

i2E INNOVATION
to ENTERPRISE

**ANNUAL
REPORT
FY2022**

**FOCUSED ON OKLAHOMA
ENTREPRENEURS**



i2E INNOVATION to ENTERPRISE

Letter From the CEO



As I complete my 10th year of service as the CEO of i2E, I can't help looking back at what we have accomplished while peeking ahead to see where we may be headed in the future. i2E was started on the premise, in a state like Oklahoma with lower population density, not a lot of research spending and lower than average advanced degree holders in technical fields, that a relatively small investment by the state on the front end of the commercialization spectrum could spark an increase in commercialized innovation as well as the development of a broader innovation ecosystem. For 23 years, i2E has been proving that premise far beyond the wildest expectations of the visionaries that started i2E. Today, our nationally recognized services have provided business expertise and funding to more than 750 of Oklahoma's emerging startup businesses. With more than \$100 million of investment capital under management, over \$83 million invested in 191 companies in 345 different investments, we are focused on serving Oklahoma companies in all phases of the business startup life cycle. I like to tell people that, unlike other non-profits, we focus on doing one thing and doing that one thing very well.

The 2022 Fiscal Year saw a return to "normal" as the pandemic subsided and i2E provided its critical business services and capital to over 120 innovative companies across the state while fielding 246 inquiries and conducting 145 initial meetings with entrepreneurs. The year also saw the fruits of i2E's decades of ecosystem building as new accelerators and first-time venture funds started to pop up across the state. Over the last 10 years, I have seen the level of quality investment opportunities in high-growth companies increase markedly but we still have a way to go to sustain and feed a growing ecosystem. Hopefully, the new accelerators and capital sources will help pull new companies and innovation into our state as importing new opportunities can be just as valuable as growing new ones.

However, with the introduction of new, inexperienced capital in Oklahoma, capital allocation seems to have entered a phase of less discipline. i2E, with its 20+ year track record of acting as a prudent investor and seeing multiple exits, including a rare "unicorn" that went public with a \$3.2 billion IPO, through its investment arm, Plains Ventures, is taking a long-term approach to earning above average risk-adjusted returns for its investors and funders. Plains follows a simple formula of hiring a deep and experienced staff who apply a disciplined underwriting approach that leverages i2E's decades of investment experience to a robust pipeline of exciting high, growth opportunities. We think that is the only strategy that works over time.

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.

i2E INNOVATION to ENTERPRISE

From idea to enterprise, i2E helps build, launch, and grow great ideas.



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i2E INNOVATION to ENTERPRISE

i2E Team

Scott Meacham, CEO

Rex Smitherman, President

Mark Lauinger, Senior Vice President
of Client Services

Judy Beech, Vice President &
Director of Finance

Richard Rainey, Senior Venture
Advisor

Meredith Wilkerson, Life Sciences
Venture Advisor & OK Bio Director

Malachi Blankenship, Venture
Advisor & Director of Business
Development

Srijita "Dia" Ghosh, Venture Advisor

Darcy Wilborn, Director of Client
Engagement & Entrepreneurial
Programs

Taleya Mayberry-Smith, ACT Tulsa
Program Manager

Gerda Elpedes, Staff Accountant

Jennie Brandon, Executive Assistant

Marla O'Fallon, Tulsa Operations
Coordinator



Plains Ventures Team

Scott Meacham, CEO

Justin Wilson, Managing
Director/President

Mike Rohleder, Executive in Residence

Ryan Cargill, Vice President
and Director Investor Relations

Cindy Williams Henson, Senior
Underwriter and Investment
Compliance Officer

Shaun O'Fair, Senior Associate
Portfolio Management

Our Partners & Sponsors

- BancFirst
- Chickasaw Nation
- Coretz Family Foundation
- EPSCoR
- George Kaiser Family Foundation
- Greater Oklahoma City Chamber
- Love's Travel Stops
- OCAST
- Oklahoma Business Roundtable
- Oklahoma Manufacturing Alliance
- Oklahoma Medical Research Foundation
- Oklahoma State University
- Presbyterian Health Foundation
- University of Oklahoma Health Sciences Center
- Vast Bank
- Zarrow Foundation

i2E Board of Directors

Mark Poole, Chairman, BancFirst, 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

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

Philip Kurtz, CareATC

Devon Laney, 36° North

Hershel Lamirand III, Capital Development Strategies

Jennifer McGrail, OCAST

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 Corp.

Dr. Andrew Weyrich, OMRF

Roy Williams, Greater Oklahoma City Chamber

Duane Wilson, LDW Services

**More than \$100 Million of assets
under management through i2E
subsidiary, Plains Ventures.**

ACCESS TO CAPITAL

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

i2E and Plains are 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.

