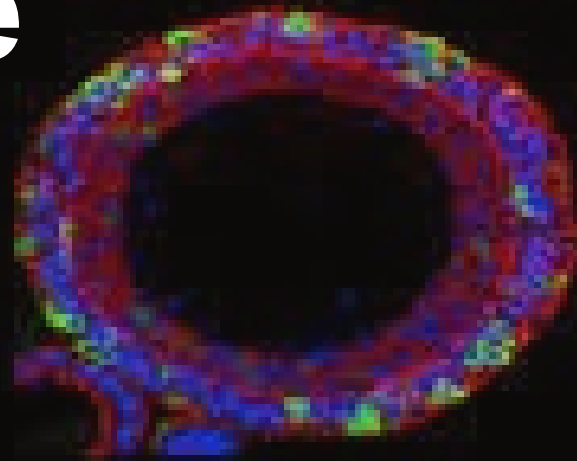
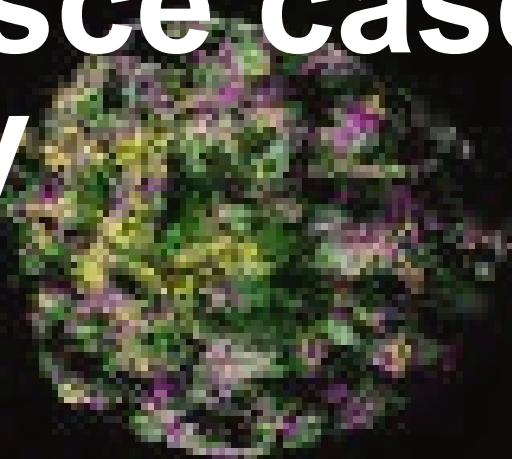




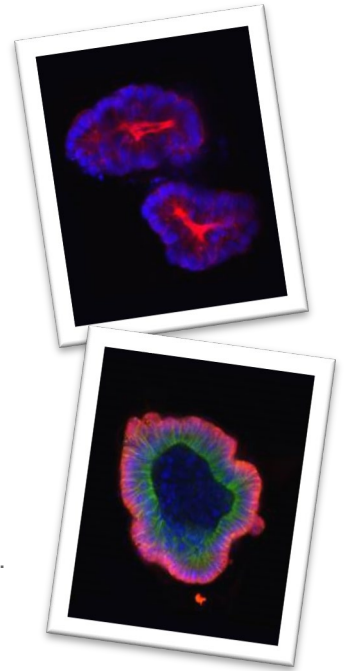
Midlands Academics –
IP and Commercialisation Workshop
16 September 2019

