



ANNUAL RESULTS PRESENTATION

For the year ended 31 December 2018

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Annual Results

Highlights

Annual results 2018

Financial highlights



- **Net Asset Value (NAV): £270m** (2017: £146m)
- **NAV per share: £2.00** (2017: £1.52)
- **Gross Portfolio: £175m** (2017: £54m)
 - £52m invested
 - £70m net positive revaluation

Annual results 2018

Operational highlights

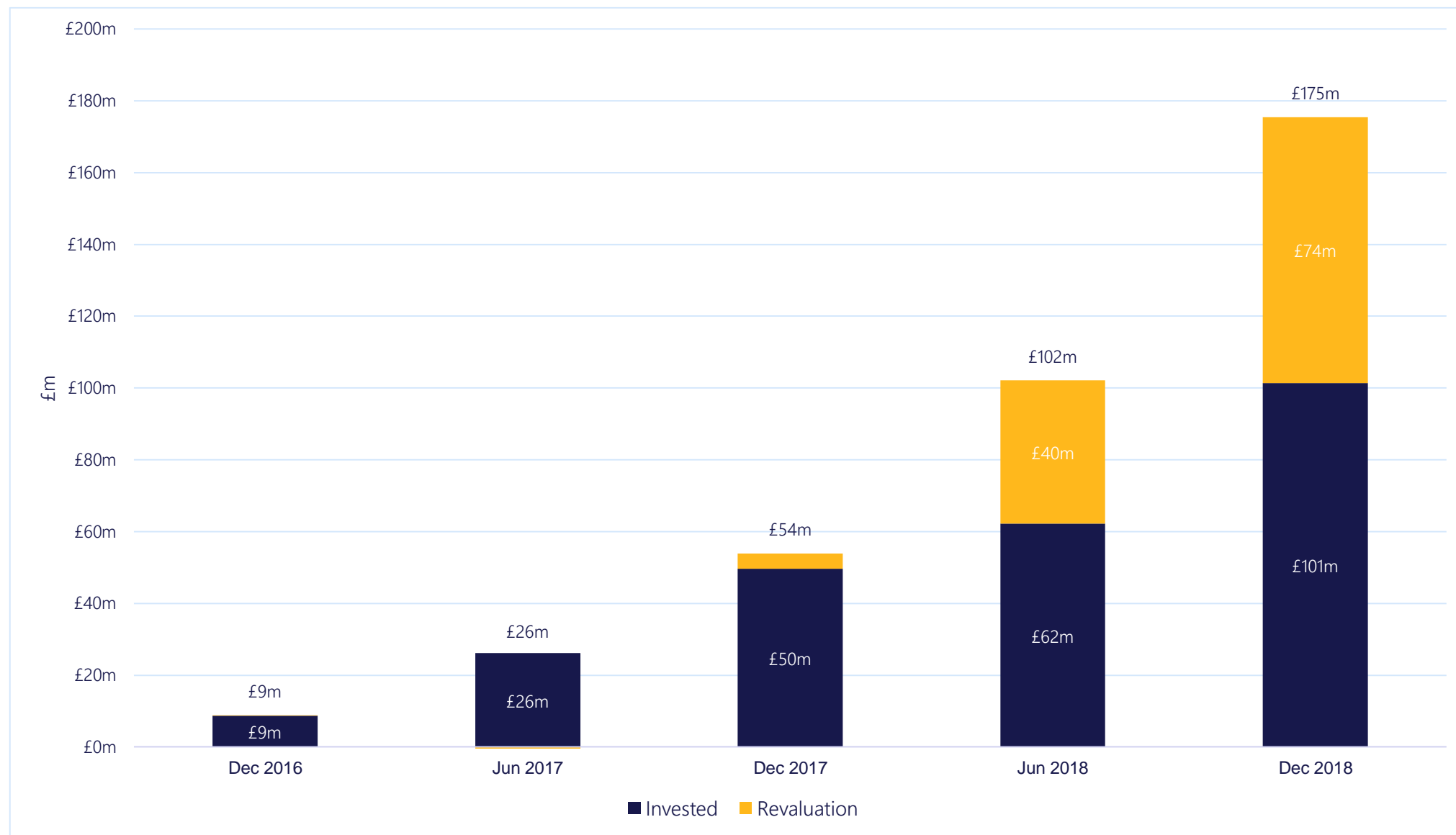


- 4 NASDAQ IPOs completed by Arix portfolio companies*
- 26 live clinical trials; 19 readouts expected in 2019
- \$555m capital raised by Arix portfolio companies in 2018
- New commercial partnerships with Fosun, Ipsen and Fred Hutch
- Four new portfolio companies added**
- Commitment to build leaner organisation (£1.5m cost savings already identified)
- Strengthened team
 - Robert Lyne promoted to Chief Operating Officer
 - Christian Schetter appointed as Entrepreneur in Residence

