



# Amphion

INNOVATIONS



## Partnering with inventors and entrepreneurs to build shareholder value

The Amphion management team has been working together for over twenty years. We have been directly involved in the start-up and development of more than thirty-five companies in the medical and information technology sectors. As anyone who has done this can testify, starting and building technology intensive companies takes commitment and experience, patience and persistence and above all, a systematic approach.

The Amphion model is designed to embrace one new company per year. It starts with a rigorous selection process. We choose carefully because we know that once we adopt a new Partner Company, we plan to see it through to success. We are not just investors but builders and partners with the inventors, founders, and management teams we support. Before we commit to a new Partner Company, we immerse ourselves over many months in the technology and the markets it will address, digging into key aspects of the business proposition. We need to be happy with the strength of the intellectual property, the financing profile and the people and we need to be sure we are working with a technology that has demonstrated "proof of concept". We don't want to speculate on a technology, however exciting, that may or may not work. We want to be sure that our role is to help the company develop and market a product that will address existing market segments and become a good business.

The pace of technical innovation in medicine and IT shows no signs of slackening. The convergence of scientific disciplines is throwing up more opportunities for important products, many of which will change or save lives and some of which have the potential to be commercially successful if supported in the right way. The Amphion team's skill is to select these opportunities and support them through the process of achieving their objectives.



Richard C.E. Morgan  
CEO

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## Management track record: former Partner Companies



### Amphion and Celgene working together...

Amphion co-founded and has been active in the management and the development of the company since inception. The company is today one of the top five biopharmaceutical companies, with revenue over \$2 billion. The company has been profitable for years and has a market capitalisation over \$20 billion.



### Amphion and MediSense working together...

Amphion was active in the management of the company from the early stages of product development and through the commercial launch of novel biosensors for blood glucose testing. The technology was originally invented at Oxford University. Amphion continued to be active in the company as it reached over \$200 million in revenue. In 1996 we assisted in the sale of MediSense to Abbott Laboratories for \$900 million.



### Amphion and Quidel working together...

Amphion co-founded and was active for many years in the development of this broadly based publicly traded diagnostics company. The company was an early leader in rapid point of care testing for infectious disease. The Company's market capitalisation is over \$250 million.



### Amphion and Sequus working together...

Amphion was active in the development of this biopharmaceutical company from its very early days. The company developed and marketed liposome-based cancer therapeutics, including Doxil, now a gold standard in chemo therapeutics. The company was acquired by Alza (now part of J&J) for \$750 million.



## Building value

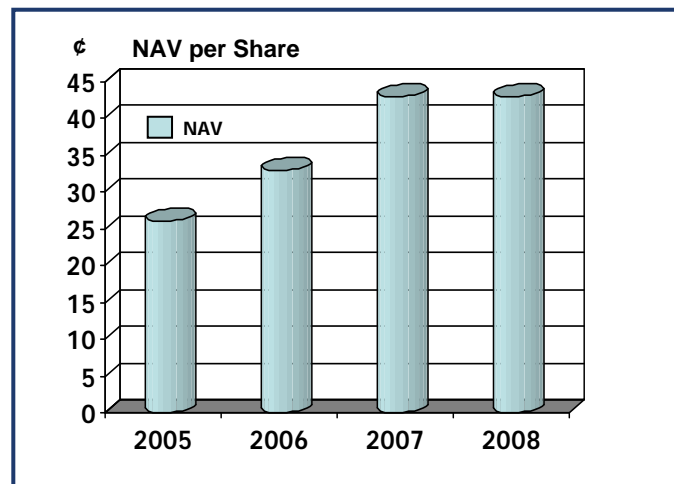
Amphion Innovations plc (LSE: AMP) builds shareholder value in high growth companies in the medical and technology sectors, by using a focused, hands-on company building approach, based on decades of experience in both the US and UK.

Amphion has a significant shareholding in eight Partner Companies developing proven technologies targeting substantial commercial marketplaces, each in excess of \$1 billion. Each Partner Company is chosen with the goal of achieving an exit valuation in excess of \$100 million.

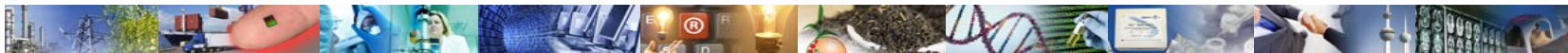
The Amphion model has been refined to optimise the commercialisation of patents and other intellectual property. In 2008, Amphion formed the specialised entity, DataTern, Inc., established to exploit the opportunities presented by the 200 separate pieces of intellectual property within the Partner Companies.



One new Partner Company established each year since 2002



23% compound growth per annum since 2005



## The eight current Partner Companies



[www.axsi.com](http://www.axsi.com)

Access (OTCBB: AXSI) provides Micro-Wireless™ system solutions for real-time business activity monitoring and control. Its patented technology combines RFID, RTLS, and wireless sensing, in small, low cost wireless devices.