Cellesce case Study

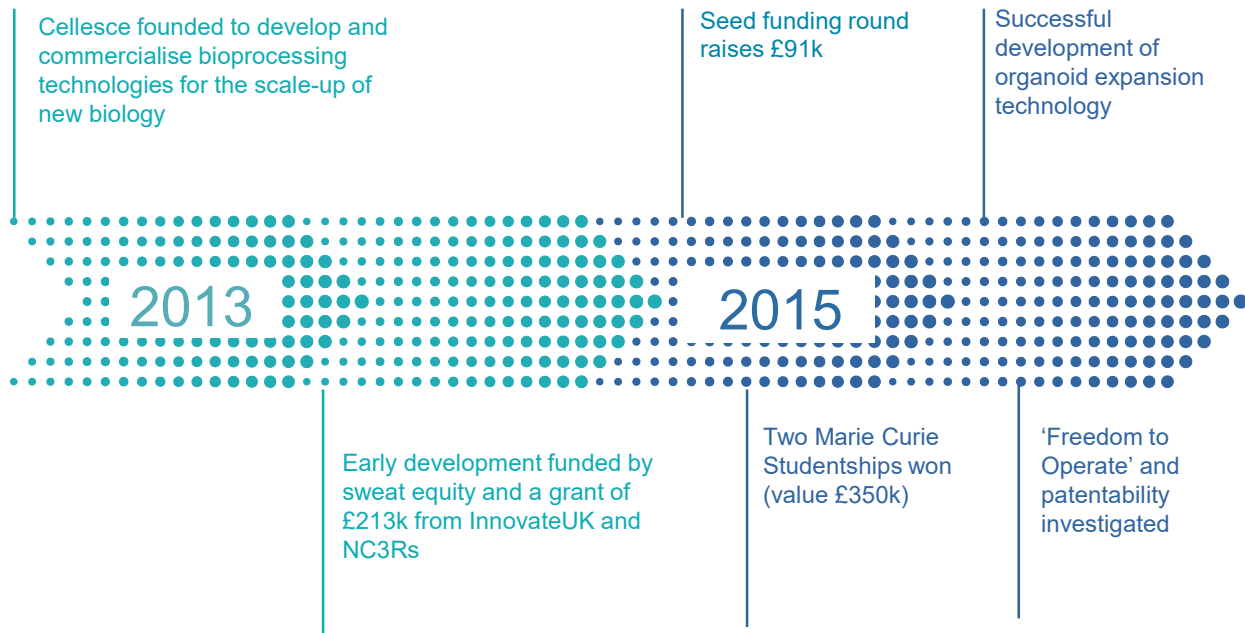


Why?

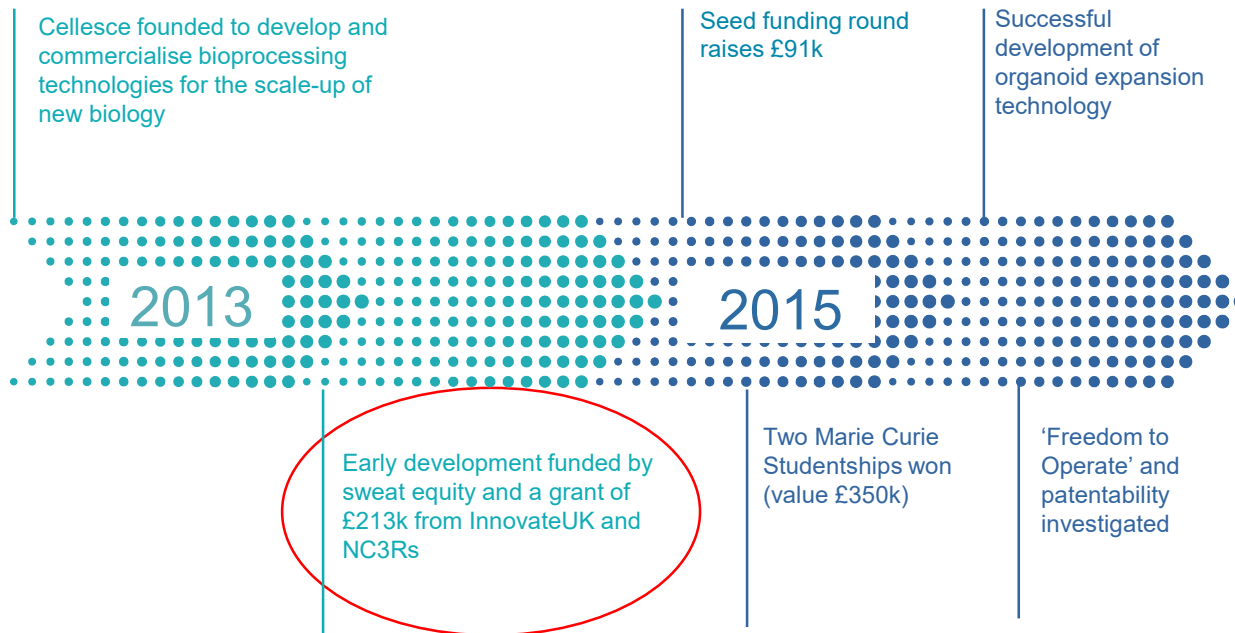
- Over 90% of new cancer drugs fail in clinical trials
- Cancer organoids are miniature, simplified copies of patients' tumours grown from their adult stem cells in the lab
- Organoids recapitulate 3D tissue structure of tumours and their cancer-like pathology more faithfully than conventional 2D cell lines. Tumour organoids mimic the relevant pharmacology of cancer drugs
- Compound and antibody screens often require 100k organoids or more and manual expansion methods cannot meet the growing demand
- Cellesce set out to develop proprietary bioreactor technology to resolve this bottleneck.
- Now pursuing a potential \$1.5bn p.a. market opportunity



