

Draper Esprit plc Interim results 2018

Disclaimer

This presentation has been prepared by Draper Esprit plc ("Draper Esprit" or the "Company") and is for information purposes only. This presentation does not, and is not intended to, constitute or form part of any offer for sale or subscription or any solicitation for any offer to purchase or subscribe for any securities nor shall it or any part of it form the basis of or be relied upon in connection with any contract or commitment whatsoever relating to the Company.

This presentation is being communicated or distributed within the UK only to persons to whom it may lawfully be communicated, and has not been approved for the purposes of section 21 of the Financial Services and Markets Act 2000. This presentation is for distribution to persons in the UK that qualify as Professional Clients or Eligible Counterparties under the rules of the Financial Conduct Authority and in Ireland to qualified investors (as defined in regulation 2(1) of the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland (as amended)) . The information is not intended for the use of and should not be relied on by any person who would qualify as a Retail Client.

This presentation and the information contained in this presentation must not be copied, reproduced, published, distributed or disclosed in any way in whole or in part for any purpose to any other person without the prior written consent of Draper Esprit. You shall not use this presentation or the information contained herein in any manner detrimental to the Company. This presentation should not be distributed to or otherwise made available to persons with addresses in Canada, Australia, Japan, the Republic of South Africa or the United States, its territories or possessions or in any other jurisdiction outside of the United Kingdom and Ireland where such distribution or availability may lead to a breach of any law or regulatory requirements. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document come should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

The information contained in this presentation is given at the date of its publication and is subject to updating, revision and amendment. Whilst the Company reasonably believes that the facts stated in this presentation are accurate and that any forecasts, opinions and expectations contained therein are fair and reasonable, no representation or warranty, express or implied, is made to the fairness, accuracy, completeness or correctness of these materials or opinions contained therein and each recipient of this presentation must make its own investigation and assessment of the matters contained therein. In particular, but without prejudice to the generality of the foregoing, no representation or warranty is given, and no responsibility or liability is accepted, as to the achievement or reasonableness of any future projections or the assumptions underlying them, or any forecasts, estimates, or statements as to prospects contained or referred to in this presentation.

This document may contain forward-looking statements that reflect Draper Esprit's current expectations regarding future events, its liquidity and its subsidiary undertakings and the results of its operations, as well as its working capital requirements and future capital raising activities. Forward-looking statements involve substantial risks and uncertainties. These forward-looking statements speak only as at the date of this document. Actual events could differ materially from expectations embodied in forward-looking statements and depend on a number of factors, some of which may be beyond Draper Esprit control. Information regarding several companies in which Draper Esprit (or funds controlled by Draper Esprit) hold shares ("Investee Companies") is included in this presentation and has not been independently verified. Draper Esprit is a minority investor in these Investee Companies and cannot access all the information necessary to verify such information. Draper Esprit does not have any liability whatsoever in relation to such information.

No responsibility or liability whatsoever is accepted by any person for any loss howsoever arising from any use of, or in connection with, this document or their contents or otherwise arising in connection therewith. In making this presentation, Draper Esprit undertakes no obligation to update or to correct any inaccuracies which may become apparent in this presentation.

By receiving this document (whether in hard copy form or electronically), you irrevocably represent, warrant and undertake to Draper Esprit that: (i) you are a Professional Client or an Eligible Counterparty and/or a qualified investor and (ii) you have read and agree to comply with, and be bound by, the contents of this notice.

Contents

- 2018 Interim results highlights
- Portfolio update
- Strategy update
- Outlook
- Appendix

