



Investing in life changing science

Proactive One2One Biotech Forum

Jonathan Tobin, PhD, Managing Director
June 2020



Image: Artios labs, Cambridge UK

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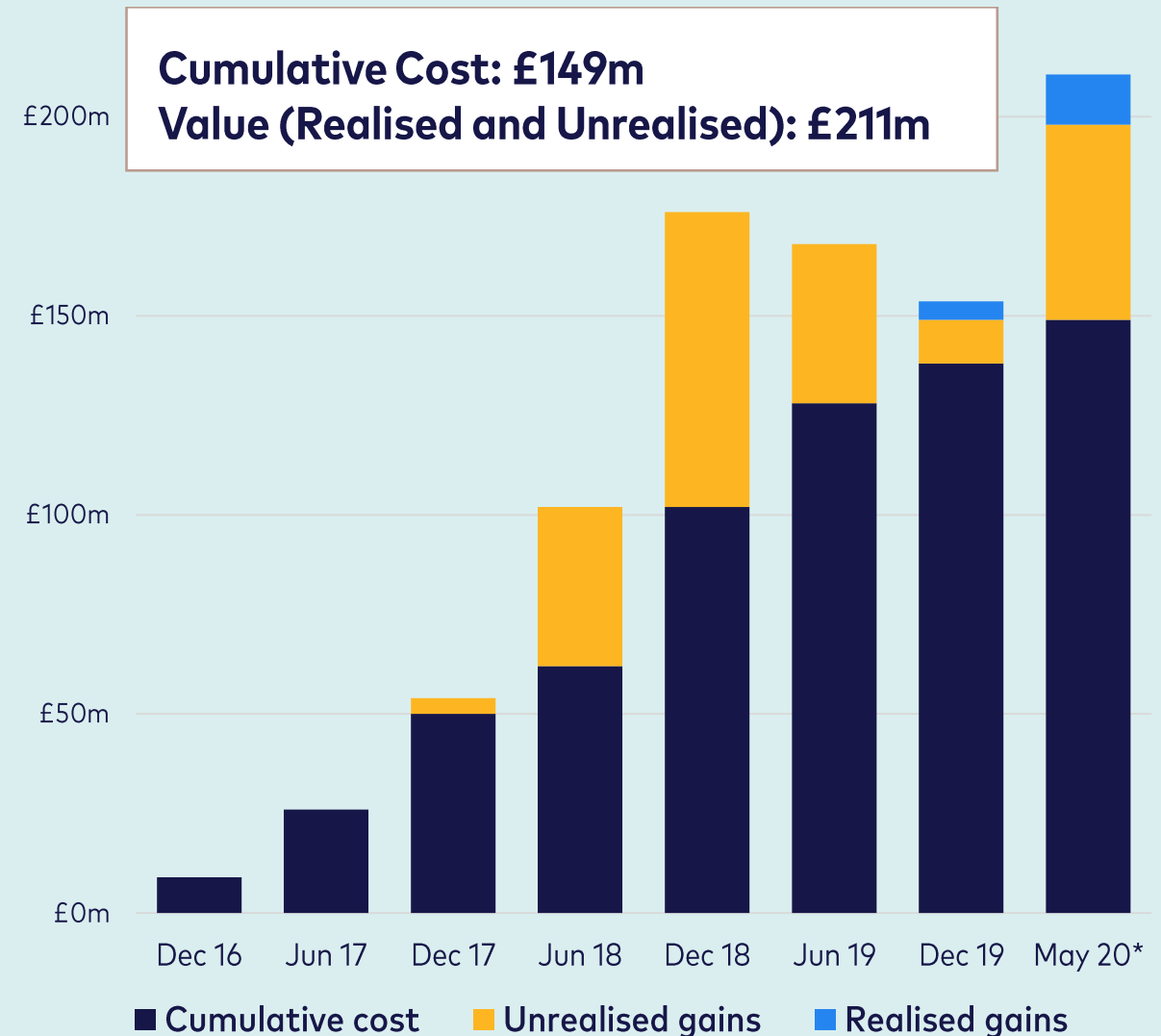
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Arix overview

