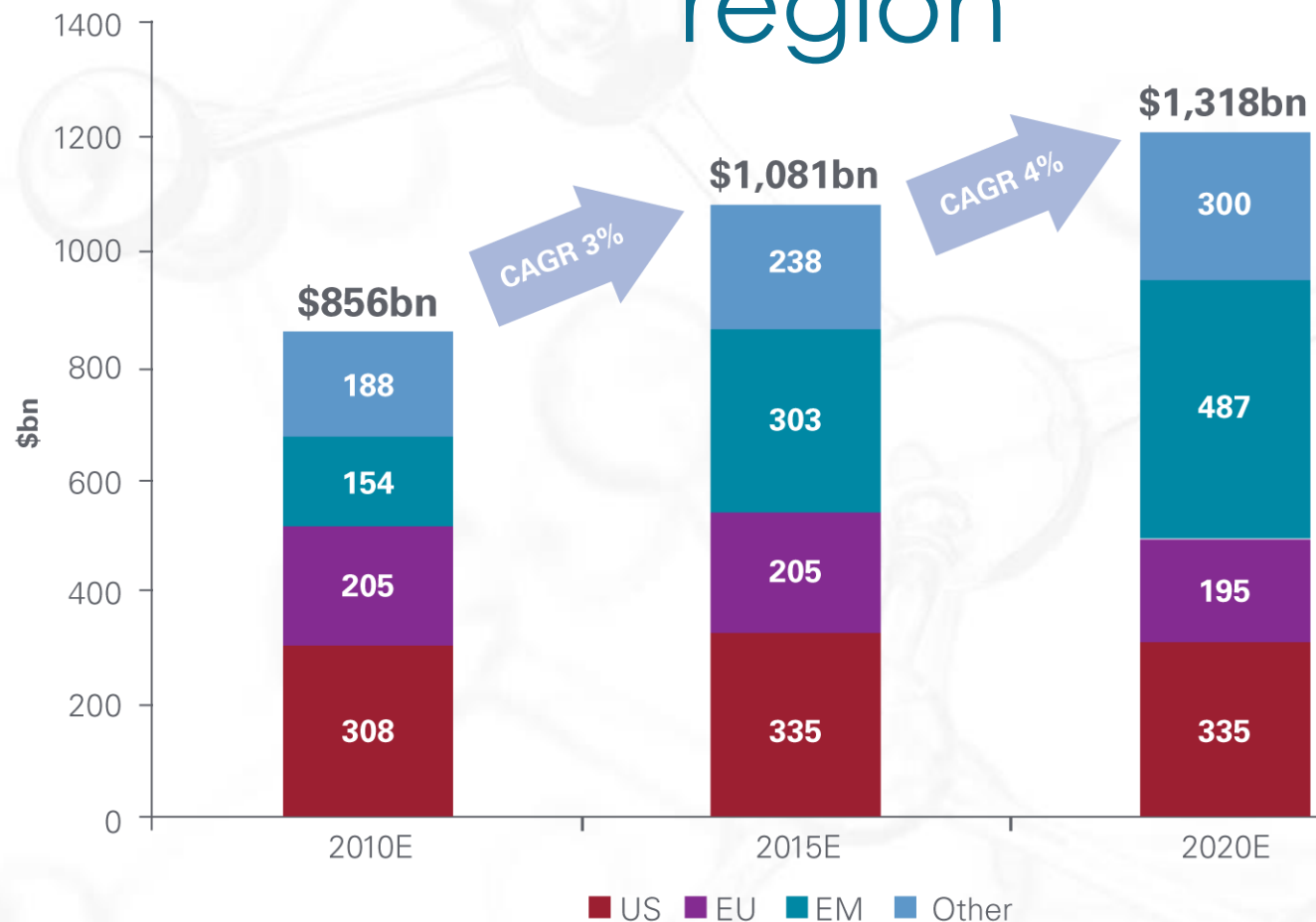


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PHARMACEUTICAL PROSPECTS: A SECTOR & COMPANY OVERVIEW



Pharma sales growth to 2020 by region

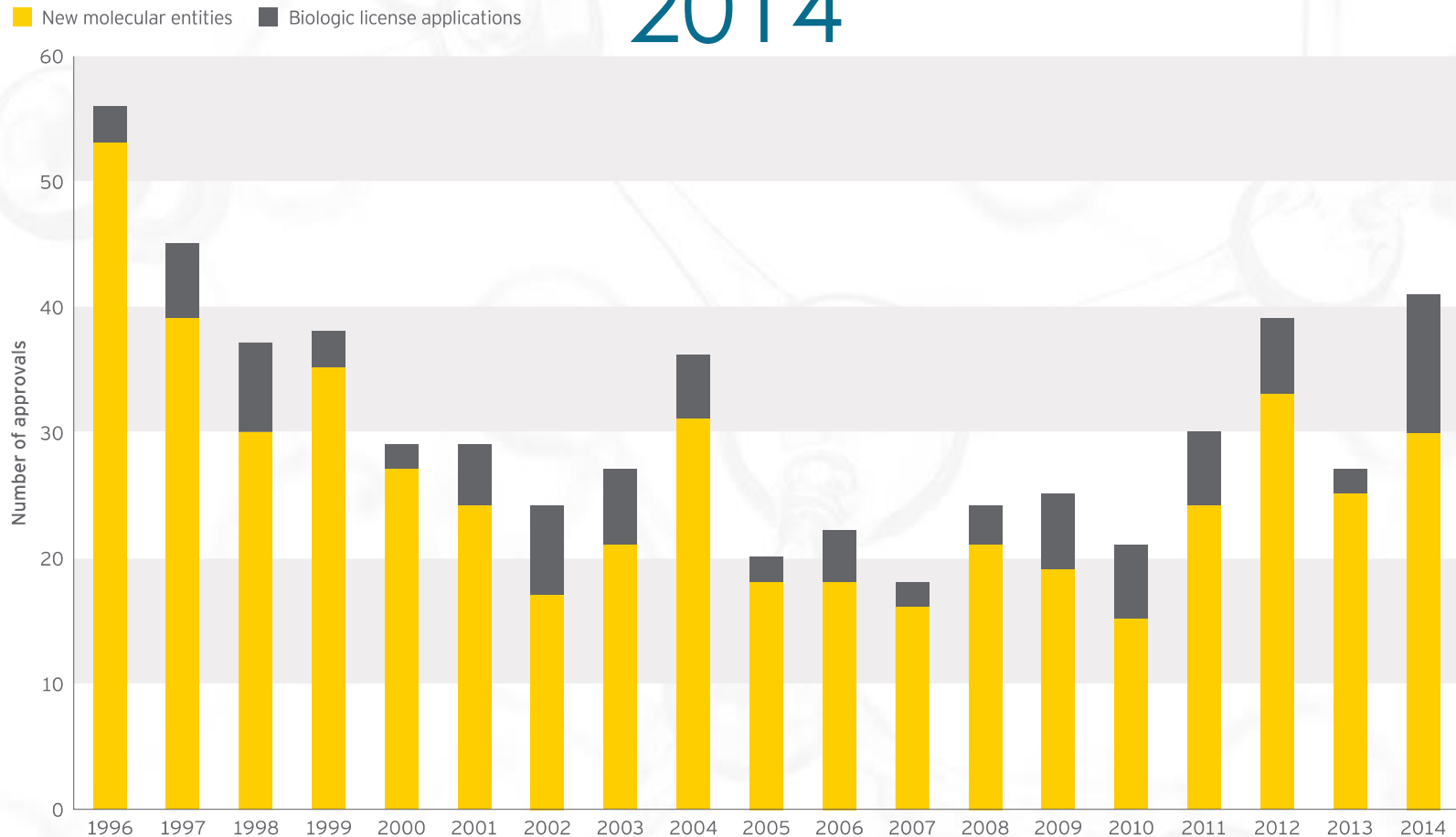


New product Approvals Forecast to Average 35 Per year

>900 products In the pipeline
2/3 of which are Small molecules

Source: IMS, May 2011 & KPMG, Oct 2011

FDA product approvals, 1996–2014



Source: EY, Beyond borders report, 2015

Small Molecule API Trends

Small Molecules Continue to Drive Pharmaceutical Growth:

