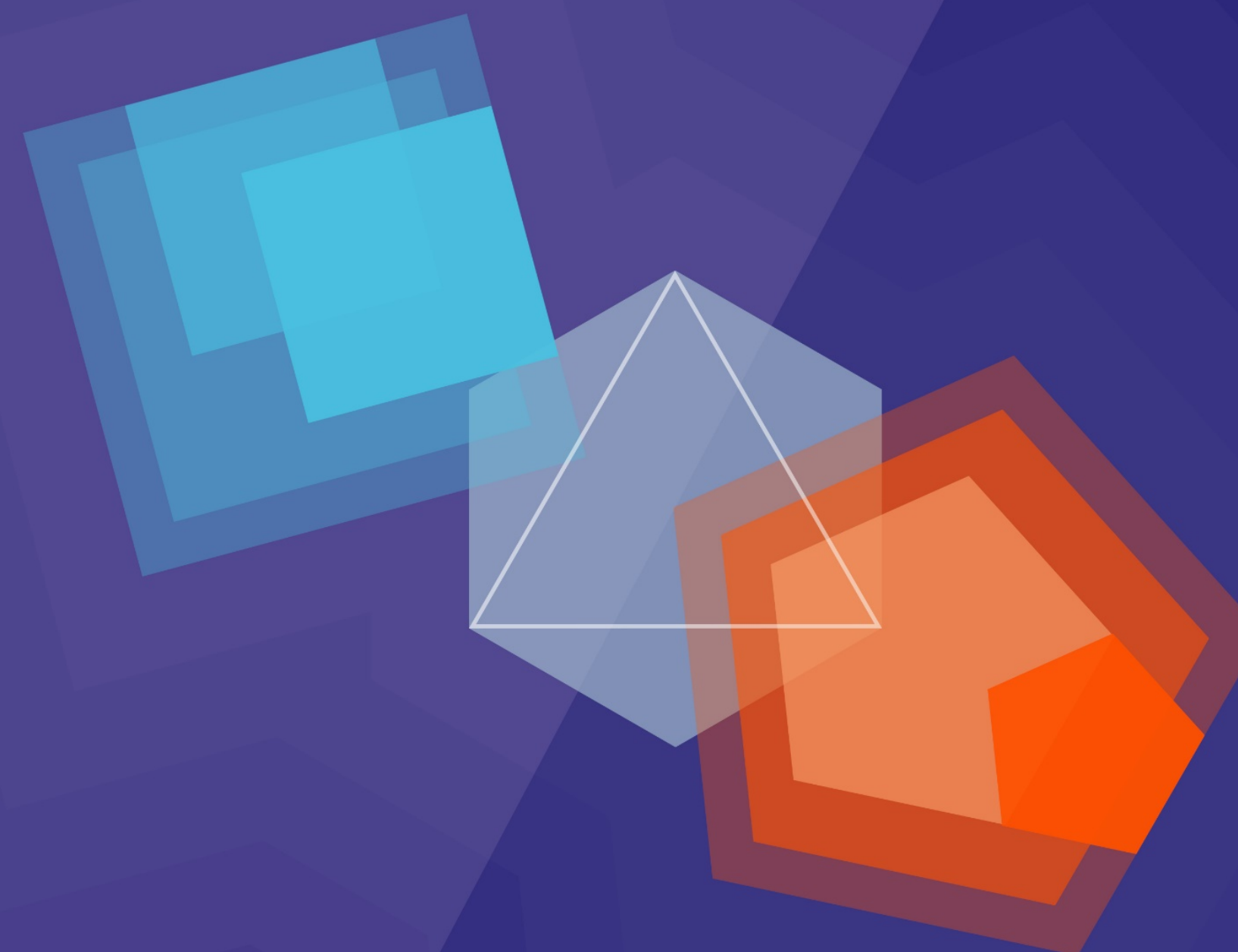




Draper Esprit plc  
Investor Presentation  
Annual Results 2021

14 June 2021



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# Contents

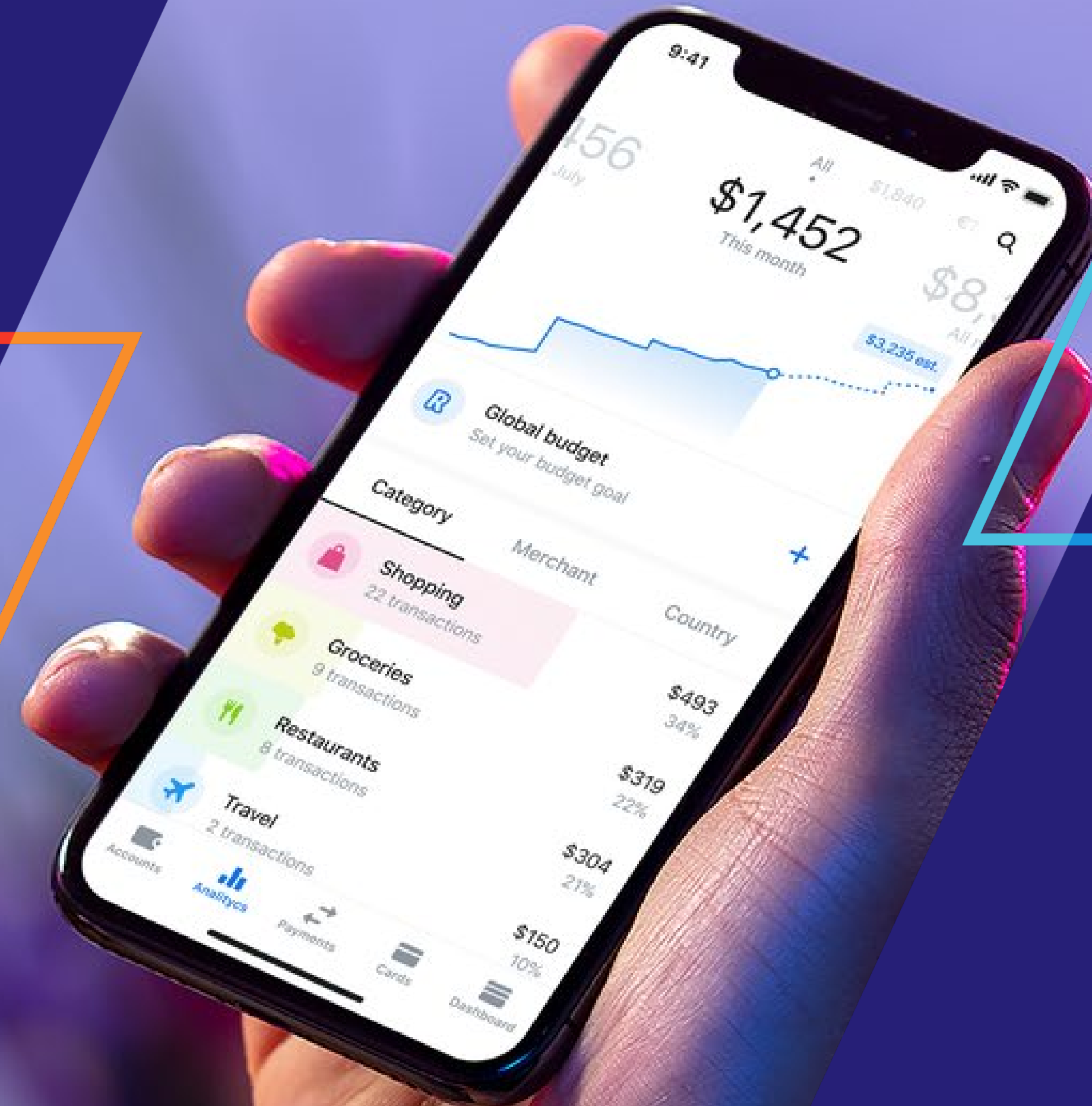
01. Results for the year
02. Flexible model for all conditions
03. Market context
04. Portfolio update
05. Summary & outlook
06. Appendix