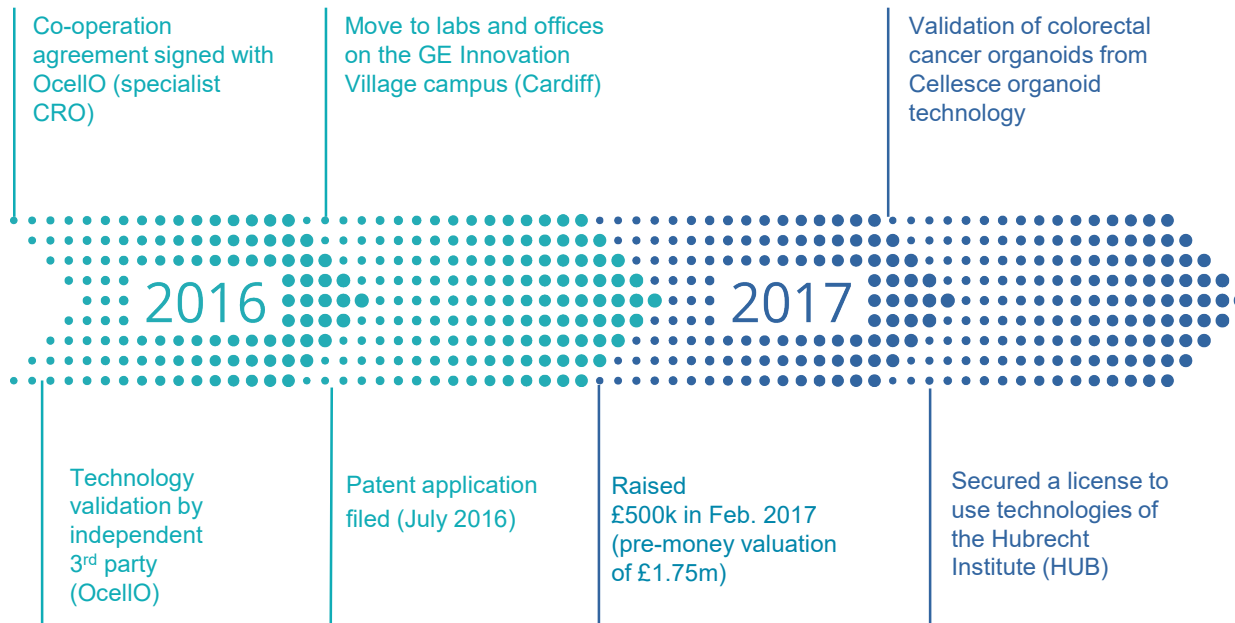
Cellesce Value Milestones (1)



