



i2E ANNUAL REPORT

FY2021

FOCUSED ON OKLAHOMA
ENTREPRENEURS





Letter From the CEO

For 22 years, i2E's nationally recognized services have provided business expertise and funding to more than 740 of Oklahoma's emerging startup businesses. With more than \$95 million of investment capital under management, we are focused on serving Oklahoma companies in all phases of the business startup life cycle.

i2E's 2021 Fiscal Year was a year of challenges and success. Dominated by the Pandemic and its effect on the Oklahoma economy, i2E continued to provide its critical business services and capital to over 60 innovators and entrepreneurs across the state. It was also a year of reorganization, bringing on new talent to the i2E team, and developing new programs such as **ACT Tulsa**, Oklahoma's only immersive Accelerator program to cultivate and drive innovation for underserved founders in Tulsa.

We also celebrated the \$3.2 billion Initial Public Offering for i2E client Alkami Technologies, resulting in i2E experiencing its first "Unicorn" investment client, an outcome that few investment firms ever have the opportunity to achieve.

With its comprehensive set of business services and capital resources, i2E is well positioned to continue helping Oklahoma innovators and entrepreneurs in building successful, high-growth companies.

Scott Meacham, CEO

OUR MISSION

Our mission is to invest in Oklahoma entrepreneurs and build high growth companies.

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i2E TEAM

Scott Meacham, CEO

Rex Smitherman, President

Sarah Seagraves, Senior Vice President, Marketing

Mark Lauinger, Senior Vice President, Client Services

Judy Beech, Vice President & Director of Finance

Richard Rainey, Venture Advisor & Director, OKBIO

Malachi Blankenship, Venture Advisor & Director, BD

Srijita "Dia" Ghosh, Venture Advisor

Darcy Wilborn, Client Engagement Director

Taleya Mayberry, ACT Tulsa Program Manager

Katelynn Henderson, Events Specialist

Gerda Elpedes, Staff Accountant

Jennifer Buettner, Executive Assistant

Marla O'Fallon, Tulsa Operations Coordinator

iMCI TEAM

Scott Meacham, CEO

Justin Wilson, Managing Director/President

Jon Sunthimer, Senior Vice President
and Director of Portfolio Management

Stacey Brandhorst, Vice President
and Investment Principal

Ryan Cargill, Vice President
and Director Investor Relations

Cindy Williams Henson, Senior Underwriter
and Investment Compliance Officer

Shaun O'Fair, Senior Associate,
Portfolio Management

i2E BOARD

Mark Poole, Chairman, BankFirst Vinita

Brad Krieger, Vice Chair, Arvest Bank

Michael LaBrie, Secretary, McAfee & Taft

Howard G. Barnett, Jr., The Barnett Family Law Firm

Michael Basch, Atento Capital

Leslie Batchelor, Center for Economic Development Law

Michael Carolina, OCAST

Steve Cropper

Carl Edwards, Price Edwards & Company

Philip Eller, Eller Detrich, P.C.

Tom Evans, Encompass Financial Services, Inc.

Chris Fleming, REHCO, LLC

Danny Hilliard, Chickasaw Nation Division of Commerce

Philip Kurtz, CareATC

Hershel Lamirand III, Capital Development Strategies

Devon Laney, 36° North

Justin McLaughlin, Tulsa Regional Chamber

Mark Nance, American Fidelity Corporation

David Pitts, Simmons Bank

Ryan Posey, HSI Sensing

Meg Salyer, Broadway Realty

Claudia San Pedro, Sonic Corporation

Darryl Schmidt, BancFirst

Craig Shimasaki, Moleculera Labs

Robert Thomas, George Kaiser Family Foundation

Rose Washington, Tulsa Economic Development Corporation

Roy Williams, Greater Oklahoma City Chamber

Duane Wilson, LDW Services

OUR PARTNERS



Critical MILESTONE

i2E Clients surpassed
\$1 Billion
in additional Private Capital Investment

ACCESS TO CAPITAL

Since 1999, i2E has been a primary source of concept, seed, start-up and early growth investment capital for Oklahoma's emerging innovative businesses.

With more than \$95 Million of investment capital under management, i2E is focused on serving companies in all phases of the business life cycle, from startups looking for their first round of capital all the way to established businesses seeking funding to expand their markets or products.