# Introduction

- FY21 demonstrated the strength and flexibility of the Draper Esprit model under two separate sets of market conditions
- Market shock in H1 prompted focus on portfolio companies and refining our model:
  - Getting close to companies and supporting management teams through the early stages of the pandemic
  - Structuring the team into investment and platform teams, ready for scaling
  - Developing our approach to EIS and VCT investment, fund of funds and ESG
  - Preparing for Series B+ growth fund
- During H2, we positioned ourselves for digital transformation caused by the pandemic:
  - Increasing our investment cadence as signaled at the time of our placing in October 2020
  - Deploying proceeds into existing portfolio companies and new investments, leading rounds and taking larger stakes
  - Implementing refined investment and dealflow processes, using improved structures
  - Positioned well at period end as one of Europe's leaders in funding opportunities in a transformed world

# 01. Results for the year ended 31 March 2021



# Performance highlights for the year ended 31 March 2021

**£984m**

Gross Portfolio Value  
(31 March 2020; £703m)

**743p**

NAV per share  
(31 March 2020;  
555p)

**£1,033m**

Net Assets  
(31 March 2020; £660m)

**£161m**

Available plc cash, as well as £43m available from EIS/VCT funds  
(31 March 2020; £34m with c.£50m from EIS/VCT funds)

**51%**

Gross Portfolio Value fair value growth  
(year to 31 March 2020; 10%)

**£206m**

Cash Realisations  
(year to 31 March 2020;£40m)

**£128m**

Invested, and a further £34m from EIS/VCT funds  
(year to 31 March 2020; £90m from plc, £38m EIS/VCT)

**£107m**

Net funds raised during the year

**£267m**

Profit after tax  
(year to 31 March 2020; £40m)

