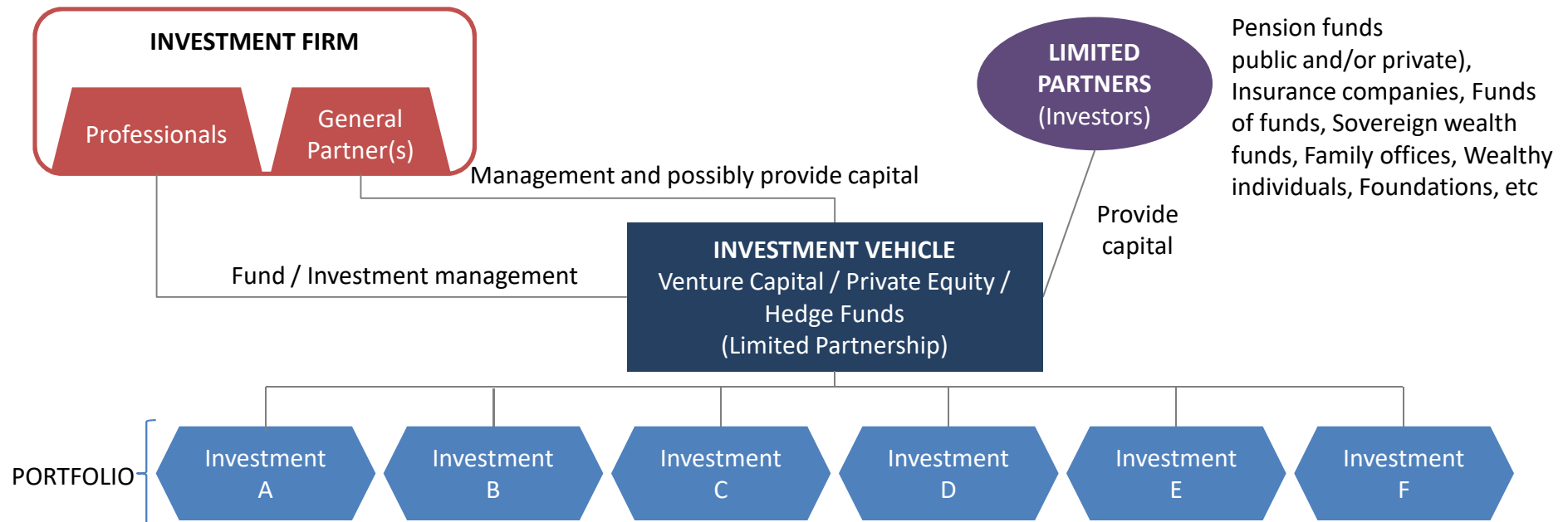
Private investment

Private versus Corporate Funds



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General organization for an investment funds



Strategy differentiation

- Private Equity / Venture Capital / Hedge Funds
 - Longevity: VC and PE funds, life time contractually defined versus Hedge funds, no life time limit
 - Strategy: Independent team focusing on returns, but respecting the settlement (performance measurements: IRR and hurdle rate for VC and PE funds, and absolute return or based on a benchmark for Hedge funds)
- Corporate Funds
 - Longevity: Life time contractually defined
 - Strategy: Provide significant strategic value for the company, added generally to an attractive financial returns

