

Avant Bio Fund II LP

Category:

Best Incubator, Accelerator, Equity

Program/Fund Name:

Avant Bio Fund II LP

Corporate Name:

Avant Bio

Date of Creation:

2024-05-30

Indications:

AVANT BIO's mission is to provide the fuel, resources, and capital life science entrepreneurs need to advance novel therapeutics by building innovative, purpose-built tools and technologies. The convergence of technology and life sciences is giving rise to new opportunities across life sciences. We are highly focused and determined to be the leading venture capital fund dedicated to Life Science Industrials bringing these innovations to market.

Although niche, the Life Science Industrials market is hugely diverse with small startup companies led by technical founders that are often otherwise not realized as funding opportunities by traditional institutional capital. Our Founding Partner and Managing Director, Daniella Kranjac experienced this firsthand as a Co-Founder at Wave Biotech LLC, revolutionizing single-use cell culture and bioreactor platforms for use in vaccines, biologics and cell and gene therapies, and during her time acquiring and integrating businesses at GE Healthcare (now Cytiva/Danaher).

As a team of recognized industry leaders, we initiate conversations with life science industrials companies that pique our interest for novel innovations in drug discovery, drug development, and affiliated technological advancements.

We have deep domain expertise and intimately know the technologies and related challenges that biopharma faces every day. Consequently, we have a unique perspective to identify investment opportunities for today's technologies and tomorrow's therapeutics. Our industry expertise allows us to identify life science industrials companies that will be foundational in the future of novel therapeutics.

We have extensive networks in the broader life sciences, biopharma, and biotechnology markets with broad connections in C-suite through upper-level management. We open doors for our portfolio companies to help them grow their talent pools, customer bases, and strategic partners. These introductions can also facilitate opportunities for future acquisitions. Due to our highly specific focus on the industry, we're able to see trends and opportunities that others cannot.

Innovation in the Life Science Industrials sector is driven by over 1400+ startups located around the world working in new technologies, tools, and services for the biotechnology therapeutic industry. Biotechnology developers and manufacturers are working at the cutting edge of science and need new technologies to achieve their goals. They are willing to test new products and services if their implementation can be transformative for the discovery, development, and manufacturing of products.

Generally, startups develop their prototype products/services and engage biotech companies to test the prototypes. When biotech companies see value with these new developments, they look to include them in their workflows (via purchasing or even direct acquisitions).

However, companies developing innovative biotechnology products face challenges in multiple areas such as therapeutics screening, tools & technology manufacturing (emphasis in cell & gene therapy), improved quality control tools, automation of repetitive functions, data analysis and management, among others.

At AVANT BIO, we align our portfolio to the needs of the biotech and pharma industries. We are looking for companies with new tools, technologies, or services that directly address the major pain points and bottlenecks of the biotechnology, biopharma, and life sciences industries.

Therapeutic Areas:

AVANT BIO invests in therapeutic-enabling technologies across all therapeutic modalities including biologics, small molecules, cell & gene therapies, vaccines and regenerative medicine. We are therapeutic agnostic, and invest in the mission critical tools, technologies and services that the entire industry relies on to discover, develop, manufacture and deliver therapeutics globally.

FUND & SERVICE File Document upload:

N/A

History of the development of the fund / Incubators:

Everyone in this room has experienced the industrial side of life sciences, but the tools technologies and services that this industry relies upon are often under the radar and unsung heroes.

The convergence of biology and technology is driving innovation, delivering life-saving therapies to patients years faster. We've seen early signs of this revolution through faster FDA and conditional approvals and the speed at which new therapies are capturing global attention. These are just the beginning of the revolution that is taking place within healthcare.- Avant Bio is at the forefront of making it happen.

I'm Daniella Kranjac, Founding GP of Avant Bio. I'm a life science entrepreneur, engineer and operator by background, my first business was bootstrapped and sold to GE Healthcare, we bootstrapped not by choice by necessity. I saw an opportunity to create a fund focused on this space. We are investing in the unsung hero technologies that power the entire life sciences industry. Our investments are the enabling infrastructure that are critical for speeding drug discovery, development, and manufacturing, reducing cost and increasing access for patients globally. It's an honor to share why Avant Bio presents to the industry a unique equity/fund deserving of recognition by the Prix Galien Foundation.

The biopharma sector is experiencing an innovation explosion. Global biopharma R&D spending is projected to reach \$250 billion by 2030, global pharma manufacturing market is projected to be \$1.2 trillion by 2033 . However, the industry remains bottlenecked by outdated technologies and inefficient processes.

Investors are often attracted to biotech by the potential for an outsized return - deploy capital to therapeutic companies, and quickly find their investments diluted by ever increasing capital needs. Between regulatory hurdles and binary risk, most biotech investors have few success stories to share.

As therapeutics, cell and gene therapies become more and more complex, the industries reliance on technologies is obvious!

Recognizing the need to shred these bottlenecks has resulted in a CAGR of 15-30% for life sciences companies. These companies provide the equipment, tools, platforms, and services that make therapeutic development possible. The demand for these next-generation enabling technologies is skyrocketing.