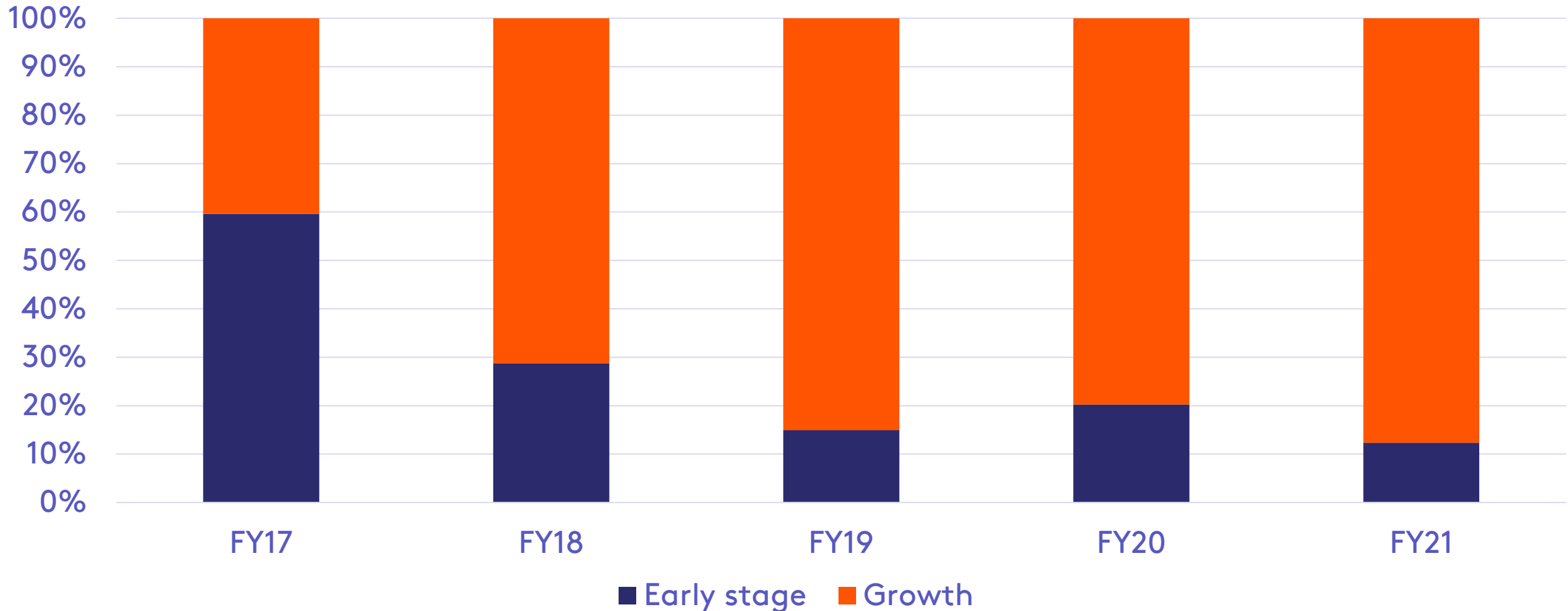
**<1%**

Operating costs (net of fee income) as a percentage of NAV

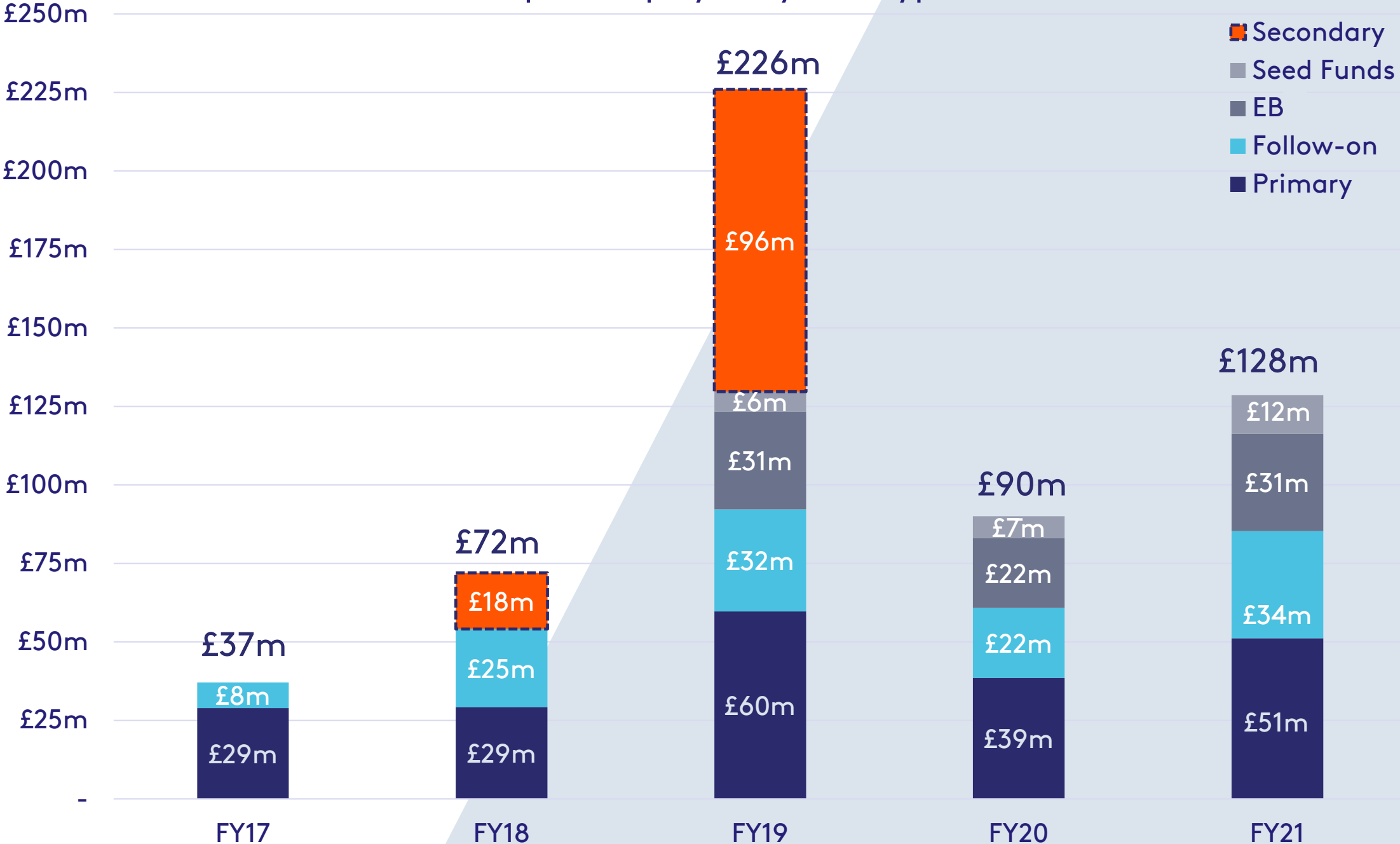
# Deployment

- £128m capital deployed in FY21
  - £51m in new companies
  - £34m in follow-ons
  - £43m into fund of funds (incl EB)
- Over 70% of capital into Series B+, increasingly leading rounds
- Consistency of investment by number of deals and stage
- Capital deployment targeted of £150m+ for FY22
- £48m deployed in last 2 months