Amphion has been active in the development of Access' strategy and business development over many years. In particular, Amphion funded the development of Access' Micro-Wireless platform and has worked closely with the company in the acquisition of key strategic accounts.

Today, Access has many customers across many vertical market segments. It has developed solutions for the entertainment, oil and gas, trucking, healthcare and financial sectors. Access has also secured government contracts and has developed a particular expertise in port security.



[www.kromek.com](http://www.kromek.com)

Kromek is developing a range of digital x-ray systems for security, industry, and medicine. The patented technology applies a number of major innovations in materials science and 3D imaging to bring "colour" and motion to x-rays and thereby to allow rapid and cost-effective identification of materials.

Amphion partnered with Kromek early in its life as a spin-out of Durham University. The team has been active in developing the IP, product road map, and on the development and execution of the product rollout.

Today, Kromek is launching systems for the security market and is developing products for use in industrial inspection and medical imaging. The first products allow accurate and rapid detection of threat materials in bottles and 311 (small liquid) bags.



[www.firestarsoftware.com](http://www.firestarsoftware.com)

FireStar is a software company providing proprietary solutions for the creation of multi-enterprise, automated business transaction networks.

Amphion founded FireStar in partnership with leading software developers. The company acquired the patented ObjectSpark™ technology and developed an innovative and patent protected messaging platform called EdgeNode™, that enables rapid and efficient virtual private networks to be created easily and quickly. Such networks allow for the secure exchange of electronic messages in banking and wherever point to point interoperability is required.

Today, EdgeNode is used by PrivateMarkets for trading applications and by SWIFT and others for payment networks.



[www.m2mimaging.com](http://www.m2mimaging.com)

m2m Imaging Corp. is developing high performance magnetic resonance imaging ("MRI") coils and accessories for the clinical and preclinical markets. These allow significant increases in image quality, which is necessary for better disease detection and faster drug discovery. MRI based applications are growing rapidly, fueled by the demand for new therapeutic applications and solutions.

Amphion supported m2m, a spin-out of Columbia University, to acquire Spin Systems PTY Ltd (Australia), recruit new management for the combined company, and fund the development of cryogenic MRI coils for both the preclinical and clinical markets.

Today, m2m has customers for its preclinical coils in most of the leading research institutions around the world. It has in development a new generation of cryogenic coils for both preclinical and clinical applications.



## The eight current Partner Companies

**motif**

[www.motifbio.com](http://www.motifbio.com)

Motif works with a variety of Founder Populations to accelerate discovery of genetic variation involved in common diseases. By applying its expertise and proprietary technology to specialised populations, Motif is working to develop novel diagnostics and therapies for a variety of major diseases such as diabetes, asthma, and cancer.

Motif was co-founded by Amphion and some of the world's leading experts in the relevant fields. The team was later strengthened by the addition of other leading scientific and management professionals.

Today, the company is active in several Founder Populations in partnership with leading investigators and institutions around the world. The business is designed to capitalise on the trend towards personalised medicine and orphan drugs.



**myconostica**  
rapid innovative diagnostics

[www.myconostica.co.uk](http://www.myconostica.co.uk)

Myconostica is a medical diagnostics company focused on the rapid diagnosis of fungal infections. The patented products allow rapid and accurate diagnosis of life threatening, invasive fungal infections using the latest molecular probe technology.

Amphion worked with leading experts in the field of fungal infections and molecular diagnostics to spin the company out of the University of Manchester. Since helping to start the company, the Amphion team has been active in leading and recruiting top management to the company.

Today, Myconostica has its first products on the market outside of the United States. Clinical trials are getting under way for FDA approval prior to the launch in the US.



**privatemarkets**

[www.privatemarkets.com](http://www.privatemarkets.com)

PrivateMarkets is the leading provider of negotiation and execution platforms for bilateral, structured trading of commodities. The application was developed to run on FireStar's proprietary EdgeNode™ messaging platform. Although this initially focused on the energy market, the platform can also be applied to other markets with low liquidity and customised trade.

Amphion assisted another Partner Company, FireStar, incubate and spin out this company. PrivateMarkets came into being as an independent company in partnership with experts from the energy trading arena and with management recruited by Amphion.

Today, the bilateral "virtual private market" trading platform is now being used by producers and users of electricity and natural gas in the Texas energy region. Trading has started on the platform and is expected to go national in the US before long.



**WellGen**

[www.wellgen.com](http://www.wellgen.com)

WellGen uses its proprietary nutrigenomics discovery platform to identify and develop clinically validated Medical Foods. Through its expertise in nutrigenomics and natural products chemistry, WellGen develops nutritional therapies based on the influence of natural products on human gene expression. WellGen's highly predictive approach is more efficient and requires a fraction of the resources versus the traditional biotech model.

Amphion partnered with WellGen, a spinout of Rutgers University, to focus on the role of inflammation in a range of health states. WellGen's lead product has successfully completed a number of human trials.