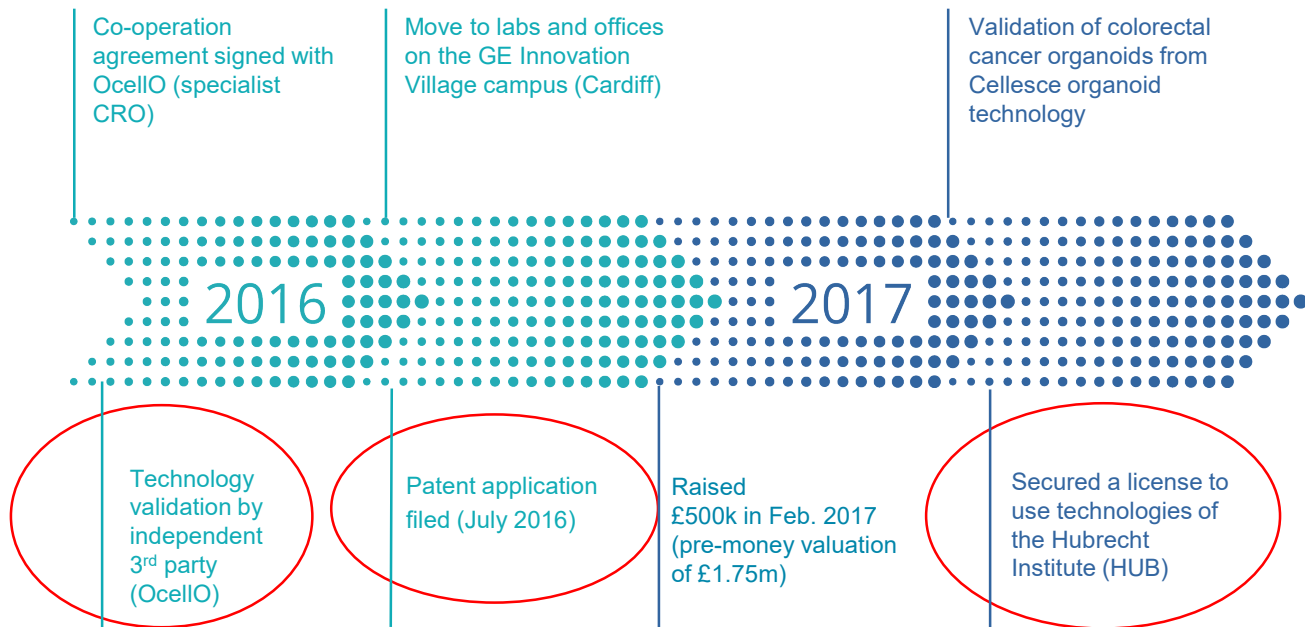
Cellesce Value Milestones (1)



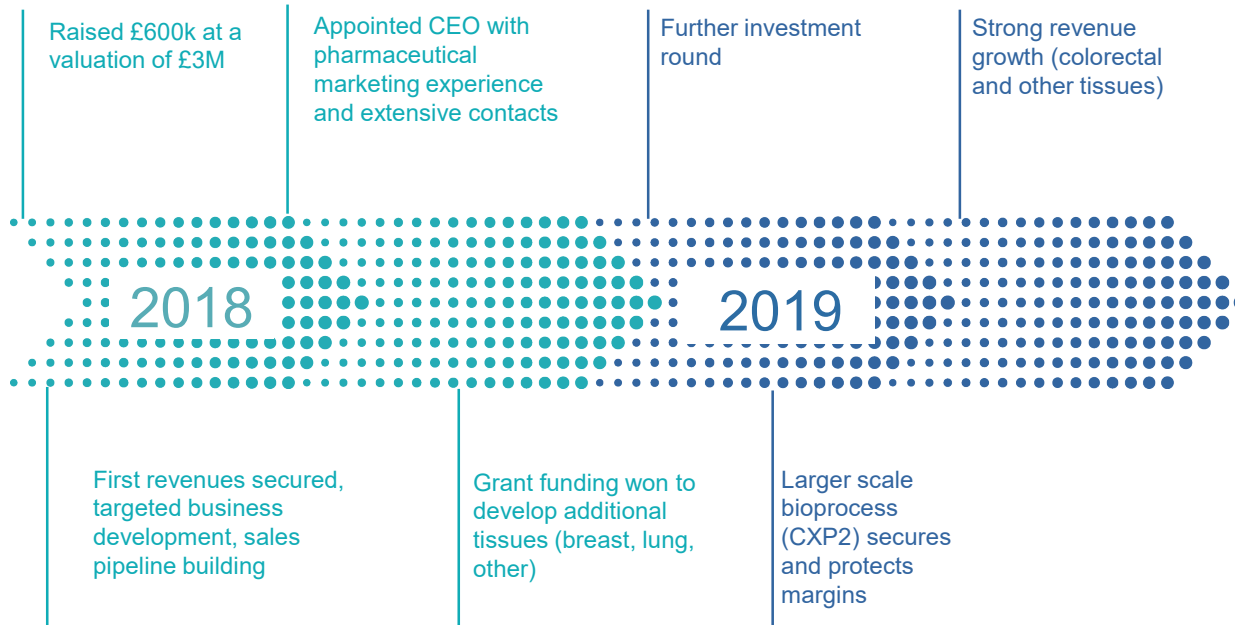
Cellesce Value Milestones (2)



