

ACS Webinars™

We will start momentarily at 2pm ET



Slides download at:

<http://acswebinars.org/porter>

Contact ACS Webinars™ at acswebinars@acs.org

1

Upcoming ACS Webinars™

Register for a great lineup of ACS Webinars™ in July & August!

www.acswebinars.org/events



July 22 - “Living with Vertigo: An Entrepreneurial Story in the Chemical Industry” with Brian Morin, Founder, Innegrity, LLC.



July 29 - “Department of Commerce Sustainable Manufacturing Initiative – Government Resources that Support Sustainable Manufacturing” with Morgan Barr, International Economist, Department of Commerce.



August 5 - “Delivering a Dynamic Presentation” with Nicholas Washienko, Ph.D. & J.D., Owner, Washienko Communications and Director of the Professional Development Program, Boston University.



August 12 - “How Chemical Policy Reform Can Spur Green Chemistry” with Richard Denison, Senior Scientist at Environmental Defense Fund.

2

Got Questions?

Join the post-webinar discussion on LinkedIn!



Search Group: ACS Webinars

3

ACS WEBINARS™ *Venture Capital Talk: How to Sell Your Science & Get Investors*



Speaker: David Porter
Apposite Capital



Moderator: Ken Polk
ACS TechCatalyst

Download slides:

<http://acswebinars.org/porter>

Contact ACS Webinars™ at acswebinars@acs.org

4

David Porter
Managing Partner
Apposite Capital LLP

VC Talk: How to Sell Your Science & Get Investors

ACS Webinar 15 July 2010

Contact:

David Porter

Tel: +44(0)207 090 6868 or +44 (0)7802 354 782

Email: david.porter@appositecapital.com

STRICTLY PRIVATE AND CONFIDENTIAL

5

Apposite Capital LLP is the manager of the Apposite Healthcare Fund LP, a Cayman based Limited Partnership and of Friday Street Venture Partners LP, a Delaware based Limited Partnership. Apposite Capital LLP is authorised and regulated by the Financial Services Authority.

This material is indicative in nature and has been prepared for information purposes only. It should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. The information is not intended for persons who are private customers within the meaning of the rules of the FSA or for persons who are restricted in accordance with US or Japanese securities laws.

Information contained herein is privileged, confidential and intended for use only by the addressees, and reproduction or communication to another party of any part of this information is expressly forbidden, unless it is with the prior approval of Apposite Capital LLP. Information contained herein and the data underlying it have been obtained from sources believed by us to be reliable, but no assurance can be given that the information, data or any computations based thereon are accurate, complete or that it will not be subject to future change. Recipients are responsible for making their own independent decisions in the exercise of their own due diligence as to the completeness, fairness and accuracy of any information or opinions provided herein and must rely on their own judgment and investigations in relation thereto. Changes to assumptions may have a material impact on returns. Past performance is not indicative of future returns.

There are significant risks associated with private equity investments as described above including, but not limited to, price risk, liquidity risk, redemption risk, and credit risk. Investors should consult their own financial, legal, accounting, and tax advisors about the risks associated with these investments. Apposite Capital LLP makes no representation as to the existence of a secondary market for investments in the funds.

STRICTLY PRIVATE AND CONFIDENTIAL

6

David Porter – Managing Partner



- ❑ Over 30 years experience in private equity and investment banking
- ❑ **14 years in Private Equity**
 - ❑ Initially worked with Guy Hands (Founder of Terra Firma) at Nomura on major LBOs including Angel Train Contracts and Married Quarters Estate (now Annington Homes) – (1994 – 1996)
 - ❑ Founded and headed Nomura's healthcare investment and corporate finance groups - 1st Quartile Life Science returns (1997– 2001)
 - ❑ Head of Private Equity (Sole founder of Nomura Phase 4 Ventures) - (2001 – 2005)
 - ❑ Founder of Apposite Capital (2006)
- ❑ **Experienced Fund Manager and CEO**
 - ❑ Head of Treasury and Investments at Municipal Mutual Insurance and Prosperity Life - Top Micropal manager for 3 way pension fund over 5 years while
 - ❑ CEO of CLF Municipal Bank (now part of Dexia) a UK authorised bank for 4 years
- ❑ **Participant in a myriad of well-established industry bodies**
 - ❑ Former member of Bioscience Innovation and Growth Finance Team, Myners' DTI group on pre-emption, UK Department of Health Reform reference group and UK government efficiency review on social care
 - ❑ Former board member of BioIndustry Association ("BIA") – Chairman BIA audit committee – BIA FAC member
 - ❑ Named as one of the most influential people in UK healthcare as a HealthInvestor Power Fifty member
- ❑ **Chemistry with biochemistry option at Oxford, UK**

