



# Generating Value from Innovation in Healthcare & Life Sciences

Proactive Investors October 2018

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# Arix Bioscience: building businesses and value

 Life science ventures in a publicly-traded company (LSE: ARIX)

 Holdings in 15 Group Businesses across EU, US, Israel and Australia

 Four blue-chip pharma partnerships



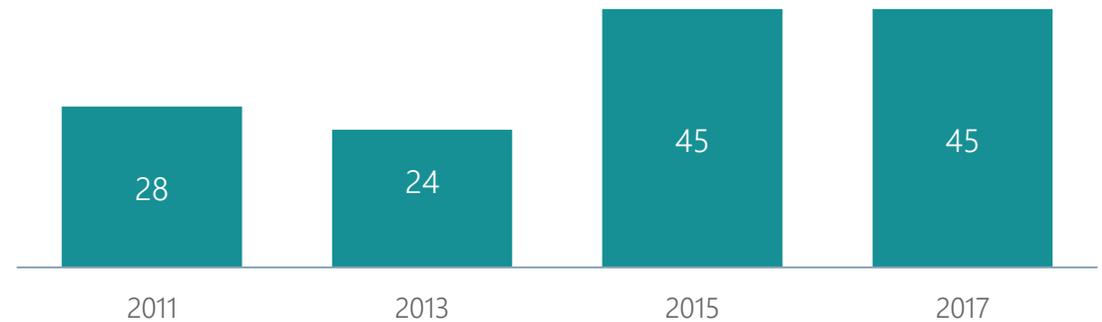
 Multiple clinical and business development milestones over the next 18 months



# Macro trends support market opportunity

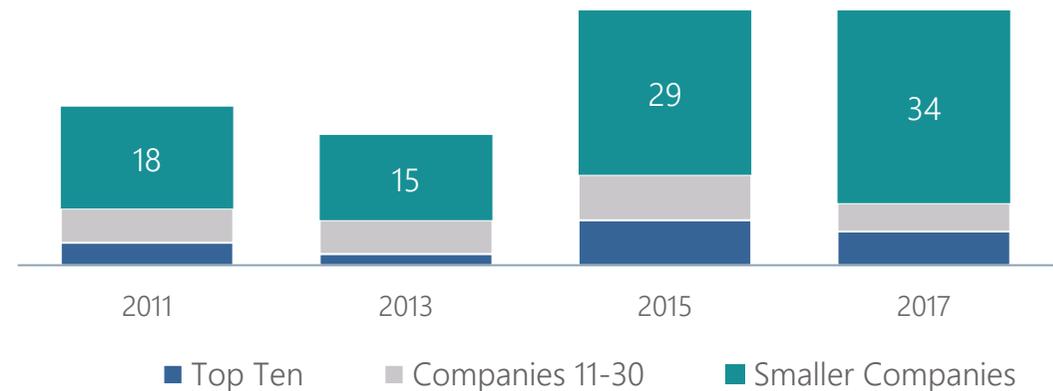
Scientific innovation driving increasing numbers of new therapies and technologies