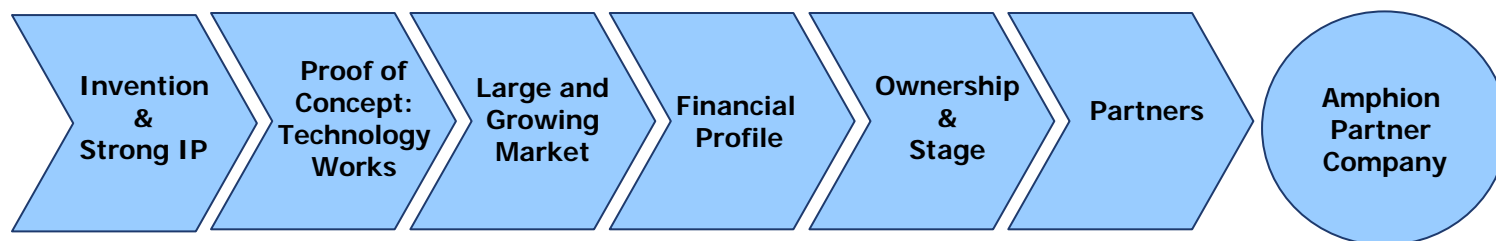
Today, WellGen is in the process of commercialisation of its lead product and has many other proprietary products in development.



## Partner Company selection follows a systematic approach

Sector: Life sciences, healthcare, and medical technology

Geography: UK and East Coast US



*"Never invest in a business you cannot understand...Risk comes from not knowing what you're doing"*

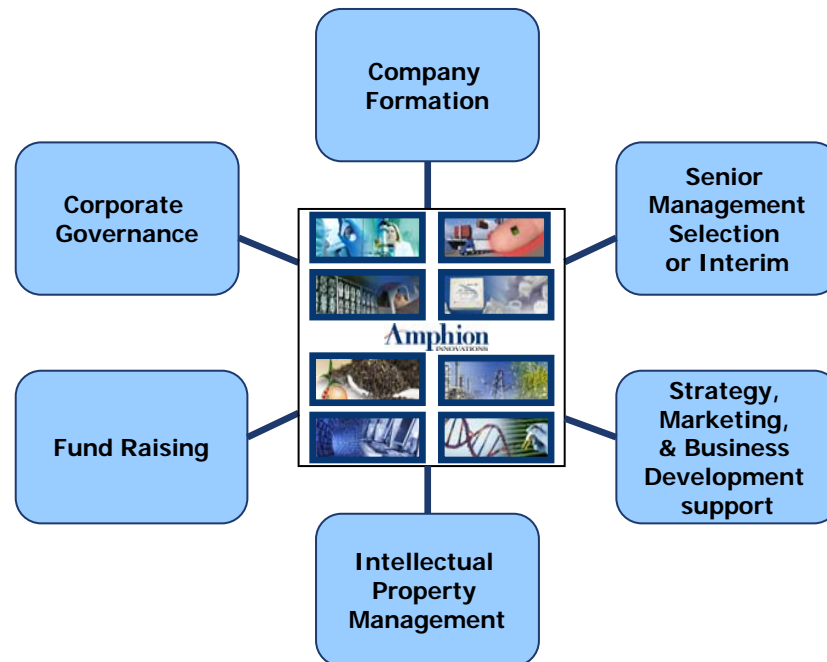
-Warren Buffett

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## Amphion is devoted to the success of its eight Partner Companies

- Applies extensive experience and widespread network
- Active in the challenge of financing
- Recruits, supports, and often bridges management roles
- Active in development of product and strategic plans
- Advises on development and protection of IP



## Growing revenue from intellectual property

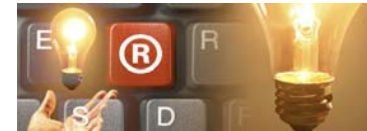


[www.datatern.com](http://www.datatern.com)

DataTern, a wholly owned Amphion subsidiary, was established to commercialise selected intellectual property assets from Amphion's Partner Companies. The Partner Companies collectively own or control over 200 separately identified pieces of intellectual property, a number which grows rapidly each year.

Initially, DataTern acquired a set of intellectual property assets from Amphion's Partner Company, FireStar. In 2008, DataTern's first year of operations, these assets generated over \$5 millions in licensing revenue.

Amphion expects DataTern's current licensing revenue to continue to grow and plans to expand the business by acquiring additional intellectual property from Amphion Partner Companies and other sources. In addition, DataTern is working closely with the Partner Companies to develop IP strategies and to file and protect the intellectual property foundation of each company.



*"Three-quarters of British companies with big intellectual property holdings see these as ... underexploited."*

- London law firm Fisher Waterhouse

*"More often than not, a company's patent portfolio is an under-exploited business development opportunity. Only about four or five percent of the AIM companies are patent intensive."*

- The Patent Landscape of AIM 2008

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