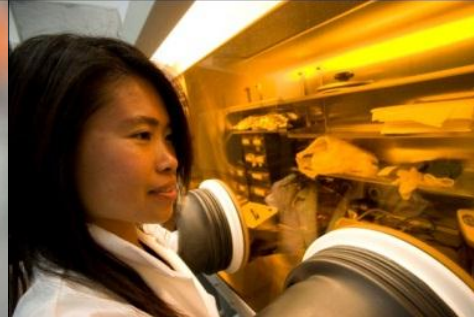


# Imperial Innovations Group plc

Developing Innovative Technological Entrepreneurship at Universities

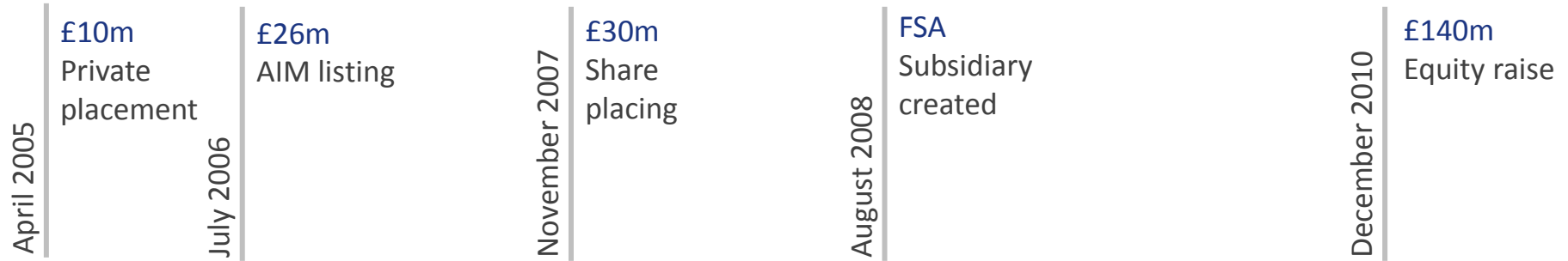
22<sup>nd</sup> February Moscow School of Management SKOLKOVO

Creating, building and investing in ground-breaking  
technology opportunities addressing large  
international markets



- **Imperial Innovations creates, builds and invests in pioneering technology opportunities**
- **Addressing the gap between scientific research and successful commercialisation in the UK**
- **Focused on four universities: Oxford, Cambridge, Imperial College London and University College London**