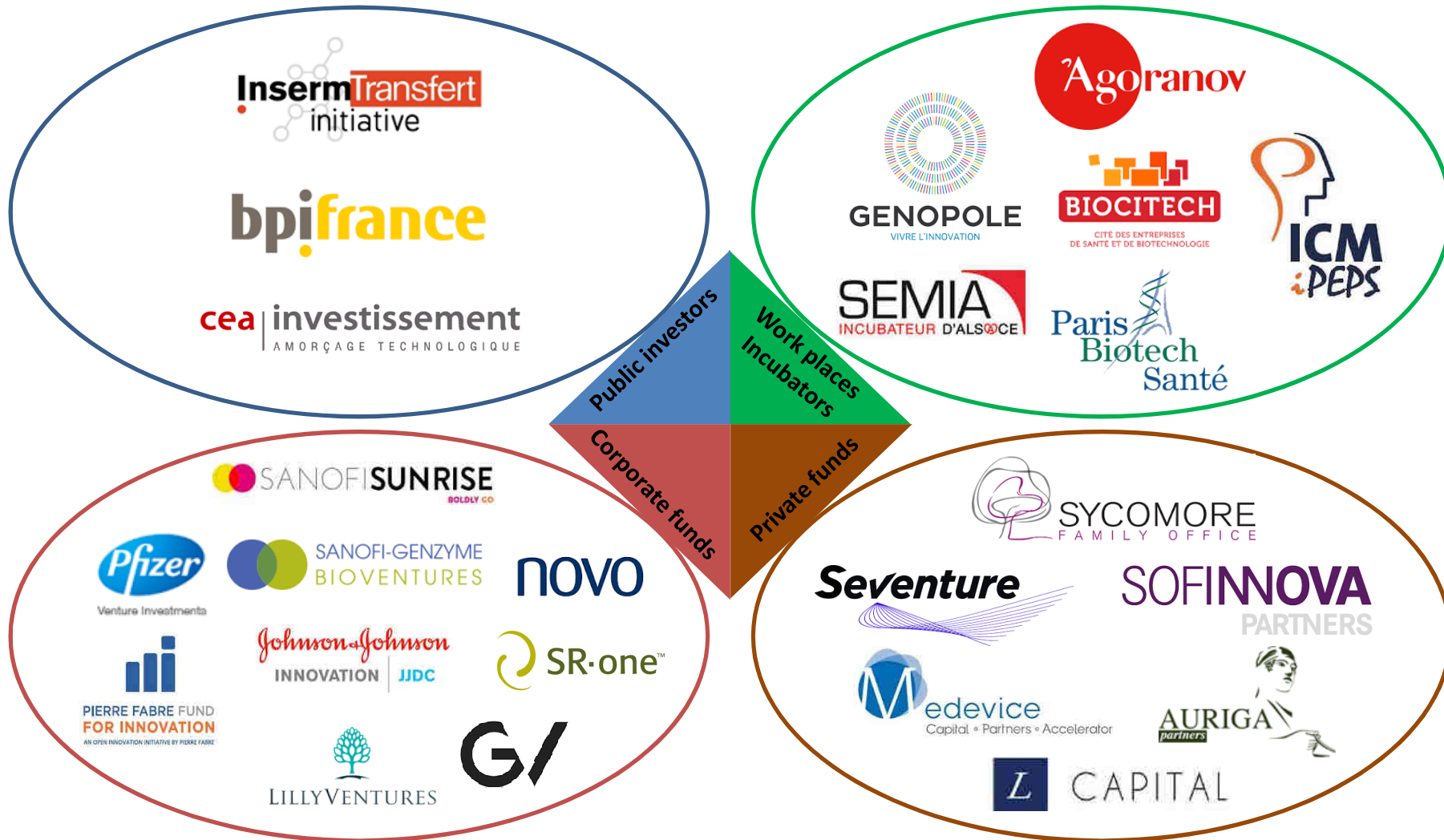
Private investment & Investor ecosystem

A few examples with a french focus



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A large and regional ecosystem but without a strong and sufficient investment capacity in biotech

