



Videregen welcomes launch of Angels in MedCity

Liverpool, UK - October 22 2014: Videregen Ltd, an expert in organ regeneration and replacement, welcomes the launch of the Angels in MedCity initiative in London today. There is more detail on the scheme in the MedCity press release below, which highlights the importance of angel funding in helping Videregen establish itself.

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Notes to editors

About Videregen

Videregen is a start-up regenerative medicine company created to develop and exploit many years of experience and know-how in the field of tissue decellularisation, regenerative technologies and translation from laboratory to market. The company's platform technology (developed by Northwick Park Institute for Medical Research) uses decellularised organ scaffolds seeded with the patient's own cells to create non-immunogenic, regenerative bespoke organ replacements with a focus on key unmet clinical needs in the area of organ transplantation and replacement which represents a substantial burden to healthcare finances. For more information please go to www.videregen.com

About NPIMR

Northwick Park Institute for Medical Research (NPIMR) is a medical research charity, affiliated to UCL. We are dedicated to the acquisition and dissemination, by research, education and publishing, of ethical research based data for the benefit of patients both nationally and internationally. Our expertise is specifically in the invention, development, pre-clinical and safety evaluation of novel tissue scaffolds and their rapid progress to clinical use. www.npimr.org

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MEDCITY PRESS RELEASE

Angels in MedCity to boost investment for young bioscience businesses

Wednesday 22 October 2014

Exciting young biosciences companies will have a greater shot at commercial success thanks to a new initiative to bring fresh investors into life sciences. Angels in MedCity, launched by MedCity, London Business Angels and Angels4LifeSciences, follows the highly successful Angels in the City model, which has nurtured around 300 new investors and helped 39 companies raise over £30m of new investment since its launch in 2011.

Focusing on drug therapies, digital health and medical device technologies, Angels in MedCity will bring potential investors together with life sciences experts in a programme aimed both at people who are new to investing and experienced investors who have little or no experience of the life sciences sector. UK angels invest two to three times more than venture capitalists in early stage companies, with £1.07 billion invested in 2012 under the HMRC Enterprise Investment Scheme alone. However only a tiny proportion of this is invested in healthcare and life sciences companies. Executive Chair of MedCity Dr Eliot

Forster says improved access to investment is critical to bringing new therapies and medical technologies to market. He says:

“It’s fantastic to be able to develop a tailor-made programme for life sciences investment, since better access to finance is one of the key boosts we need to take London and the greater south east to the next level. We have world-leading research and infrastructure, but we don’t have the kind of liquidity you find in Boston or San Francisco, which is what you need to create and grow a critical mass of exciting young companies. Angels in MedCity is a key part of our drive to position London as a leading centre for life sciences investment, which will not only support home-grown innovation but attract entrepreneurs from around the world to set up business here.”

The partners believe the investment challenge for early-stage life sciences companies is partly due to a low level of understanding of the sector amongst generalist investors, and aim to build up understanding and confidence through the programme. Anthony Clarke, Managing Director of London Business Angels, says:

“It’s important that potential investors have a realistic understanding of both the risks and the opportunities, and feel confident that they can evaluate a medical technology pitch as part of a syndicate of angel investors lead by an experienced sector-specific investor. Developing therapies and other healthcare technologies can be a long and highly regulated process, and to a non-specialist can seem complex. At the same time, it’s an incredibly exciting field to be in, with opportunities to make a significant return whilst supporting ground-breaking new technologies that have the potential to change lives whilst also saving costs to the NHS and others. Our programme will cut through the complexity, and give people the understanding they need to get involved.”

The one year pilot programme will create an Angels in MedCity community of investors supported through a programme of free to attend investor workshops. Using case studies and tips from experienced investors in the field, the workshops will explain how to identify and structure a good deal in the life sciences sector, and provide expert advice on tax breaks and legal issues.

The programme will also provide regular entrepreneur pitching events, which will give pre-vetted, investment-ready early-stage life sciences companies with the potential for high growth an opportunity to pitch to the Angels in MedCity investor community. Successful life sciences angel investor and surgeon Aman Coonar, a consultant at Papworth Hospital, Cambridge, believes that the life sciences sector offers strong propositions to investors as long as they can make informed decisions about the market demand for the new therapies and technologies. He says:

“There are major opportunities in life sciences for investors. We’ve seen huge changes in the healthcare system and those will certainly continue – as a surgeon, most of my operations are performed differently compared to just 10 years back, due to changes in mindset and technology.

“There’s a perception that the lead time to return on investment for life sciences is longer than in some other sectors, such as IT and web. However my impression is that some of

these fast returns have actually not been substantial or durable, and are not based on a sustainable business model. Life sciences, on the other hand, has the potential to provide much more durable returns, since good therapies and technologies properly validated and responding to an identified need are an extremely strong proposition."