New molecular entity approvals by the FDA<sup>1</sup>



Innovation continues to be driven by smaller companies

Number of drug approvals by originator<sup>2</sup> company size

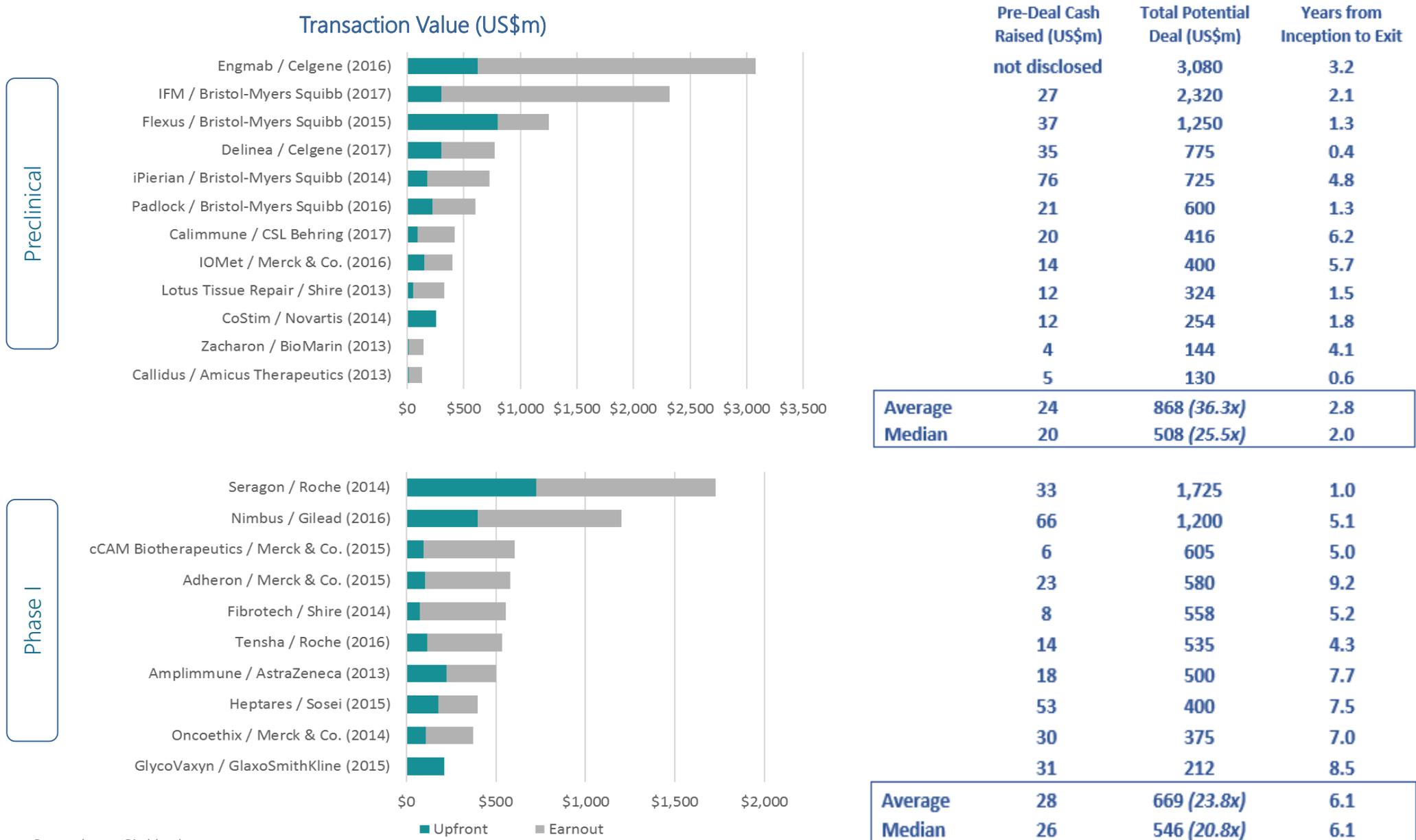


1. Source: Company, FDA, HBM analysis

2. Drug originator defined as the company that undertook the first significant development effort for a drug

# Market opportunity

## Premium price paid for innovation



Source: Press releases, Pitchbook.

Note: Companies acquired while lead asset is in Phase I or preclinical development, for a disclosed value of over US\$100m, 2010 to August 2017. This slide is not intended to indicate Arix's expected returns or strategy in any way but instead to provide historical market context for early stage biotech.

# Strategy

Diversified investments and company creation in game changing life science technologies

VENTURE CAPITAL

COMPANY CREATION

VIPES

- **Broad strategic approach**
  - seed stage companies
  - preclinical and clinical stage assets
  - private or public
- We partner with the most **ambitious entrepreneurs**
- **Active management approach**
- **Permanent capital** model allows us to take a **longer term view**