- ✓ **Listed biotech venture capital company (LSE:ARIX)**
- ✓ **Diverse portfolio of disruptive, high growth potential biotech companies**
- ✓ **Maturing portfolio reaching key milestones and value inflection points**
- ✓ **Experienced, transatlantic team with deep scientific and industry expertise**

Financial snapshot

- NAV: £202m (149p per share) at 31 December 2019
- Gross Portfolio Value:
 - 31 Dec 19: £149m plus £5m of cash realisations
 - 31 May 20: £198m* plus £13m of cash realisations
 - 19% IRR to date (realised and unrealised)
- £55m cash at 31 December 2019
 - £12m invested YTD
 - £8m realised YTD
- Significantly reduced cost base following recent management changes



* 31 December 2019 valuation adjusted for (i) cash flows and foreign exchange movements; and (ii) public companies marked to market at 31 May 2020

Our focus



High impact innovation

Invest in breakthrough therapies, which have the potential to revolutionise patient outcomes



Source globally

Unconstrained: leverage wide network and hunt for the best ideas



Therapeutics focus

Novel therapeutics with first or best in class approach



Early to late stage venture

Flexible to the point of entry, guided by the quality of the opportunity

Our approach

- ▶ Hands on investors; board members of private portfolio companies, adding value via networks and expertise
- ▶ Thorough due diligence for new and follow on opportunities; investing in approximately 1 for every 90 companies seen
- ▶ Limit risk by investing small amounts early; investments tranching to pre agreed milestones.



Experienced team with track record of value creation

Deep scientific, medical, operational and commercial expertise

Transatlantic presence providing unique exposure to global opportunities & networks

Global strategic partnerships provide additional diligence capabilities and resources



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Naseem Amin, MD
Executive Chairman

London, UK



Jonathan Tobin, PhD
Managing Director

London, UK



Christian Schetter, PhD
Managing Director

Munich, Germany



Robert Lyne
COO and General Counsel

London, UK



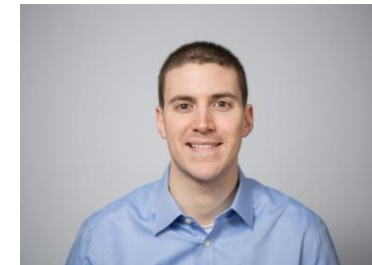
Marcus Karia
Group Finance Director

London, UK



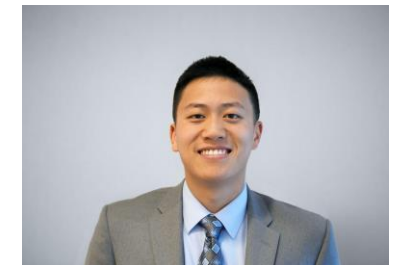
Noor Lalani,
Public Markets Inv. Director