Steady increase in Gross Portfolio

Cumulative growth since inception

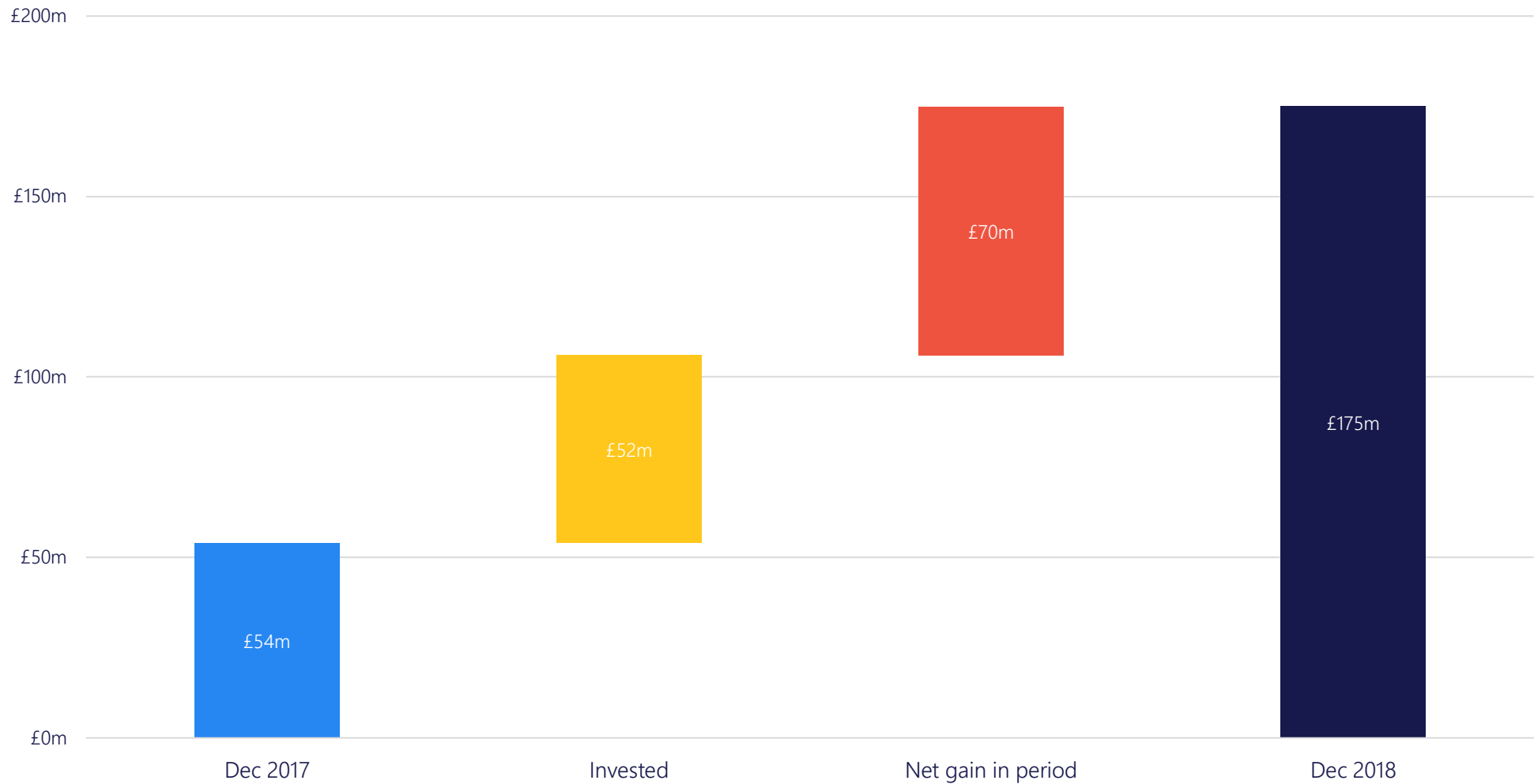
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Strong progress in the Gross Portfolio

FY 2018 gains driven by portfolio company IPOs

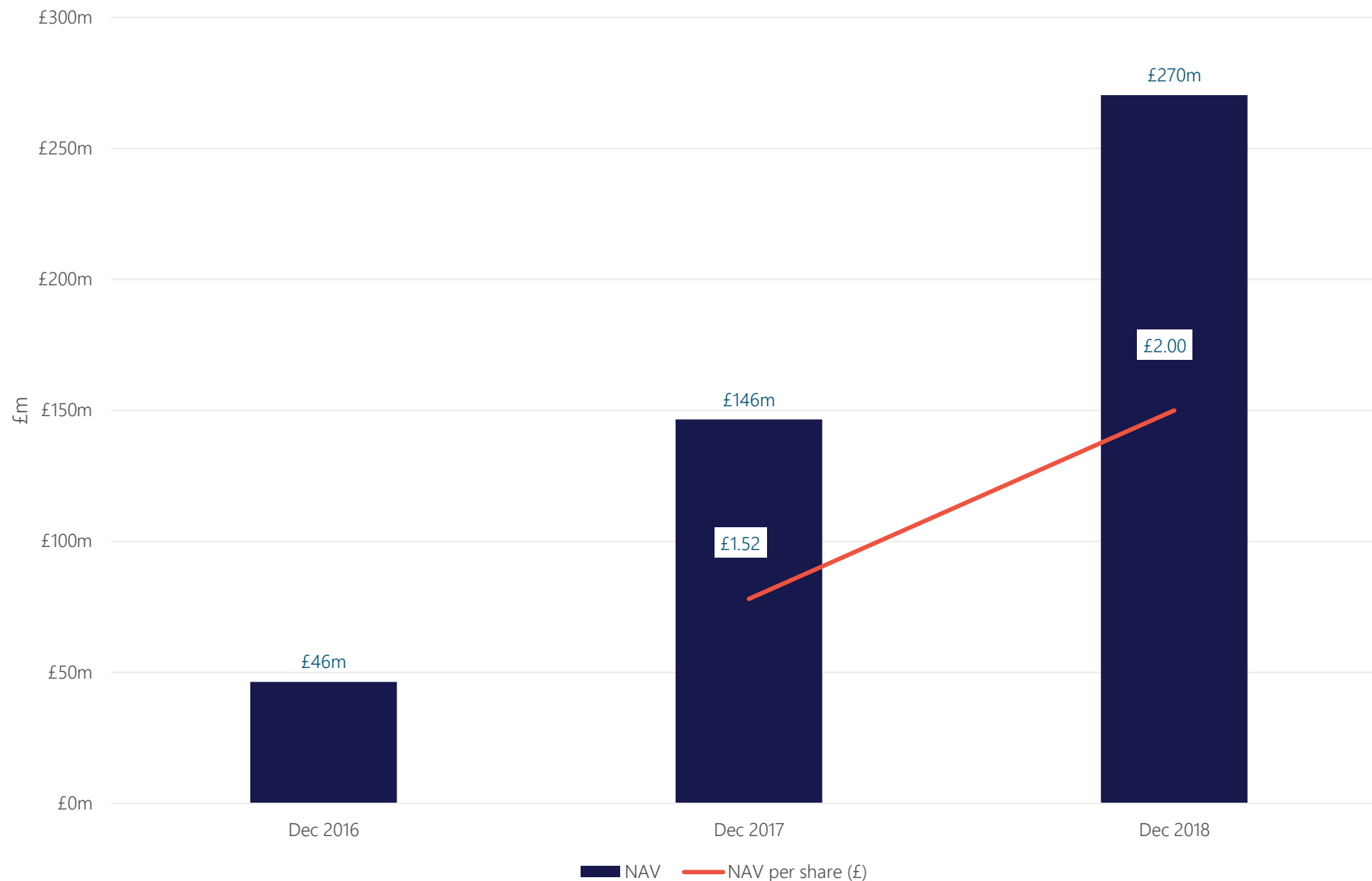
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Portfolio performance driving overall increase in NAV