# Extensive global network

Unique platform driving a deep pipeline of opportunities

Pharmaceutical  
companies

Deep VC  
networks

Research  
accelerators

Universities

Direct biotech  
networks

Fund  
Manager

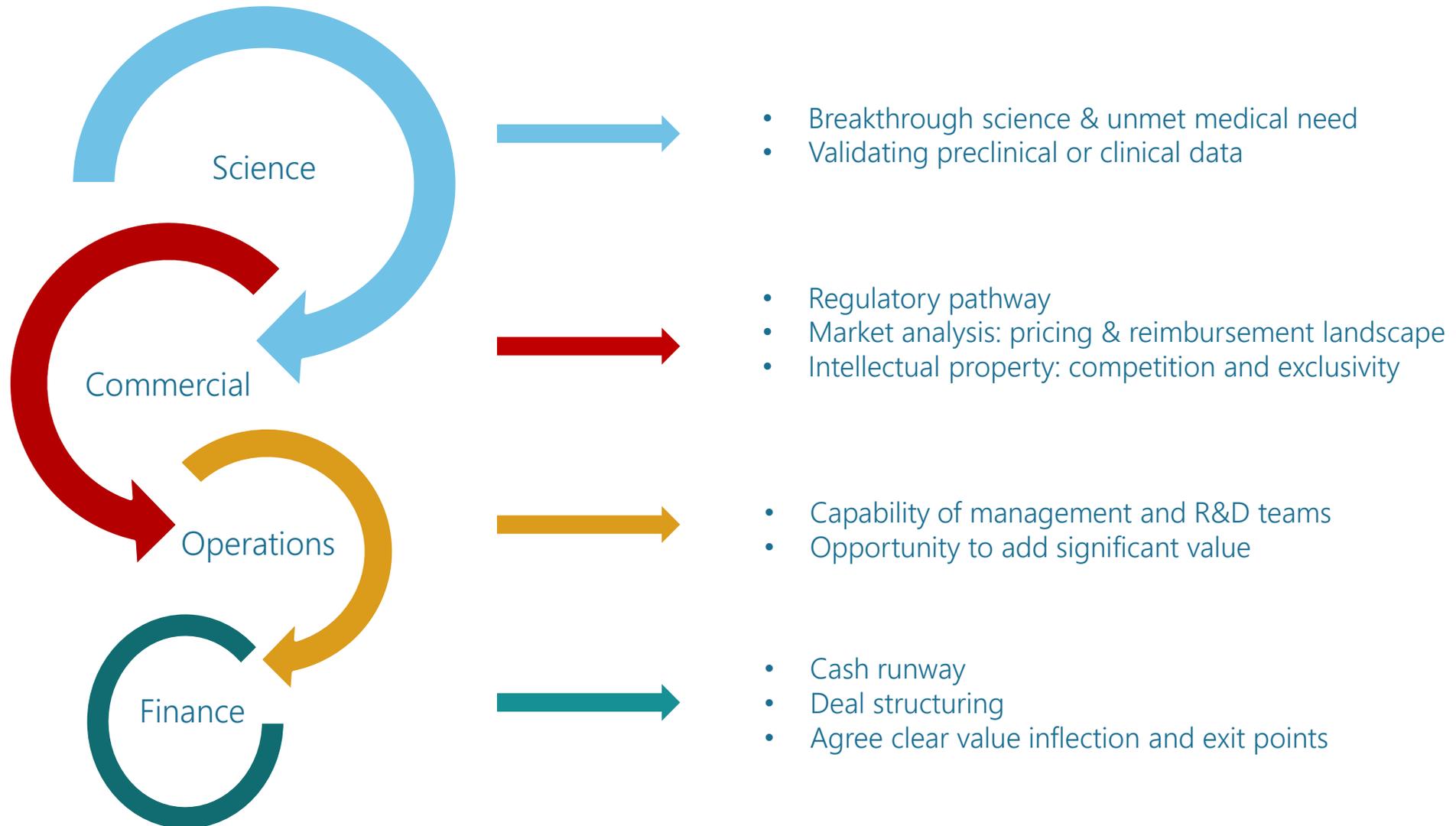
Rich, renewable pipeline of opportunities  
Transatlantic networks, with reach into Asia, Israel and Australia