London, UK



John Cassidy, PhD
Principal

London, UK

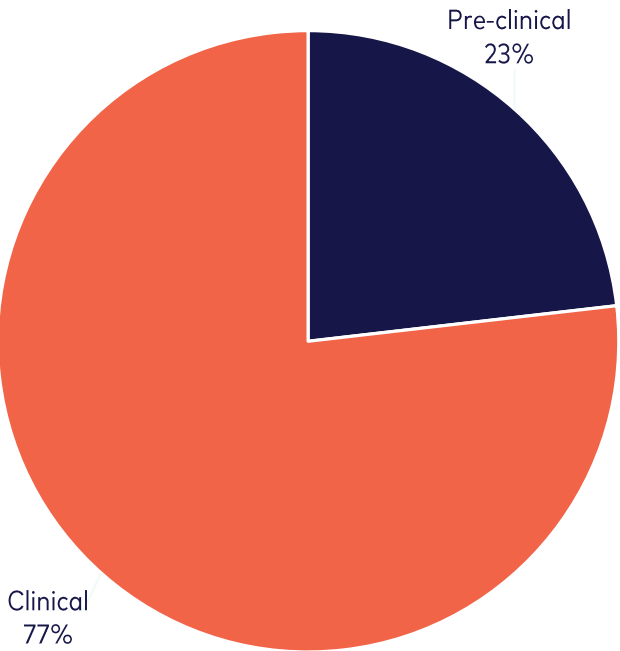


Tim Xu, MD
Investment Associate

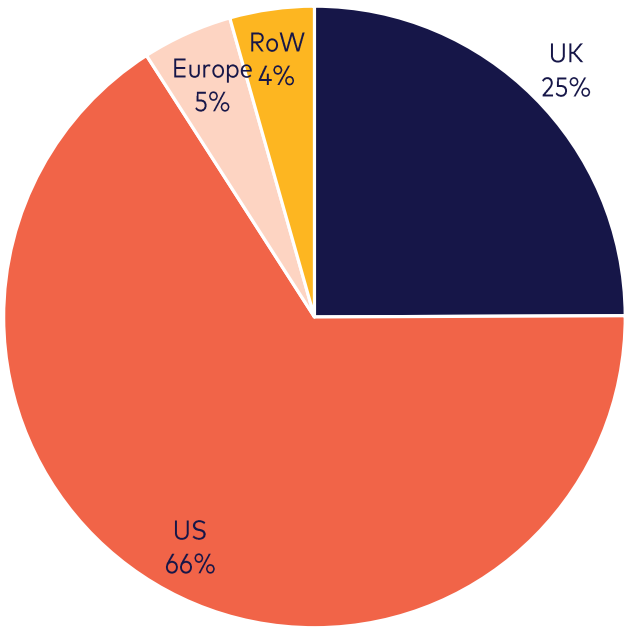
Boston, US

Our portfolio is broad to ensure resilience through market cycles

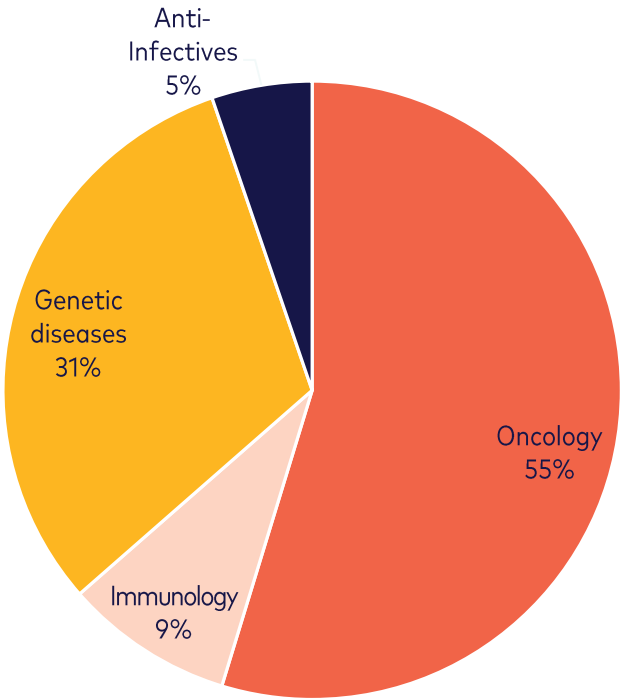
Stage of development



Geography



Therapeutic area



Portfolio split by value. Gross Portfolio Value of £198m at 31 May 2020

Portfolio spans four therapy areas where there is a huge need for new treatments

Oncology

Despite significant advances in science
1 in 6 deaths globally are due to cancer¹

55%
portfolio

artios

aura

Autolus

HARPOON
Therapeutics



STipe
Therapeutics

VELOS BIO

Genetic diseases

over 10,000 human diseases are
known to be caused by a single error in
a single gene