FY2022 Closed Investments

CONCEPT FUND

\$170K INVESTED IN 4 COMPANIES

SEED FUND

\$2.24M INVESTED IN 4 COMPANIES

ACCELERATE FUND

\$2.11M INVESTED IN 6 COMPANIES

PLAINS VENTURE FUND

\$1.5M INVESTED IN 2 COMPANIES



i2E INNOVATION to ENTERPRISE

Over 23 years, i2E has made 345 investments totaling over \$83 Million in 191 companies.

Technology Business Finance Program

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

160 investments in 140 companies totaling \$13.1 Million.

Oklahoma Seed Capital Fund

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

85 investments in 45 companies totaling \$32 Million

Accelerate Oklahoma Fund

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

64 investments in 38 companies totaling \$20.7 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.

22 investments in 17 companies totaling \$5.8 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.

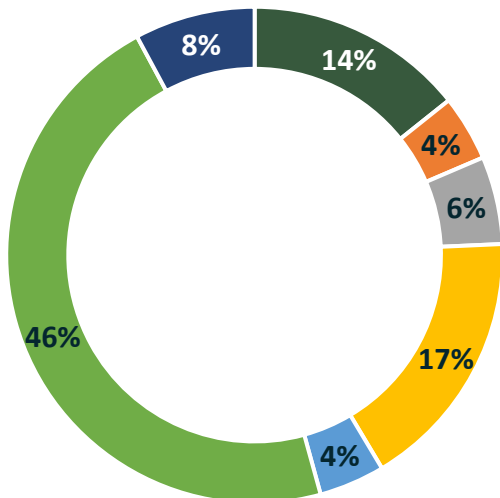
4 Investments in 5 companies totaling \$8.3 million

TECHNOLOGY BUSINESS FINANCE PROGRAM (TBFP)

Since 1999, the TBFP Concept Fund has invested **\$13.1 million** in **140** companies with repayments totaling **\$6.97 million**.

Recipients have raised more than **\$779 million** in private capital, a ratio of over **\$76** for every **\$1** invested by the state.

Since Inception TBFP CLIENTS BY INDUSTRY



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

2021 TBFP ECONOMIC IMPACT

ANNUAL REVENUE

\$4.9 M

ANNUAL PAYROLL

\$3.6 M

JOB GROWTH

19%

FULL TIME EMPLOYEES

70

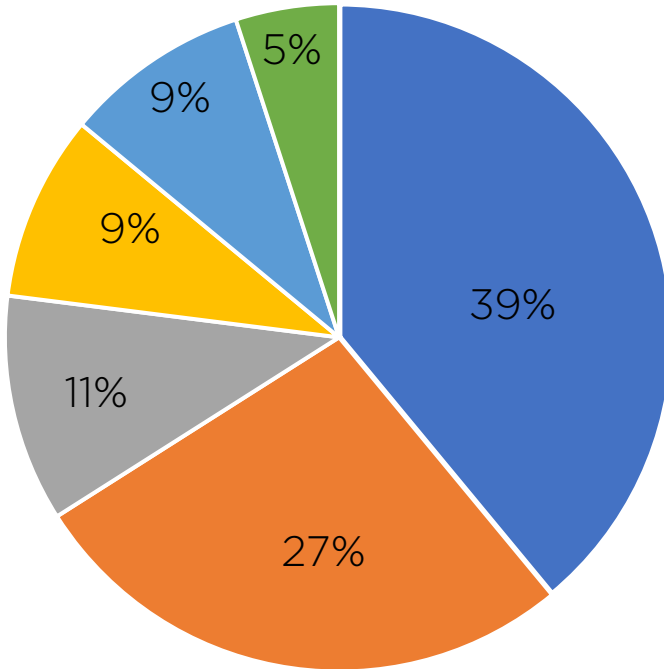
AVERAGE ANNUAL WAGE

\$50,900

OKLAHOMA SEED CAPITAL FUND (OSCF)

Since the Fund's inception in 2007, the Seed Fund has invested **\$32,901,739** in **45** companies leveraging over **\$710 million** in private investment capital, or **\$22** for every **\$1** invested by the state.

Since Inception OSCF CLIENTS BY INDUSTRY



- Software/IT
- BioTech/Pharma
- Energy/Environment (ENR)
- Healthcare Svcs, Systems & Devices
- Manufacturing Equip/Processing
- Other Industries

2021 OSCF Seed Fund ECONOMIC IMPACT

ANNUAL REVENUE

\$9.2 M

ANNUAL PAYROLL

\$14 M

JOB GROWTH

21%

FULL TIME EMPLOYEES

132

AVERAGE ANNUAL WAGE

\$97,636

i2E INNOVATION to ENTERPRISE

FY2022 Closed Investments



*Wilder Systems, LLC, Oklahoma City, OK
OSCF III - \$1,000,000*

Supplying cost-effective robotics to aircraft manufacturers who want to improve productivity, quality, and ergonomics.