Simon Kerry, Angels4LifeSciences Co-Founder, Chief Executive Officer of Karus Therapeutics and a member of MedCity's Advisory Board, adds:

"Angel investment is becoming an increasingly important component of the funding mix for life sciences companies. Many start-ups in the medical device and diagnostic arena have already generated significant returns for angel investors, and there are a growing number of therapeutic companies with innovative business models that are benefitting from this kind of investment."

Angels in MedCity launches on 22 October with an event bringing together over 100 potential investors and entrepreneurs. It will be followed by a series of evening and lunchtime workshops for potential investors, which are free, open to anyone and will give an insight into the opportunities and challenges of investing in life sciences, and provide an overview of the market, potential returns and different models of angel investment.

Welcoming the partnership, Kit Malthouse, London's Deputy Mayor for Business and Enterprise, said:

"London is one of the world's leading financial hubs, and there is enormous potential to position it as a major centre for life sciences investment, which will attract up and coming enterprises from across the world to base here, bringing great benefits to our economy and our health services. I'm delighted that Angels in MedCity is kicking off the drive to demonstrate what a great investment opportunity life sciences presents."

About angel investing

Angel investors use their personal disposable income to invest in start-up or early stage businesses, typically investing anywhere between £10,000 and £250,000 via syndicates in return for an equity share in the business. They generally build up a portfolio of investments to diversify their risks.

Top tips for angel investors

You don't have to invest a lot to make a difference; many individuals invest from around £10,000 in one company, though others invest much more

- A portfolio approach is best; spread your risks and maximise your potential returns, as well as your support for exciting companies
- Consider a syndicate; join up with others to make your investment go further
- But make sure you have an 'archangel'; syndicates need an experienced lead investor with sector knowledge, so be wary of those that don't have a relevant leader
- Only invest funds outside your normal financial needs; investments (which are likely to come with advantageous tax breaks) will be tied up for several years

Potential investors interested in being part of Angels in MedCity can find more information at www.angelsinmedcity.org.uk. The one year pilot Angels in MedCity initiative devised and delivered by London Business Angels is co-funded by MedCity and the European Regional Development Fund (ERDF) as part of its Capital Accelerator Programme. CAP aims to help emerging innovative businesses in a wide range of sectors to locate new resources available in London and provide practical support that will enable them to raise investment funding and thereby to facilitate further job creation in London. For more information contact Abigail Smith 020 7234 5860, asmith@londonandpartners.com

Notes to editors - Angel-supported life sciences companies

Videregen Videregen aims to tackle the chronic shortage of donor organs for transplantation by developing the world's first commercially available organ replacement products, using the patient's own stem cells to create a bespoke organ replacement. Formed in 2011 as a spin out from Northwick Park Institute of Medical Research in London, the company is focusing initially on trachea and bowel replacements, to be followed by the liver. The new organs are produced by removing the cells from a donor organ and then seeding the patient's own cells into the remaining structure, producing a healthy transplantable replacement that is far less likely to be rejected by the body. The company sought angel investment to complement lead investor SPARK Impact after receiving a grant of £1.9m from the Technology Strategy Board (now Innovate UK), which required matching private investment. Company founder Steve Bloor comments that angel investment was particularly appropriate because it enabled the company to form a relationship with individuals with an interest in the field, including a former surgeon who understood the need for the technology and is now on Videregen's board. The company raised an initial £1.25m through a syndicate of London Business Angel investors, other private investors and SPARK Impact, which is enabling it to develop the product and undertake clinical trials, due to begin in the second half of 2015.

About MedCity Established by the Mayor of London with the capital's three Academic Health Science Centres - Imperial College Academic Health Centre, King's Health Partners, and UCL Partners - MedCity is a unique collaboration that brings together the outstanding life sciences strengths of London and the greater south east. Over the next 20 years, MedCity will position the region as a world-leading, interconnected hub for research, development, manufacturing and commercialisation by championing collaboration and entrepreneurship, promoting a joined up and globally distinct life sciences offer, and providing a visible 'go-to' point for industry and investors. www.medcitylondon.com

About London Business Angels LBA is one of the most experienced private angel networks in the UK. Since the early 1980s the network has been connecting innovating fast growth small and medium sized enterprises with investment through our network of business angel investors. LBA, part of Angel Capital Group, is professionally managed by a highly experienced management team, leveraging over 15 years' experience in the early stage investment marketplace as established leaders in the development of new angel-led early stage investment initiatives, and nearly 30 years' investing experience through the LBA network. LBA is a founding member of the British Business Angels Association, the industry's best practice trade association, and is also a member of EBAN, the European Business Angels Network. www.lbangels.co.uk

About Angels4LifeSciences Angels4LifeSciences (A4LS) was established in 2012 to help overcome the perceived challenges of Angel investing in early-stage life sciences companies. The A4LS network brings together sector-experienced Angels and generalist investors; the first to provide the validation and confidence needed for the generalists to invest in the sector. A4LS is built around an expert steering group with deep, first-hand experience of building life-science businesses. This team is focused on the selection and coaching of potential investee companies. A4LS does not charge any fees and 100% of any A4LS Angel investment goes to the investee company. <http://lifescienceangels.com/>

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