



# **From Idea to Scale — Navigating Financing**

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**“The future is not something we enter.  
The future is something we co-create.”**

**Carlota Perez (innovation economist)**

# Innovation and startups are our method to create the future we want



- “Every startup is a hypothesis about how the world could work better.”
- Innovation is the solution to Europe’s bigger challenges: climate, security, digital sovereignty, health, AI.
- We’re at the edge of a new industrial era, *why we need to do it better, earlier, and more ambitiously*
- *Think about the ingredients that can concrete* Austria as a **laboratory for collaboration, as Europe’s leading innovation ecosystems** — a place where public funding is strong, and private capital together push ideas to scale, and part of our commitment to founders to maximise access to financing and impact

# Outline



“Great science doesn’t wait for perfect markets”

1. Opportunities in challenging environments
2. The Entrepreneurial Journey
3. Non-Dilutive Funding – What & Why
5. Key Non-Dilutive Sources (Austria/EU)
6. Intro to Venture Capital
7. Xista Science Ventures – Our Role
8. Funding Path Example
9. Case Study: Solgate
10. Closing thoughts, macroview, and offerings to bridge pre commercial gap



# Europe's Opportunity: A New Era for Startup Financing

- Europe is entering a transformative phase for innovation — and the EU's Startup & Scaleup Strategy confirms it.
- **Two well-known challenges remain central:**
  - Translating world-class research into investable, scalable ventures.
  - Supporting startups beyond early traction so they can scale globally without leaving Europe.
- At **xista**, these aren't just policy goals — they're the core of our investment thesis and a guiding principle of how we can build our Austrian innovation ecosystem