# History

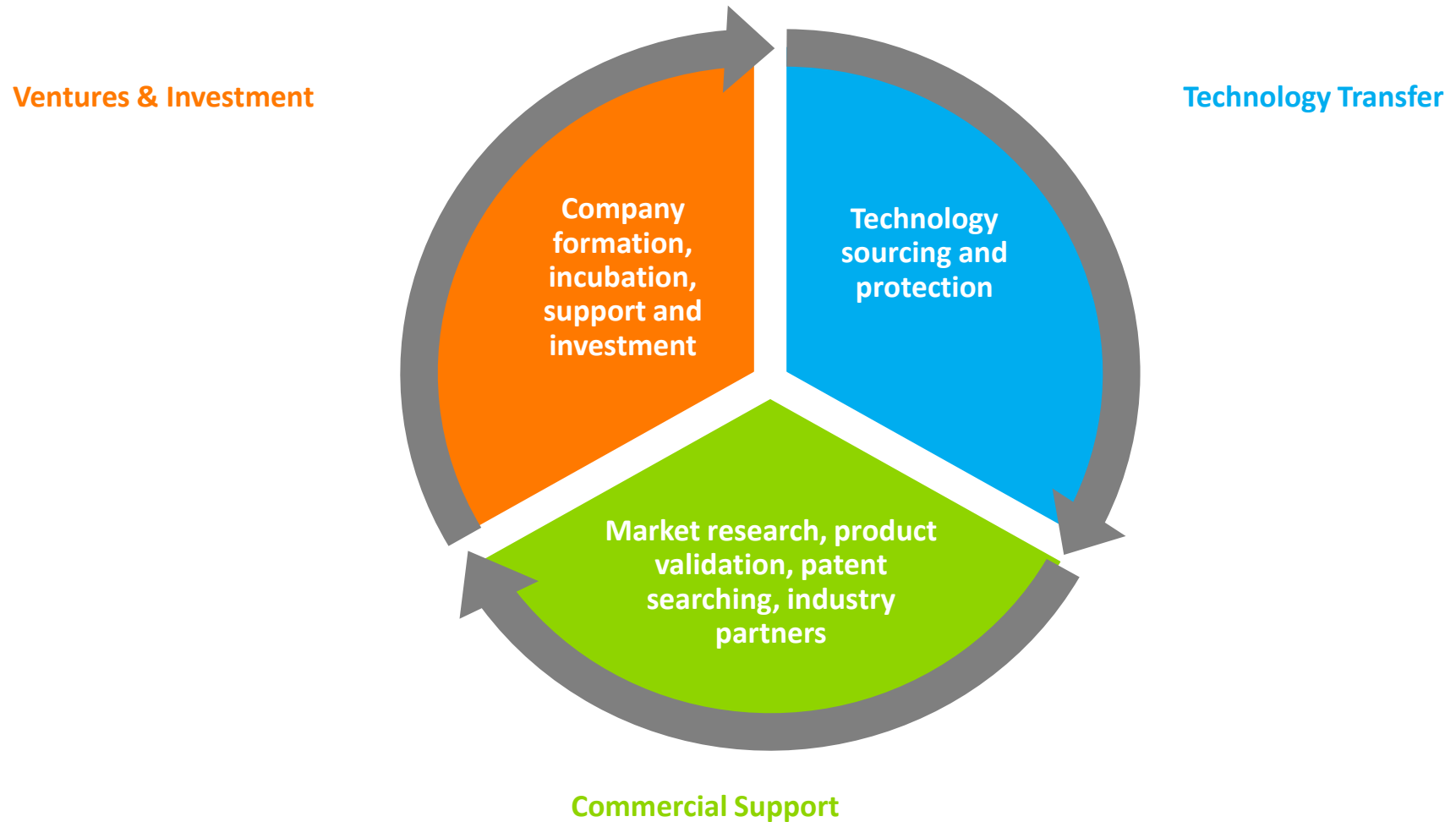


- Founded in 1986 as Imperial College London’s Technology Transfer Office – remains a key function of the business
- Investment capability increased after AIM listing
- £140m equity raise in 2010:
  - **Greater ambition:** growth of later stage Imperial businesses
  - **Broader scope:** invest in new companies from Oxford, Cambridge, Imperial and UCL
- Major shareholders: Invesco, Imperial College London and Lansdowne Partners

# The UK environment

- Lack of early stage finance and continuity of finance, venture capital constrained
- Criticism that UK does not exploit its science and enable scale
- Research concentrated in research intensive universities - >25% of funding for four universities
- Universities: top four universities in Europe and combined annual research income >£1bn
- Local established technology transfer and spinout capability which can be leveraged
  - Cambridge Enterprise, UCL Business and OSEM