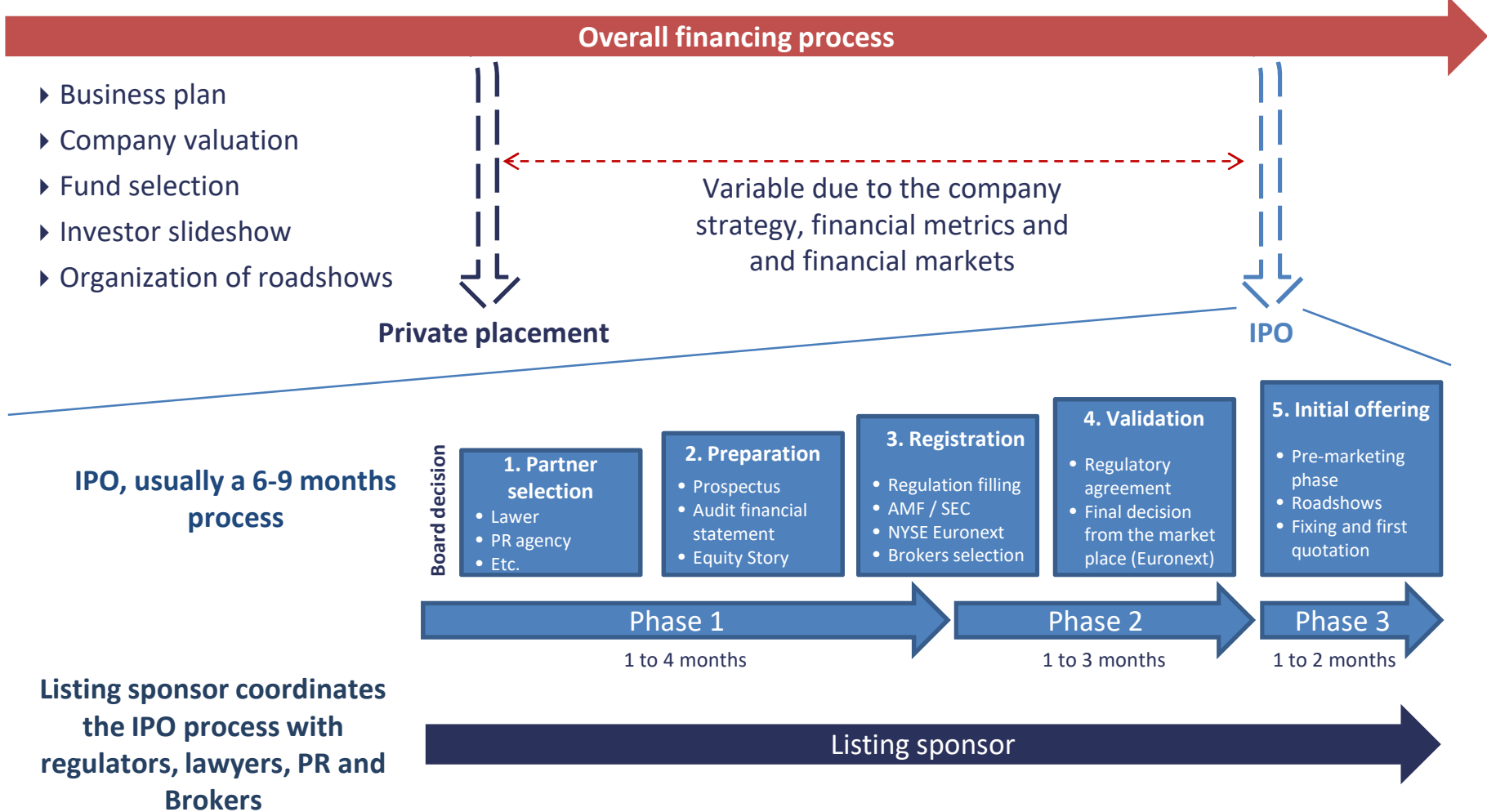


Fundraising

A scheduled timeline

PRIVATE INVESTMENT

PUBLIC INVESTMENT



Public offering Life sciences index

- Biotech IPOs have usually been about x1.5/2 oversubscribed or partially oversubscribed in 2014 and 2015

- As at Sept 2016, Next Biotech index includes 44 companies

- Next Biotech index underperforms Nasdaq Biotech since Jan 1st 2016 (-17.4% vs -6.1%)

- Next Biotech index outperforms CAC all tradable and Nasdaq Biotech in 2015 (33.8% vs 9.7% and 33.8% vs 11.4%) and 2014 (38.8% vs 0.8% and 38.8% vs 34.1%)

- IPOs are valuable when the financial market is "open"