FY2021 Closed Investments

CONCEPT FUND

\$240K INVESTED IN 5 COMPANIES

SEED FUND

\$375K INVESTED IN 1 COMPANY

ACCELERATE FUND

\$240K INVESTED IN 2 COMPANIES

PLAINS VENTURE PARTNERS

\$2.5M INVESTED IN 1 COMPANY

Over more than **20 years** i2E has made **329** investments totaling over **\$77 Million** in **184** companies.

Technology Business Finance Program

This Concept Fund provides pre-seed financing and early-stage risk capital to capitalize scalable startup Oklahoma companies to prove new products and processes.

156 investments in 138 companies totaling \$12.9 Million.

Oklahoma Seed Capital Fund

A state-funded investment fund that provides concept, seed and start-up equity investments to Oklahoma-based, innovative businesses.

81 investments in 43 companies totaling \$30.3 Million.

Accelerate Oklahoma Fund

Provides critical co-investment funding for Oklahoma-based entrepreneurs at early-to-growth stages of their companies' lifecycles.

58 investments in 32 companies totaling \$18.6 Million.

Oklahoma Angel Funds

The Oklahoma Angel Funds are small, early stage to growth stage capital investment funds targeting start-up companies in the life sciences and tech sectors.

21 investments in 16 companies totaling \$5.5 Million.

Plains Venture Partners

A growth-equity venture fund focused on investing in entrepreneurs and technologies with a strong potential for disruption, particularly in the central US.

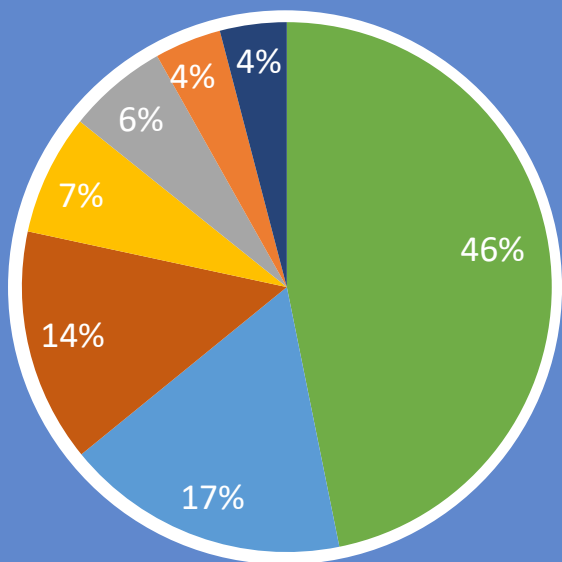
3 Investments in 3 companies totaling \$6.75 million.

TECHNOLOGY BUSINESS FINANCE PROGRAM (TBFP)

Since 1999, the TBFP Concept Fund has invested **\$12.9 million** in **138** companies with repayments totaling **\$6.61 million**.

Recipients have raised more than **\$585 million** in private capital, a ratio of over **\$57** for every **\$1** invested by the state..

Since Inception TBFP CLIENTS BY INDUSTRY



- Software/IT
- Healthcare Svcs, Systems & Devices
- BioTech/Pharma
- Other
- Energy/Environment
- Manufacturing Equip/Processing
- Consumer Goods

2020 TBFP Concept Fund ECONOMIC IMPACT

ANNUAL REVENUE
\$11 M

ANNUAL PAYROLL
\$8.8 M

JOB GROWTH
36%

FULL TIME EMPLOYEES
129

AVERAGE ANNUAL WAGE
\$67,967

OKLAHOMA SEED CAPITAL FUND (OSCF)

2020 OSCF Seed Fund ECONOMIC IMPACT

ANNUAL REVENUE
\$17 M

ANNUAL PAYROLL
\$13.4 M

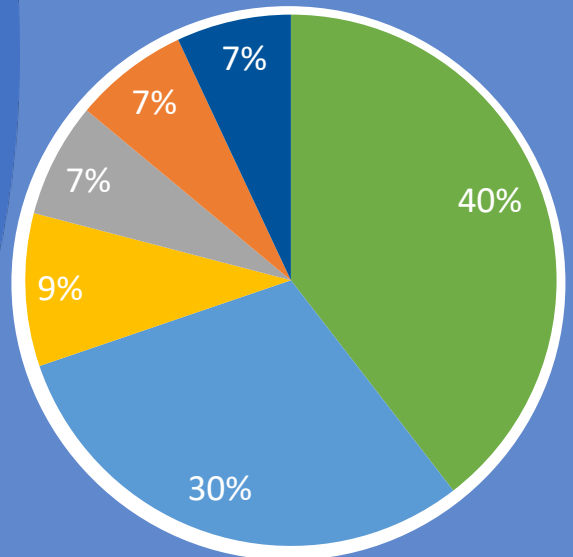
JOB GROWTH
21%

FULL TIME EMPLOYEES
183

AVERAGE ANNUAL WAGE
\$73,053

Since the Fund's inception in 2007, the Seed Fund has invested **\$30,165,799** in **43** companies leveraging over **\$498 million** in private investment capital, or **\$17** for every **\$1** invested by the state.

