EIC Pilot Info Day Webinar

Accelerator: 2020 calls

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How do we select?

1. Submission of Proposals
2. Remote Evaluation
3. Ranking of Proposals
4. Interview

In case of blended finance option:
- Due Diligence
- Equity Investment

Blended finance only
What is non-bankable?

- Inability to attract sufficient funding
- To full deployment of the commercial potential
- Due to the high risk or market failure
- Previous investments do not imply ‘bankability’

Who assesses bankability?

- External experts
- In business and finance
Evidences?

• Case by case.

• Deeply assessed during the interviews

• In the proposal, companies should describe how they failed to safeguard sufficient funding.

• Elements which indicate this are for instance:
  
  ✓ the level of risk
  ✓ the assets of the company
  ✓ the cash position
  ✓ current sales if any
  ✓ etc
Equity investment: the EIC Fund

- The European Commission takes the investment decision
- Up to €15 million
- Different forms of equity type instruments: shares, convertibles, other equity types
- Non-intrusive equity
- EIC Fund advisor: EIB Group
Investment strategy

• Impact investment, rather than maximizing return on the investment

• Patient capital, with a long average perspective on return on the investment (7-10 years) with a maximum of 15 years.

• The exit strategy on a case-by-case basis: may include IPOs, management buyouts, secondary sales or liquidations.
Match-making co-investors to crowd-in

• A community of trusted VCs and investors
• The company will be presented to VCs that may express the interest to invest
• The company will have a final say
• Investors could replace the EIC Fund, co-invest alongside the EIC Fund or provide mentoring
Due diligence

- Performed by the EIC Fund
- Goal: define tailor-made investment fitting company and project needs
- Focus on: governance & quality of the company’s management, capital structure and financial planning, business strategy and competition
• Proposals: equity component
  - Equity work Packages should be described in the same level of detail as grant?
  - Annex 4?

• Exit for a pharma investment
• EIC FUND

✓ Set up? First due diligence and deals?

✓ Foreign investors

✓ Commercial subsidiaries: is the EIC Fund financing project-bound or company-bound?
Thank you