- ▶ Accounting for 82% of NDA applications in 2014
- ▶ 60% of New Chemical Entities
- ▶ Can be engineered to deliver small dose effect
 - ▶ Economic advantage
 - ▶ More amenable to oral formulation
 - ▶ Clinical trials can be simpler
 - ▶ PR&D can be cheaper
 - ▶ Shipment and storage conditions can be easier

Small Molecule API Trends

Small Molecules Continue to Drive Pharmaceutical Growth:

- ▶ Targeted therapeutic trends
- ▶ Higher molecular complexity / higher potency
- ▶ Smaller batch size
- ▶ Projection that in 15 years the ratio of NCE / BIO could still be 60/40

Small Molecule API Trends

Number of Small-Molecule Drugs, 2013 and Projected for 2020		
Revenues	2013	2020
Over \$1 billion	75	89
\$500 million to \$1 billion	111	140
\$250 million to \$500 million	160	227
\$100 million to \$250 million	345	407
\$50 million to \$100 million	328	409
Less than \$50 million	1991	2180
TOTALS	3005	3552

North East Pharma Sector

Strong and Supportive Capability:

- ▶ >200 Life Science & Healthcare Companies
- ▶ Turnover > £10billion
- ▶ 33% Of UK Pharma GDP
- ▶ Full Range of Capabilities
 - ▶ Preclinical and clinical development
 - ▶ Clinical trial management
 - ▶ Drug Substance and Drug Product manufacturing