Since Inception OSCF CLIENTS BY INDUSTRY



- Software/IT
- BioTech/Pharma
- Healthcare Svcs, Systems & Devices
- Energy/Environment
- Manufacturing
- Other

FY2021 CLOSED INVESTMENTS



Monscierge, Oklahoma City

Accelerate - \$ 240,000

Monscierge is an international interactive software company that connects hotels and their guests through both in-room solutions and guest experience solutions



FOKE, Oklahoma City

TBFP- \$40,000

Fokes has developed a platform that matches in home care takers for elderly people and their families that also offers post match communication.



NexMuv, Oklahoma City

TBFP- \$50,000

Software platform for the Household Goods moving industry that connects directly to movers and booking agencies to significantly reduce cost for customers.



PrivacyBrain

PrivacyBrain, Oklahoma City

OSCF - \$375,000

PrivacyBrain is a cyber security platform that removes sensitive employee information from the web.



Photonicare, Plains Venture Fund - \$2,500,000

Photonicare has developed the first method to non-invasively visualize the middle ear, where infections live.



Motive, Oklahoma City

TBFP - \$50,000

Motive developed a more accessible and efficient website management platform for the automobile sales industry which allows better management of sales, advertising and vendor accountability.



ParaNano Wound Care, Oklahoma City

TBFP- \$50,000

A multi-application nanofiber-based technology out of the University of Central Oklahoma focused initially on the medical treatment of wound care.



Rabble, Oklahoma City

TBFP - \$50,000

Rabble has developed a software platform for home services connecting homeowners, home service providers, and third-party real estate agents/transaction coordinators.



Oklahoma's First Unicorn



Alkami Technology more than tripled the definition of a “unicorn” deal. Their initial IPO raised \$180 million, selling six million shares of common stock, with a surging market capitalization that exceeded \$3 billion.

i2E and Oklahoma scored another first in innovation and entrepreneurship in April when Alkami Technology, Oklahoma’s and i2E’s first “unicorn” debuted on the Nasdaq (ALKT).

Alkami Technology’s initial public offering (IPO) raised \$180 million, selling six million shares of common stock, with a surging market capitalization that exceeded \$3 billion — more than triple the definition of a “unicorn” deal.

The firm provides cloud-based digital banking solutions for banks and credit unions. The company was founded as iThryv by Oklahomans and a group of serial entrepreneurs made up of Gary Nelson, Scott Klososky, Steve Meston, Bobby Gruenewald and Louis Iannaccone more than 10 years ago in Oklahoma City.

i2E made an initial concept investment through the OCAST Technology Business Finance Program (TBFP), of which iThryv repaid early in the company’s life, and then in June of 2009, i2E made another investment in the form of a convertible note from the Oklahoma Seed Capital Fund (OSCF).

As Alkami Technology proves, financial unicorns are not a myth.

VENTURE ADVISORY SERVICES

Our venture advisors work closely with each client, assisting them in the commercialization of their concept from initial technology development to business launch, as well as scaling of proven concepts.

These services include assessing product-market fit, determining optimal go to market strategies, business planning, determining capital needs and positioning for funding.

This past year, i2E has:

- Responded to **241** inquiries
- Conducted **133** intake meetings
- Hosted **25** e3 participants
- Added **9** new clients
- Provided advisory services to **102** active companies
- Helped **16** clients raise more than **\$30M** in private equity capital
- Closed **9** investments in **8** Oklahoma companies