31%
portfolio

imara

LogicBio
THERAPEUTICS

OptiKira

Depixus[®]

Immunology

Tackling the increasing burden of severe
inflammation and chronic conditions

9%
portfolio

Atox Bio
Innovation in Critical Care

pharmaxis

QuenchBio

Anti-infectives

Significant need for new therapies to
address multi-drug resistance

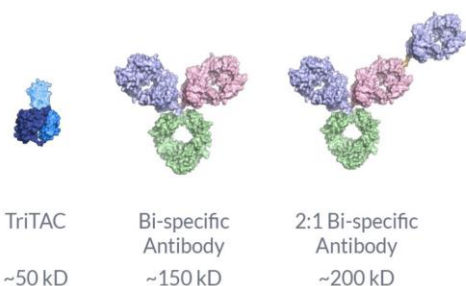
5%
portfolio

amplyx

ITERUM
therapeutics

Gross Portfolio Value of £198m

**Spearheading Immunotherapies with Tri-specific
T cell Activating Construct (TriTAC) platform**



Harpoon's TriTAC technology offers distinct advantages over established bispecific T-cell engagers (BiTEs)

TriTACs are designed to have an extended serum half-life and be about one-third the size of a monoclonal antibody.

Potential to significantly improve treatment options for patients as an "off-the-shelf" therapy.

PRODUCT CANDIDATE	TARGET/INDICATION	PRECLINICAL	PHASE 1	PHASE 2	PHASE 3	PARTNER
TriTAC						
HPN424	PSMA Prostate Cancer	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
HPN536	MSLN Ovarian Cancer & Other Solid Tumors	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	
HPN217	BCMA Multiple Myeloma	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	abbvie
HPN328	DLL3 Small Cell Lung Cancer	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	<div><div></div></div>	

Therapeutic area

Oncology

Development stage

Phase 1/2

Funding stage

NASDAQ

Arix ownership

Value: £38.7m, (+ £10.8m realised)