Stages of investment - % deployed by early versus growth stage



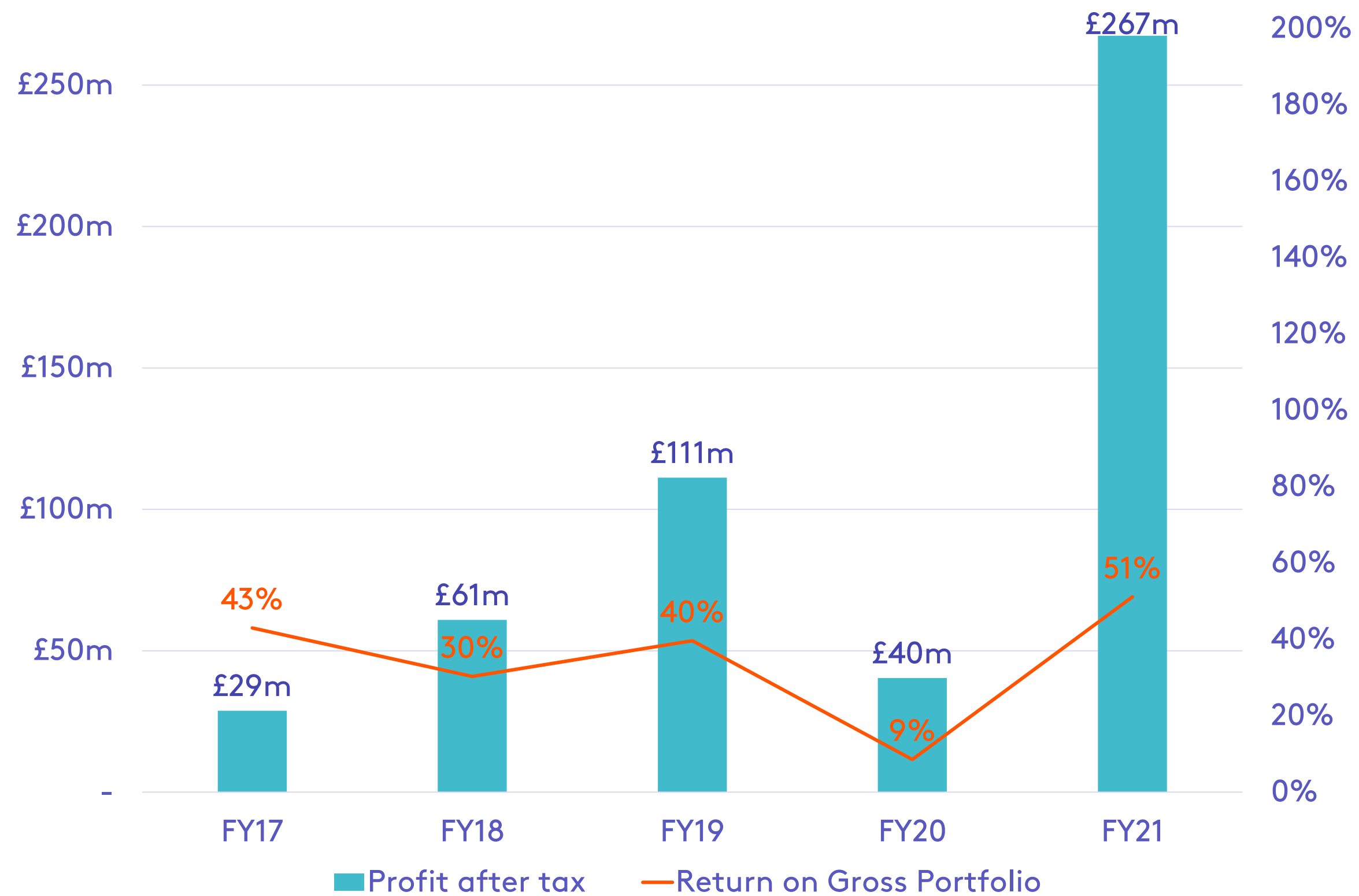
Capital deployed by deal type



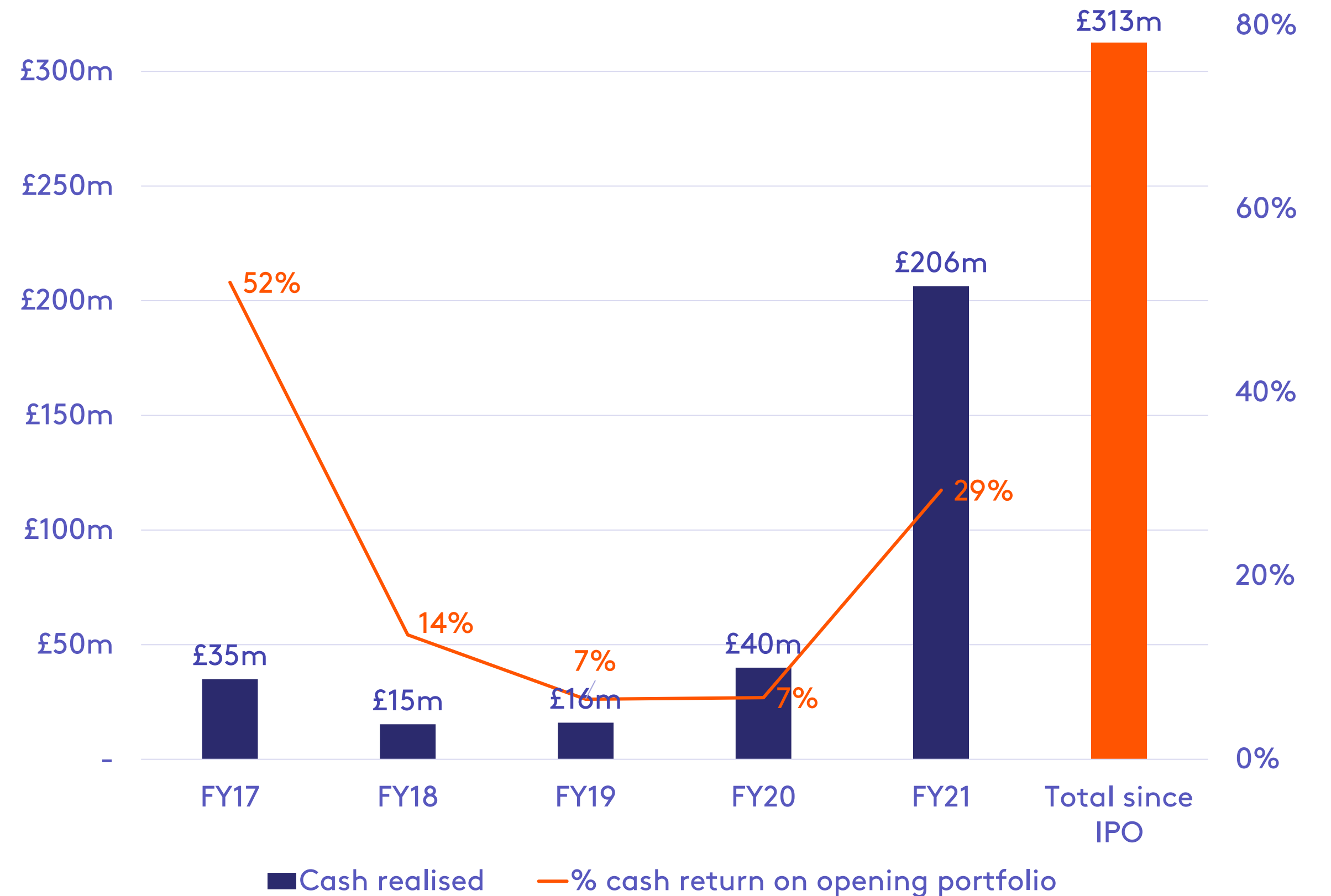
# Cash realisations

- ~£313m of cash proceeds received since IPO, of which £206m realised in the past year
- Fair value gains are turned into cash through realisations