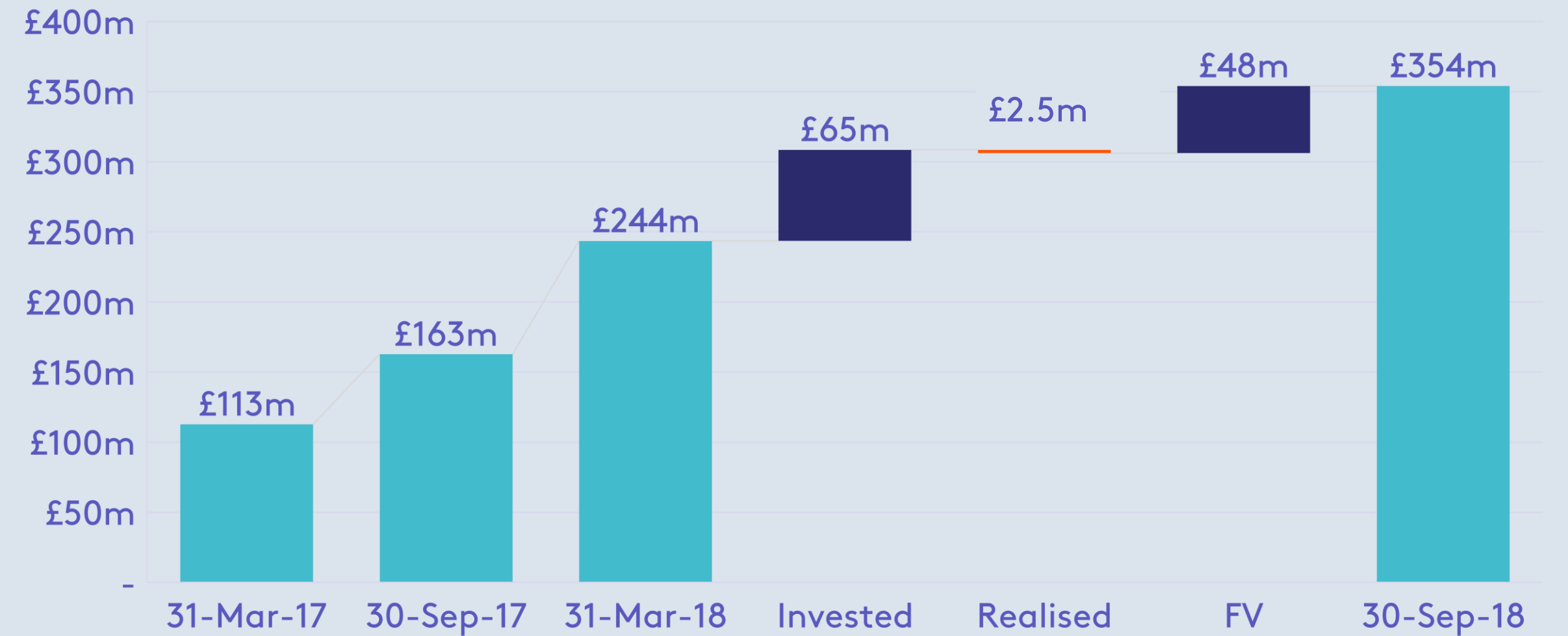
2018 Interim Results Highlights



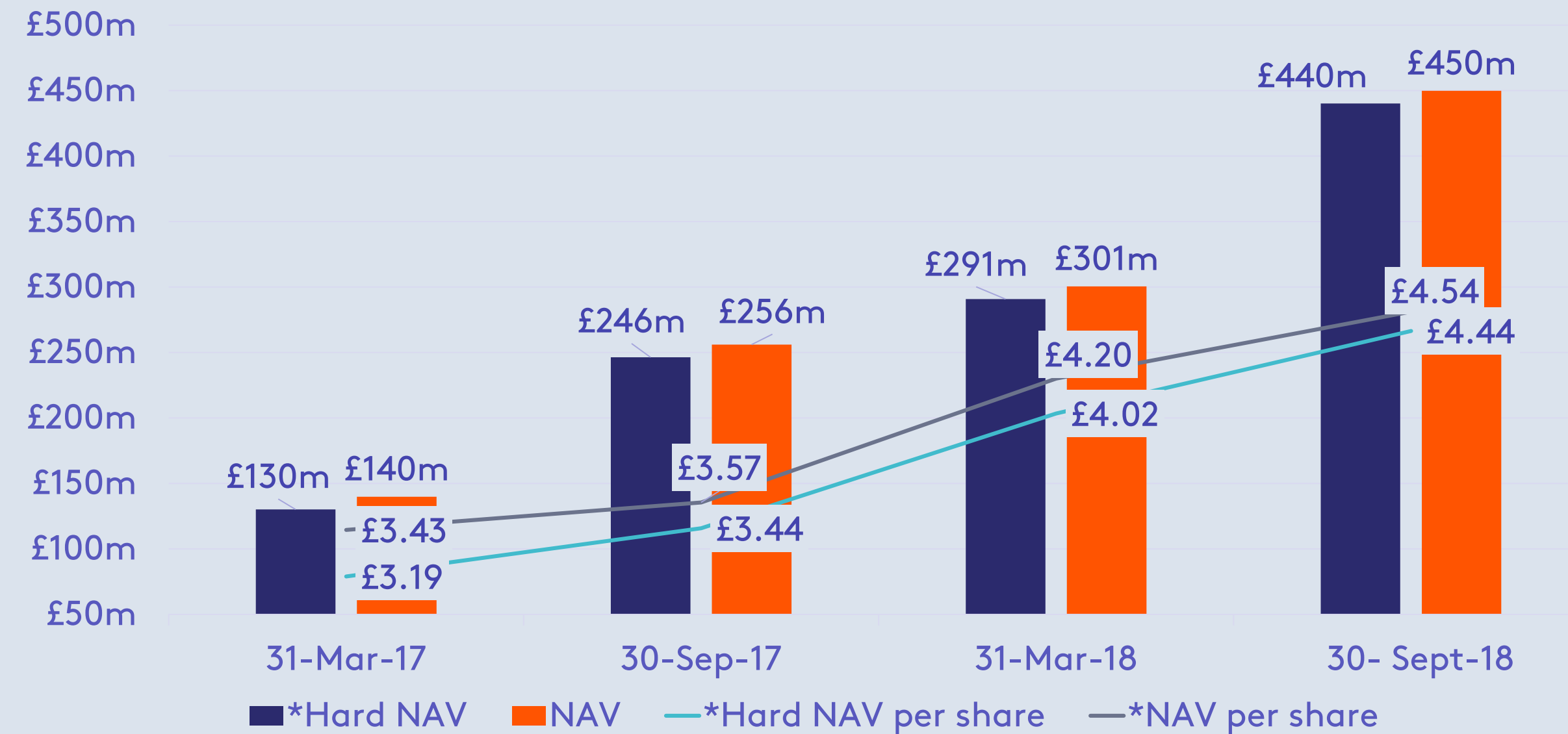
Financial highlights to Sept 2018

- Gross Primary Portfolio value increased by 45% to £354.0 million (31 March 2018: £243.5 million).
- 20% fair value increase of £47.7 million during the six month period driven by a strong performance in the core portfolio.
- Net Assets excluding goodwill of £440.3 million (31 March 2018: £290.9 million).
- Hard NAV per share of 444 pence (31 March 2018: 402 pence).
- Additional capital raised of £115.0 million in plc (£111.5 million net) with £103.8 million cash on balance sheet at period end.

Gross primary portfolio



NAV progression



*The above includes a reduction in goodwill of £10.8 million (see details in Interim Report).

Operational highlights to Sept 2018

- £65.0 million deployed by plc with a further £10.6 million from EIS/VCT funds in primary and secondary deals.
- The Group has invested in 11 new companies (including 5 new portfolio company investments over £1.5 million via the Earlybird partnership) and 6 existing companies.
- Core portfolio holdings have increased in value by 33% to £235.1 million (31 March 2018: £176.6 million) and represents approximately 70% of the gross portfolio value.
- Strategic partnership with Earlybird Digital West to share dealflow, investment resources and expertise.