# 1201

opportunities reviewed\*

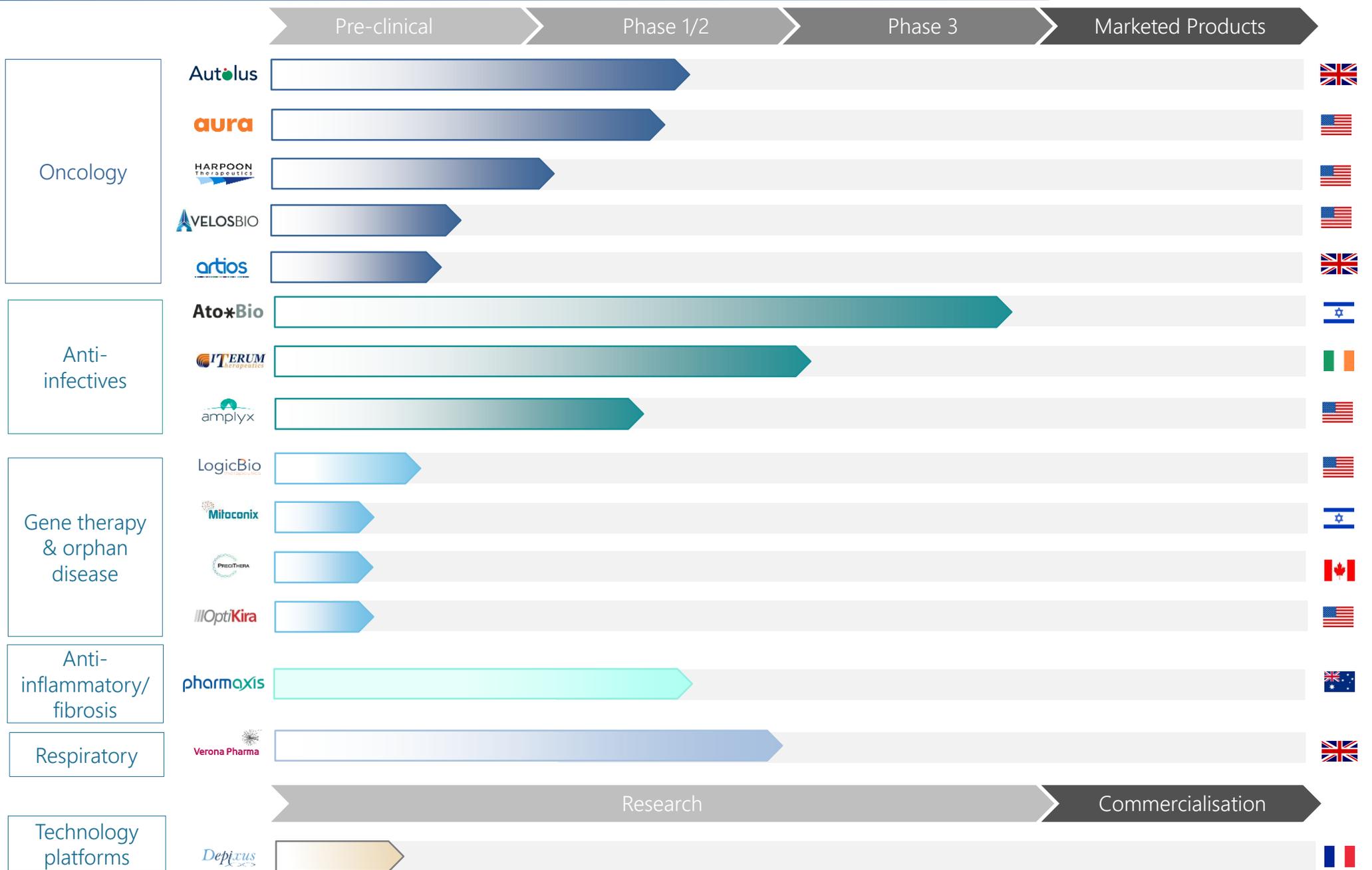
# Deep due diligence process

Detailed approach to identifying and verifying scientific and commercial potential