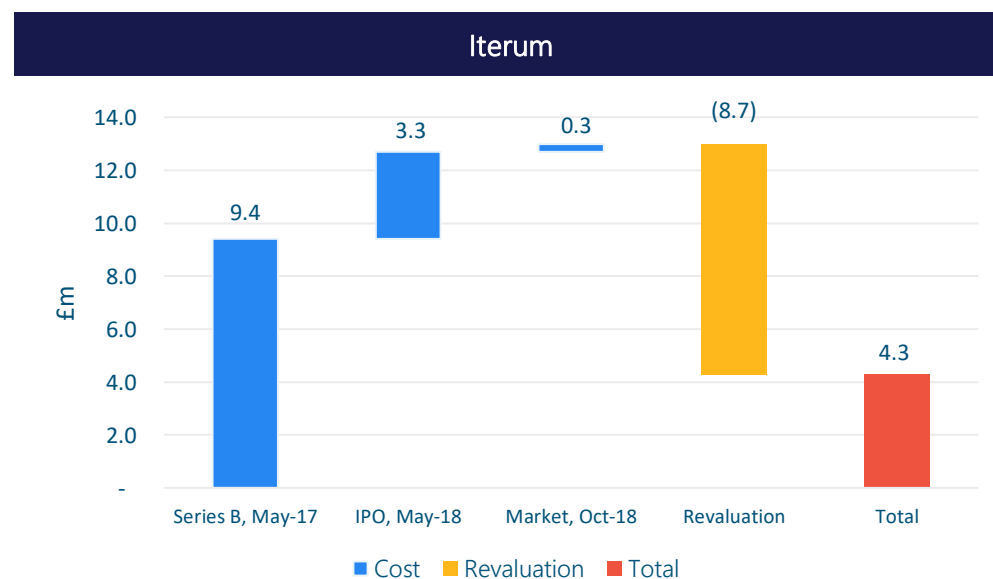
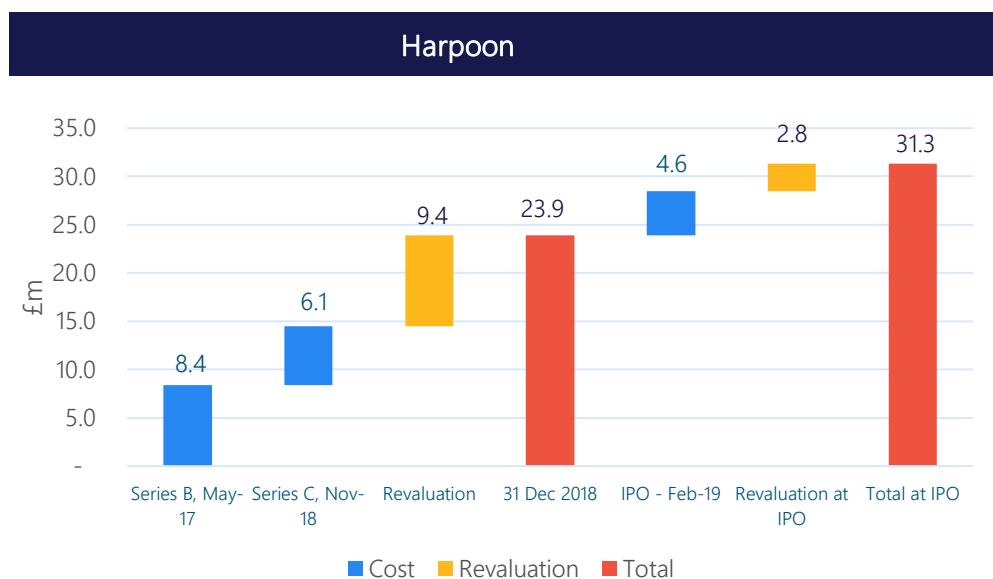
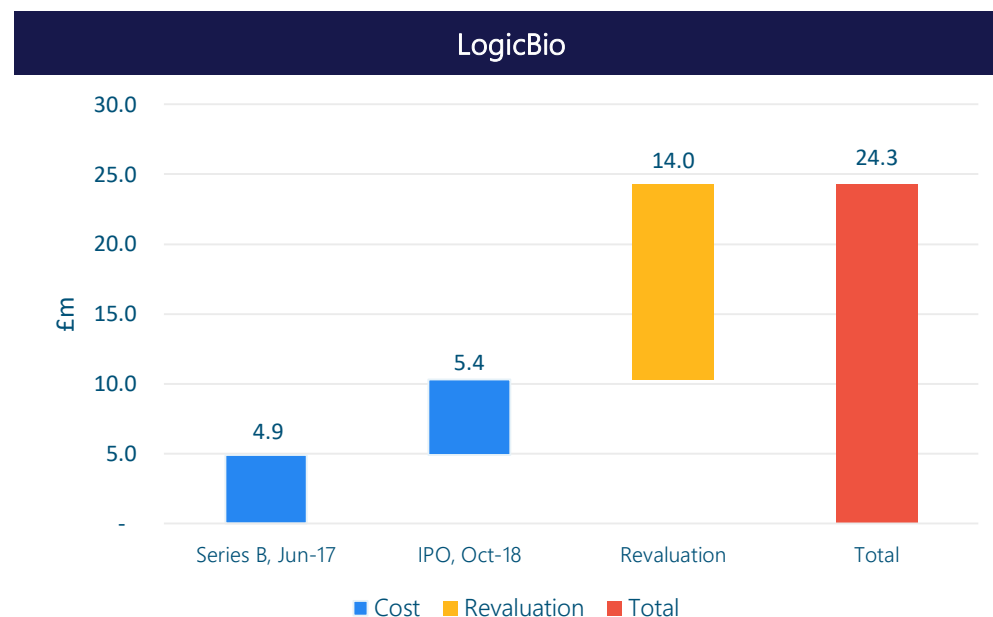
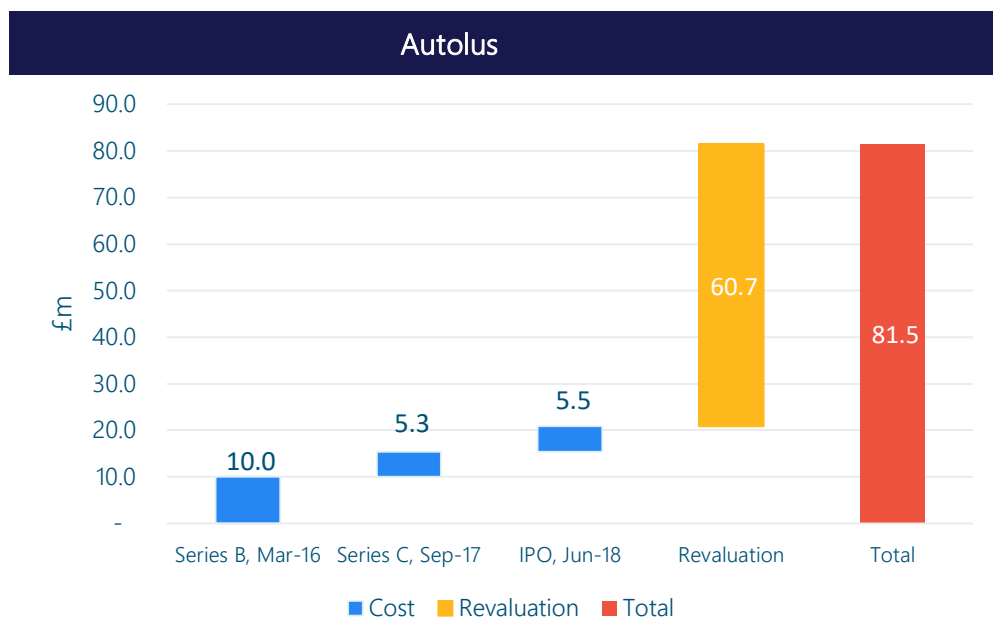
Net Asset Value = portfolio + cash + other assets & liabilities