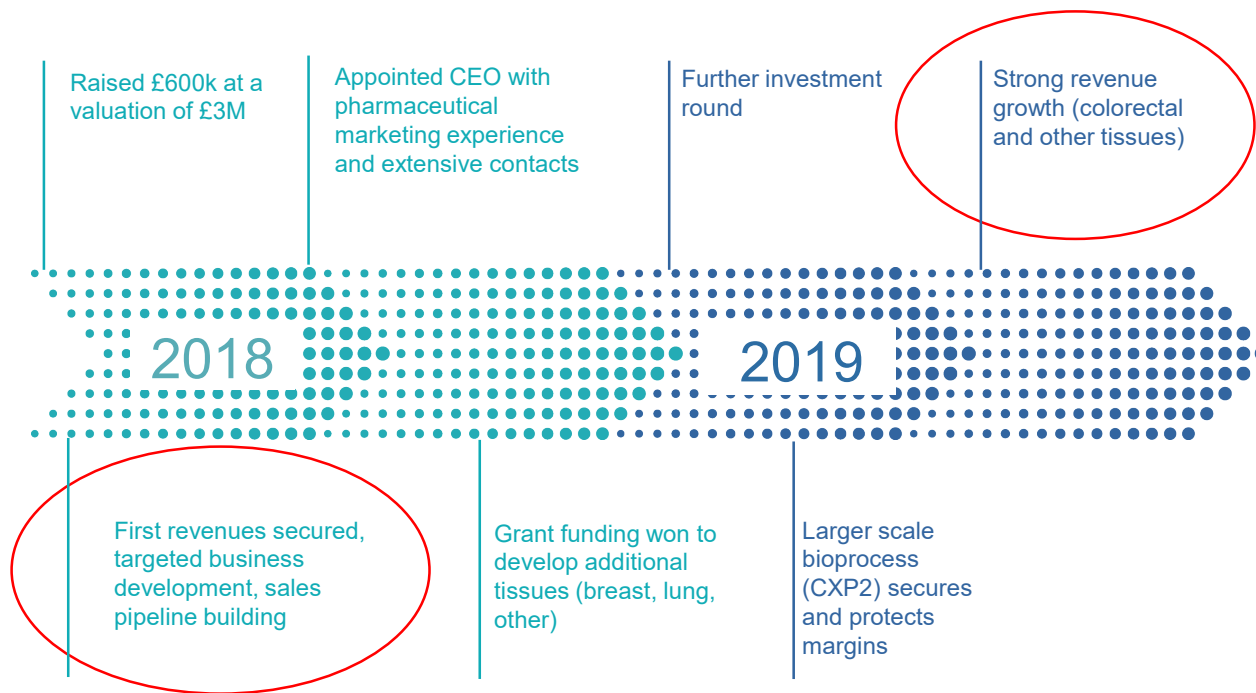
Cellesce Value Milestones (2)



Cellesce Value Milestones (3)



Cellesce Value Milestones (3)