# Diverse and innovative portfolio

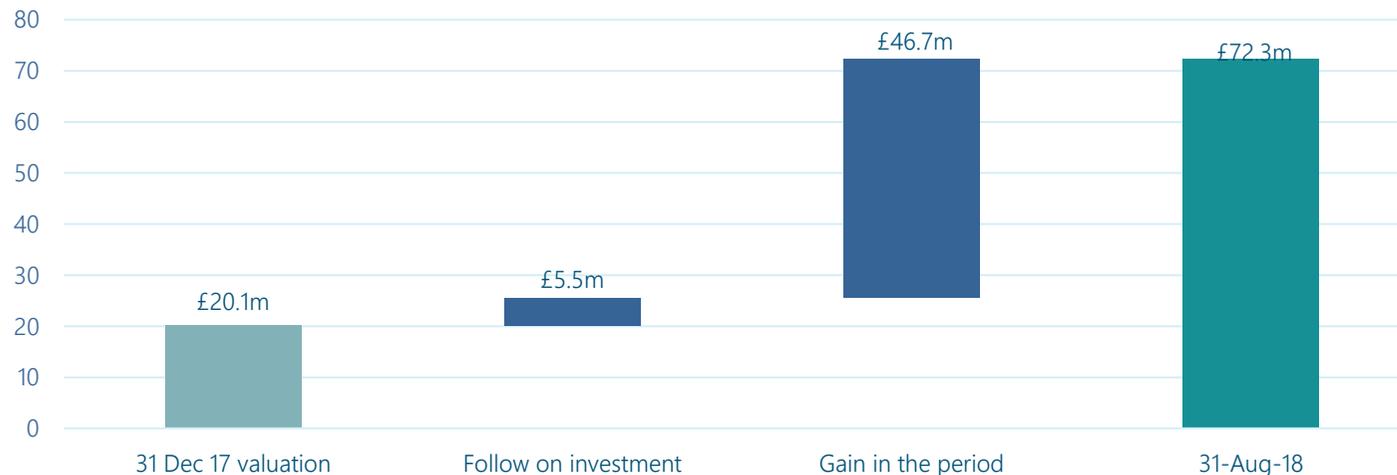
Invested in cutting edge life science companies across all stages of development



# Case study: Autolus

## Next-generation, programmed T cell therapies for the treatment of cancer

- Oversubscribed \$150m IPO; 3 x return on investment to date
- Arix led £40m Series B enabling company to initiate first clinical trials and played a pivotal role in key new hires at the company
- Arix first invested when Autolus was valued at \$75m, market cap today of ~\$1.2bn
- 6 clinical trials initiated in 5 programmes, with further preclinical studies ongoing



# Significant progress since formation

Rapid pace of growth with key milestones met in first two years

December 2016	December 2017	June 2018
NAV £46m	NAV £146m	NAV £258m
Gross Portfolio value of £17m	Gross Portfolio value £71m	Gross portfolio value £122m
2 clinical trials	12 clinical trials	15 clinical trials <i>(20 at Sep 2018)</i>
Core portfolio of 5 companies	Core portfolio of 13 companies	Core portfolio of 13 companies plus seed investment <i>(15 at Sep 2018)</i>

