

GBS Ventures: Fund-Level Returns from Aussie Biotech



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GBS Ventures: Australian Bioscience Trust Summary

Fund

- Funds size: \$42.5m
- Vintage: August 1998
- Program: AU Federal IIF
- Private investors: superannuation funds and life science corporate investors
- Mandate: Australian lifesciences and biotechnology



Results

- Fully realised
- Top quartile US healthcare VC: return on invested capital, distributions to paid in capital
- Premium to ASX all ords accumulation index
- Premium to ASX small ords accumulation index

ABT IIF Success

1. Develop Fund Managers

- Team of 6 investment professionals have worked together for a decade
- Recruited senior experienced executives to return to Australia to build VC career
- Syndicated broadly with AU, NZ and US Venture investors

2. Build New Companies

- Invested in 11 companies:
- Pharmaxis, Cogstate and Alchemia are all ASX listed companies, selling products to global markets
- Dynamic Hearing and Pacific Knowledge Systems acquired and continuing under new ownership
- Multiple corporate partnerships
- Over 150 new high value jobs from portfolio

3. Self Funding Scheme

- Fund fully invested
- Portfolio fully realised
- The ABT returned all capital invested by government with “interest” in 2007,
- ABT has continued to make further distributions
- ABT attracted new private and superannuation investors to Australian venture asset class

4. Sustainable Venture Industry

- GBS has gone on to raise further funds, most entirely from private investors.
- More than \$400m under management
 - 2001 GBS Bioventures II \$64.5m
 - 2002 GBS Genesis \$30m
 - 2005 GBS Bioventures III \$150m
 - 2008 GBS Bioventures IV \$122.5m
 - Direct co-investments and follow-ons