# xista - the innovation ecosystem located on ISTA Campus



Science Park



Fully equipped biology labs



Access to infrastructure at ISTA



Community of founders



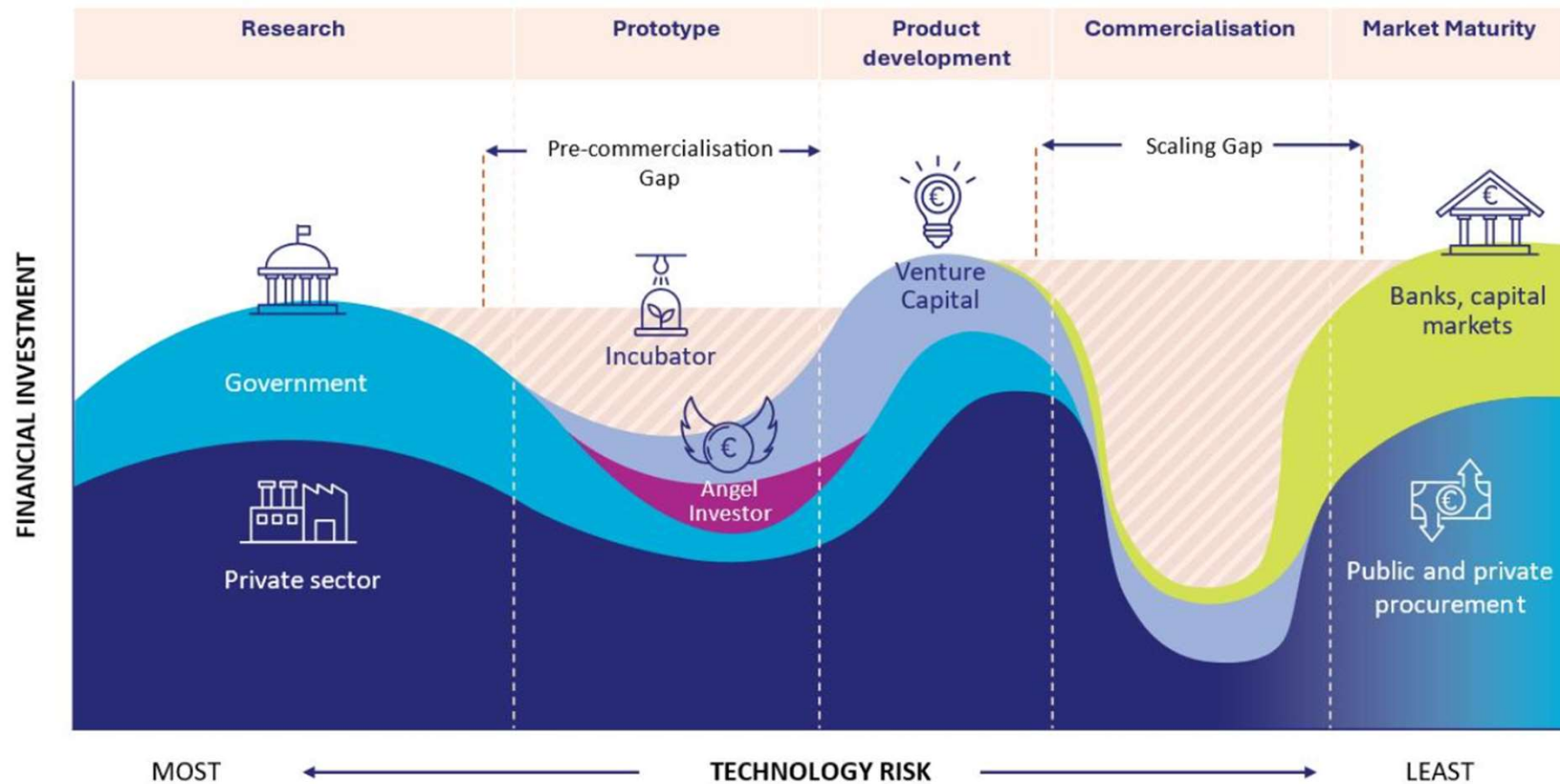
Spin off Program



Training



# Entrepreneurial Journey and Innovation Readiness



# How to sequence the financing journey?

- Grants and Venture both play vital but *different roles*
- Dilution sensitivity, timing mismatches
- Long timelines, high R&D costs, heavy regulatory paths (esp. biotech)

## Dilutive vs non-dilutive

- Dilutive funding requires you to give away equity in your company (VC)
- Non-dilutive funding has no consequences on equity

## Sources of early-stage funding

- Institutional Proof of Concept funds (e.g xista fellowships, 100K)
- FFF
- Business Angels
- Grants (AWS, FFG, EIC, regional grants, NGOs, foundations)
- Venture Capital
- Crowdfunding
- Charity/philanthropy



# Sources of non-dilutive or non VC finance



Program	Region	Stage	Amount (€)	Focus	Notes
<b>EIC Pathfinder</b>	EU	TRL 1–4 (exploratory research)	€3M–€4M (consortia)	Radical, high-risk science	Pre-company or early spin-outs, academic partners common
<b>FFG Spin-off Fellowship</b>	Austria	Pre-foundation (academic)	~€500,000	Academia to startup transition	Pays researcher salary + costs to prepare company creation
<b>AWS PreSeed</b>	Austria	Pre-foundation	~€150,000	Idea validation, spin-outs	Co-financed, requires commercial potential
<b>IP Coaching / AWS</b>	Austria	Any stage (early preferred)	Advisory + ~€10,000	Patent/IP strategy	AWS-funded experts for patent positioning
<b>AWS Seed</b>	Austria	Post-founding (~Year 1)	~€800k–€1.5M	Early product/R&D	Matching investment required
<b>FFG Basis Program</b>	Austria	6–36 months post-founding	€1M–€3M	R&D, tech dev, proof-of-concept	Broad applicability, re-applicable
<b>FFG Life Sciences</b>	Austria	Preclinical to clinical	Varies	Biotech, Medtech, Health	For regulated/clinical innovation
<b>Eurostars</b>	EU/EUREKA	Early-mid (TRL 4–6)	€0.5M–€1M+	Collaborative R&D	SME-led consortia, cross-border partner required
<b>Horizon Europe Calls</b>	EU	Mid to advanced (TRL 5–8)	Multi-Million	Thematic collaborative R&D	Typically with academia/industry consortia
<b>EIC Accelerator</b>	EU	2+ years post-founding	€2.5M grant + equity	High-impact scaling, TRL 5–8	Single SMEs, milestone-based, very competitive