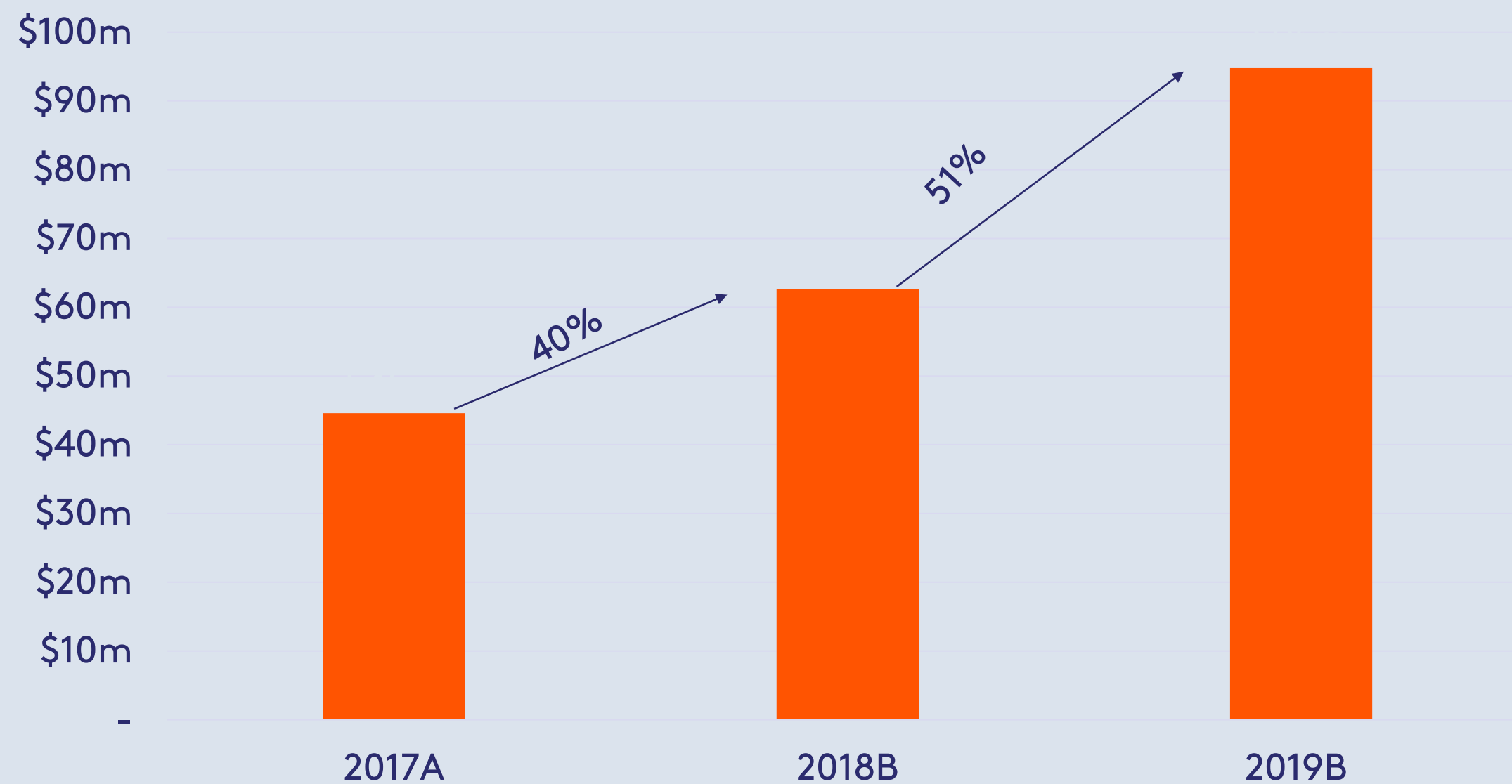
Post-period end

- Secondary portfolio acquisition to acquire the DFJ Europe X fund for £25.9 million (\$33.7 million) to increase stakes in existing core portfolio companies (including Trustpilot, M-Files, Graze, Lyst, Sportpursuit) with an estimated NAV increase of 9 pence per share.
- Market position and dealflow continues to build with four new investments expected to complete in the near term, where we will commit over £20.0 million in aggregate from the Company (over £30.0 million including co-investment), along with ongoing discussions for potential realisations.

Core Assets

- Core represents 70% of Gross Portfolio Value.
- Core – 12 companies with total value £235.1m (£19.6m/\$26m average NAV).
- 11% average equity holding in Core companies (increase to 12% post period end after DFJ Europe X acquisition).
- 65% average gross profit margin.
- Core investments are made directly or graduate from the emerging companies. Since IPO, 7 companies added to the core.

Average revenue- core



Core Portfolio Growth



The core companies are now those investments with a fair value of £9.0 million.