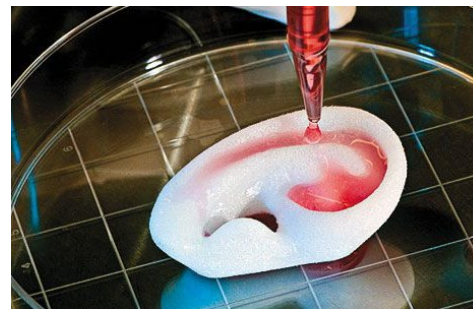
Prioritisation and focus



Drug discovery



Personalised Medicine



Regenerative Medicine

Business model



Equipment supplier
(bioreactors and consumables)



Contract Research Organisation
(‘fee for service’ to drug discovery industry)



Drug discovery company
(high regulatory risk, high potential reward)

Build and protect technology



Patent or trade secret?

(investors in life science business will require a patent)



Know-how

(experience and expertise – at least as important as what is in the patent)



Freedom to operate

(operating in 'white space' and licensing in of key inputs)

Key milestones



MVP

(focus on what is possible, given time and resources constraints)



Technology validation (proof of technology)



First revenues (proof of market)

Cellesce Soft Funding



**Founders sweat equity
+ £11k**



**InnovateUK and NC3Rs
£213k**

Cardiff University - £125k
Cellesce - £93k, + £32k 'matched'



**Subsequent awards
£990k**

Marie Curie - £350k
Imaging capability - £240k
Breast Organoids - £400k

Cellesce Fund Raises



Seed round
£91k
Friends and Family



Second Seed Round
£500k
Development Bank of Wales, High Net
Worth individuals, Angel Investors



Third Seed Round
£600k
Development Bank of Wales,
High Net Work individuals

Due diligence



Technical

Company's own data,
independent validation by 3rd party,
patents and licenses



Market

Company's own market estimates,
market research data,
report from independent 3rd party
market expert



Financial & Legal

Financial plan spreadsheet,
contracts,
employee biographies – made
available to investors and 'warranted'

Cellesce cash flow management



Accountant / bookkeeper

part time - claiming grant income,
supplier payments, payroll, VAT,
annual accounts

The screenshot shows a financial spreadsheet titled '[Company Name] 12-Month Cash Flow'. It includes sections for 'Revenue/Expenses', 'Cash Flow', and 'Balance Sheet'. The data is organized by month from January to December. Key figures include: Revenue/Expenses (Jan: 10,000, Dec: 10,000), Cash Flow (Jan: 10,000, Dec: 10,000), and Balance Sheet (Jan: 10,000, Dec: 10,000). The spreadsheet also includes a 'Total Cash Flow' row at the bottom.

Financial spreadsheet

calculations for income & expenditure
leading to P&L, Balance Sheet, cash
flow and future projections

The screenshot shows a monthly reporting calendar for January 2019. The calendar is organized by day of the week (Sunday to Saturday) and month (January 2019). The dates are listed in a grid format. The calendar shows that January 1st is a Tuesday, and the month ends on January 31st, which is a Thursday. The calendar also includes a 'Total Cash Flow' row at the bottom.

Monthly reporting

to management team and
board, particular focus on cash
flow and cash management

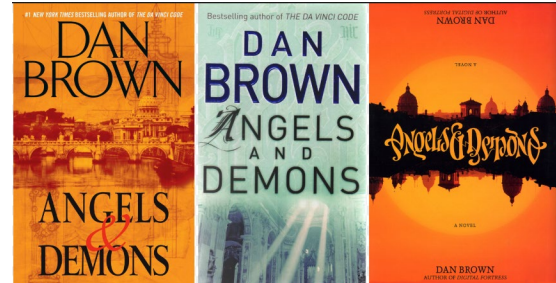
People and culture



Academics in business
(& how to make that work)



Team dynamic
(technocrats working together towards
a shared goal)



Leadership
(the right person at the right
time)



Thank you!

