



Industrifonden

Scandinavian Life Science Funding Report 2014–2016

Introduction

Scandinavian Life Science Funding Report 2014–2016 covers the investment landscape and financing activities in the Life Science sector in Scandinavia, mapping investment activities in 149 companies from 2014 to September 2016.

The report includes both public capital raising activities in connection with IPOs and new issues at the market places Nasdaq Stockholm, Oslo Axess, Nasdaq Copenhagen, Nasdaq First North and Aktietorget, as well as investments made by Scandinavian focused life science venture capital investors.

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Industrifonden is one of the Nordic region's most active investors in the Life Science and Technology areas. Within Life Science, Industrifonden focuses on pharmaceuticals, medical devices and digital health. Current holdings include Oncopeptides, BONESUPPORT and AMRA.

www.industrifonden.com

Total Life Science Investment Activities 2014–2016

Total public and private funding activities in Scandinavia amounted to more than USD 2.4bn during 2014–16.

This includes:

- IPOs and refunds at five Scandinavian public marketplaces: Nasdaq Stockholm, Oslo Axess, Nasdaq Copenhagen, Nasdaq First North and Aktietorget.
- Targeted VC funds invested USD 273m during this period.

MUSD	Public		Private	Total
	IPO	Refunds	VC	
2014	383	516	108	
2015	362	231	108	
2016	194	459	57	
Total, 2014–16	938	1 206	273	2 417

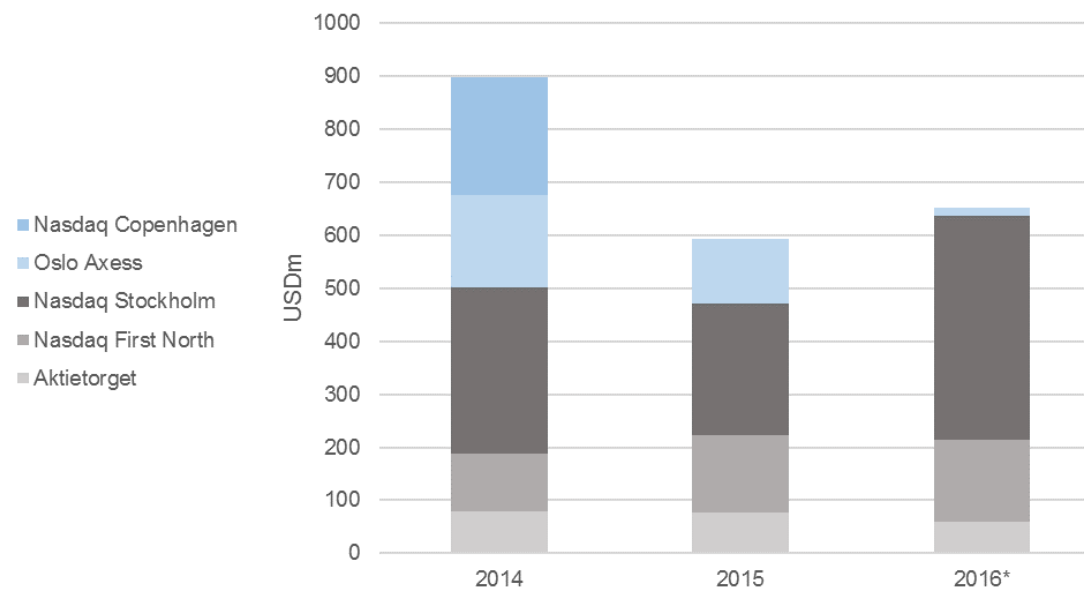
\$2.4bn

Total funding activities in Scandinavia during the period

Nasdaq Stockholm Main Public Marketplace

- Nasdaq Stockholm dominates public funding and IPO activities during the period.
- Oslo Axess has seen a decline in activity during 2016 with only one IPO and no refunding.
- Nasdaq First North has strengthened its role during the period, with a lower number in 2014.
- No IPOs have been recorded in Copenhagen during this period, pushing Danish companies to Swedish exchanges.
- In Sweden, main list IPOs represent 14% of total IPOs and 58% of total primary listing capital.