# Venture Capital

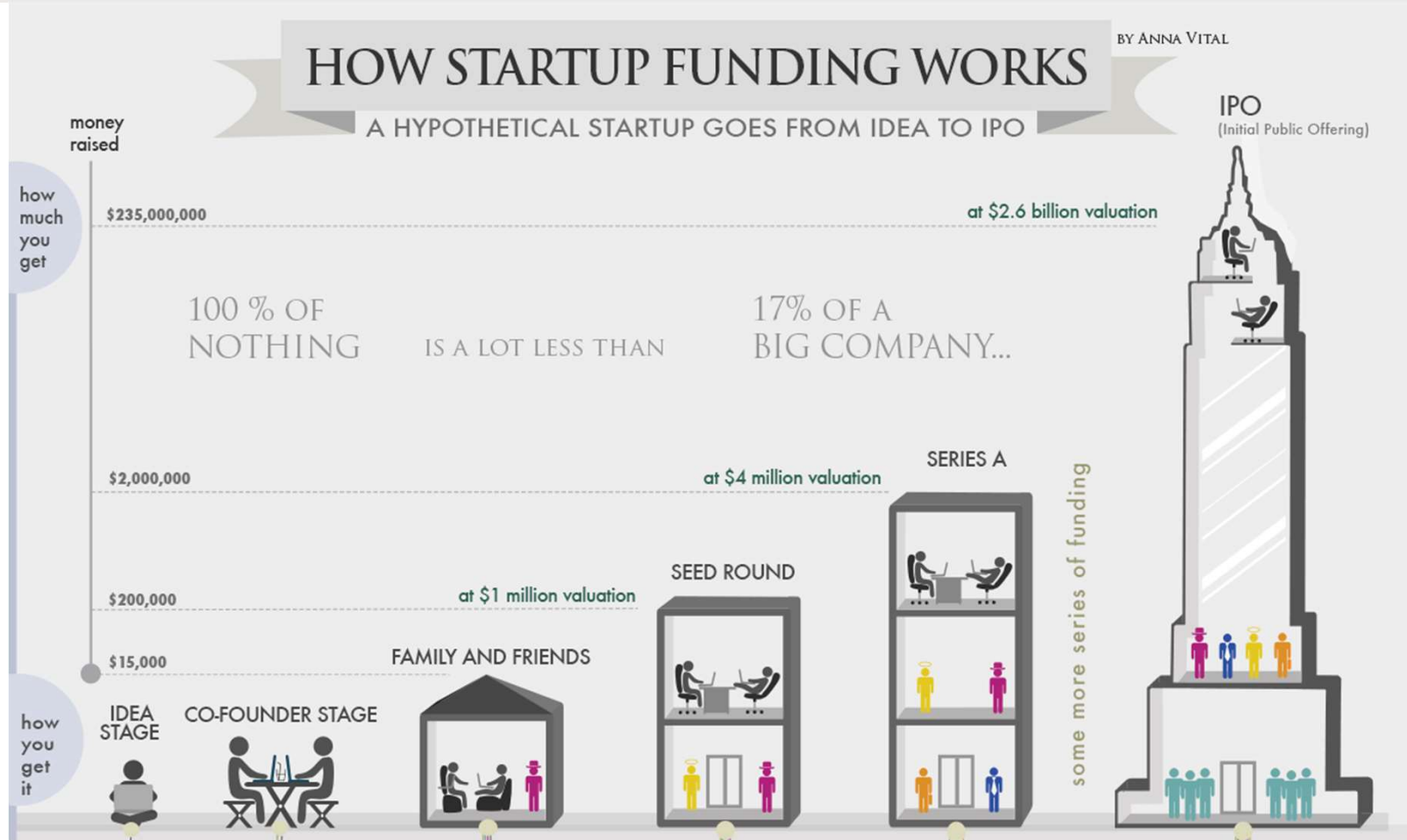


- ⊙ Essential source of financing (private equity)
- ⊙ Driven by impact and financial return
- ⊙ Venture capital funds, family offices, business angels
- ⊙ Know-how, advisory, consulting & network („Smart Money“)
- ⊙ Investing in young, innovative companies with high growth potential
- ⊙ Source of innovation for big corporates and industries in general

## Target group

- ⊙ Companies (0-10y) with need of external capital to achieve growth

# What does this look like



# xista science ventures



## In a nutshell

[Find out more](#)

**> 450**  
people work in  
our portfolio  
companies

**> 30**  
nationalities  
in our portfolio  
companies.

Our current  
fund is  
**€ 70m**

We have strong ties to  
**leading edge  
research**  
at the Institute of Science and  
Technology, Austria

We provide follow-on funding up  
to  
**€ 4m**

Gateway to an  
ecosystem  
including high  
tech facilities

Our companies have raised  
**> € 250mn**  
in grants and equity funding.