## Profit after tax and return on gross portfolio



## Cash realisations as % opening portfolio

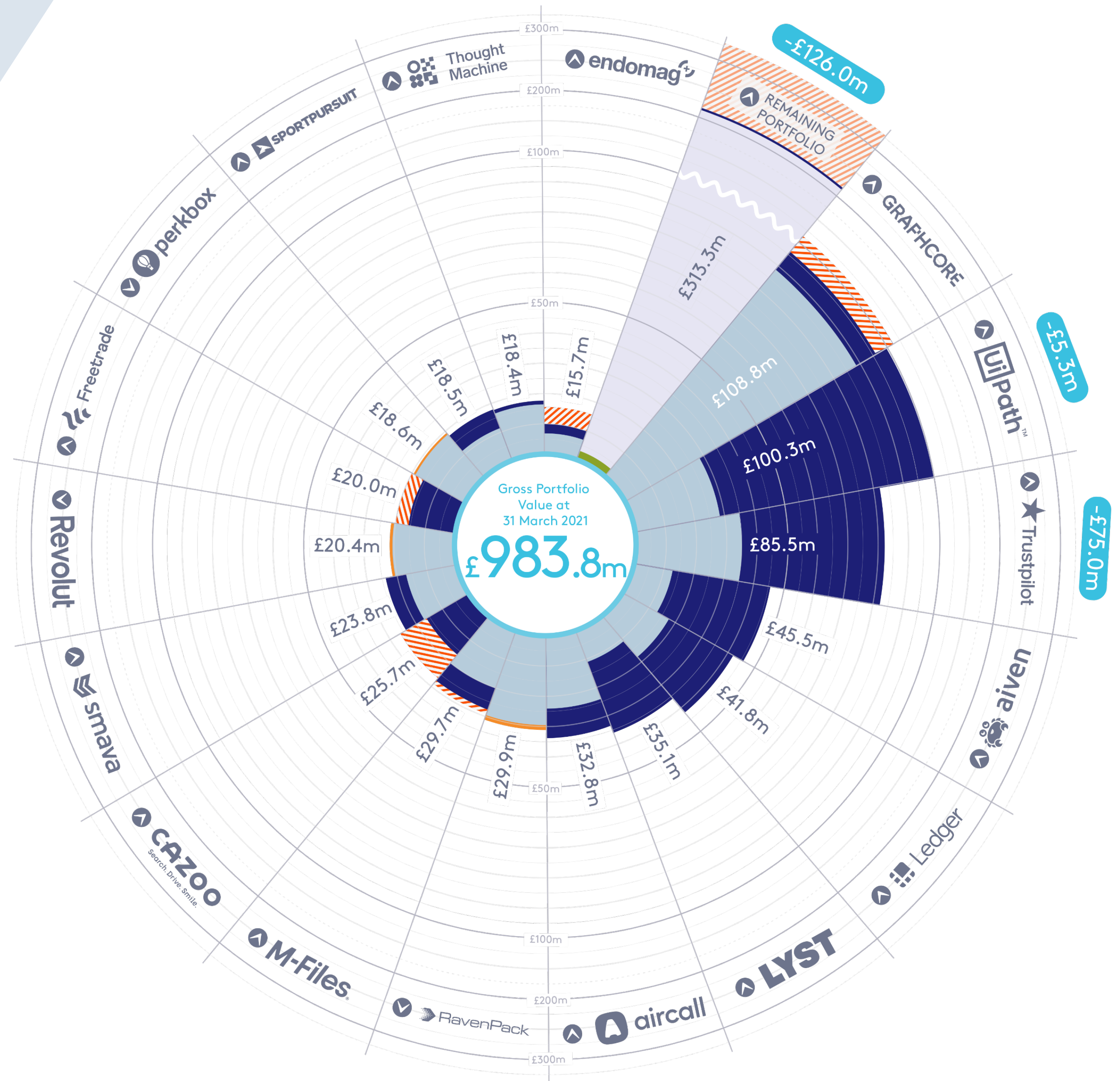




# Core Portfolio continues to deliver majority of growth

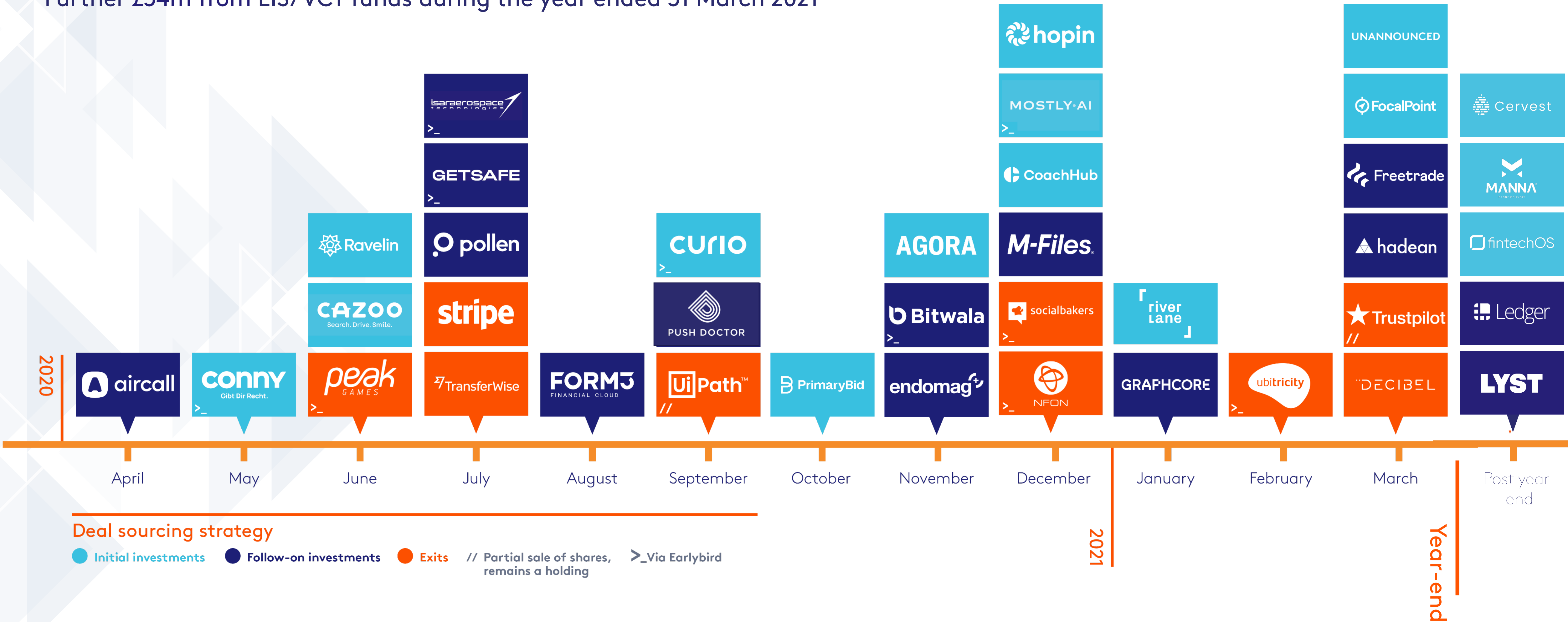
## Key

-  Fair value increase
-  Remaining portfolio
-  Fair value decrease
-  Investment
-  2020 value
-  Realised
-  Co-Invest



# Plc invested in £128m in the year ending 31 March 2021, and a further £48m post year-end

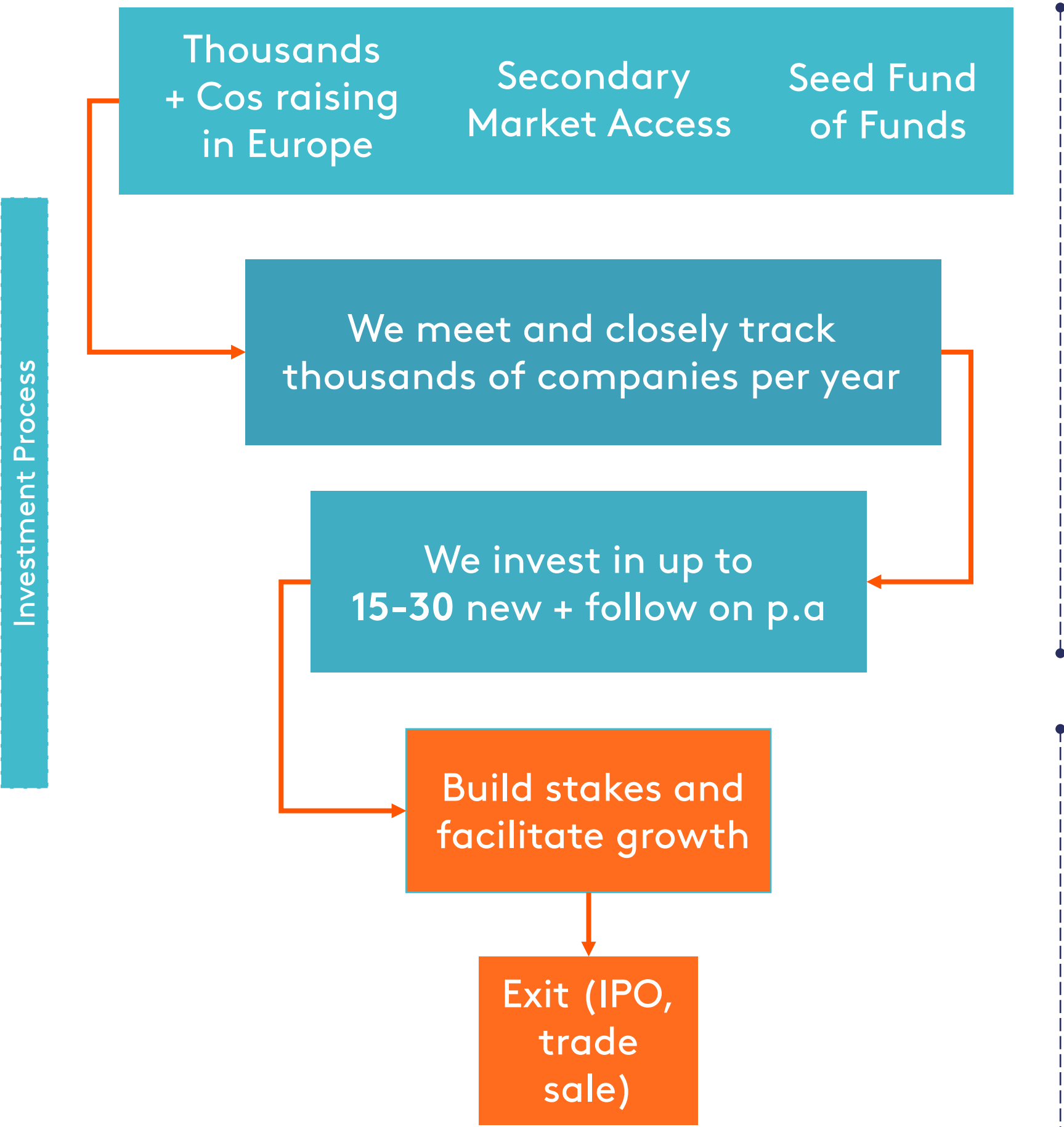
Further £34m from EIS/VCT funds during the year ended 31 March 2021