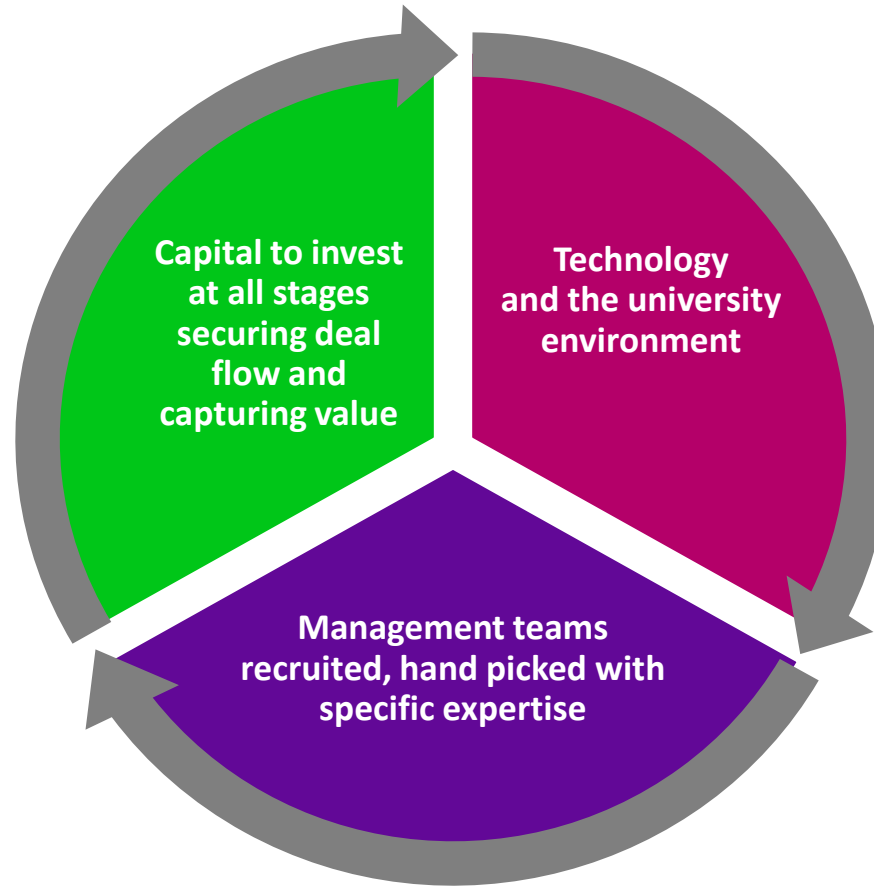
# Integrated Business Model



# Building businesses

Capital

Technology



Management

# Our portfolio

## Accelerated growth

- 29 companies
- Active role, seat on board
- High calibre management

## Support

- 24 companies
- Support to promote organic growth and revenue generation

## Low involvement

- 25 companies
- Smaller assets
- No further funding expected

## Healthcare



## Technology



# Track Record

- **£83m invested since 2006; over £300m raised by portfolio**

## Substantial exits



- Developing treatments for obesity and diabetes
- Invested £1.5m in 2006 as part of £10m round
- Trade sale to Pfizer for up to £100m realising £3.1m; further milestones due up to £16.1m



- Developing treatments for COPD, severe asthma & Cystic Fibrosis
- Invested £2m in 2007 as part of £13m round
- Trade sale to Centocor realising £9.5m



- AIM-listed UK fuel cell manufacturer
- Invested £0.65m in 2005
- Sale of shares - £7.7m with 2.8% stake retained

## Other trade sale exits



Sold to Evonik



Sold to IDBS



Sold to Technip



Sold to Stanmore Implants Worldwide



# Licensing

- Portfolio of licences from Imperial College London technology
- Part of our model – building long term revenue streams
- **Technology**
  - **Thomas Swan**: functionalised carbon nanotubes
  - **JK Tech**: Peak Air Recovery technique for global mineral industry
- **Healthcare**
  - **Stanmore Implants Worldwide**: orthopaedic knee implant
  - **Smith & Nephew**: surgical tool for cruciate ligament repair
  - **EuroImmune**: technology for diagnosis and treatment of rheumatoid arthritis