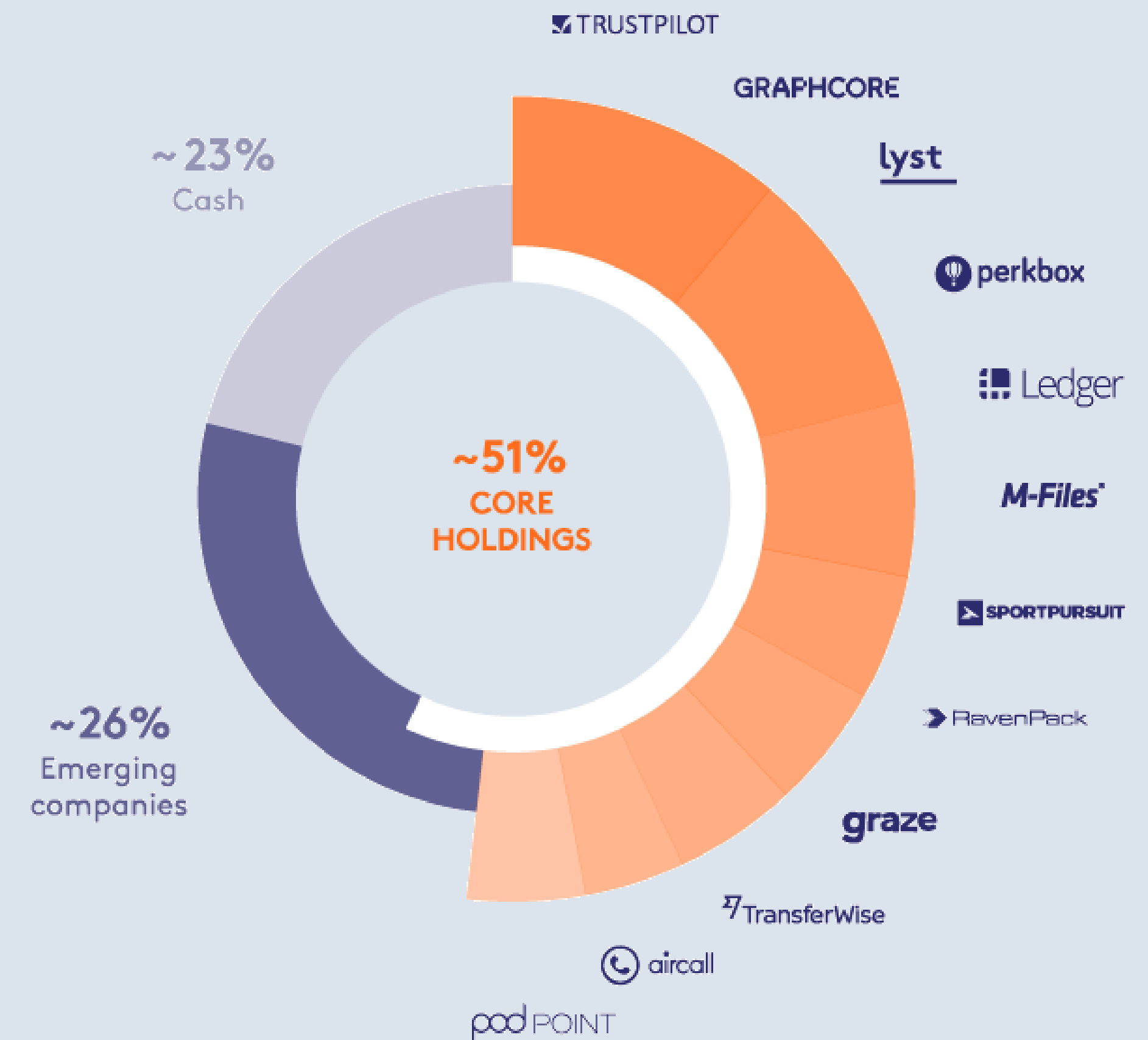
Portfolio update



The GROW share snapshot

- Focus Portfolio Value on ~70% main core holdings- we build stake in winners over the long term.
- Minimise cash drag through off-balance sheet sources / later stage focus.
- Limit risk in early stage companies – 70% of capital into later stage (£2m revs+).
- Strategically exit, add select major new core holdings each year – in line with balance sheet size.
- Minimise cost drag – via income from our co-investment vehicles, EIS and VCT funds, (Less than 1% target).

Portfolio NAV model



NAV at 20 September 2018

Gross portfolio value movements to Sept 2018



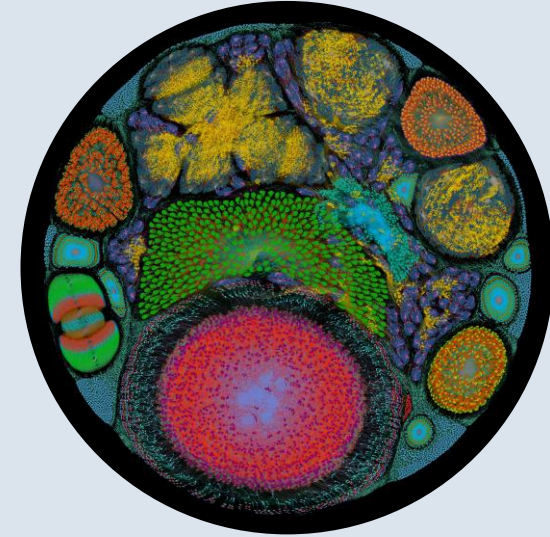
Key portfolio companies underpin NAV growth



TRUSTPILOT

- Announced in October 2018, it reached 50 million.
- In June, the company launched a successful brand refresh, alongside a new "Find Reviewer" tool, which enables companies & reviewers to engage more freely & directly.
- Secured partnerships with leading ecommerce platforms: Magento, Yext, PrestaShop.

Cash invested: £18.1 million	Sept 2018 NAV: £49.5 million
---------------------------------	---------------------------------



GRAPHCORE

- In May, the company stated publicly that they have shipped their C2 IPU (Intelligence Processing Unit) cards to early access customers.
- They also publicly demonstrated the C2 IPU-Accelerator cards at the International Conference for Machine Learning in Stockholm in July for the first time.
- Hired 40 new people and launched an office in Palo Alto in July

Cash invested: £4.2 million	Sept 2018 NAV: £37.7 million
--------------------------------	---------------------------------



lyst

- In May, Lyst, the global fashion search platform, raised a \$60.0 million round of funding, led by LVMH.
- They have launched new sites in French, German, Spanish and Italian
- The company is now profitable and has seen revenues grow over 400% in the past three years since it raised its last funds.

Cash invested: £2.6 million	Sept 2018 NAV: £23.5 million
--------------------------------	---------------------------------



perkbox

- During the period, Perkbox expanded their team with both several key hires (including ex Yahoo! Veteran, Paul Schulz as CTO), and has grown the size of its tech team from 32 to 65 employees.
- The company also announced a number of new partners, including Boxx and Pensionbee.
- In September, Perkbox launched a new platform: Perkbox Insight, which measures the sentiment of people within the business.

Cash invested: £12.0 million	Sept 2018 NAV: £21.7 million
---------------------------------	---------------------------------

Key portfolio companies underpin NAV growth



- During the period, Ledger launched two new products: the Ledger Vault, a security solution for financial institutions and Ledger Live, the standalone companion computer app for Ledger devices.
- Ledger has also partnered with Engie, the French multinational, to develop the first blockchain hardware product which will secure data at the source of energy production.

Cash invested: £17.7 million	NAV at cost: £17.7 million
---------------------------------	-------------------------------



- During the period, M-Files announced it had signed a €27.0 million financing agreement with the European Investment Bank. The company will use the loan for international growth, partner channel expansion and accelerating R&D in Europe.
- M-Files plans to expand its offices in the UK, Germany, France, Australia and the US, as well as increase investment in its intelligent information management platform.

Cash invested: £2.5 million	Sept 2018 NAV: £15.2 million
--------------------------------	---------------------------------



- Sportspursuit, the UK-based sport-specific ecommerce site, partnered with Eurosport, the Discovery-owned sports broadcaster, to launch a platform for sports fans to purchase clothing, footwear, equipment, and accessories.
- The Eurosports shop is now live in France, Germany and the UK via dedicated local-language microsites, there are already plans to extend this to Belgium, Monaco, Austria and Switzerland.

Cash invested: £3.6 million	Sept 2018 NAV: £13.5 million
--------------------------------	---------------------------------



- During the period, Draper Esprit invested a further £3.5 million into the big data analytics platform, RavenPack, and the company now sits within our core portfolio.
- The company has recently closed deals with several large financial institutions, including Citi Bank. Meanwhile, they launched their new search tool, enabling users the ability to search across 20 years of news, social media, and other textual content to generate insight for investing, trading, risk management and compliance.

