EDISON

IP Group

Exit target of over £250m by end-FY27 reiterated

Investment companies
Listed venture capital

18 September 2025

IP Group continues to deliver a meaningful level of realisations with £30.3m in proceeds generated in H125, more than two-thirds of which came from four life sciences companies (Intelligent Ultrasound, Centessa, Abliva and Hinge Health). Importantly, management reiterated its target of delivering over £250m in realisation proceeds between FY25 and FY27, which excludes any potential exit proceeds from Oxford Nanopore (ONT) and represents roughly 50% of IP Group's current market capitalisation. IP Group's NAV was supported by the rising share price of ONT, and the successful IPO and subsequent performance of Hinge Health (for which IP Group's lock-up expires in November 2025). This was offset by a net decline in the carrying values of private holdings, most notably Oxa Autonomy and Artios Pharma due to funding delays, and £14.2m of fx headwinds. This led to a slight 1.5% fall in NAV in H125 to 96.2p, which was more than reversed post reporting date by the continued strength of listed holdings, bringing IP Group's NAV to c 100p as of 12 September 2025.

IP Group's portfolio exits fuel continued NAV-accretive share repurchases, with a £25m programme completed in H125 (allowing the company to retire 6% of its share capital in H125) and a £20m extension programme in progress. Management had announced, upon the release of IP Group's 2024 results, that it would allocate 50% of the FY25 exit proceeds to share repurchases (vs c 20% historically).

Overall fund-raising across IP Group's portfolio reached £372m in H125, broadly in line with £380m in H124 and compared to c £1.0bn per year on average in 2018–2024. This included seven up-rounds, one round at a stable valuation and five down-rounds. Consequently, cash runways across the portfolio are generally solid, with only 8% of holdings (valued at more than £4m) by value needing to raise funding in H225 and 29% in 2026, and the rest having a cash runway until at least 2027 or funded through to break-even. IP Group remained disciplined in capital deployment with £35.7m invested across 21 companies in H125 (88% into existing companies), including First Light Fusion (£5.0m), Fortify Solutions Cambridge (£3.7m), AccelerComm (£3.0m), Intrinsic (£2.5m) and Ultraleap (£2.5m). IP Group's balance sheet position remains robust, with £237.3m of gross cash and deposits, or £111.3m net of borrowings, at end-June 2025.

Recent technical and commercial highlights across IP Group's private portfolio include: 1) Istesso's revised approach to leramistat (see our previous research for details); 2) Hysata approaching the commissioning of its 100kW system in Q325 and running a field trial in Saudi Arabia; 3) First Light Fusion's pivot to become an IP-rich technology provider; 4) Pulmocide's positive safety data and good progress in its Phase III trial recruitment for opelconazole for invasive pulmonary aspergillosis; and 5) the solid reported and expected revenue growth of Genomics.

Management highlighted progress in attracting third-party capital, with £24m raised in H125 by ParkWalk (bringing the total external assets under management to £663m at end-June 2025) and good traction of scale-up capital discussions, with management confident in securing one new mandate before the announcement of FY25 results.

Price		**52.80p**
Market cap		**£475m**
Shares in issue		899.3m
Code/ISIN		IPO/GB00B128J450
Primary exchange		LSE
AIC sector		N/A
Financial year end		31 December
52-week high/low	62.5p	34.5p

Fund objective

IP Group helps to create, build and support IP-based companies internationally. The group focuses on companies that meaningfully contribute to regenerative (Kiko), healthier (life sciences) and tech-enriched (deeptech) futures. The group is mostly active in the UK, with an international footprint through investment platforms in Australia, New Zealand and the United States.

Analysts

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