

# Financial Returns

There is clear evidence of success with Uniseed's investment model. The most recent fund (Fund-2) delivered a number of significant exits and built a portfolio of valuable long-term shareholdings in growth companies.

To date, six exits have occurred, with four trade sales completed (Spinifex, Fibrotech, Vintela and Fultec), one asset sale (Hatchtech) and one ASX-listing (QRxPharma). These exits demonstrate Uniseed's ability to successfully complete the full investment cycle and return significant funds to investors.

## Hatchtech

In 2015, the University of Melbourne's Hatchtech, developer of Xeglyze™ Lotion, a next generation lice treatment capable of killing both eggs and lice, entered into a commercial agreement with Dr. Reddy's Laboratories (NYSE: RDY) which will include upfront and pre-commercialisation payments of US\$60 million plus additional milestone payments on commercial sales. Uniseed was the sole participant in Hatchtech's first investment round in 2001 with a \$488,000 investment, and has invested in every major funding round since. From 2001 to 2005, Uniseed supported Hatchtech alone and providing strategic guidance on the company's scientific and commercial development program, shifting Hatchtech's initial application from animal health to the treatment of human head lice. From 2005 to 2013, Uniseed assisted Hatchtech in securing additional investment from other venture capital firms including GBS Ventures, QIC Bioventures, Biocomm, OneVentures and Blue Sky Venture Capital, with the University Melbourne also investing from their endowment fund.

## Spinifex

Spinifex is a start-up company from the University of Queensland that is developing a potential first-in-class oral treatment for neuropathic pain and related symptoms without central nervous system side effects. Spinifex has completed a phase II clinical trial with its lead product EMA401 in patients with post herpetic neuralgia (PHN). PHN is a painful condition that develops in some patients following herpes zoster infection (shingles). In 2015, Spinifex was acquired by Novartis International AG for US\$200m plus over \$500m in future payments of based on developmental and regulatory milestones. This investment won the Australian Venture Capital Association (AVCAL) 'Best Early Stage Venture Deal of 2015'.

## Fibrotech

Fibrotech is a spin-out of the University of Melbourne, developing drugs to treat fibrosis based on the work of Professor Darren Kelly. In April 2014, Fibrotech reached an agreement with Shire Pharmaceuticals, a global specialty biopharmaceutical company, under which Shire agreed to purchase Fibrotech for an upfront payment of US\$75 million and contingent payments of US\$472 million based on the achievement of development and regulatory milestones. This investment won the Australian Venture Capital Association (AVCAL) 'Best Early Stage Venture Deal of 2014'.

## Vintela

Vintela (originally Wedgetail, an IT security company originating from the Distributed Systems CRC in Brisbane) was sold to Quest Software in the US for approximately \$100m, with Westscheme receiving 5-times funds invested. This investment was awarded the 'Best Early Stage Venture Deal of 2005' from AVCAL.

## Fultec

The Fultec device is a protection switch that virtually instantaneously disconnects vulnerable equipment from the disturbed input power terminal and then reconnects the system after the surge has passed. Fultec was sold to Bourns Semiconductor USA in 2008.

## QRxPharma

QRxPharma was listed on the ASX in 2007, being the largest capital raising of a biotechnology company on the ASX. At the time, Uniseed received back more than funds invested through a sale of a proportion of its shares.