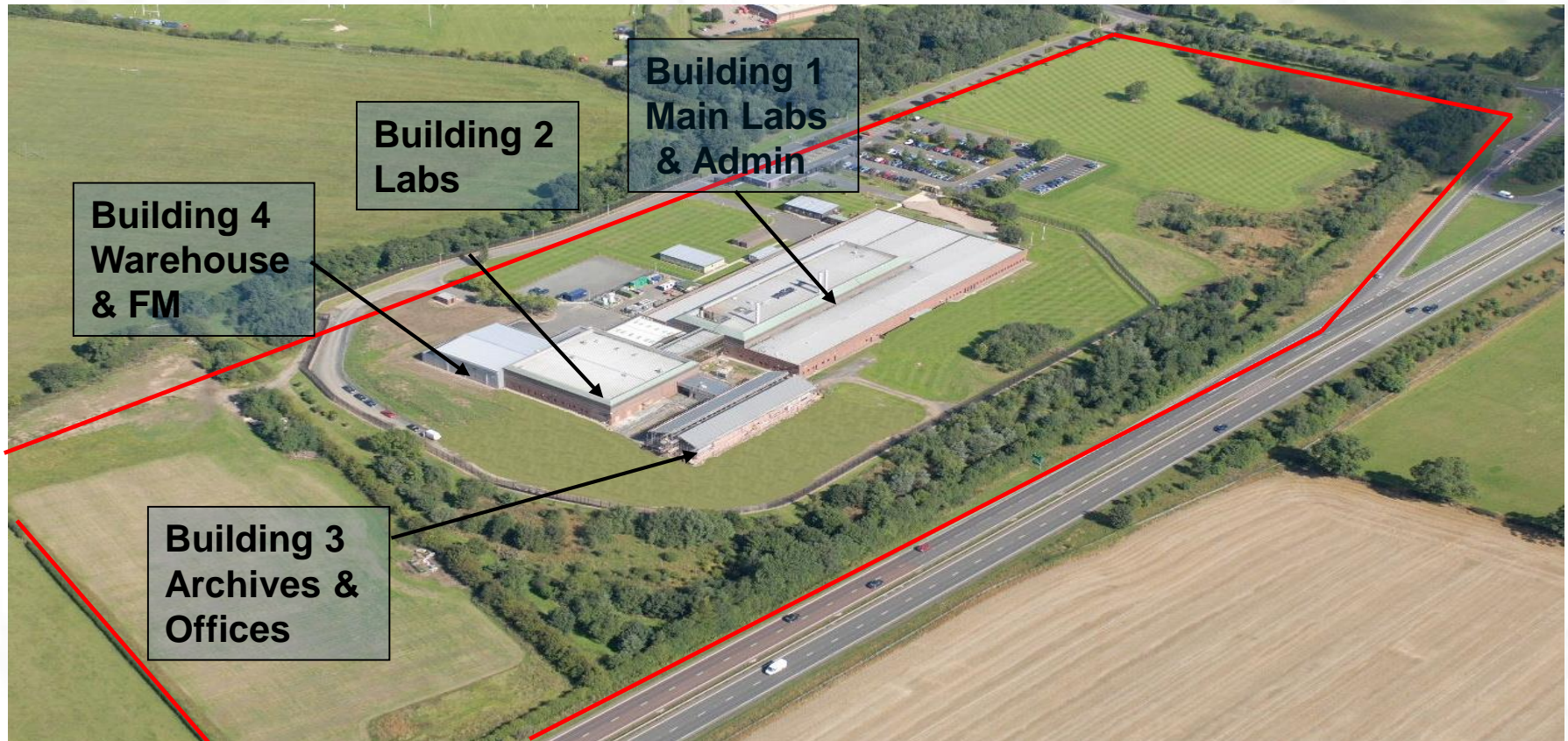
North East Pharma Sector

Strong and Supportive Capability:

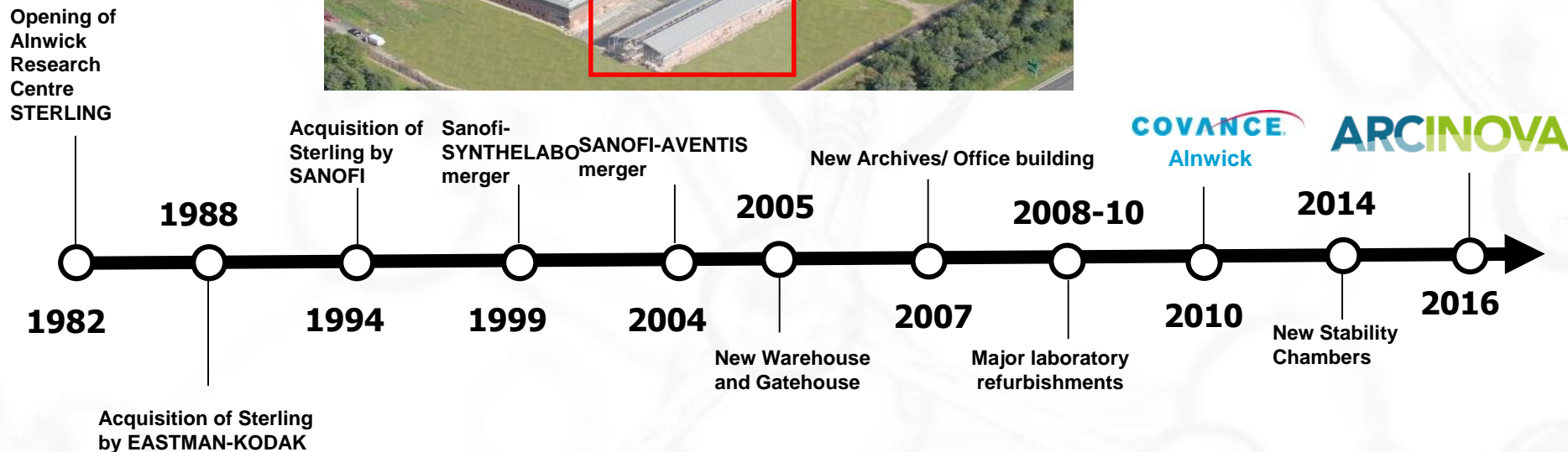
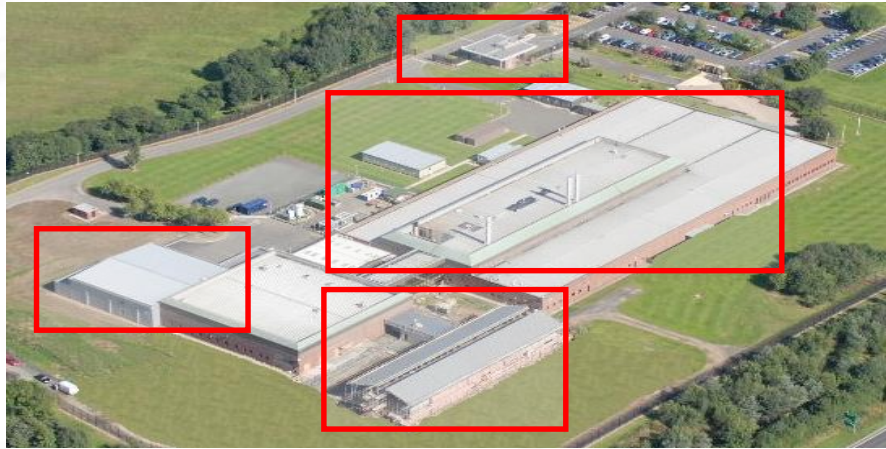
- ▶ Strong CMO capacity
- ▶ Strong University Presence
- ▶ CPI / National Biologics Centre / National Formulations Centre