Original cost: £19.2m

IRR: 62%

Ownership (fully committed): 8.8%

Key comps

Micromet acquired by Amgen for \$1.2bn

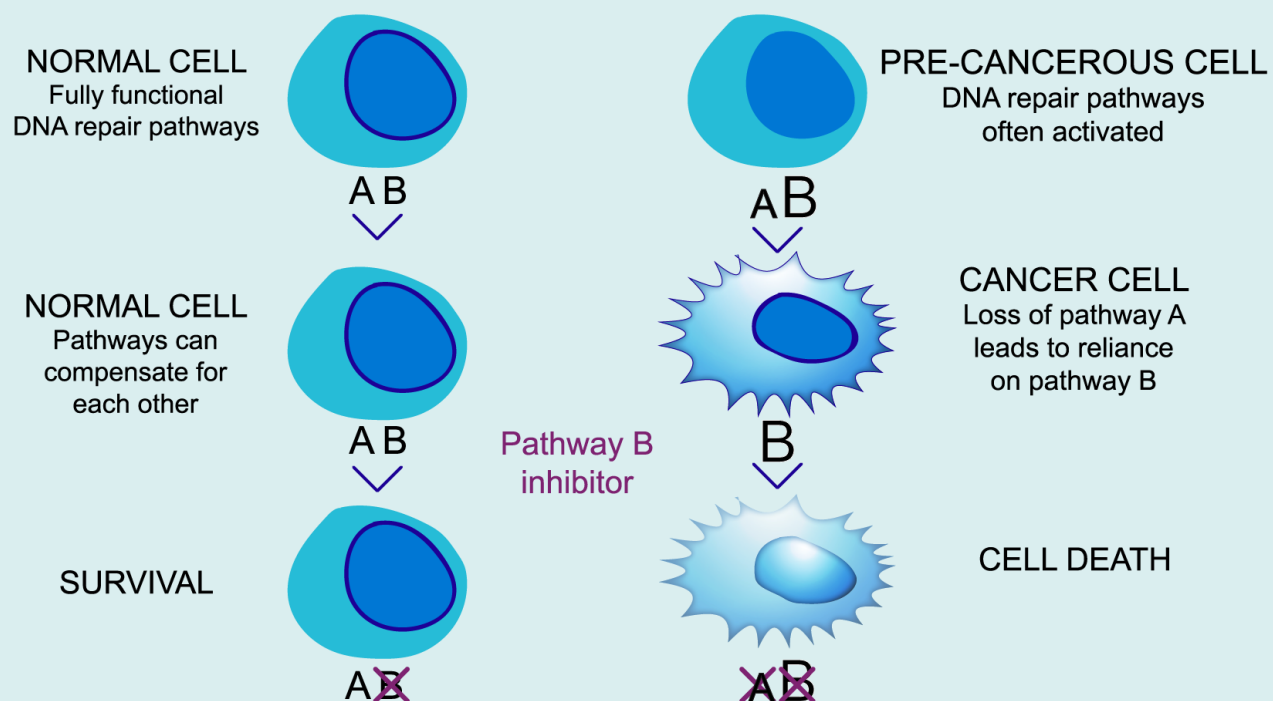


Endocyte acquired by Novartis for \$2.1bn



Defining next generation DDR medicines

Inhibiting DNA repair can lead to selective killing of cancer cells



Artios has the potential to deliver precision medicines for treating cancers with high unmet need and provide novel, life-extending therapies without the risk of major side-effects.

Therapeutic area

Oncology

Development stage

Pre-clinical

Funding stage

Series B

Arix ownership

Value: £15.3m

Cost: £13.9m

IRR: 6%

Ownership (fully committed): 12.4%

Key comps

Tesaro: \$5.1bn acquisition by GSK



KuDOS: \$210m acquisition by AZN



Challenge

- Limited numbers of novel tumour antigen targets to target liquid and solid cancers with new mechanisms.
- Lack of clinically validated novel targets has restricted in the breadth of tumours that can be treated, and the extent of their efficacy.

Approach

- Velos have the first-in-class Antibody Drug Conjugate (ADC), which shows impressive clinical activity in relapsed and refractory non-Hodgkin lymphoma patients, and a high rate of durable responses.
- Second generation compound for solid tumours in development.

Impact

- Better and more durable efficacy in patients resistant to all available lines of therapy.
- Potential to expand the use of the drug into solid tumours, including lung and ovarian tumours.

Therapeutic area

Oncology

Development stage

Phase 1

Funding stage

Series A

Arix ownership

Value: £9.4m

Cost: £8.6m

IRR: 9%

Ownership (fully committed): 11.3%

Key comps

Daiichi Sankyo sold global rights for Enhertu to AstraZeneca for \$1.35bn upfront and \$5.55bn in milestones.



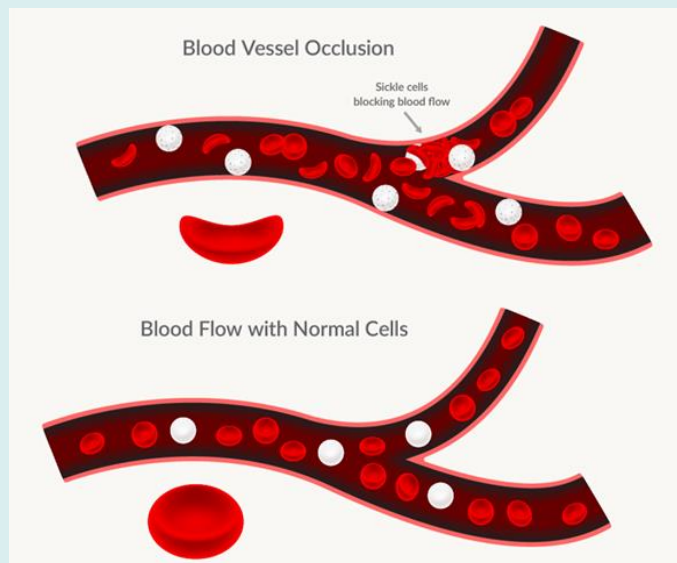
Seattle Genetics readout positive Phase 3 data in March 2019. Its market cap has grown from c.\$12bn to c.\$27bn.