Cash invested: £6.7 million	Sept NAV: £13.4 million
--------------------------------	----------------------------

Key portfolio companies underpin NAV growth



TransferWise

- During the period, TransferWise became the first fintech company to hold a settlement account, allowing the company direct access to Bank of England's Real Time Gross Settlement. Through the settlement account, TransferWise became the first tech company to become a direct member of the Faster Payment Scheme.
- In September, the company also released their FY18 annual report, showing 75% revenue growth to £117.0 million and £6.2 million net profit after tax.

Through Seedcamp acqn	Sept 2018 NAV: £13.1 million
-----------------------	------------------------------



graze

- During the period, Graze, the multichannel snack company, relaunched their snack brand to help consumers "reimagine the way they snack."
- Graze are able to launch a new product from concept to shelves in just 48 hours, due to their tech-enabled factory and data-driven approach. Launched as a subscription service in 2007, and in UK retail in 2015, Graze is now stocked by Waitrose, WHSmith, Tesco, Sainsbury's, as well as thousands of stores across the US.

Cash invested: £3.7 million	Sept 2018 NAV: £10.0 million
-----------------------------	------------------------------



aircall

- During the period, Aircall raised \$29.0 million from Draper Esprit, alongside Balderton Capital, NextWorld Capital, eFounders, and NewFund.
- The proceeds will be used to accelerate the buildout of its cloud-based phone system, including seamless integrations into all the software tools used by modern businesses. Aircall will also dedicate portions of the funds to acquire top talent to supplement its growing teams in both the US and Europe.

Cash invested: £9.9 million	Sept NAV: £9.9 million (at cost)
-----------------------------	----------------------------------



pod POINT

- Pod Point announced new preferred supplier partnerships with Jaguar Land Rover, Nissan Norway, and Mitsubishi, bringing their total automotive relationships to a total of ten.
- Significant client wins over the same period included construction company Kier Group, the Barking Riverside development, McDonalds UK, and more.
- Pod Point was recently voted one of the best networks in a Zap Map survey of almost 1,700 drivers.

Cash invested: £5.4 million	Sept 2018 NAV: £9.9 million
-----------------------------	-----------------------------

Portfolio activity YTD

An active period with...

- Investment
- Follow-on
- Exits
- Secondary



£65.0 million in primary and secondary six months to September 2018

Consistent delivery in the public markets

June 2016

- IPO June 2016 with market cap of £120 million
- Portfolio of 24 companies
- Gross portfolio value of £79 million
- Investing ~£30 million p.a

Year to March 2017

- Market cap of £142 million
- Portfolio of 29 direct investments
- Gross portfolio value of £113 million.
- Fundraise of £100 million in May 2017 to scale investments to match opportunities
- Investing ~£60 million p.a

Year to March 2018

- Market cap of £330 million
- Portfolio of 33 direct investments
 - Additional investments in Seedcamp funds I and II.
- Gross portfolio value £244 million
- Investing ~£60 million p.a
- Launch of fund of funds strategy

Six months to Sept 2018

- Fundraise of £115 million in May 2018.
- Strategic Partnership with Earlybird to increase presence in German speaking market.
- 30+ direct investments
- Gross portfolio value £354 million

Track record

- Historical track record of over 20% over 9 years.*
- Over 125 deals since 2006.
- Over \$5bn value of exits since 2010.
- Target 20% returns.

* Aggregate portfolio return since 2008 of the Company

Realisations post IPO



Invest - year	Divest - year	Amounts Invested	Cash Return	Exit Multiples
Return above 2x:				
2015	2018	£1.4m	£11.5m	8.3x
2013	2016	£3.6m	£27.4m	7.6x
2013	2018	£0.4m	£3.0m	7.1x
2010	2017	£1.1m	£2.9m	2.6x
Return 0.1-2x:				
2016	2017	£8.1m	£15.3m	1.9x
2011	2016	£4.1m	£8.0m	1.9x
2012	2016	£2.2m	£3.6m	1.6x
2012	2017	£1.2m	£0.5m	0.4x
2011	2017	£1.9m	£0.2m	0.1x
No Return:				
2012	2016	£4.3m	£0.0m	0.0x

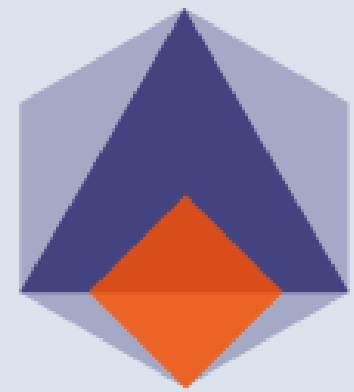
** EIS only

Strategy update



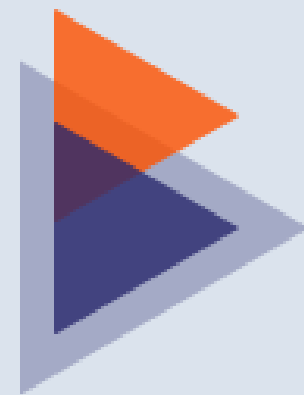
We have built a funding platform to enable tech companies to scale in Europe.

We invest in growing technology companies from across Europe. We source the best deals from thousands of companies and provide them with the capital, expertise, and networks to fuel their growth.



Early stage

As businesses scale up and raise their series A; usually at the point that companies have found product/market fit and need to scale their operations quickly.



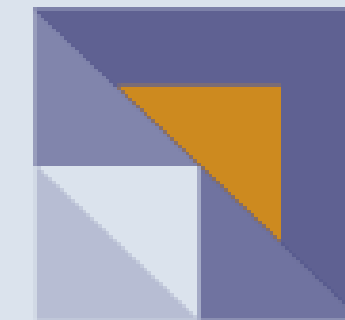
Growth

As businesses look to expand internationally and dominate globally, we invest as part of the Series B+ stage of a funding cycle.



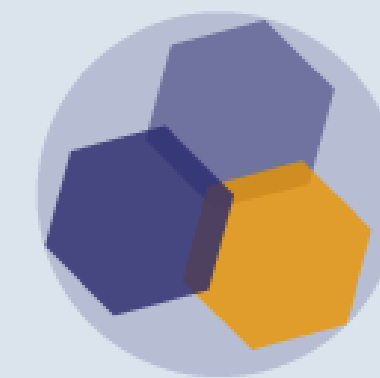
Secondary

Whether it's helping companies find liquidity for their early backers, or a fund that is looking to sell a whole portfolio, we look at the best opportunities in the market.