*Omega3Beef, Oklahoma City, OK
TBFP - \$50,000*

Omega3Beef supplies algae that is naturally high in omega-3s, DHA and EPA, as a cattle feed supplement to cattle growers to produce beef with high omega-3s, similar to halibut, tuna, and salmon. Omega3Beef, with high levels of DHA and EPA, tastes just like regular beef and is more sustainable.



*Ursaleo, San Francisco, CA
Angel Fund II - \$400,000*

Ursaleo is an Internet of Things (IoT) visualization platform that develops 3D photorealistic Digital Twins of equipment facilities with real-time IoT data to provide a central digital control center for an entire operation.



*MaxQ, Stillwater, OK
OSCF III - \$750,000*

MaxQ is a provider of advanced insulation technologies for safe transportation of temperature sensitive goods. Purpose-built for the life sciences industry, MaxQ's thermal packaging systems are designed specifically to keep blood, medication, vaccines, medical devices and more within the right temperature range from beginning to end.

MasSpec Pen

*MasSpec Pen, Tulsa, OK
Accelerate OK - \$50,000*

The preciso™ system works by characterizing diagnostic molecules present within tissue cells (metabolites, lipids, and proteins) and quickly distinguishing between "normal" and "cancerous" tissues.



*Access Optics, Broken Arrow, OK
Plains Ventures Fund 1 - \$1,000,000*
Access Optics, design, development, and manufacturing of precision and micro-scale optics, high-reliability subassemblies and complete devices for the medtech, diagnostic imaging, and analytical instrumentation markets.

i2E INNOVATION to ENTERPRISE

FY2022 Closed Investments

TEN-NINE TECH

*Ten-Nine Technologies, Tulsa, OK
OSCF III - \$360,940*

Ten-Nine Technologies engages in research, development, and manufacturing of advanced battery materials. Ten-Nine is changing the world from the nanoscale up by thinking differently about the electroactive materials that power it.

progentec

*Progentec, Oklahoma City, OK
Accelerate OK - \$300,000*

Progentec's innovative disease management platform combines biologic and digital biomarkers to provide clinicians unparalleled insight into a patient's health trajectory. As a result, clinicians are able to make proactive treatment decisions that improve health outcomes and reduce costs.

DEXPUMP

*DEX-Pump, Oklahoma City, OK
OSCF III, \$125,000*

DEX-Pump has developed a patent-pending down-hole pumping system for late in life horizontal wells that facilitates maximum economic recovery.

PARA NANO

*ParaNano Wound Care, Oklahoma City
TBFP - \$40,000*

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

MONSCIERGE

*Monscierge, Oklahoma City, OK
Accelerate OK - \$1,450,000*

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

NoiseAware

*NoiseAware, Dallas, TX
Plains Venture Fund I - \$500,000*

Privacy-safe noise monitoring gives you insight into what's happening at your property between check-in and check-out, and tools to resolve noise quickly. So, you can fix vacation-rental noise problems before they lead to neighbor complaints, expensive fines, parties or property damage.



*InfraTie Solutions, Stillwater, OK
TBFP - \$50,000*

InfraTie Solutions is developing a software platform that integrates and analyzes sewer pipe inspection data to provide municipalities and infrastructure consultant companies prioritized recommendations of preventative maintenance and repairs that avoid costly infrastructure failures.

VENTURE ADVISORY SERVICES

i2E is uniquely positioned as Oklahoma's most experienced, trusted, and proven organization of its kind. Our comprehensive services and connections to capital reach across all industries and levels of entrepreneur know-how.

Our proven, nationally recognized approach to launching and developing businesses is designed to assist them in avoiding the pitfalls associated with new companies, helping it grow into a profitable enterprise.