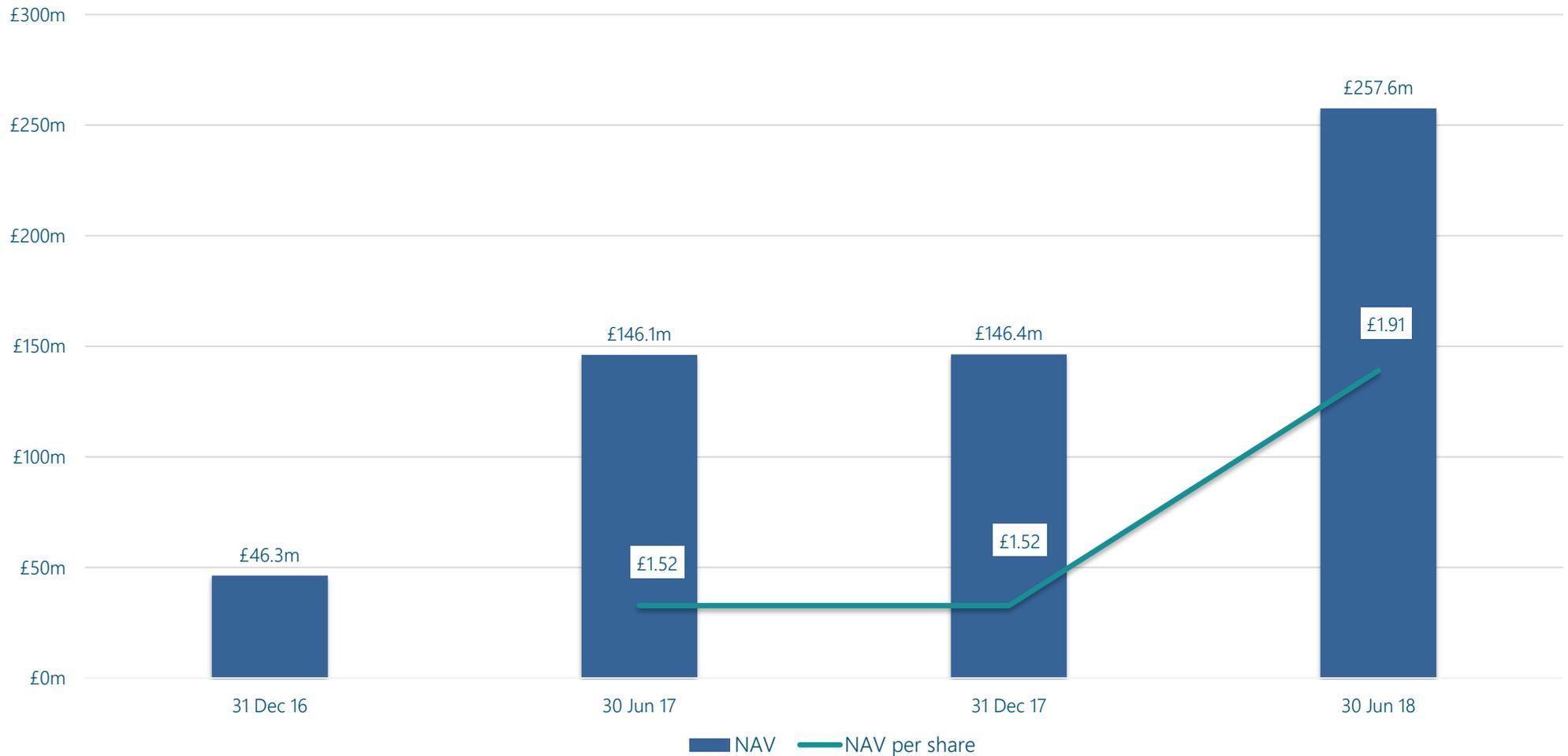


£250m  
raised to date

# Performance overview

Strong delivery in HY2018

## NAV progression



Analyst price targets: Stifel: £2.56, Jefferies: £2.75, H.C. Wainwright: £3.14

# Outlook

Multiple catalysts for further growth over next 18 months

- Group Businesses on track to deliver **strong business and clinical development**
- **New investments, company creation** and follow on capital in 2018
- **Accelerating growth in core portfolio**; building stakes as milestones are met

20 clinical trials  
across portfolio

Data expected  
from 17 clinical  
trials

**14**  
new clinical trials  
due to  
commence

# Arix: a unique proposition



## Permanent capital base

Longer term view than non listed peers; ability to support Group Businesses through all stages of development



## Premium access to cutting-edge science

Access to high quality global networks and research accelerators, together with links to universities



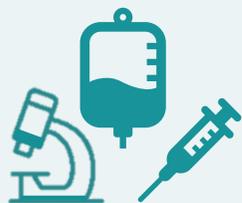
## Pharma partners

Partnering to build and develop new innovative technologies, utilising extensive R&D capabilities



## Clear focus

Life science specialists with a focus on gene therapy, oncology and infectious diseases



## Expertise

Proven multi-disciplinary leadership team with a strong track record of building and realising value



## Unconstrained model

Unconstrained by institution, geography or stage of company development; ability to source the best life science innovation without restriction