Public funding activity, 2014-16



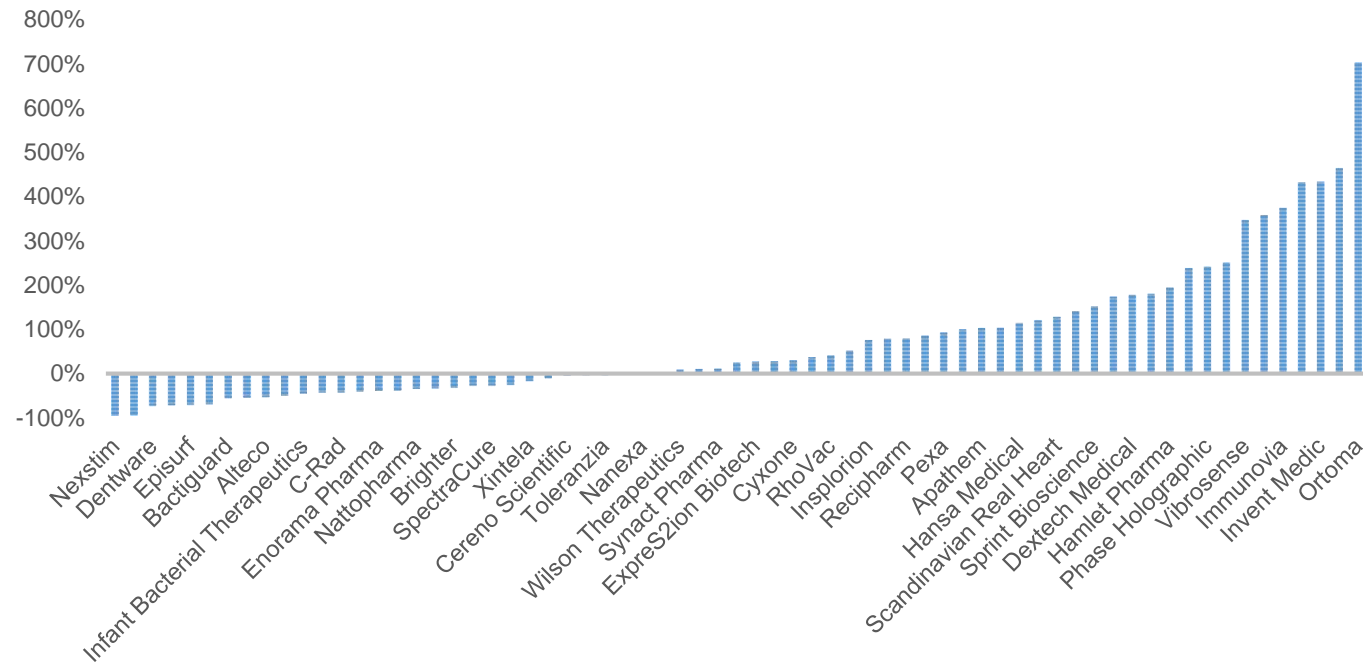
Number of IPOs	24	29	14
IPO capital raised (USDm)	383	362	194

Majority of listed companies perform well post IPO

Favorable share price development trend suggests that public market activity will remain high going into 2017.

57%

experienced positive share price development post IPO, during the period.



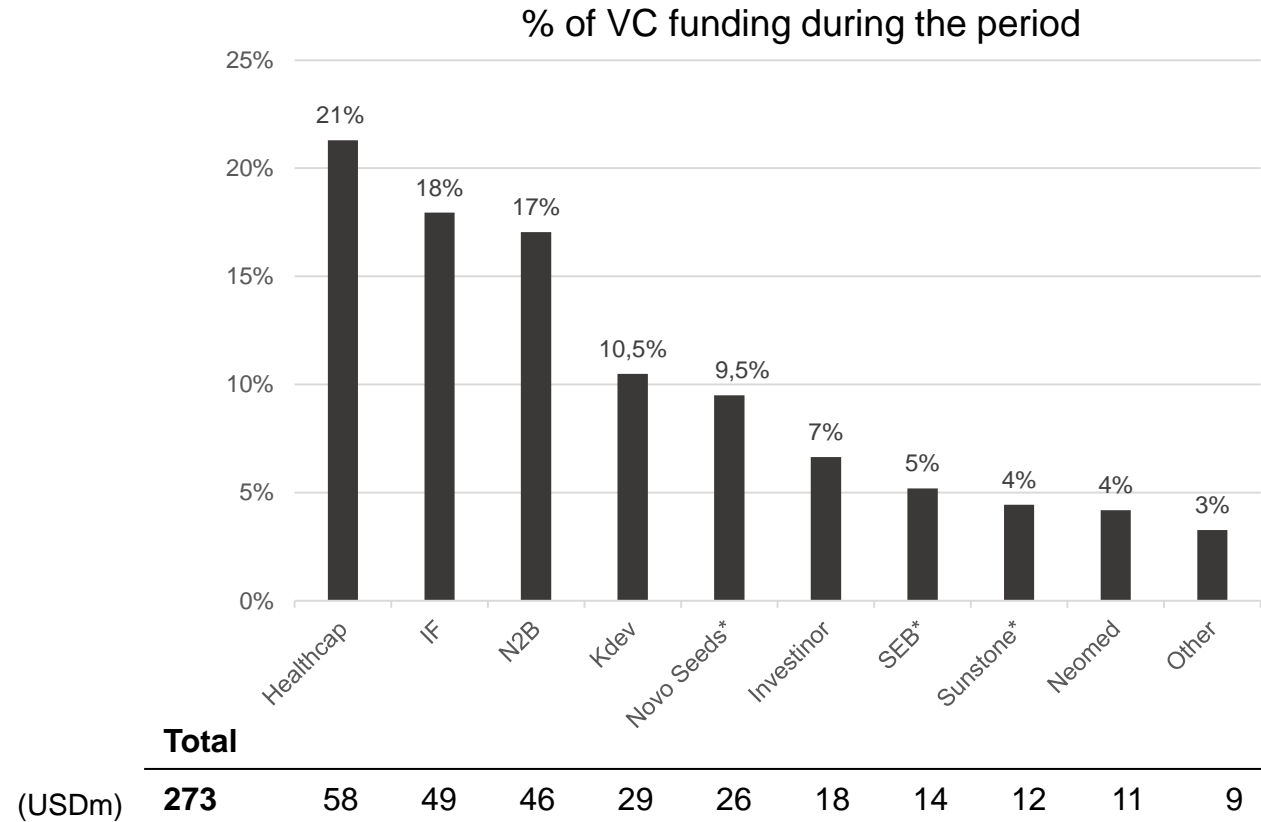
Industrifonden and HealthCap dominate Scandinavian VC landscape