FY2022 Activity:

- Responded to **246** inquiries
- Conducted **145** intake meetings
- Admitted **26 E3** participants
- Added **13** new clients
- Provided services to **121** active clients
- Closed **6** investments in **5** Oklahoma companies

2021 Client ECONOMIC IMPACT

ANNUAL REVENUE

\$34M

ANNUAL PAYROLL

\$25M

JOB GROWTH

19%

FULL TIME EMPLOYEES

301

AVERAGE ANNUAL WAGE

\$70,597

NEW PATENTS ISSUED

28

i2E INNOVATION to ENTERPRISE

i2E CLIENT ECONOMIC IMPACT Since Inception

NEW JOBS CREATED

3,860

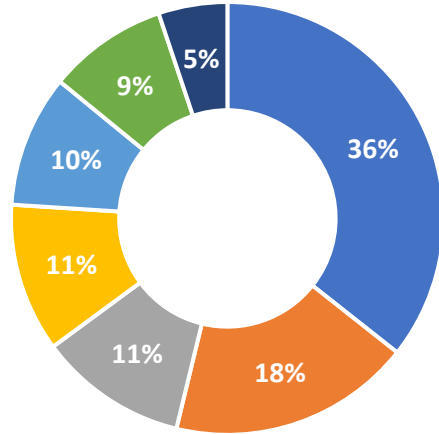
PRIVATE CAPITAL RAISED

\$1.16B

ABOVE AVERAGE STATE
WAGE

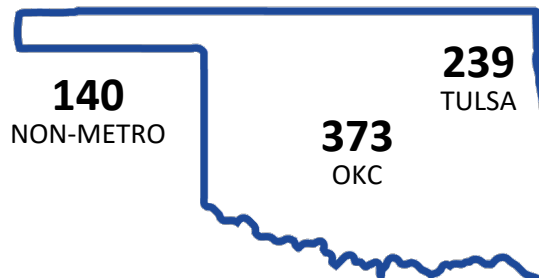
70%

Clients by Industry



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

Clients by Geography



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.



ENTREPRENEUR'S CUP



In the 18-year history...

- 2,600 college students have taken the challenge
- Awarded \$2.3M in cash, \$175K in scholarships and \$250K in fellowships
- Produced more than 745 innovative ideas from 36 campuses statewide
- More than 30 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 kickoff for the Love's Entrepreneur's Cup.



E3 | EVALUATE EQUIP EMPOWER

E3 Evaluates opportunities, Equips entrepreneurs with the tools they need to launch and Empowers them to create high growth companies.

This six-week intensive micro accelerator explores the product/market fit for new business concepts and helps existing businesses scale and find new customers.



**Since Inception
In 2015**

Cohorts

40

Participating Co's

211

NEW CLIENTS

50

INVESTMENTS BY i2E

41

DEBT

INVESTMENTS BY i2E

\$1,240,900

EQUITY

INVESTMENTS BY i2E

\$12,645,000

FINANCIALS, unaudited

Statements of Financial Position	FY2022	FY2021
As of June 30, 2022		
Assets		
Cash & Cash Equivalents	4,991,818	5,345,808
Cash Held for Accelerate OK investments	4,885,523	2,840,762
Accounts Receivable	1,155,878	299,750
Investments	15,848,709	19,414,550
Furniture, Fixtures and Equipment, Net	35,895	39,790
Other Assets	66,417	70,267
Total Assets	26,984,240	28,010,927
Liabilities and Net Assets		
Liabilities		
Accounts Payable	150,718	49,784
Deferred Revenue	259,651	-
Accrued Liabilities	142,463	275,917
Total Liabilities	552,832	325,701
Net Assets		
Net Assets - Invested	23,305,311	20,382,295
Net Assets Restricted	1,142,798	-
Net Assets - Unrestricted	3,249,978	3,222,033
Net Income	(1,266,679)	4,080,898
Total Liabilities and Net Assets	26,984,240	28,010,927
Statements of Activities	FY2022	FY2021
Revenues		
OCAST Contracts	1,575,336	1,641,829
Fund Management Fees and Carried Interest	2,270,878	1,251,034
Event Sponsorships and Fees	538,567	546,400
Corporate Contributions	510,500	372,336
Client Service Fees	449,923	361,947
Other Income	224,041	122,608
Donor Restricted Contributions	538,264	1,266,667
Total Revenues	6,107,509	5,562,821
Expenses		
Personnel & Fringe	3,878,926	3,317,535
Marketing and Events	565,203	333,152
Contractual Services	470,341	235,094
Accounting & Legal	429,463	163,550
IT Equipment and Infrastructure	191,480	295,878
Rent and Communications	117,281	78,007
Insurance	86,739	44,447
Supplies, Sponsorships & Miscellaneous	77,706	66,059
Travel	50,087	4,683
Depreciation	11,461	12,969
Total Expenses	5,878,687	4,551,374
Net Operating Income Before Investment Activity	228,822	1,011,447
Realized & Unrealized Gains/Losses -Investments	(1,384,294)	3,134,074
Income Tax provision for for-profit subsidiaries	(111,207)	(64,623)
Total Other Income	(1,495,501)	3,069,451
Net Income	(1,266,679)	4,080,898

GOVERNANCE

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.