2020 i2E Client ECONOMIC IMPACT

ANNUAL REVENUE

\$161.8M

ANNUAL PAYROLL

\$94M

JOB GROWTH

11%

FULL TIME EMPLOYEE

1169

AVERAGE ANNUAL WAGE

\$80,382

NEW PATENTS ISSUED

29

Since Inception
i2E CLIENT
ECONOMIC IMPACT

NEW JOBS CREATED

3,811

NEW PATENTS ISSUED

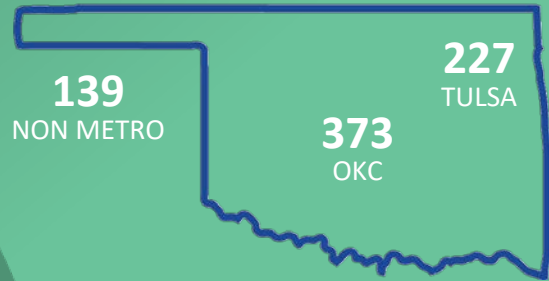
680

HIGHER AVERAGE WAGE

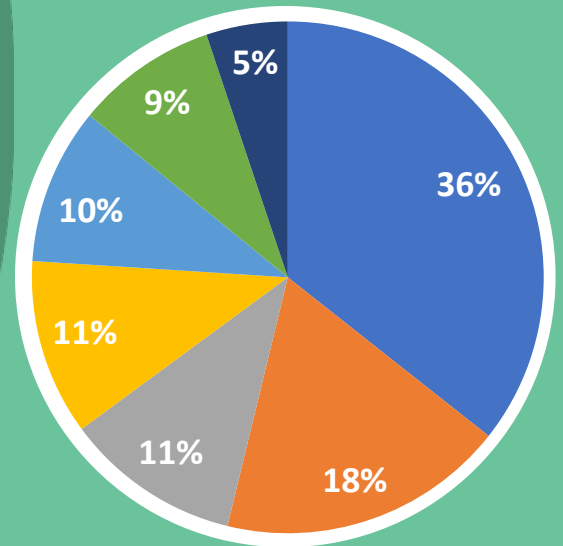
72%



BY GEOGRAPHY



BY INDUSTRY



- Software/IT
- Healthcare Svcs., Systems & Devices
- Energy/Environmental
- All Other Industries
- Manufacturing
- BioTech/Pharma
- Consumer Goods/Services

ENTREPRENEURIAL DEVELOPMENT

Our Entrepreneurial Development programs encourage entrepreneurship through a variety of events and activities including a statewide collegiate business plan and pitch competition that expose students to early stage businesses with practical, hands-on application of what they are learning in the classroom.

Love's Entrepreneur's Cup

Team building, academic diversity, market research and financial projections are all key elements that go into creating a winning team in the Love's Entrepreneur's Cup. Students take what they've learned in the classroom and apply it to real world opportunities as they assemble a team, identify a product, research the market, formulate financial projections, write business plans and then pitch the opportunity to a panel of potential investors.

In the 17 year history...

- Nearly **2,458** college students have taken the challenge
- Awarded **\$2.1M** in cash, **\$155K** in scholarships and **\$250K** in fellowships
- Produced more than **740** innovative ideas from **36** campuses statewide
- More than **38** plans have turned into a scalable business and became i2E clients

Who wants to be an Entrepreneur?

This workshop is open to college-level entrepreneurs, students and faculty members. The session includes the must-haves for a business plan, the how-to for developing financial documents, and the "do-this" for creating an energizing and compelling investor pitch. It serves as a kick off for the Love's Entrepreneur's Cup.





e3 evaluates opportunities, equips entrepreneurs with the tools they need to launch and empowers them to create high growth companies.

e3 allows founders to take a deeper dive into the factors that drive their business, better understand investor expectations and advance their customer prospecting and pipeline building.