Industrifonden and HealthCap together account for 40 per cent of total invested amount (USD 273m).

Data for Novo Seeds may suggest increasing focus on companies outside Scandinavia.

18%

of VC investments by Industrifonden during the period.

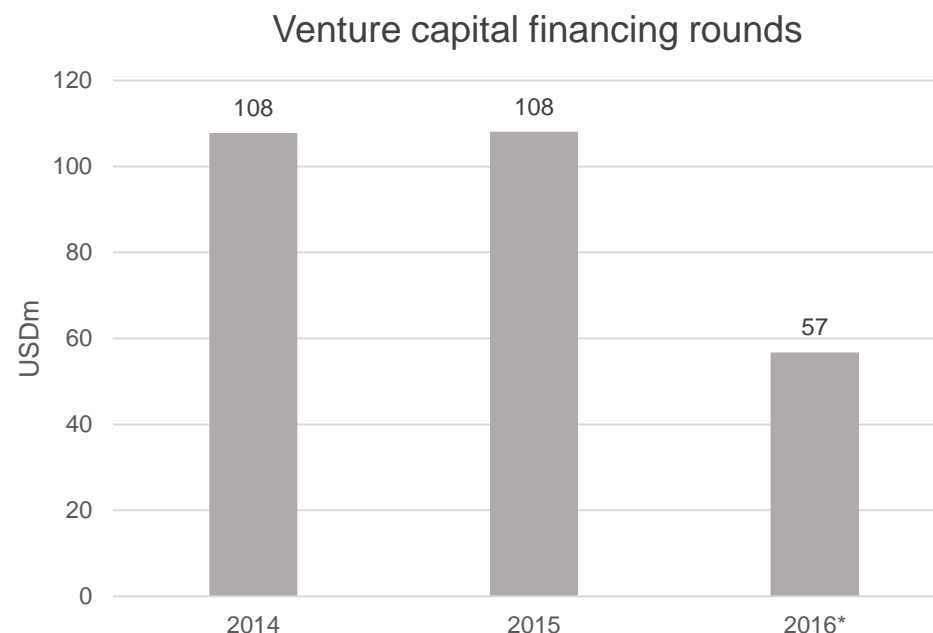


Reduced VC financing in 2016 due to favorable public market conditions

Access to public capital at higher valuation reduces private round attractiveness.

VC investors take their opportunity to list their more mature holdings through IPOs.

Trend is expected to continue in 2017 given recent IPO successes.



Assumptions

- This report covers public and private funding in Scandinavian life science companies, by Scandinavian public marketplaces and VCs.
- Following five Scandinavian public marketplaces: Nasdaq Stockholm, Oslo Axess, Nasdaq Copenhagen, Nasdaq First North and Aktietorget.
- Investments by active Scandinavian life science VCs.
- Equity issues below USD 0.5m excluded.

Share price performance post IPO

Number of IPOs included in the analysis

IPO	Number of companies
Denmark	0
Oslo Axess	3
Nasdaq	9
First North	22
Aktietorget	33
Total	67
<i>Excl. 2 acquisitions and 1 list change</i>	

Share price performance post IPO for the companies included in the analysis (for graph, see next page)

Post-IPO performance	Number of companies
Negative	29
Positive	38
Negative Oslo	2
Positive Oslo	1
Negative Nasdaq Stockholm	4
Positive Nasdaq Stockholm	5
Negative Nasdaq First North	13
Positive Nasdaq First North	9
Negative Aktietorget	10
Positive Aktietorget	23

Performance post IPO, exchange by exchange

– from left to right Aktietorget, Nasdaq First North, Nasdaq Stockholm, Oslo

