Swiss Biotech Report 2021

Jürg Zürcher and Michael Altorfer
April 20, 2021
2020 best year ever for financing & innovation

- Capital investments in Swiss biotech companies almost tripled from 2019 to 2020 to CHF 3.4B (USD 3.7B)
- R&D investments increased 10% to CHF 2.2B (USD 2.3B)
- The number of employees in Swiss R&D biotech companies increased by 8% to 16,300
- High quality patent output helped maintain Switzerland’s top ranking in Global Innovation Index for the tenth consecutive year
Swiss biotech ecosystem response to COVID-19
Thriving ecosystem delivers innovation swiftly

- Synthetic COVID-19 virus reproduced by the University of Berne within 1 month of genetic sequence made public
- SOPHiA GENETICS AI platform predicts COVID-19 evolution for >1,000 hospitals just 4 months after pandemic declared
- Lonza sets up Moderna RNA vaccine production lines in just 8 months
- Molecular Partners and Humabs Biomed initiate Covid-19 specific therapeutics development programs
Swiss biotech ecosystem response to COVID-19
SNSF and public/private partnerships quickly engaged

**Swiss National Science Foundation (SNSF):**

- Ready to react based on experience and established technologies (cloning, 3D structure determination, therapeutic target identification)
- Special research call on coronaviruses in March 2020 (45 projects, CHF 12 M)
- National Research Program Covid-19 in April 2020 (28 projects, CHF 20 M)

**Innosuisse & biotechnet:**

- biotechnet Switzerland initiated a wide range of public/private partnership projects to address the challenges of the Covid-19 pandemic (diagnostics, antibacterial textile treatment, patient monitoring)
- Innosuisse initiated the “Innovation Power Switzerland” program to foster additional public/private partnerships in January 2021
The year in figures

The 2020 data in the presented tables is based on information that was available up until April 16, 2021, when this report was compiled and went to press. At this time, some of the companies had not yet disclosed their financial figures for 2020. Therefore, some figures were carefully extrapolated on the basis of the latest interim data publicly available (i.e., Q3 or Q4 2020).
Capital investment in Swiss biotech companies 2011 - 2020
Private and public Swiss biotech companies

Source: EY (Capital investments include convertible bonds)
Swiss biotechs raised a total of CHF 3.4B, up from CHF 1.2B
Largest public and private rounds

### 2020 public rounds

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>CHF MILLION</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRISPR Therapeutics AG</td>
<td>940</td>
</tr>
<tr>
<td>Idorsia</td>
<td>866</td>
</tr>
<tr>
<td>ADC Therapeutics</td>
<td>470</td>
</tr>
<tr>
<td>Basilea</td>
<td>125</td>
</tr>
<tr>
<td>Molecular Partners</td>
<td>80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,481</strong></td>
</tr>
</tbody>
</table>

### Major 2020 private transactions

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>CHF MILLION</th>
</tr>
</thead>
<tbody>
<tr>
<td>VectivBio Holding AG</td>
<td>135</td>
</tr>
<tr>
<td>SOPHIA Genetics</td>
<td>100</td>
</tr>
<tr>
<td>Noema Pharma</td>
<td>54</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>289</strong></td>
</tr>
</tbody>
</table>

April 20, 2021
Follow on rounds increased from 43% in 2019 to 64% of financing in 2020
Public and Private Swiss Regional Financing 2018-2020
Revenues, R&D expenses, profit/loss, liquidity 2018-2020
Total Swiss biotech companies

Source: Annual Reports, website information and EY
Revenues, R&D expenses, profit/loss, liquidity 2018-2020
Public Swiss biotech companies

Source: Annual Reports, website information and EV
Revenues, R&D expenses, profit/loss, liquidity 2018-2020
Private Swiss biotech companies

Source: EY
Number of biotech companies in Switzerland 2010-2020

Source: EY

<table>
<thead>
<tr>
<th>Year</th>
<th>Developers</th>
<th>Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>173</td>
<td>63</td>
</tr>
<tr>
<td>2011</td>
<td>187</td>
<td>61</td>
</tr>
<tr>
<td>2012</td>
<td>193</td>
<td>57</td>
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<tr>
<td>2013</td>
<td>195</td>
<td>57</td>
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<tr>
<td>2014</td>
<td>207</td>
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<tr>
<td>2015</td>
<td>219</td>
<td>60</td>
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<tr>
<td>2016</td>
<td>223</td>
<td>58</td>
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<tr>
<td>2017</td>
<td>237</td>
<td>60</td>
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<tr>
<td>2018</td>
<td>249</td>
<td>63</td>
</tr>
<tr>
<td>2019</td>
<td>250</td>
<td>62</td>
</tr>
<tr>
<td>2020</td>
<td>251</td>
<td>63</td>
</tr>
</tbody>
</table>
Number of Swiss biotech employees 2018-2020