We are  
**seed  
investors.**

Our roots are in  
**Austria.**  
We invest across  
**Europe.**

**22** Portfolio  
Companies  
across life science, software and  
hardware



# We are typically the first investor to commit – actively committed to closing the pre-commercialization gap



## xsv investment stages



### Key criteria we look for:

- Committed founder(s)
- Unique tech
- Emerging need

- Core team in place
- Functional prototypes
- Evidence of scalability

- Scalable business model
- Measurable traction
- Proven tech platform

# Leading early on and building Series-A ready companies



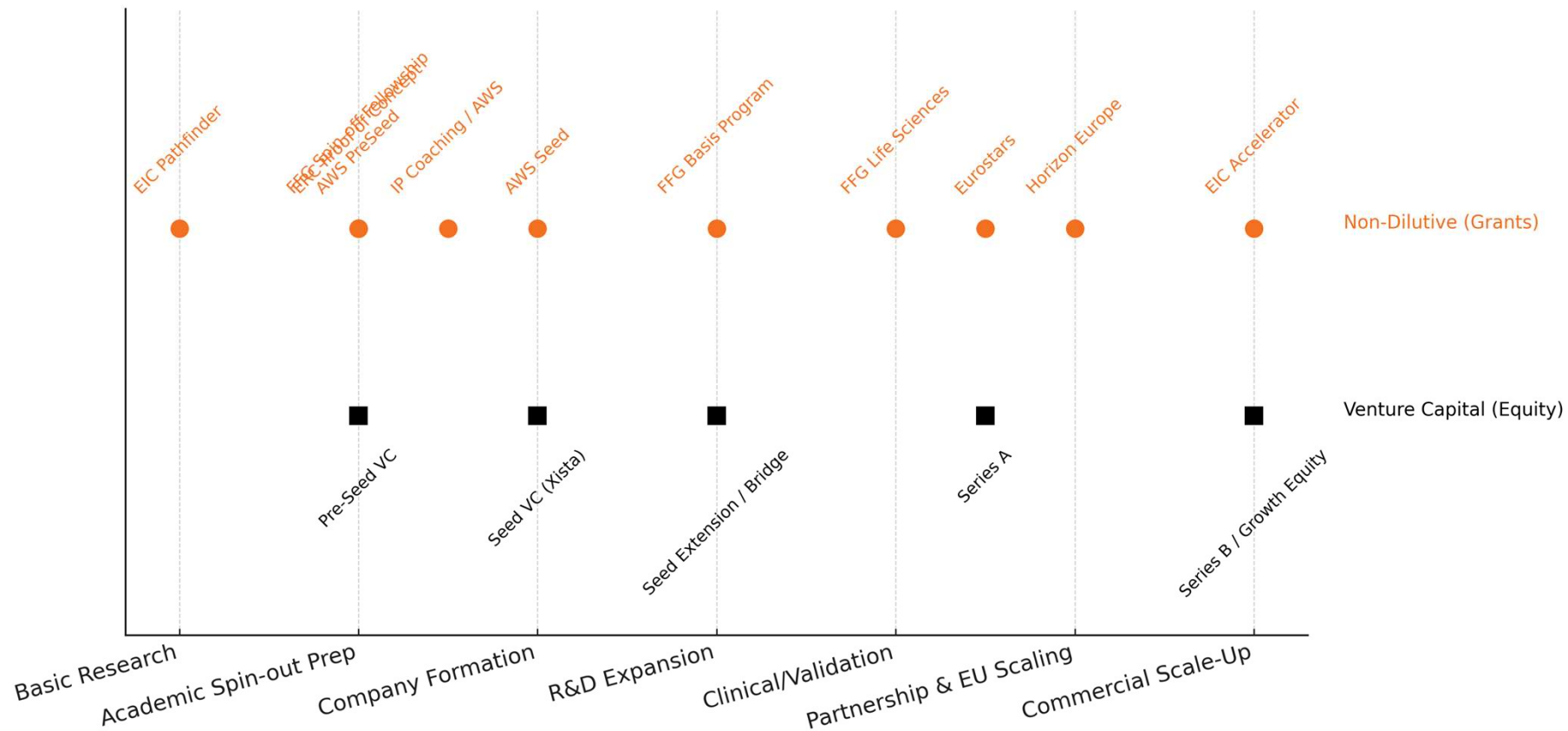
## Stages:



## Investments:

- |  |  |   |
|--|--|---|
| ■ Lead initial rounds of around EUR 500k – 1m        | ■ Lead or co-lead follow-on rounds of EUR 2 – 5m | ■ Follow-on rounds, typically new lead investor |
| ■ Aiming to invest on <b>average EUR 500k checks</b> | ■ Selective initial tickets                      | ■ Keep pro-rata from Series B                   |
| ■ High single digit target ownership                 | ■ On <b>average EUR 1,5m checks</b>              | ■ <b>Up to EUR 4m checks</b>                    |
| ■ ~25 initial investments                            | ■ Increase ownership to low double digits        | ■ Maintain ownership                            |
|  | ■ ~65% of the portfolio                          | ■ ~25% of the portfolio                         |

# Bringing it together – NF + VC for capital efficiency



## A case study

# solgate

**Field:** Biotech / Drug Discovery (membrane protein targets)

**Status:** Early-stage R&D, preclinical development

**Model:** Austria-based, science-driven, grant + VC funded

Year	Funding Source	Type	Notes
0	<b>AWS PreSeed</b>	Non-dilutive	Pre-founding, idea validation
0	<b>VC (Seed round)</b>	Equity	Xista and other investors
1	<b>AWS Seed</b>	Non-dilutive	Supports early team, R&D, IP
1-2	<b>FFG Basis Program</b>	Non-dilutive	R&D extension, infrastructure build-up
2+	<b>IP Coaching / AWS</b>	Non-dilutive	IP strategy and patent support



Subset of assets spun out into US entity, Cellgate CurieBIO (US)





# How to stay investible at each stage of the journey?



## ◆ Cap Table Discipline!

### **Avoid over-dilution early, leave room for future rounds**

💡 *Investors want to see a clean, balanced ownership structure with sufficient founder and team incentives*

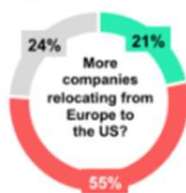
- ◆ Clarity of Vision & Execution – Know your mission, show your plan
- ◆ Milestone-Based Planning – Raise capital to unlock value, not time
- ◆ Capital Efficiency – Combine grants + VC, spend smart early
- ◆ IP and Data Moats – File patents early, validate science fast, fail fast
- ◆ Investor Communication – Build trust with regular, honest updates
- ◆ Team Credibility – Show ability to grow and delegate,  
different stages of the company sometimes need different teams
- ◆ Exit & Scale Vision – Understand your commercial path early

# Macro view: Findings from the European Investment Fund VC Barometer Report – May 2025

At the same time, almost 1 in 3 surveyed GPs expect more companies to relocate from the US to Europe in 2025



• Yes  
• No  
• Don't know



Q. In the course of 2025, do you expect that companies will relocate more frequently than in 2024 ...?

In subsequent open-ended questions, GPs discussed several "pull" and "push" factors for Europe and for the US.

For GPs expecting more company relocations from the US to Europe:

"Push" factors for the US	"Pull" factors for Europe
<ul style="list-style-type: none"><li>Political instability and unpredictability</li><li>Regulatory uncertainty and protectionism</li><li>Anti-immigration policies and talent flight</li><li>Economic volatility and capital flight</li><li>Cultural and strategic misalignment</li></ul>	<ul style="list-style-type: none"><li>Geopolitical and regulatory stability</li><li>Clearer and accommodating sector-specific regulation</li><li>Talent repatriation and attraction</li><li>Access to non-dilutive funding and public support</li><li>Socio-cultural alignment and quality of life</li></ul>

The report captures the challenges currently facing the markets:

- ◆ Exit opportunities and fundraising expectations have turned negative for the first time in three years.
- ◆ Geopolitical uncertainty and policy shifts in the US are shaking investor confidence – impacting fundraising notably for late-stage capital and cross-border deals.