Follow on

We can back businesses at all stages of their growth until exit - often right up to acquisition or IPO.



Fund of funds

While we don't make direct seed investments, we support companies from their inception. By partnering with funds from across Europe investing in earlier stage businesses, we can support as they scale.

Europe's Largest VCs, 2017

Position in Europe by capital deployed



Pitchbook data as of 08/05/2018

Draper Esprit investment includes co-investment funds

Strategic partnership with Earlybird

- Strategic Partnership Agreement to share dealflow and resources with Earlybird, leading VC based in Germany.
- One of Europe's most active venture capital partnerships with 23 investment professionals.
- Manage over one billion Euros and has invested in leading technology companies such as N26, Smava, UI Path and Peak Games.
- £2.4 million NAV increase since investing in Earlybird fund VI in July.
- Potential further secondary deals across legacy portfolios.



Seeding the early stage ecosystem: our fund of funds

14

Fund Investments
9 Closed + 5 Committed

£25m

Total Commitments
£2.8m Called (11%)

102

Portfolio Companies
Across All Funds

£68m

Raised by PF Companies
Across All Funds



Draper Network: Global companies need global networks

As a global network, the Draper Venture Network enables our portfolio to access markets as they shift.



We have partners in Asia, the US, and the Middle East. For both commercial connections and future funding, our portfolio is well supported to internationalise.





Outlook



Summary and outlook

- The past six months have been a period of further development for the Company that has seen us deliver a successful fundraise, a strategically significant partnership with Earlybird Digital West, and an active period of primary and secondary investment.
- We remain on target to exceed our stated objective of 20% per annum for the full year, with a 20% fair value increase delivered in the six months period to 30th September 2018.
- Our deployment rate has remained in line with our balance sheet. We have a strong pipeline of potential investments alongside significant cash reserves and our disciplined approach to deployment remains central.

Thank you

For further information:

Simon Cook, CEO

simon.cook@draperesprit.com

Ben Wilkinson, CFO

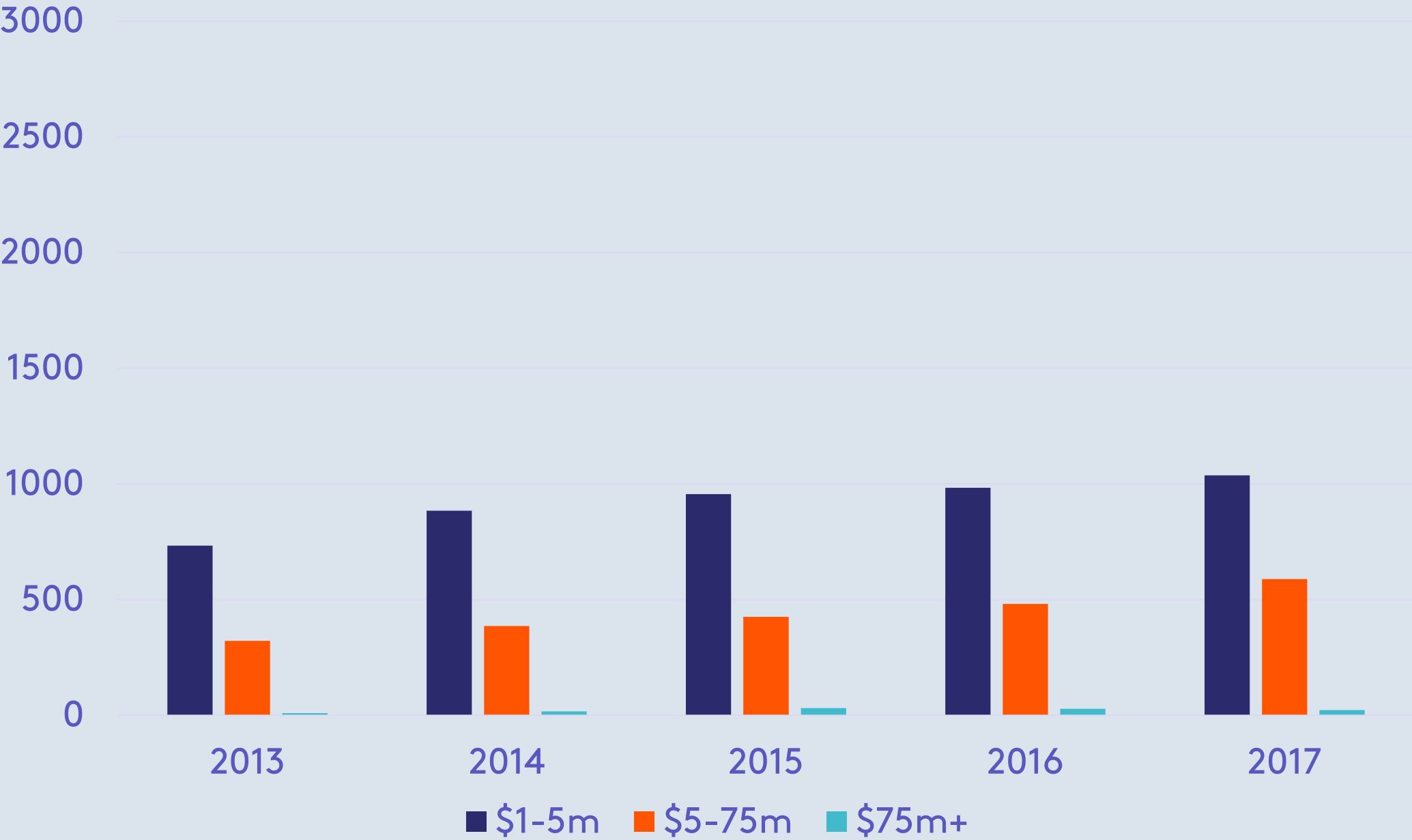
ben.wilkinson@draperesprit.com

Appendix



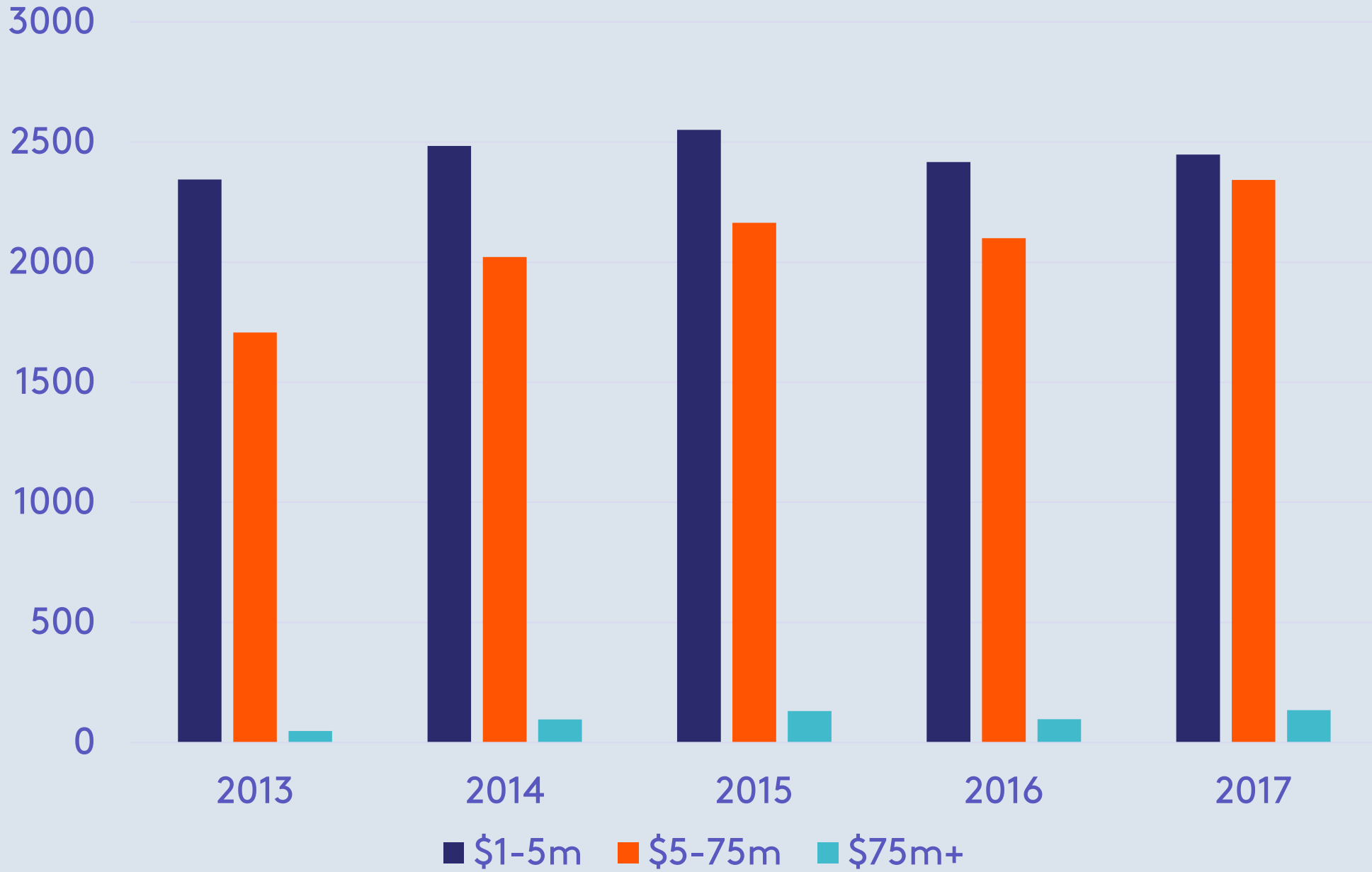
European venture capital market

Number of deals by size in Europe



Data source: Pitchbook

Number of deals by size in the USA



Gross portfolio value

	Fair Value of Investments 30-Mar-18	Investments £m	Realisations £m	Fair Movement in Value £m	Draper Esprit (Ireland) Limited £m	Fair Value of Investment s 30-Sep-18	Interest FD* at reporting date
Gross Portfolio Value Table	£m					£m	
Investment							
Trustpilot	34.3	-	-	15.2	-	49.5	C
Graphcore	23.4	-	-	14.3	-	37.7	B
Lyst	18.3	-	-	5.2	-	23.5	C
Perkbox	17.5	3.7	-	0.5	-	21.7	C
Ledger	17.7	-	-	-	-	17.7	B
M-Files	14.4	-	-	0.8	-	15.2	B
SportPursuit	13.4	-	-	0.1	-	13.5	D
Ravenpack	5.5	3.4	-	4.5	-	13.4	D
Transferwise	12.2	-	-	0.9	-	13.1	A
Graze	10	-	-	-	-	10	B
Aircall	-	9.9	-	-	-	9.9	D
Podpoint	9.9	-	-	-	-	9.9	C
Remaining Portfolio	64.6	48	-2.5	6.2	0.3	116.6	
Total	241.2	65	-2.5	47.7	0.3	351.7	-
		-					
Co-invest assigned to plc	2.3	-	-	-	-	2.3	-
Gross Portfolio Value	243.5	65	-2.5	47.8	0.3	354	-
Carry external	-11.2	-	-	-5.5	-	-16.7	-
Portfolio deferred tax	-1.8	-	-	-0.7	-	-2.5	-
Trading carry & co-invest	1.4	-	-	-0.1	-	1.3	-
Net portfolio value	231.9	65	-2.5	41.5	0.3	336.2	-

** Fully diluted interest categorised as follows: Cat A: 0-5%, Cat B: 6-10%, Cat C: 11-15%, Cat D: 16-25%, Cat E: >25%

Three pillars of capital: AUM > £700 million



PLC Parent

- Primary and secondary investing from listed balance sheet
- NAV of £311 million at year-end 31 March 2018 + £115 million fundraise
- 40+ direct investments
- Target investing approx. £60.0 million per annum

Tax efficient investing

- Co-invest in Plc deals
- Raising approx. £40.0 million per annum
- Fees to plc (~half costs covered)
- Increases network and dealflow sourcing

Portfolio acquisitions

- Acquire portfolio of assets at discount, same investment criteria as primary deals (3i, Seedcamp, Prelude, Top Tech)
- Third party LP funds alongside plc investment
- Acquire quality assets alongside tail to be managed
- Standalone returns and further source of future dealflow

Venture Capital is a growing asset class



Companies are staying private for longer.