People with haemoglobinopathies produce faulty haemoglobin (Hb) which results in unhealthy red blood cells (RBCs) and ultimately organ damage and reduced life expectancy.

Imara has developed IMR-687, a once-daily, oral PDE9 inhibitor that targets both the red and white blood cells.

Imara's drug aims to increase HbF expression in patients with SCD. HbF replaces diseased Hb, and in turn improves the health of RBCs. Inhibiting PDE9 may also reduce inflammation in blood vessels due to white blood cell activation.



PRODUCT CANDIDATE	INDICATION	PRE-CLINICAL	PHASE 1	PHASE 2	PHASE 3
IMR-687	Sickle Cell Disease				
	NTDT β-Thalassemia				
	TDT β-Thalassemia				

Therapeutic area

Genetic diseases

Development stage

Phase 2

Funding stage

NASDAQ

Arix ownership

Value: £42.1m

Cost: £13.8m

IRR: 214%

Ownership (fully committed): 9.0%


Key comps

Global Blood Therapeutics (GBT) . Current market cap of \$4bn. Revenue forecast of \$1.6bn in 2024 (Evaluate Pharma)



Novartis' SCD Drug has a revenue forecast of \$360m in 2024 (Evaluate Pharma).































Summary and Outlook

Artios labs, Cambridge UK

Broad and rich clinical pipeline; multiple trials across portfolio

With a further 25+ preclinical programmes across the portfolio

Phase 1		Phase 2		Phase 3			
AUTO1: adult ALL		HPN536: ovarian cancer & solid tumours		AU-011: Ocular melanoma		ACCUTE NSTI	
AUTO1: pediatric ALL		HPN424: prostate cancer		IMR-687: Sickle Cell Disease		REAKT Acute Kidney Injury	
AUTO3: DLBCL		VLS-101: Hematological Cancers		AOC3 (BI): Diabetic retinopathy		SURE 3 complicated IAI	
AUTO4: peripheral T Cell Lymphoma		LOX-oral: cancer		APX001 Invasive Candidiasis		SURE 2 complicated UTI	
AUTO6: neuroblastoma		LOXL-2: NASH/fibrosis		APX001: Candida auris		SURE 1 uncomplicated UTI	
HPN217: Multiple myeloma		MAU868: BKV-associated hemorrhagic cystitis		APX001: Invasive Aspergillosis			
IMR-687: TDT β-thalassemia		MAU868: BKV-associated nephropathy					
IMR-687: NTDT β-thalassemia							

 Oncology
  Genetic diseases
  Immunology
  Anti-infectives

Multiple near term value creating readouts

1H 2020

SURE 1 (uncomplicated UTI) Ph 3 data



SURE 2 (complicated UTI) Ph 3 data



ACCUTE (NSTI) Ph 3 data



AU-011 (Ocular melanoma) updated Ph 2 data



HPN424 (prostate cancer) Ph 1 data



AUTO1 (Adult ALL) Ph 1 long term follow up



AUTO3 (DLBCL) interim Ph 1 data



Systemic LOX (cancer) Ph 1b data



2H 2020

IMR-687 (SCD) Ph 2a data



APX001 (Invasive Candidiasis) updated Ph 2 data



AOC3 (Diabetic retinopathy) Ph 2 data



VLS-101 (haematological cancers) Ph 1 data



HPN536 ovarian and pancreatic cancer Ph 1 data



AUTO3 full Ph 1 DLBCL data



AUTO1 long term follow up Ph 1 data in adult ALL



Key

Positive data readout ✓

Missed endpoint ✗

● Pivotal/Phase 3 data ● Phase 2 data ● Phase 1 data

Strong M&A activity continues in public and private markets

Public M&A deals

Value



\$10.2B

\$7.2B

\$4.5B

Private M&A deals

Upfront

Total (\$B)



