

BEER & PARTNERS



Sphere Medical provides 43% return on angels' investment in less than 5 months

In a countercyclical achievement, investors from the Beer & Partners angel community have recently attained 100% pa returns for a company based in the Life Sciences sector.

A syndicate of Beer investors participated in the last round of pre-IPO funding for Cambridge medical device business **Sphere Medical**. If these six angels sold at the flotation price, they have made a profit of 43% on their original investment in less than 5 months – 100% pa. Although angels tend to invest long-term, this project provided a quick, solid return to investors in a very short space of time.

Beer & Partners, the leading source of venture capital and angel investment in the UK, has over the last few years maintained their position at the forefront of encouraging innovation and development for UK SMEs. Investor appetite for Life Sciences SMEs continues to go from strength to strength, particularly with the recent formation of a dedicated associate team. Midlands-based associate Lawrence Fenelon was the driving force behind the fundraising for Sphere Medical – a company attracting a great deal of attention in the Life Sciences world. Sphere has raised £14m from a share placing in association with its AIM float valuing the company at £34.05m. The company is developing a revolutionary new real-time system for monitoring blood gas levels (oxygen, carbon dioxide) and other parameters in critically ill patients.

Simon Heywood, London Life Sciences associate, says that investors may be attracted to the sector with hopeful expectations of a “less volatile investment future”. Share prices also held up well during the recession amongst good quality healthcare businesses. Simon soberly draws attention to the somewhat logical, unavoidable truth that “people will always want and need treatment when sick”, although he adds that angels are also keen to use their funds to make a difference:

“We are finding investors who have deep connections and knowledge of the relevant industries and we’re mixing them with those who simply like the sector because of the potential returns and the chance for the business to make a meaningful difference to peoples’ lives.”

Bucking the trend of economic misery currently sweeping the globe, Beer is naturally looking forward as they begin to see signs of a pickup in new capital, with investment levels at higher levels than in any time over the last 12 months.

About Beer & Partners Limited

Business angel network Beer & Partners is the leading source of venture capital and business angel investment for growing SME business in the UK. Since 1991, Beer has managed to secure over £120m for their clients. They seek to match quality investors to businesses looking to raise funds, from start-up through to floatation. With a completion rate at five times the industry standard, they see over 3,000 proposals annually and will accept only the best of these as clients. Headquartered in London, Beer & Partners extends its reach nationwide with a comprehensive network of skilled associates, many with over 20 years' experience in industry, commerce and corporate finance.

www.beerandpartners.com

About Sphere Medical

Sphere Medical, based in Cambridge, UK, is a company completing the development of a range of monitoring and diagnostic products designed to provide significant improvements in patient management in a number of hospital specialities. Sphere Medical's products are expected to allow near real time measurement of blood gases, various electrolytes, glucose and drug levels with laboratory accuracy, at the patient's bedside. This information can be used in a wide range of medical applications and is intended to enable faster clinical decision making and consequently to improve the management of patients.

<http://www.spheremedical.com/>

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