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Key Valuation Movements

Cumulative positions to 31 December 2018



Balance Sheet at 31 December 2018

Cash

Well positioned to exploit new life science opportunities. When companies are exited, the capital generated will be returned to the balance sheet to reinvest in new opportunities.

£91m

(2017: £75m)

Other

Other Net Assets includes non-portfolio investments and other balance sheet lines such as deferred tax liabilities.

£4m

(2017: £14m)

Core portfolio

Our later stage companies make up 96% of gross portfolio value. We provide follow on capital and build stakes when milestones are met, reserving funds to back our winners and minimise risk.

£169m

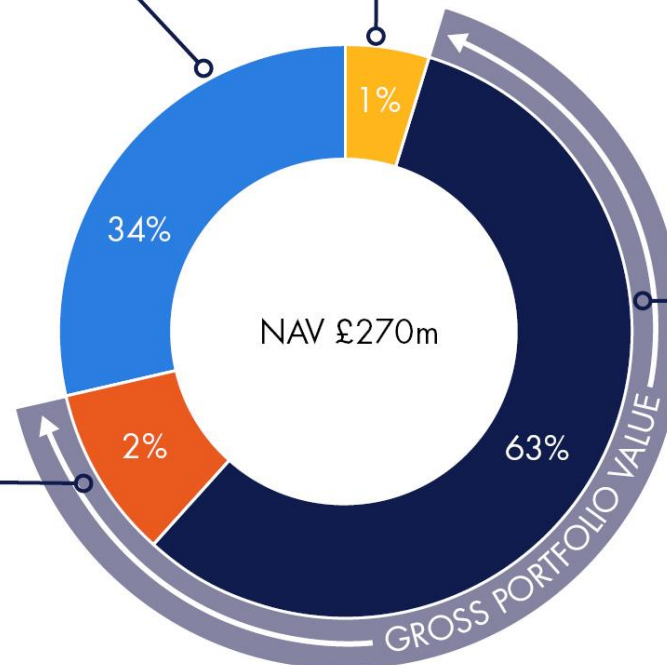
(2017: £54m)

Discovery portfolio

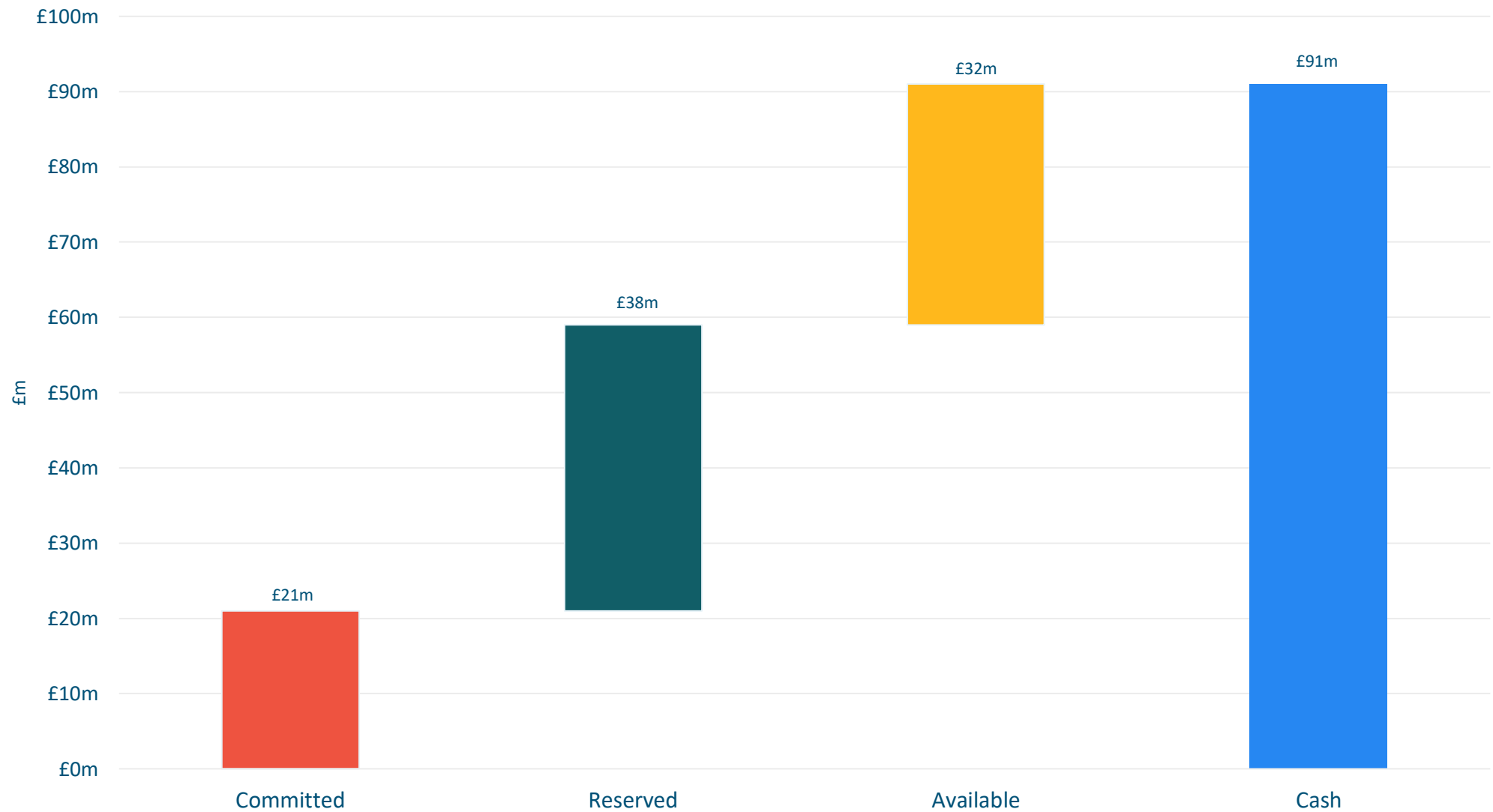
Seed investments in promising life science discoveries. These companies are start-ups in the initial stages of research and development. They have the potential to become core portfolio companies, when milestones are met.