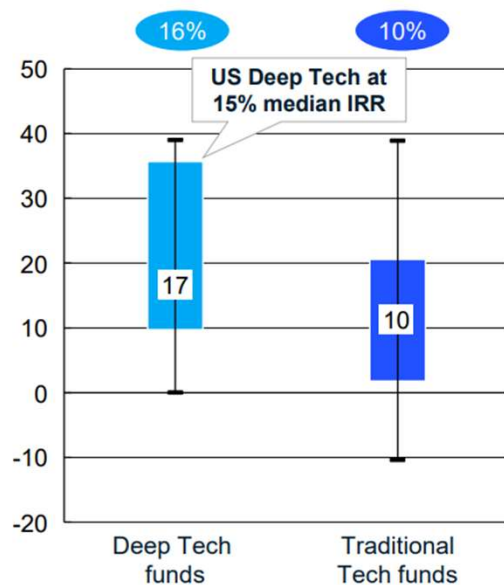
But the engine is still running as the fundamentals of European VC/PE remain intact:

- ◆ Deal flow remains resilient, showing that investor appetite across Europe is holding firm.
- ◆ And while portfolio company valuation trends are mixed – the forward-looking expectations are optimistic.

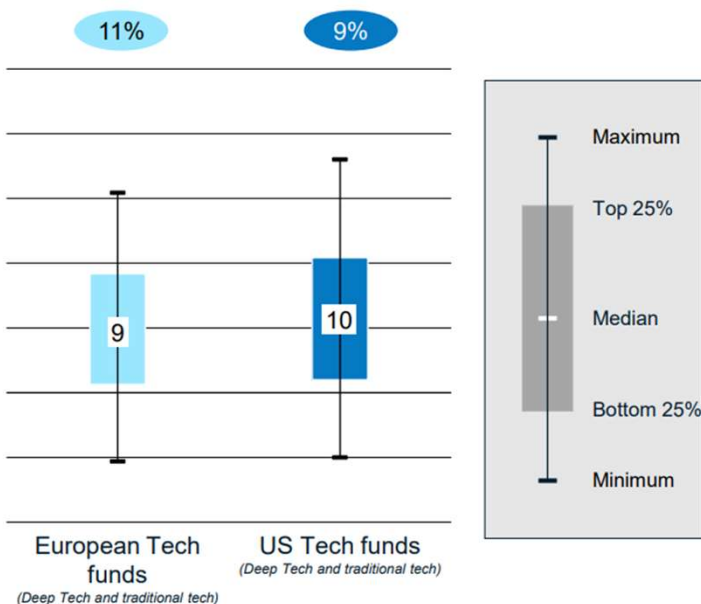
# How is the outlook for deeptech investments?

## VC funds investing in Deep Tech deliver an average net IRR above traditional tech funds

Net IRR for traditional and Deep Tech-focused funds<sup>1</sup>, %



Net IRR for European and US technology funds<sup>1</sup>, %



% Average net IRR, weighted<sup>2</sup>

**Clear trend with Deep Tech-focused funds having outperformed traditional tech funds since 2003 (16% weighted net IRR vs. 10%)**

While Europe has not seen many Deep Tech-focused funds closing and reporting IRR, the expected performance should be in line with US-based benchmarks historically, driven by A) similarly attractive regional characteristics for Deep Tech, and B) similar net IRR performance for the broader tech funds

<sup>1</sup> Based on 115 Deep Tech-focused funds and 1,572 traditional funds in Europe and North America, with vintage/incubation year between 2003 and 2020.

# Concluding Remarks

- Strong mechanisms to fix the precommercial gaps
  - Austrian innovation ecosystem capital efficient powerful early support seed investors and AWS, FFG, Spin-off Fellowships, still a need for early stage PoC
  - Xbio – xista's solution for pan-Austrian institutions to plug the pre-commercialisation gap (training entrepreneurs)
- But **scaling** globally needs **vision and investment at EU level**.
- Programs European Innovation Council and expansion of growth capital crucial to fill later stage funding gap.
  - Strong signal to by the EU Commission to commit to mechanisms to improve scaling capital
  - The time is now!