## 02. Flexible Model for all Market Conditions



# A differentiated model that can scale



## Platform Team

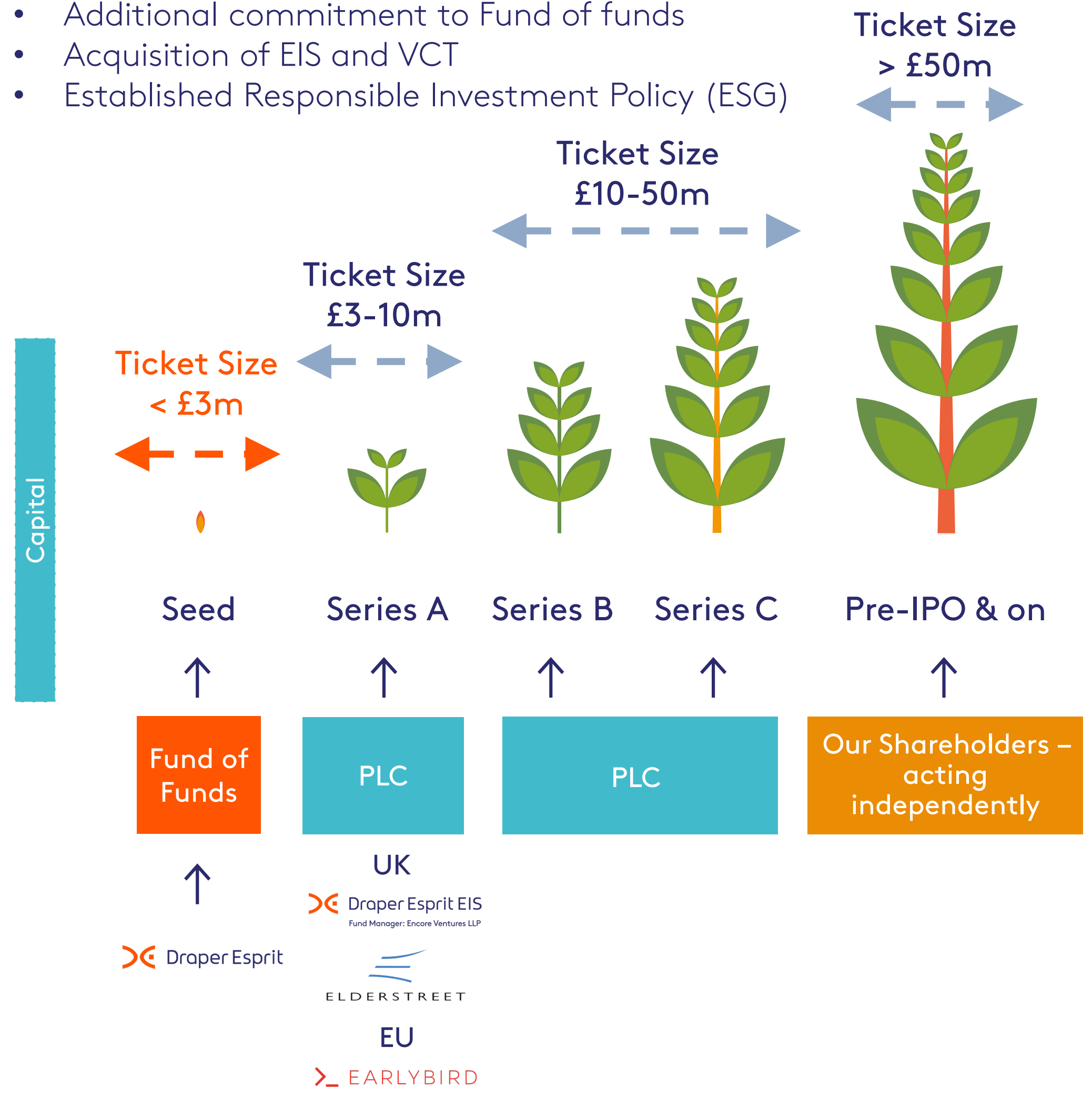
- Deal origination
- Deal execution
- Marketing

## Partnership Team

- Seasoned team of deal makers
- Entrepreneurs, founders, operators, investors

## Scaling the model

- Additional commitment to Fund of funds
- Acquisition of EIS and VCT
- Established Responsible Investment Policy (ESG)



# 1. Improved dealflow and deal origination

Systematic sourcing utilises deep networks across Europe to deliver high quality dealflow