£6m

(2017: £3m)



Cash position at 31 December 2018



Valuation Summary at 31 December 2018

Interests held on Arix's balance sheet

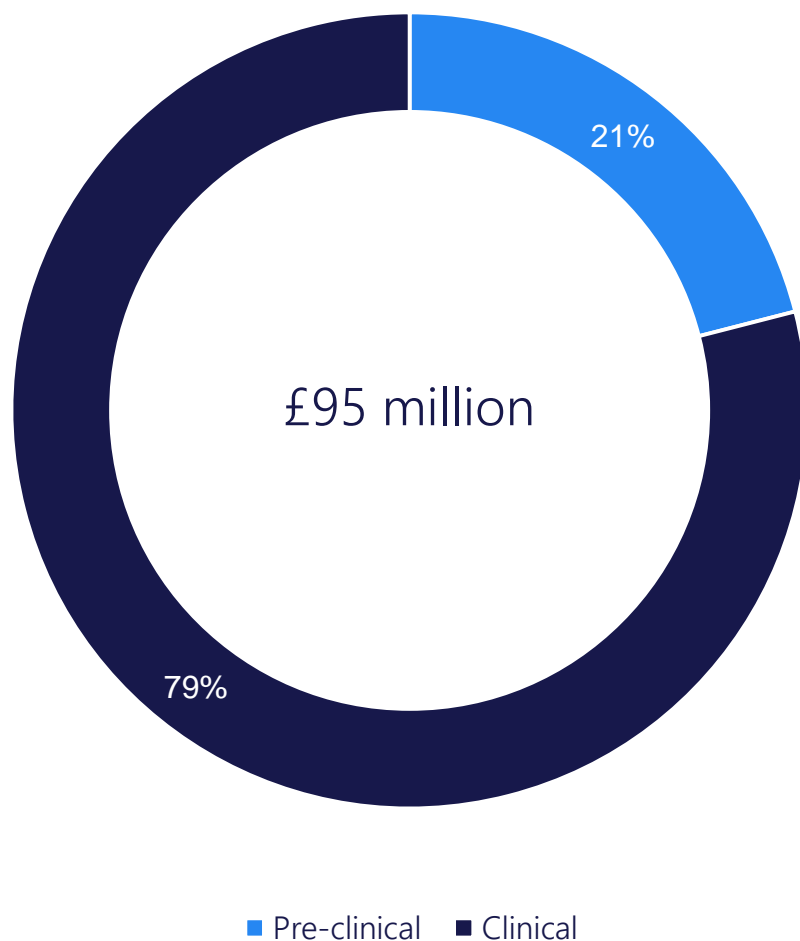


| | 31 December 2017 Value £m | Net Investment in Period £m | Change in Valuation (including FX) £m | 31 December 2018 Value £m | Fully Diluted Equity Interest % | Funding Committed, Not Yet Invested £m | Fully Diluted Equity Interest when Commitment Drawn |
|-----------------------|------------------------------|-----------------------------------|---|---------------------------------|---------------------------------------|--|---|
| CORE PORTFOLIO | | | | | | | |
| Amplix | 2.8 | - | 0.4 | 3.2 | 2.9% | 1.9 | 3.7% |
| Artios | 3.7 | 5.8 | 1.4 | 10.9 | 13.4% | 4.3 | 12.4% |
| AtoxBio | 3.0 | - | 0.2 | 3.2 | 3.7% | 3.1 | 6.4% |
| Aura | 2.5 | 1.2 | 0.2 | 3.9 | 6.6% | - | 6.6% |
| Autolus | 20.1 | 5.5 | 55.9 | 81.5 | 7.9% | - | 7.9% |
| Harpoon | 5.1 | 10.3 | 8.5 | 23.9 | 11.3% | - | 11.3% |
| Iterum | 5.7 | 7.0 | (8.4) | 4.3 | 7.8% | - | 7.8% |
| LogicBio | 4.8 | 5.4 | 14.1 | 24.3 | 12.9% | - | 12.9% |
| Pharmaxis | - | 8.0 | (1.6) | 6.4 | 11.1% | - | 11.1% |
| VelosBio | - | 5.1 | 0.1 | 5.2 | 8.9% | 3.4 | 11.3% |
| Verona Pharma | 2.9 | - | (0.4) | 2.5 | 2.5% | - | 2.5% |
| | 50.6 | 48.3 | 70.4 | 169.3 | | 12.7 | |
| DISCOVERY PORTFOLIO | | | | | | | |
| | 3.3 | 3.8 | (0.9) | 6.2 | NA | 8.3 | NA |
| GROSS PORTFOLIO VALUE | | | | | | | |
| | | 52.1 | 69.5 | 175.5 | | 21.0 | |
| Other Interests | 17.4 | 3.2 | (12.1) | 8.5 | NA | - | NA |
| Total | 71.3 | 55.3 | 57.4 | 184 | - | 21.0 | - |