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- ▶ Site area : ~12.8ha (1 ha = 10,000 m²)
- ▶ Total foot print of site buildings ~10,000 m²
 - Of which 2/3 is laboratory space

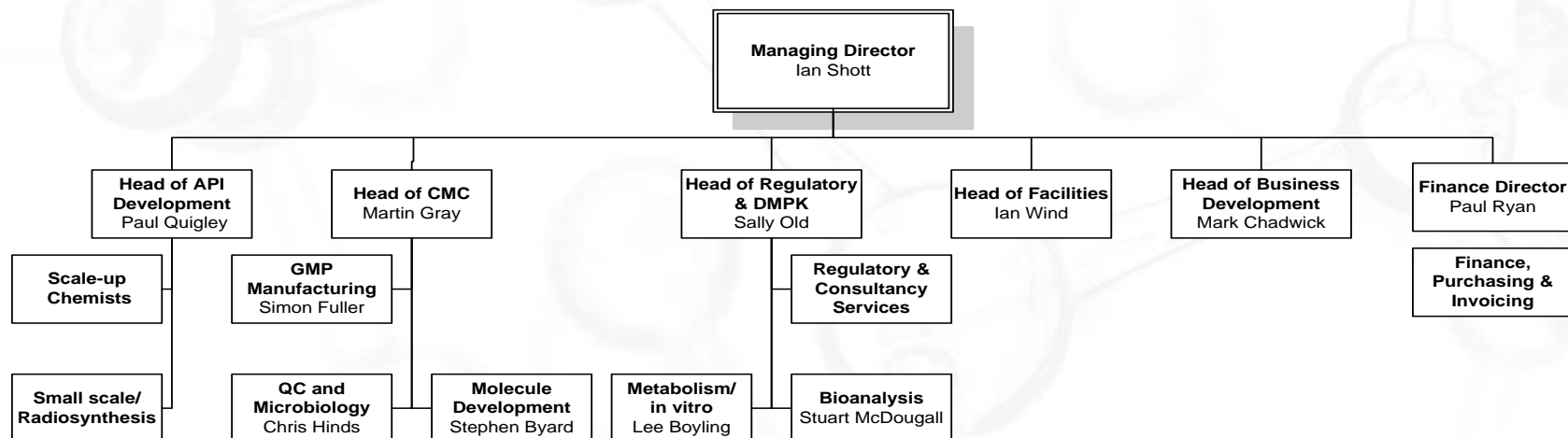


Well-equipped site & rich history



- ▶ 60 current customers worldwide
- ▶ Biotechs, speciality pharmas, large pharmas

Experienced Team



- ▶ Over 50 project staff (chemists, analysts, engineers)
- ▶ Average 20 years industry experience

Small Molecule Capacity

Key Differentiators:

- ▶ Strong and established route scouting capabilities
- ▶ Established chemistry base
- ▶ Extensive Drug Substance / Drug Product development expertise
- ▶ Established API analytical capabilities (chemical and physical)
- ▶ GMP compliant site
- ▶ Well established infrastructure

Investment – Capability

Building:

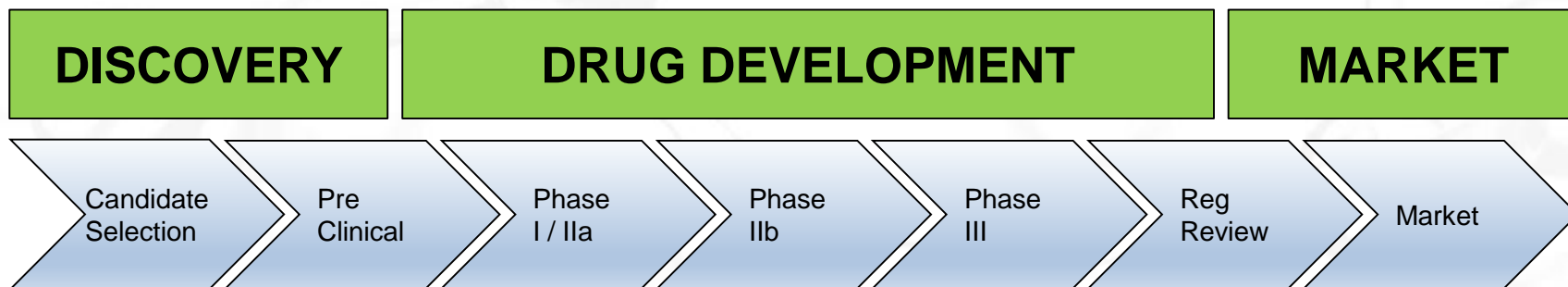
- ▶ Strong Process Development Expertise
- ▶ Range of API development and manufacturing scales
- ▶ Alliance partners for further scale up
- ▶ Ability to handle multiple API classes
 - Standard
 - Radiolabelled
 - High toxicity / Potency
- ▶ Flexibility to introduce new technologies:
 - Synthetic Biology
 - Continuous processing
- ▶ Nimbleness, agility and innovative service capabilities

Investment – Infrastructure

- ▶ Driving investment from 5lt to 80lt scale
- ▶ Integrating with preferred scale up partners
- ▶ Tying into design capabilities of established partners (BPE)



Offerings



Contract Research Services:

Capability for the development of small molecule drug candidates from discovery through pre-clinical and clinical phase I, II and III to launch. These services can also be applied to a range of life sciences applications.

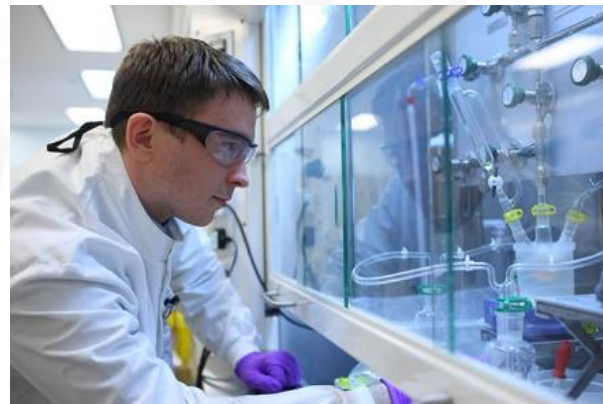
Contract Development Services:

Capability to include Process Research, Development and Scale-Up, drug candidates in both Development and launched to the Market, at relatively small scale using synthetic biology and chemistry.

Offerings

Efficient, end to end solutions, including:

- ▶ Drug substance – synthesis & support – intermediates & APIs
- ▶ Isotope synthesis/radiochemistry
- ▶ Drug product formulation
- ▶ High potency/high hazard materials
- ▶ Full bioanalytical support from pre-clinical through clinical trials



Compliance

- ▶ 10 successful MHRA GCP/GLP inspections since 2000
- ▶ 10 successful MHRA/FDA GMP inspections since 2005



Summary - What makes us different?

- ▶ Fully integrated provider
 - ▶ Pre-clinical through to small scale commercial
 - ▶ Cohesive API development, CMC, BioA & metabolism studies
- ▶ Big company track record/compliance
 - ▶ 34 years successful delivery of projects
- ▶ Speed and agility of a small company
 - ▶ Responsive team, track record of delivery
- ▶ World class facilities and capabilities
 - ▶ Modern state of the art research centre

Strategy

Market segmentation to achieve four key target **customer groups**:

- ▶ Emerging Pharma / Biotechs seeking a full service partner
- ▶ Midsized pharmaceutical companies seeking strategic suppliers
- ▶ Global Pharma seeking trusted low risk and cost effective preferred suppliers of carefully targeted services
- ▶ Innovative Life Science companies and organisations (e.g. CPI) requiring professional consultancy and critical service support

A faint, light gray molecular structure is visible in the background, consisting of interconnected spheres and lines, suggesting a chemical or biological theme.

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Thank you