Avant Bio flips this model-we invest in the infrastructure, the 'picks and shovels' of biotech. These businesses have strong margins, predictable revenue, and scale rapidly. These technologies are adopted by hundreds of companies across the industry, not just one. Most are built on razor-razor blade or pharma services business models. These are actively sought after by the leading acquirers, Danaher, ThermoFisher, Merck, Agilent, Illumina,

Avant Bio is laser-focused on Life Science Industrials (LSI) and HealthTech-companies that are indispensable to modern drug development and manufacturing. We seek out early to growth-stage businesses with \$3-15M in revenue, strong margins, and the potential to scale to \$100M+.

We were formed with backing from leading Strategic LPs like Pfizer, Lonza and other top 20 pharma companies who are seeking to ensure innovation in manufacturing and discovery technologies.

History of the development of the fund / Incubators:

N/A

HISTORY & FOCUS File Document upload:

N/A

How do you address your portfolio needs:

Our team has demonstrated excellence in life sciences, M&A, and operational leadership. We have created over \$20B in shareholder value through over 40 life science acquisitions. Our unique network and deep industry knowledge give us proprietary deal flow and access to companies before they hit the radar of diversified funds.

Another differentiator? We catalyze value. We actively work with portfolio companies to accelerate commercial growth, establish key partnerships, and position them for strategic exits at strong multiples.

AVANT BIO is a team of operators and we function accordingly as 'Smart Money' investors providing hands-on support to our portfolio companies. We provide the fuel, resources and capital life science entrepreneurs need to succeed at these critical stages of early growth. Specifically, the AVANT BIO team specializes in leveraging network connections, fostering talent growth, and applying industry expertise for strategy and operations. There is no substitute for experience and the team has experience working on the toughest issues facing both startups and large corporations alike. Whether it be scaling revenues, making the right strategic moves, progressing with future fundraising, or positioning businesses for exits, the AVANT BIO team collaborates directly with portfolio company leadership through the most critical of business challenges.

For most of our portfolio companies, AVANT BIO holds a board seat and, in many cases,

a board observer seat. This management position allows AVANT BIO to be both actively informed and hands-on with major business obstacles or concerns. AVANT BIO often holds dedicated working sessions with portfolio company leadership for strategic planning or in advance of upcoming difficulties. We develop personal relationships with portfolio company leadership ensuring close collaboration, honest communication, and effective working outcomes.

Impact / Metrics to measure Success:

Recent M&A activity in this space has seen 10-20x+ revenue multiples, compared to the 2-6x multiples for public/private biopharma comps. That delta is our opportunity.

We're currently deploying Avant Bio Fund II, with a target of 12-14 high-growth investments. We are backed by leading biopharma strategics, like Pfizer and others and global family offices with deep expertise in the sector.

During the initial diligence process and proceeding through final term sheet signing and investment, we discuss key questions such as: 1) What are the major uses of funds and how the funding will be used to further the growth of the company? 2) What are the major milestones in the first 100 days and 6-24 months that the company expects to reach once receiving funding? Therefore, company leadership and AVANT BIO are aligned on both near, mid, and long term objectives that AVANT BIO uses as success benchmarks.

Additionally, AVANT BIO requests quarterly KPI reporting from each portfolio company. We support the companies to identify annual objectives and associated key performance indicators in five recommended target areas including financials, customers, operations, growth, quality, and people. The KPIs are tracked quarterly according to the annual goal. We also request details on affiliated activities to each objective as well as quarterly highlights. These quantitative and qualitative details enable both AVANT BIO and the portfolio companies to benchmark progress, highlight areas of strength and weakness, and compare to the aforementioned near, mid and long term goals.

Why your model is innovative, \and/or how it will improve the human condition:

We are quite simply the only investment firm focused entirely on therapeutic-enabling technologies and not the therapeutics themselves. In some cases these technologies

can make the difference between a non-viable therapeutic and a cost-effective therapeutic with broad patient reach and accessibility. We are investing in the unsung hero technologies that power the entire life sciences industry. Our investments are the enabling infrastructure that are critical for speeding drug discovery, development, and manufacturing, reducing cost and increasing access for patients globally.

We go beyond capital to provide tangible value to our portfolio companies. The support our team provides includes expertise in strategy, commercialization and business development, operations, and product development. We leverage our diverse and broad networks for our portfolio companies, identifying critical talent for leadership positions, ensuring access to pivotal strategic relationships, partners, and potential acquirers. In addition, our team's deep network of customers at leading biotech and pharma companies provides for a highly differentiated venture capital firm in Life Science Industrials. This network also includes close connections for legal support, key opinion leaders / advisors, communications specialists, public relations / marketing consultants when helpful.

Beyond this, we provide our portfolio companies with coaching from our extended team, and access to leadership and communications coaches and guidance. We also provide a communications platform leveraging AVANT BIO's broad reach for our portfolio companies through LinkedIn and at events like BIO, where we were the only venture capital firm to exhibit and host all our portfolio companies under our banner. AVANT BIO often receives feedback on the extensive level of non-financial support our portfolio companies feel.

Please provide appropriate references (PubMed, Abstract, Website):

Website: <https://avant.bio/>

LinkedIn: <https://www.linkedin.com/company/avant-bio-llc/>

News:

<https://www.prnewswire.com/news-releases/avant-bio-announces-investments-in-nomic-bio-pathpresenter-and-pl-bioscience-302259372.html>

<https://www.synbiobeta.com/read/avant-bio-takes-center-stage-as-premier-equity-firm-in-life-sciences-tech-bio-and-healthtech>