# Stepping up investment in Imperial accelerated-growth companies

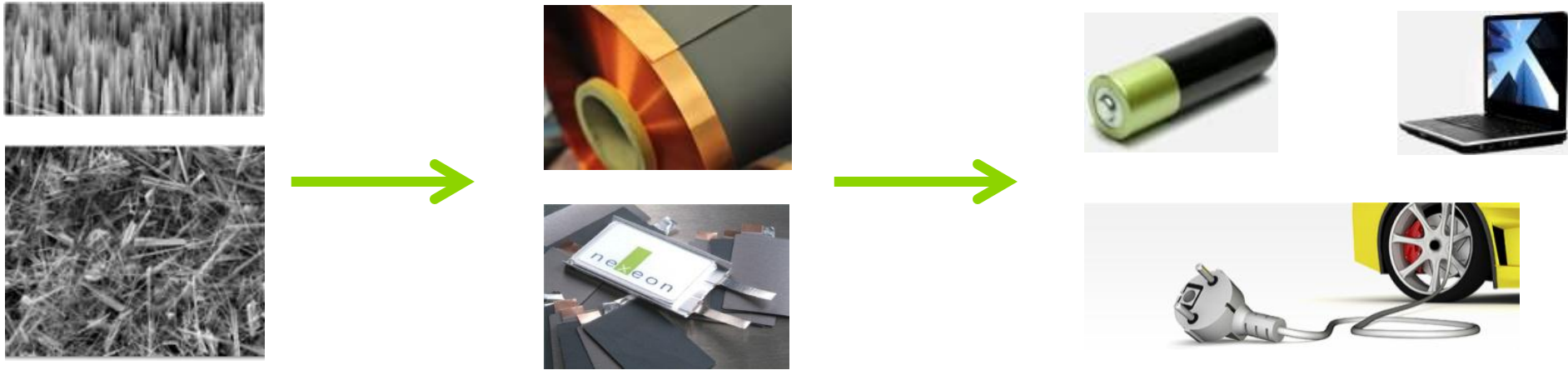





- Unique silicon anode technology for Lithium ion batteries
- World-record performance Li-ion cells achieving 3.2Ah at a realistic discharge rate. Will allow portable electronic devices to last a third longer between recharges
- Signed materials evaluation agreements with a number of major battery manufacturers
- July 2011 led £40m funding round investing £15m alongside Invesco Perpetual
  - Funding to be used to scale up Nexeon's silicon anode material to commercial levels and provide application development and support to customers
  - Raised total £54.75m. Innovations' investment to date £22.4m, holding 40%



# A sustainable business

nexeon®



Team		Progress		Funding	
 Scott Brown, CEO	 Paul Atherton, Chairman	2005	Proof of Concept, Incubator	Seed (2006)	£0.5m
		2007	Anode material proof of concept	Series A (2007)	£4.25m
 Mino Green, CSO		2009	Pilot plant; Material to customers	Series B (2009)	£10m
		2010	500 charge/discharge cycles World's highest capacity Li-ion cells Series C		
		2011		Series C (2011)	£40m

# Investments in Cambridge- and UCL-linked companies

- **Autifony**
  - £5m investment as part of £10m round alongside SV Life Sciences; 33.6% stake
  - Spinout from GSK: pre-clinical assets targeting voltage-gated ion channels to treat hearing disorders
  - Experienced founding team including senior GSK scientists
  - Collaboration with UCL Ear Institute, leading experts Professor David McAlpine and Jennifer Linden; UCL Business founding shareholder
- **Stanmore Implants Worldwide**
  - £4m investment for substantial stake in the business; spinout from UCL
  - Specialists in design and manufacture of patient specific implants for complex orthopaedic reconstruction
  - Intellectual property behind ‘Savile Row’, the world’s first fully personalised knee replacement system, based on Acrobot, Innovations spinout acquired by Stanmore in 2010.

# Investments in Cambridge- and UCL-linked companies

- **MISSION Therapeutics**
  - £1.3m investment in £6m seed round alongside Sofinnova Partners, SR ONE and Roche Venture Fund; 15.7% stake
  - First investment in Cambridge company; building drug discovery platform against enzymes in the ubiquitin pathways that control cellular responses to DNA damage – targeting oncology & other applications
  - Experienced founding team with strong track record from KuDOS Pharmaceuticals (sold to AstraZeneca in 2006 for \$210m)

# Technology Transfer-Commercialisation-Investment

- Academic engagement
- Interaction with industry
- Developing Entrepreneurial Managers
- Understanding Market needs
- Understanding Product Development
- Attracting Investment