Source: Annual Reports, website information and EY
Life science exports CHF 99.1B, up from 97.5 bn in 2019
Pharma and biotech represent 44% of Swiss exports

Life science sector has grown by a factor of 4.5 since 2000, making it the strongest single driver of Swiss export growth
SIX operates the infrastructure for the Swiss financial center, exchange services, financial information and banking services.
SIX-listed biotechs light-up exceptional trading year

- Trading volumes rose sharply by 177% 2020 vs 2019
- Total free float market capitalization of all SIX-listed biotech companies up 30% on 2020
- 84% of 2020 SIX listed biotech co. announcements had positive impact on share price (+9.6% on day of the announcement)

+ 65% 5-year Performance of the SXI Bio+ Medtech (Jan 16-Dec 20)
In 2020, companies listed on SIX raised a total of CHF 5.7B in fresh equity capital aimed at driving growth

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>AMOUNT</th>
<th>PURPOSE</th>
<th>DATE 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idorsia</td>
<td>CHF 330M</td>
<td>Market launch of daridorexant and financing of further pipeline products</td>
<td>May 20, October 23</td>
</tr>
<tr>
<td></td>
<td>CHF 536M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Molecular Partners</td>
<td>CHF 80M</td>
<td>Development MP0420 (SARS-CoV-2) and expansion of pipeline resources</td>
<td>July 7</td>
</tr>
<tr>
<td>Cassiopea</td>
<td>CHF 25M</td>
<td>Finance of operations and preparations for the US launch of ‘clascoterone cream 1%’</td>
<td>June 18</td>
</tr>
<tr>
<td>Kuros Biosciences</td>
<td>CHF 19M</td>
<td>Advance and accelerate commercial rollout of MagnetOs</td>
<td>October 20</td>
</tr>
<tr>
<td>ObsEva</td>
<td>CHF 18M</td>
<td>Financing of further pipeline development</td>
<td>September 20</td>
</tr>
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Source: SIX
Molecular Partners
Outperforms SXI Bio+Medtech Index3 (+17.5%)

Annual performance of +18.3% in 2020, was able to outperform the SPI (+3.0%) and finished the year slightly better than the SXI Bio+Medtech Index3 (+17.5%)
Winning portfolio with high quality patent output
Switzerland ranked #1 in Global Innovation Index (GII) since 2011
Swiss biotech patents regarded as “jewels in the crown”
Denmark and Switzerland rank first, for both biotech and all patents
Untapped potential in industrial biotechnology

Organic chemistry at the crossroad

Industrial biotechnology is a green fuel in a dirty economy

It uses enzymes and microorganisms to produce products in many different markets and applications including small molecule drugs and fine chemicals

Swiss Academy of Engineering Sciences SATW
Celebrating and honoring major achievements

The Swiss Biotech Association has launched Swiss Biotech Success Stories to celebrate those who have made significant contributions to the industry.

Dedicated to scientists, pioneers, entrepreneurs, innovators and supporters who led the way, opened the horizon and prepared the ground for lasting achievements.

Swiss Biotech Success Stories accentuate past industry highlights and act as motivator for future achievements.
Success Stories Award winners 2021

BACHEM
basilea
Lonza
ESBATech
novimmune

SWISS BIOTECH SUCCESS STORIES
Celebrating and honoring major achievements
Switzerland: A dynamic biotech ecosystem

Key 2020 figures at a glance

- **Sales**: CHF 4.5B (Biotech sales in 2020)
- **Exports**: CHF 99.1B (Exports of pharmaceuticals, vitamins and diagnostics)
- **Biotech Companies**: 314 (Biotech companies + multinationals, including Novartis and Roche)
- **Patents**: No. 1 in Global Innovation Index (Top ranking in GII every year since 2011)
- **Life Sciences Index**: +65% (5-year performance of SMI Bio+Medtech (Jan 2016 - Dec 2020))
- **Funds Raised**: CHF 3.44B (For private and public biotech companies)
- **R&D**: CHF 2.2B (R&D spending by biotech companies)
- **Employees**: 8,192 PRIVATE (Direct Swiss biotech employees)
- **Approvals**: 57 FDA (48 in 2019)
- **Approvals**: 97 EMA (66 in 2019)
- **Approvals**: 42 Swissmedic (29 in 2019)

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