STRICTLY PRIVATE AND CONFIDENTIAL

7

Overview – A new dimension in private investment

- ❑ **Only small mid-market fund of its kind in Europe**
 - ❑ Single sector fund designed to maximise upsides from the healthcare industry - Life Sciences and Healthcare Services
 - ❑ A balanced fund covering all stages of financings (venture, development, growth, small buyouts)
 - ❑ Talented team of entrepreneurs, VCs and bankers with a proven track record
 - ❑ Unique access to Japan, the second largest drug market
- ❑ **Apposite Primary Healthcare Fund**
 - ❑ US\$200m fund
 - ❑ 8 investments already made in the US and Europe
- ❑ **Also acquires and manages direct secondary investments in Healthcare on an opportunistic basis**
 - ❑ Acquisition of a portfolio of 9 US medtech and other healthcare companies
- ❑ **Created in 2006, headquartered in London, UK with a presence in the US**

STRICTLY PRIVATE AND CONFIDENTIAL

8

- ❑ Science always needs lots of cash to develop it
 - ❑ Often very large amounts of cash over many years
 - ❑ Therefore a critical success factor is raising cash
 - ❑ But it is difficult because of the risk of project failure and a mismatch between investors and scientists

- ❑ You need to persuade investors – key points are

- ❑ Assess whether you have a financeable management team
 - ❑ Do you have the bases covered (team needs to grow with the company)
 - ❑ Track record of team (commercial) – add people to get it
 - ❑ The appropriate team changes with the stage of the company
 - ❑ Founders are often not good long term CEOs

- ❑ Overall credibility
 - ❑ Get a third party to assess this

- ❑ Know your subject
 - ❑ Competitors globally
 - ❑ Market size
 - ❑ Do not assume the investor does not know your subject

- ❑ Without good management to execute the plan to commercialize the product there is no return

- Check your vocabulary
- Practice presenting to non scientists
- Have 2 presentations – science based and layman's

- Assess the real value in dollars
- Not the life saving value but the cash value
- Get help if you are not sure you can do this convincingly

- Statements like “this will cure disease X” are far less compelling than “this drug will have a peak sales of \$500m because of the patient population and there are no competitors in the market”

- Remember it is all about selling your investment proposition not educating investors

APPOSITE Know your audience and where to look for money and where not to
CAPITAL LLP

- Ask your audience if they are scientists
 - How much time they have got and what they are most interested in

- Find out where similar projects to yours got funded
 - Friends and family
 - Angels
 - Charities
 - VCs
 - Government

STRICTLY PRIVATE AND CONFIDENTIAL

13



Q&A SESSION

Venture Capital Talk: How to Sell Your Science & Get Investors



Speaker: David Porter
Apposite Capital



Moderator: Ken Polk
ACS TechCatalyst

Please submit your questions for the speaker via the Questions Panel in GoToWebinar

Slides download at: <http://acswebinars.org/porter>

Contact ACS Webinars™ at acswebinars@acs.org

14

Still Got Questions?

Join the post-webinar discussion on LinkedIn!



Search Group: ACS Webinars

15

Upcoming ACS Webinars™

Register for a great lineup of ACS Webinars™ in July & August!

www.acswebinars.org/events



July 22 - “Living with Vertigo: An Entrepreneurial Story in the Chemical Industry” with Brian Morin, Founder, Innegrity, LLC.



July 29 - “Department of Commerce Sustainable Manufacturing Initiative – Government Resources that Support Sustainable Manufacturing” with Morgan Barr, International Economist, Department of Commerce.



August 5 - “Delivering a Dynamic Presentation” with Nicholas Washienko, Ph.D. & J.D., Owner, Washienko Communications and Director of the Professional Development Program, Boston University.



August 12 - “How Chemical Policy Reform Can Spur Green Chemistry” with Richard Denison, Senior Scientist at Environmental Defense Fund.

16