# 2. Our fund of funds

**£12.3m**

Seed fund drawdowns in the year

**~£41.7m**

Remaining commitments over 5-8 years

£25.5m drawn to 31 March 2021

**£40.0k**

Average investment per seed companies so far

Average equity stake of 0.5%

**+600**

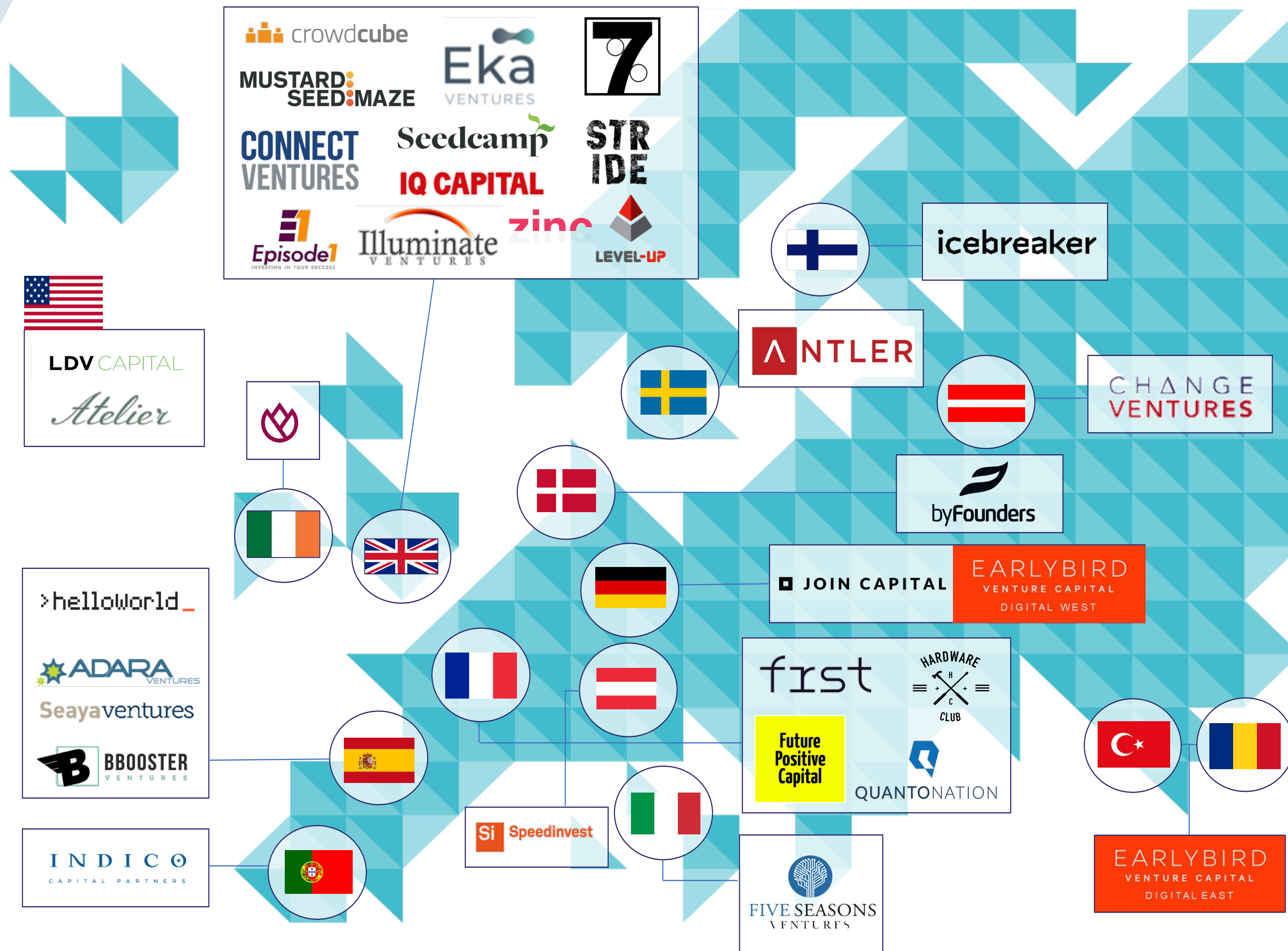
Portfolio Companies, across all funds

**15**

Seed fund commitments in the year

**Hopin & Cazoo**

invested in during the year - part of seed fund portfolios.



# 3. Earlybird

Expanding our presence in the European market

**£136.5m**  
Total invested in EB

**£287.0m**  
Valuation of EB

**£103.1m**  
Cash realised via EB

- Continue to co-invest alongside the team at Earlybird
- Complimentary focus on specific industries, allows for sharing insight and best practice and supports deal origination
- Commitment to Earlybird Growth Opportunities & Earlybird Fund VII
- Realisations via Earlybird during the year:
  - Peak Games - Zynga acquired Peak for US\$1.8bn
  - UI Path – \$26Bn NYSE IPO led to partial disposal

	LP%	NAV value	Invested
Earlybird Fund VI	56.45	£128.9m	£68.2m
Earlybird Fund IV	26.73	£29.9m	£28.7m
Earlybird Digital East I	5.87	£106.0m	£0.4m – Primary £16.1m – Secondary
Earlybird Digital East II	2.50	£0.3m	£0.6m
Earlybird V Special Opportunities Fund	34.75	£10.0m	£10.6m
Earlybird Growth Opportunities	18.49*	£8.9m	£8.9m
Earlybird Fund VII	10.0	£3.0m	£3.0m

\* Percentage of Total Fund Commitment of €81.1m as at the recent Fund close on 1st April 2021

**Co-investments via Earlybird VI**  
Primary investments

**Earlybird IV and Digital East I**  
Secondary investments

## 4. Broadening our Investor Base with EIS & VCT

The EIS and VCT funds, whose managers are now 100% owned by Draper Esprit group, co-invest with us on earlier stage UK deals. Our co-investment partners bring third-party capital, enabling the Plc to build a more material stake in businesses, while also increasing our reach into the best companies. Meanwhile, the management and performance fees received from the third-party funds offset management costs for Plc shareholders.

**£43m**

Available cash from  
EIS/VCT funds

**£229m**

AUM\*

**£34m**

Invested from  
EIS/VCT funds

### Draper Esprit EIS



### Draper Esprit EIS

Fund Manager: Encore Ventures LLP

- The Group owns Encore Ventures LLP, an FCA regulated management vehicle and manager of Draper Esprit's EIS funds
- The six co-investment funds co-invest with Draper Esprit Plc on earlier stage UK deals
- Encore Ventures has raised £177.1 million to 31 March 2021

### Draper Esprit VCT



ELDERSTREET

- From February 2021, Draper Esprit now has full ownership of leading VCT manager, Elderstreet Investments Limited (via 100% holding in Elderstreet Holdings Limited)
- Elderstreet Investments Limited manages Draper Esprit VCT Plc (LSE:EDV)
- Draper Esprit VCT Plc co-invests with Draper Esprit Plc on earlier stage UK deals
- Since inception in 1998, Elderstreet Investments Limited has raised funds of £94.0 million in Draper Esprit VCT plc