Technology companies worth more than \$1 billion... have fewer reasons to go public than they did in the past.

The average technology company worth more than \$10 billion went public within four years in 1999. Now the average has more than doubled.



Global VC market now worth ~\$127bn.

Predominantly accessible only to Limited Partnerships.

European Venture Capital currently an industry worth \$15bn. KPMG 2017

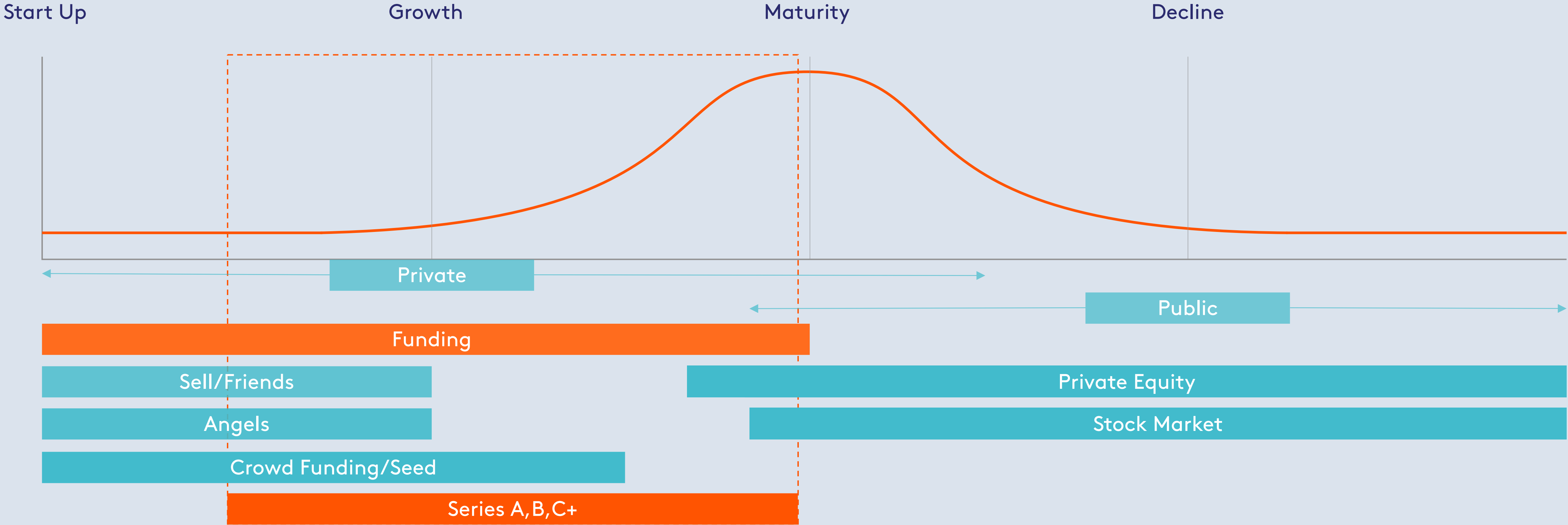


European Venture Capital opportunity compares to the US industry in the 1990s

Our research shows that Europe is following a very similar path to the US in the 1990s. 2010's European technology growth is almost identical to that of the US in 1990.

Europe is building a sustainable VC industry.

Draper Esprit provides access to high growth technology companies across Europe



Source: Draper Esprit

Invest across four areas of digital technology

Draper Esprit actively manages companies in enterprise, digital health, hardware & consumer tech across plc, EIS and VCT.

Enterprise



Digital Health & Wellness



Deeptech/Hardware



Consumer Tech



Experience has driven our success model

- Invest small amounts early, reserving more capital for later stage rounds - c70% capital late stage
- Seeking companies born in Europe which can be global leaders
- We actively manage: board members, hands-on
- We add value via networks and expertise
- PLC target **£60m** p.a primary investments, with EIS/VCT target **~£40m** p.a co-invest
- Seed Fund investments up to **£15m** p.a (£75m over a five-year period)
- Ad hoc secondary portfolio deals eg **£18m** Seedcamp Fund I and II

From potential opportunity to exit



Investing in a growing team

- Investment team of 17, total employees 23.
- Team bring a broad set of experience and skill with a combination of VCs, entrepreneurs, bankers
- With Earlybird Partnership, we now have a team of 40 investment professionals



Simon Cook
CEO



Stuart Chapman
COO



Ben Wilkinson
CFO



Ben Tompkins
Managing Partner



Jonathan Sibilias
Head of Secondaries /
FOF



Nicola McClafferty
Investment Director



Vinoth Jayakumar
Investment Director



Philip O'Reilly
Principal



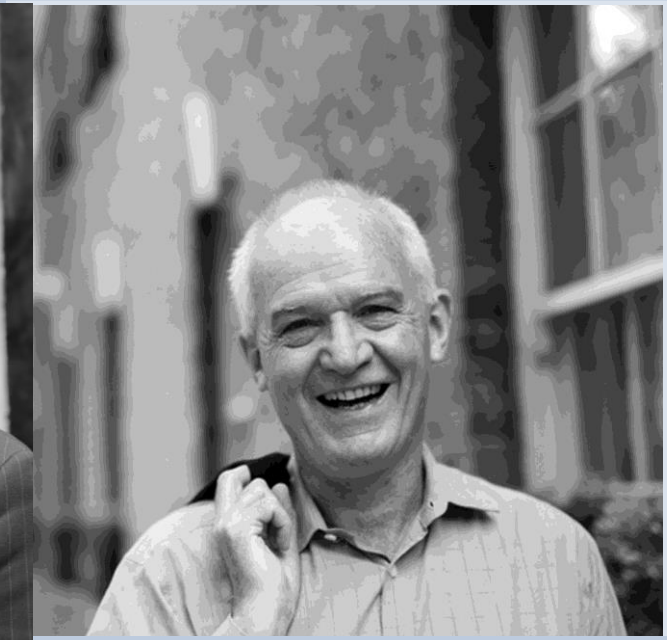
Diana Krantz
Associate



Eleonore Butler
Associate



Maxim Filippov
Associate



Alan Duncan
Venture Partner



Brian Caulfield
Venture Partner



Vishal Gulati
Venture Partner



Richard Marsh
Partner EIS



David Cummings
Partner EIS



Michael Jackson
Partner VCT



William Horlick
Partner VCT