\$1.1B

\$2.3B

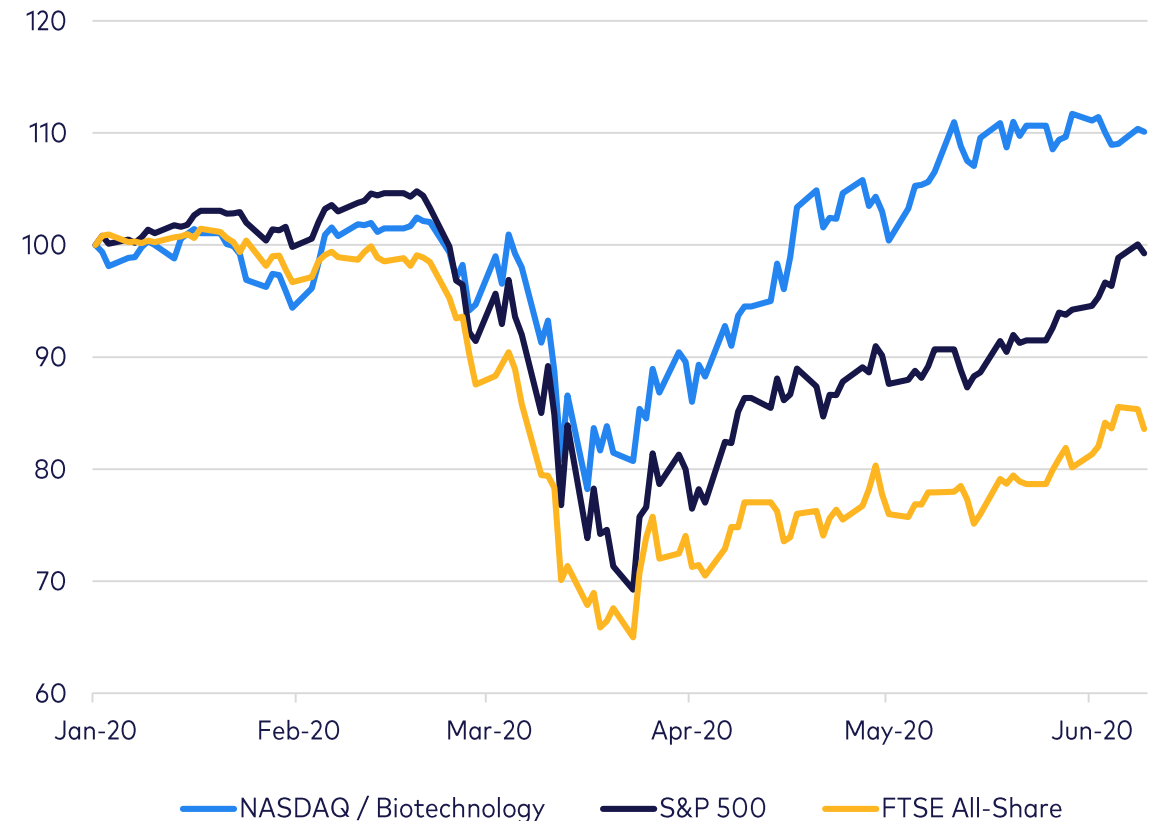
\$300M

\$1.58B

\$245M

\$1.045B

NASDAQ Biotech Index has outperformed during the pandemic



Summary

- ✓ **Public market access to biotech ventures**
- ✓ **Diverse portfolio of disruptive, high growth potential biotech companies**
- ✓ **Maturing portfolio reaching key milestones**
- ✓ **Experienced team with track record of value creation**



Autolus labs, London, UK