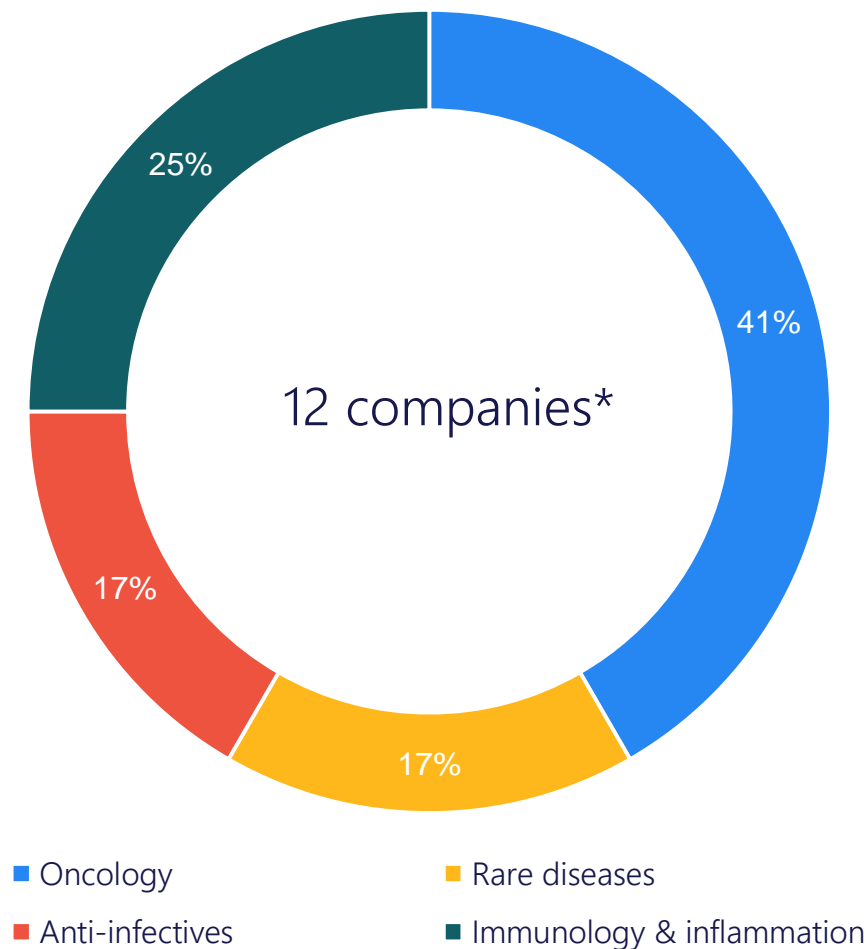
Portfolio Review

Core portfolio snapshot

Capital deployed by stage of development



Core portfolio split by therapeutic area



Core portfolio review

Active investment strategy driving long term value creation

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Autolus

Developing next-generation, programmed T cell therapies for the treatment of cancer

- Period of significant clinical progress with encouraging safety and efficacy data from AUTO1 and AUTO3 programmes
- Dosed first patient in AUTO4 programme
- Successful IPO on NASDAQ, raising \$172m
- Broad clinical stage pipeline; 7 live clinical trials
- Data could result in up to three Phase 2-3 trials commencing in H2 2019

Cash invested: £20.8m

Current NAV: £81.5m

LogicBio therapeutics

Gene therapy & editing for early-onset rare diseases

- Successful NASDAQ IPO, raising \$80m
- Multiple PoCs in relevant animal models
- First company to address methylmalonic acidemia (MMA) with a single treatment administration
- Plan to file LB-001 (MMA) IND in 2019

Cash invested: £10.3m

Current NAV: £24.3m

Core portfolio review

Active investment strategy driving long term value creation

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Antibody-derived T-Cell Engaging Platform targeting solid tumours

- Dosed first patient in HPN424 Prostate cancer trial in 2018; positive initial data in January 2019
- Completed a successful Series C at 68% uplift to Series B price in November 2018
- \$81m IPO on NASDAQ post year end
- Expects to initiate Phase 1 clinical trials for HPN217 trial (a BCMA-targeting TriTAC) and HPN536 (a mesothelin- targeting TriTAC) in 2019
- Additional preliminary Phase 1 data from HPN424 (Prostate Cancer) due in H2 2019

Cash invested: £19.1m*

Current NAV: £31.3m**



Next generation DNA Damage Response (DDR)

- Completed \$84m Series B financing to drive Polθ and other programmes to clinic by 2020/2021
- Following the Series B, Arix became the largest shareholder in the company
- Strong pipeline of several DDR programmes in early discovery
- IND application in H2 2020
- Financed out to the end of 2023

Cash invested: £9.6m

Current NAV: £10.9m

* Includes £4.6m investment in February 2019 IPO ** Valuation at IPO price of \$14 per share

Core portfolio review

Active investment strategy driving long term value creation

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aura

Novel, selective treatment for ocular melanoma

- Positive safety and efficacy Phase 1b/2 data; durability of tumour response observed, with vision preservation at > 6 months
- Strong safety and efficacy data
- Granted Orphan Drug and Fast Track Designation by FDA
- Phase 3 trial expected to start in 1H 2020, interim results at ~18 months and primary at 24 months
- Possibility for NDA filing in 2023

Cash invested: £3.8m

Current NAV: £3.9m

VELOSBIO

Next-generation oncology company, developing novel antibody-drug conjugates ('ADCs') to treat haematological cancers and solid Tumours

- New portfolio company added in 2018
- Co-investment with pharmaceutical partner Takeda
- Experienced team with a track record in generating value
- Progression to clinical stage company following initiation of Phase 1 trial in early 2019

Cash invested: £5.2m

Current NAV: £5.2m

Core portfolio review

Active investment strategy driving long term value creation

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AtoxBio

Novel immunomodulators for acute, life threatening, conditions resulting from severe acute inflammation caused by severe infections

- Commenced Phase 2 Acute Kidney Injury (AKI) trial
- Data from NSTI trial expected 2H2019
- Data from Phase 2 AKI trial expected in 1H 2020
- FDA and EMA granted Reltecimod Orphan Drug status and Fast Track designation

Cash invested: £3.0m

Current NAV: £3.2m



Developing novel anti-infectives aimed at combatting the global crisis of multi-drug resistant pathogens

- \$87m Nasdaq IPO in May 2018 to fund three Phase 3 trials
- Initiated three Phase 3 trials in uUTI, cUTI, uIAI
- Phase 3 data from all three indications expected 2H 2019
- Aiming to file NDA in 2H 2019
- Strong IP & regulatory protection

Cash invested: £13.0m

Current NAV: £4.3m

Core portfolio review

Active investment strategy driving long term value creation

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pharmaxis

Australian pharmaceutical R&D company focused on inflammation and fibrosis with a portfolio of products at various stages of development and approval

- First VIPE (Venture Investment in Public Equity) investment
- Completed Phase 1 LOXL2 (NASH/fibrosis) trial; demonstrating a best in class profile for two compounds and confirming long lasting inhibition of the target LOXL2 enzyme.
- Initiated Phase 1 LOX-Oral (cancer) trial

Cash invested: £8.0m

Current NAV: £6.4m

imara

Developing an orally-administered, highly potent and selective inhibitor developed to treat the underlying causes of the pathology of sickle cell disease

- Expands breadth of portfolio with investment in sickle cell disease via a later-stage clinical asset in phase 2
- IMR-687 (sickle cell disease) initial Phase 2 data expected in H2 2019; full data expected in Q1 2020

Cash invested: £7.9m

Current NAV: £7.9m

Core portfolio review

Active investment strategy driving long term value creation

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Novel small molecule therapy, APX001, for life threatening fungal infections

- Data from two Phase 1 studies of APX001 and five non-clinical trials show tolerability, safety and non-clinical efficacy
- FDA has granted orphan drug designation to APX001
- Initiated APX001 Phase 2 trial in invasive fungal infections
- Phase 2 data expected in 2019