Since Inception In 2015

PARTICIPATING
FOUNDERS

190



BECAME
i2E CLIENTS

44



OF THOSE
CLIENTS

29



RECEIVED
INVESTMENT

\$12.3M

FY2021 FINANCIALS as of June 30

Statements of Financial Position	FY2021	FY2020
As of June 30		
Assets		
Cash & Cash Equivalents	3,567,119	3,468,292
Cash Held for Accelerate OK investments	2,851,844	1,959,905
Accounts Receivable	365,859	293,742
Investment in Oklahoma Seed Capital Fund	243,940	147,186
Investment in Oklahoma Angel Fund I, LP	86,246	91,243
Investment in Oklahoma Angel Fund II, LP	64,308	73,881
Investment in Plains Venture Partners, LLC	284,722	339,540
Accelerate Oklahoma Funds Investment	18,735,336	16,932,422
Other Investments	1,762,476	1,536,030
Furniture, Fixtures and Equipment, Net	47,355	52,759
Total Assets	28,009,205	24,895,000
Liabilities and Net Assets		
Liabilities		
Accounts Payable	49,784	100,528
Deferred Revenue	-	137,758
Accrued Liabilities	270,620	1,052,390
Total Liabilities	320,404	1,290,676
Net Assets		
Without donor restrictions:		
Undesignated	4,279,607	4,060,147
Contractually obligated for investments	22,266,396	19,544,177
With donor restrictions:	1,142,798	-
Total Unrestricted Net Assets	27,688,801	23,604,324
Total Liabilities and Net Assets	28,009,205	24,895,000
Statements of Activities	FY2021	FY2020
Revenues		
OCAST Contracts	1,641,829	1,344,149
Fund Management Fees	1,339,035	1,537,555
Event Sponsorships and Fees	394,078	486,614
Corporate Contributions	648,527	495,500
Client Service Fees	373,947	306,471
Realized & Unrealized Gains/Losses -Investments	3,111,153	(2,559,655)
EDA Grant Revenues	-	35,870
Other Income	51,256	110,303
PPP Grant Revenue	-	338,400
Donor Restricted Contributions	1,142,798	-
Total Revenues	8,702,623	2,095,207
Expenses		
OK Technology Commercialization Center	1,437,613	1,312,550
i2E Seed Capital Fund	96,583	95,108
Love's Entrepreneur's Cup	299,296	305,896
Technology Business Financing Program	197,150	197,104
OK Bioscience Institute	127,947	156,946
Accelerate Oklahoma Program	9,096	14,881
EDA Grant Expenses	-	36,767
i2E Management Co, Inc.	1,516,921	1,209,108
Ascend BioVentures, Inc.	184,265	183,153
ACT Tulsa	123,927	-
Non-Program	556,732	170,469
Income Tax provision for for-profit subsidiaries	68,616	165,849
Total Expenses	4,618,146	3,847,831
Change in Net Assets	4,084,477	(1,752,624)
Net Assets at Beginning of Year	23,604,324	25,356,948
Net Assets at End of Year	27,688,801	23,604,324

GOVERNANCE

i2E strives to have the highest standards of corporate governance practice and ethical conduct by all board members and staff.

Board of Directors Charter of Governance: Sets and ensures fidelity to i2E’s mission. Reviews and approves organizational strategy, goals, plans, and budgets. In addition, the board is charged with establishing policies, approving major engagements in public policy, and ensuring that management systems are in place for compliance.

Executive Committee Charter: The function of the Executive Committee is to exercise powers of the Board of Directors on matters which arise between regularly scheduled Board meetings or when it is not practical or feasible for the Board to meet. This Committee also reviews and monitors all compensation, benefit and human resource policy matters, plus monitors and evaluates the performance of the corporation’s CEO.

Finance and Audit Committee Charter: The primary purpose of this Committee is to assist the Board of Directors in fulfilling its fiscal oversight responsibilities. It serves as an independent and objective party to monitor the integrity of the Corporation’s financial accounting and reporting processes and internal control system.

Nominating and Governance Committee Charter: The Committee assists the Board in developing and overseeing the Corporation’s policies and procedures regarding Board composition and recommendations of candidates for nomination to the Board.

Investment Committee Charters: The Board engages two Investment Committees, The Oklahoma Seed Capital Fund Investment Committee and the Accelerate Oklahoma Committee, to consider and approve applications for investment within the requirements of the investment programs.

Resource Development Committee: The primary function of the Resource Development Committee is to assist i2E in attaining sustainability of its programs and services and to diversify its funding sources by formulating strategies for fundraising in the short and long-term, establish clear goals for sustainability of the organization, and achieve diversity in funding sources, as well as, assisting the Board of Directors in identifying and cultivating donors and funding partners on the behalf of i2E.

Code of Ethics and Conflict of Interest: The i2E Code of Ethics and Conflict of Interest Policy outlines principles and standards of honesty and ethical accountability by which all board members and employees agree to adhere to with respect to the company and its associates.

Board Evaluation: The Board completes a board evaluation survey biannually. The results of the evaluation are compiled and presented to the full Board for review and biannual discussion.

i2E, Inc. is a 501(c)(3) private not-for-profit corporation focused on growing innovative small businesses in Oklahoma and making a positive impact on the state’s economy. i2E receives state appropriations from the Oklahoma Center for the Advancement of Science and Technology and is an integral part of Oklahoma’s Innovation Model.

