

1 June 2008

EYKONA TECHNOLOGIES RAISES CORNERSTONE INVESTMENT FROM TECHNIKOS

Eykona has secured cornerstone funding from Technikos, an operating arm of Sloane Robinson Private Equity. This follows from Technikos' agreement to support the University's Institute of Biomedical Engineering, in return for equity in spinout companies. Eykona Technologies was spun out in February 2007 in a collaboration between H2O and Oxford University's technology-transfer company, Isis Innovation.

Eykona started life in the University of Oxford Engineering Department, with an innovative method of producing three-dimensional (3D) images using low-cost equipment. The company reached the finals of the prestigious Research Councils' Business Plan Competition for 2005/06, winning £10,000 in prize money. Initially targeting video-gaming and movie effects markets, the company changed tack in 2007, following the involvement of H2O Venture Partners. It has identified a niche for external imaging of wounds, together with accurate 3-D measurement, which has been poorly served so far, and is focussing on this valuable and growing medical-devices market.

Eykona is specialising in imaging of for advanced wound care, particularly diabetic foot ulcers. It has made successful presentations at prestigious diabetic-wound conferences and is being well-supported by key opinion-leaders in the UK and the USA.

H2O has supported Eykona Technologies from an early stage, and Dr David Auty, Senior Investment Manager at H2O, assisted in the negotiations with Technikos, resulting in Technikos providing £250,000 to Eykona as a convertible loan. Eykona has since achieved all the technical milestones required by the agreement.

Mark Kirby, Chairman of Eykona Technologies, who was involved in the negotiations, said: "This investment is another milestone in the development of Eykona Technologies as an independent company. This investment has allowed us to continue the clinical development of our product, hire technical staff and move into new offices. We will be developing Eykona further as a commercial proposition and aim to achieve further investment from other sources within the coming years."

David Auty retains a non-executive directorship within Eykona. He commented: "It's important that our spin-out companies can get to a stage where they can break away from H2O and get a life of their own, so they can make their own decisions and manage their own direction. H2O will continue to be a support to Eykona Technologies, and we look forward to helping them identify markets for their future growth."

For further information, please call Paul Coleman or David Kelly on: +44 (0)1865 251000 or email Info@h2ovp.com