Cash invested: £2.8m

Current NAV: £3.2m



Verona Pharma

Clinical stage company focused on the development and commercialisation of innovative prescription medicines to treat respiratory diseases with significant unmet medical needs

- Positive Phase 2 COPD clinical data
- Significant market opportunity – significant unmet medical need and large patient population
- Further Phase 2 data expected in 2019
- Phase 3 COPD study due to commence in 2020

Cash invested: £3.6m

Current NAV: £2.5m

Diverse and innovative portfolio

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

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| THERAPEUTIC AREA | | DISCOVERY | PRECLINICAL | PHASE 1 | PHASE 2 | PHASE 3 |
|---------------------|---------------------------|-----------|-------------|---------|---------|---------|
| Core portfolio | | | | | | |
| Iterum | Anti-infectives | | | | | |
| Atox | Immunology & inflammation | | | | | |
| Aura | Oncology | | | | | |
| Verona | Immunology & inflammation | | | | | |
| Amplyx | Anti-infectives | | | | | |
| Pharmaxis | Immunology & inflammation | | | | | |
| Imara | Rare diseases | | | | | |
| Autolus | Oncology | | | | | |
| Harpoon | Oncology | | | | | |
| VelosBio | Oncology | | | | | |
| Artios | Oncology | | | | | |
| LogicBio | Rare diseases | | | | | |
| Discovery portfolio | | | | | | |
| Multiple* | Multiple | | | | | |

* This includes Depixus, PreciThera, Mitoconix, OptiKira and a new company focused on inhibiting highly inflammatory processes in the innate immune system.

■ Core Portfolio (clinical) ■ Core Portfolio (pre-clinical) ■ Discovery Portfolio

Strategy Recap

Investment strategy

Science led investors focused on novel therapeutics

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Focus

Novel therapeutics with first or best in class approach. We focus on investing in high impact science, which has the potential to improve outcomes for patients



Source

Unconstrained approach to sourcing innovation. Arix benefits from extensive global networks including deep VC and biotech networks, pharmaceutical and academic partners



Geography

Extensive global networks and transatlantic team provide easy access to to provide the best life science innovation across the globe

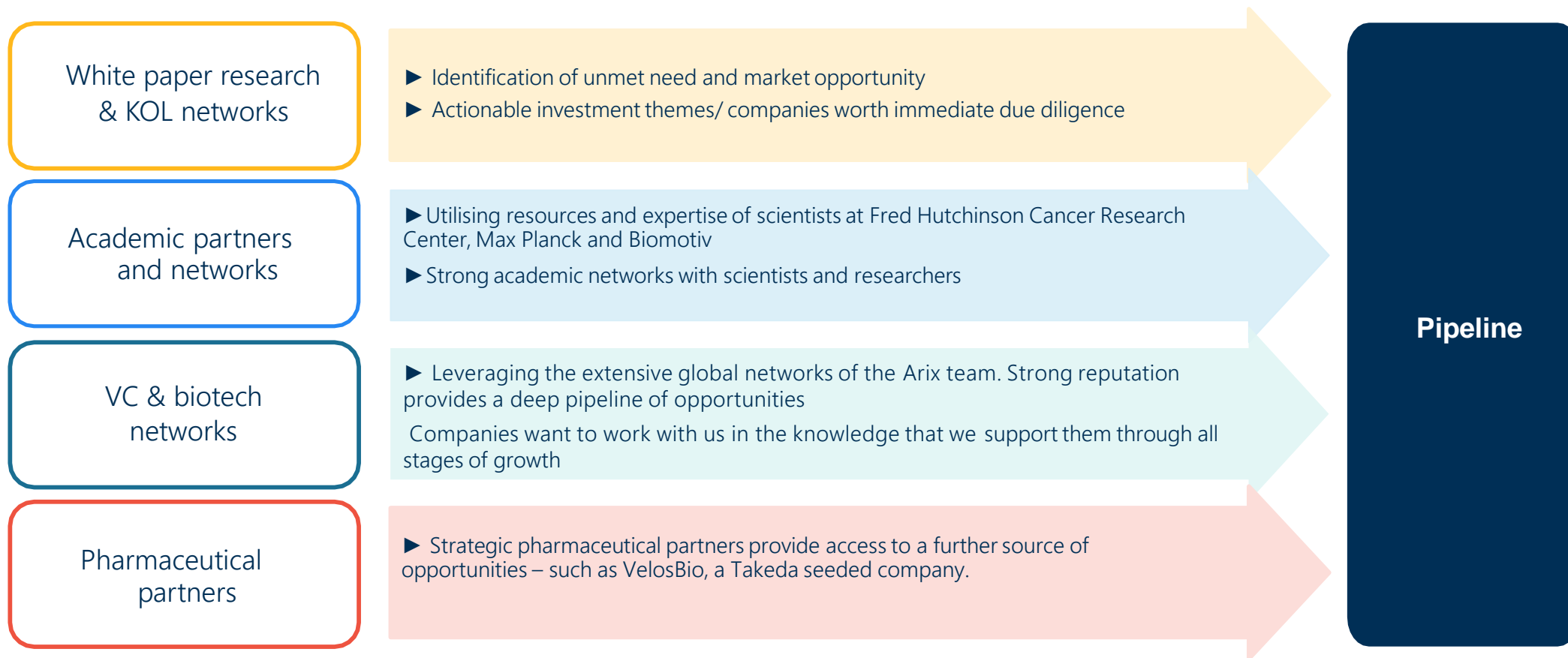


Development Stage

Flexible to the point of entry. We invest in seed stage companies, preclinical and clinical stage assets; private or public

Idea generation

Extensive network providing deep source of investment opportunities



How we add value

Hands on approach to supporting our companies grow

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FLEXIBLE, LONG TERM CAPITAL

We focus on creating value, with a flexible approach to the length of time that we retain an ownership stake in our portfolio companies. This allows us to pursue the optimal course of action in order to capture maximum value for our shareholders



HANDS ON SUPPORT

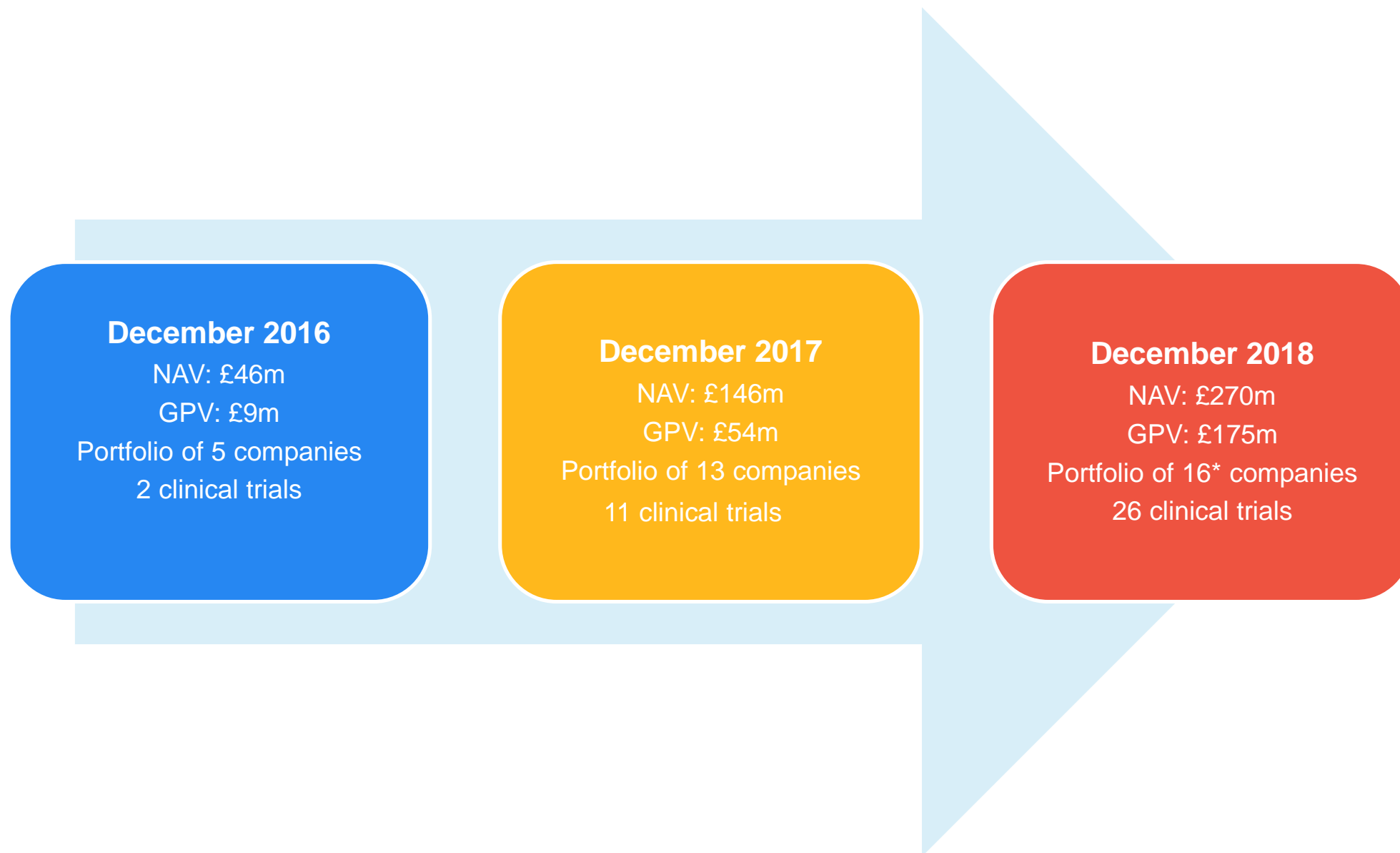
We take a board seat and play an active role to help our companies as they grow. From developing a business strategy, recruiting experienced management, securing additional funding and drug development to navigating the regulatory process and IPO, we strive to be collaborative and meaningful board members at all stages of development.



GLOBAL NETWORKS

Through our extensive global networks we can provide our portfolio companies with access to potential acquirers and partners, as well as the additional capital, expertise and networks they need to become global leaders.

Rapid progress since inception





























* 17 companies at March 2019, following investment in Imara

Outlook

Extensive pipeline

Multiple expected catalysts; 26 clinical trials across the portfolio

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| Preclinical | Phase 1 12 | Phase 2 10 | Phase 3 4 |
|---|--|--|---|
| 25+ programmes <ul style="list-style-type: none"> Initial stages of testing and validating scientific discoveries. At this stage, the focus is on researching the feasibility and safety of a treatment before commencing clinical trials. | RESPIRATORY RL554 (nebulizer) Severe asthma  | ANTI-INFLAMMATORY SSAO (PXS-4728A) Diabetic retinopathy  | ANTI-INFECTIVES SURE 3 Complicated intra-abdominal infections (cIAI)  |
| | ONCOLOGY VLS 101 Haematological Cancers  | ANTI-INFLAMMATORY SSAO (PXS-4728A) NASH  | ANTI-INFECTIVES SURE 2 Complicated Urinary Tract Infections  |
| | ANTI-INFLAMMATORY LOX-oral Cancer  | RARE DISEASES IMR-687 Sickle Cell Disease  | ANTI-INFECTIVES SURE 1 Uncomplicated Urinary Tract Infections  |
| | ANTI-INFLAMMATORY LOXL-2 NASH/fibrosis  | ANTI-INFECTIVES APX001 Invasive Candidiasis  | ANTI-INFECTIVES ACCUTE Necrotising Soft Tissue Infection (NSTI)  |
| | ONCOLOGY HPN424 Prostate Cancer (PSMA)  | ONCOLOGY AU-011 Ocular melanoma  | |
| | ONCOLOGY AUTO6 Neuroblastoma  | RESPIRATORY RPL554 (DPI) COPD - Maintenance  | |
| | ONCOLOGY AUTO4 TRBC1+ Peripheral TCL  | RESPIRATORY RPL554 (nebulizer) Cystic Fibrosis  | |
| | ONCOLOGY AUTO2 Multiple Myeloma  | RESPIRATORY RPL554 (nebulizer) COPD-Acute  | |
| | ONCOLOGY AUTO3 DLBCL  | RESPIRATORY RPL554 (nebulizer) COPD maintenance  | |
| | ONCOLOGY AUTO3 Pediatric ALL  | ANTI-INFECTIVES REAKT Acute Kidney Injury  | |
| | ONCOLOGY AUTO1 Adult ALL  | | |
| | ONCOLOGY AUTO1 Pediatric ALL  | | |

Outlook

Multiple catalysts in 2019

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Multiple clinical and development milestones anticipated in 2019:

- 19 clinical trial readouts
- 8+ trial initiations

Continued strong pipeline of opportunities through global networks and partnerships; expect to invest in new and existing portfolio companies over the course of the year

New investments will continue to be guided by the quality of the science, the commercial opportunity and, importantly, the potential benefits for patients.