## 03. Market Context

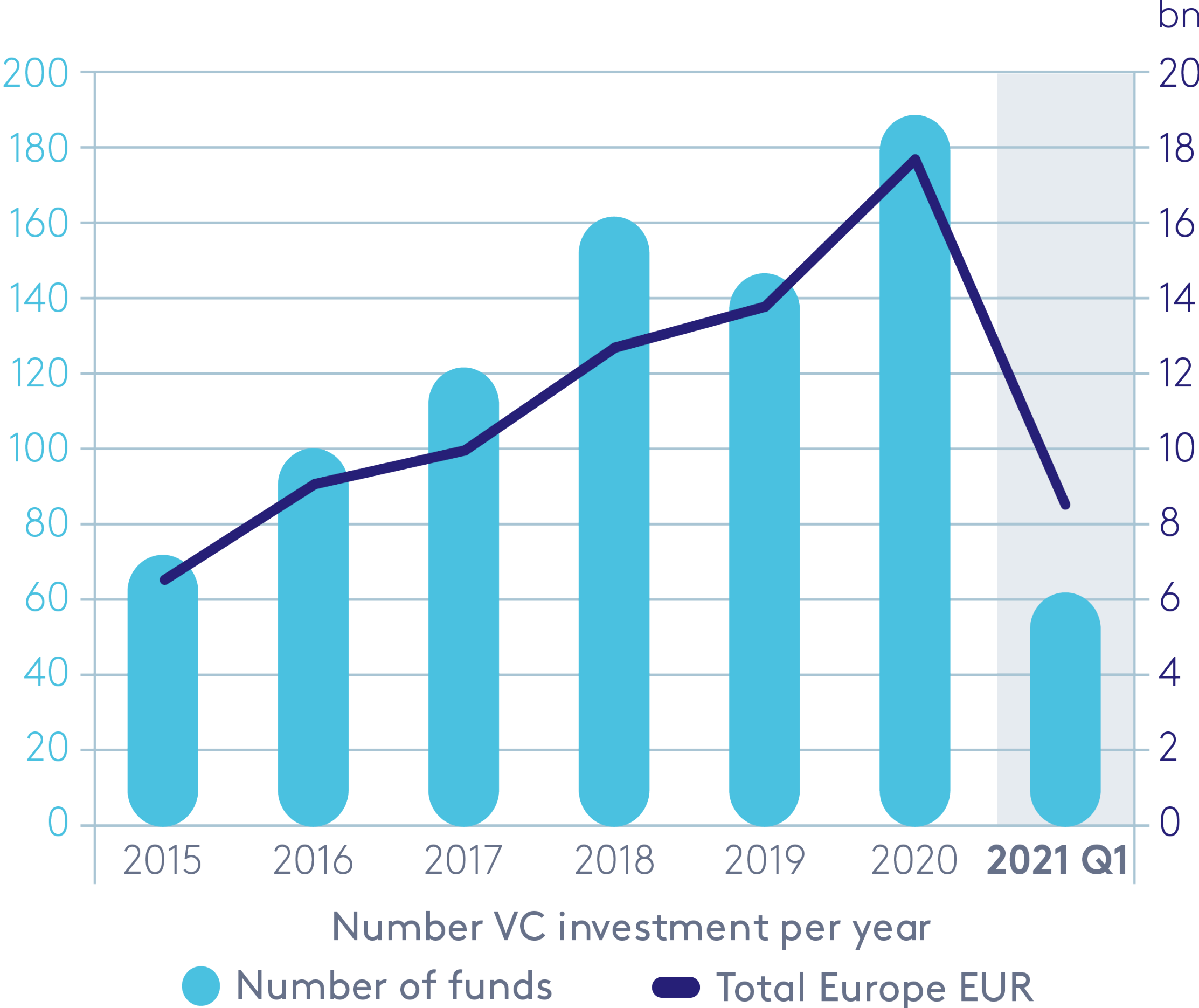
Peter Mühlmann - Trustpilot



# Market Update (1)

European VC activity saw near record levels of investment in later stage companies.

EU VC funds raised – number and total amounts



Global VC Firepower – Targeting EU Tech Deals

Investors (Global)	No. of Funds	Fund Value (€bn)	EU Deals (€bn)
Insight Partners	1	5.73	1.64
Accel	4	1.95	1.36
Tiger	3	12.87	0.87
Sequoia	8	10.28	0.53
General Catalyst	3	2.1	0.44

Investors (Public)	No. of Funds	Fund Value (€bn)	EU Deals (€bn)
Scheihallion	NA	0.41	NA
Chrysalis	NA	0.35	NA

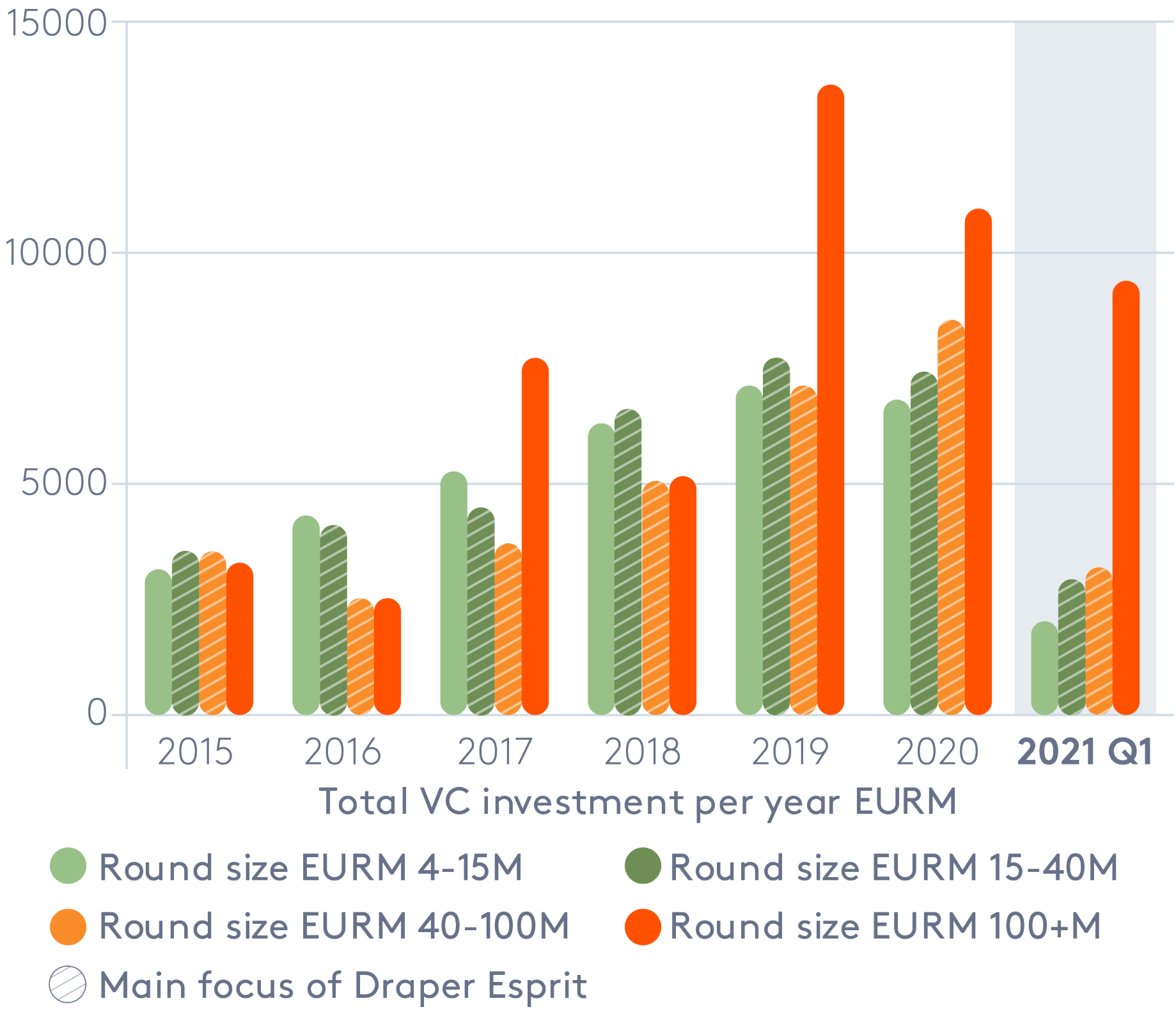
  

Investors (European)	No. of Funds	Fund Value (€bn)	EU Deals (€bn)
Eurazeo	3	0.51	1.2
Index Ventures	5	3.5	0.85
HV	2	0.85	0.57
Lakestar	2	0.68	0.52
Atomico	1	0.75	0.51

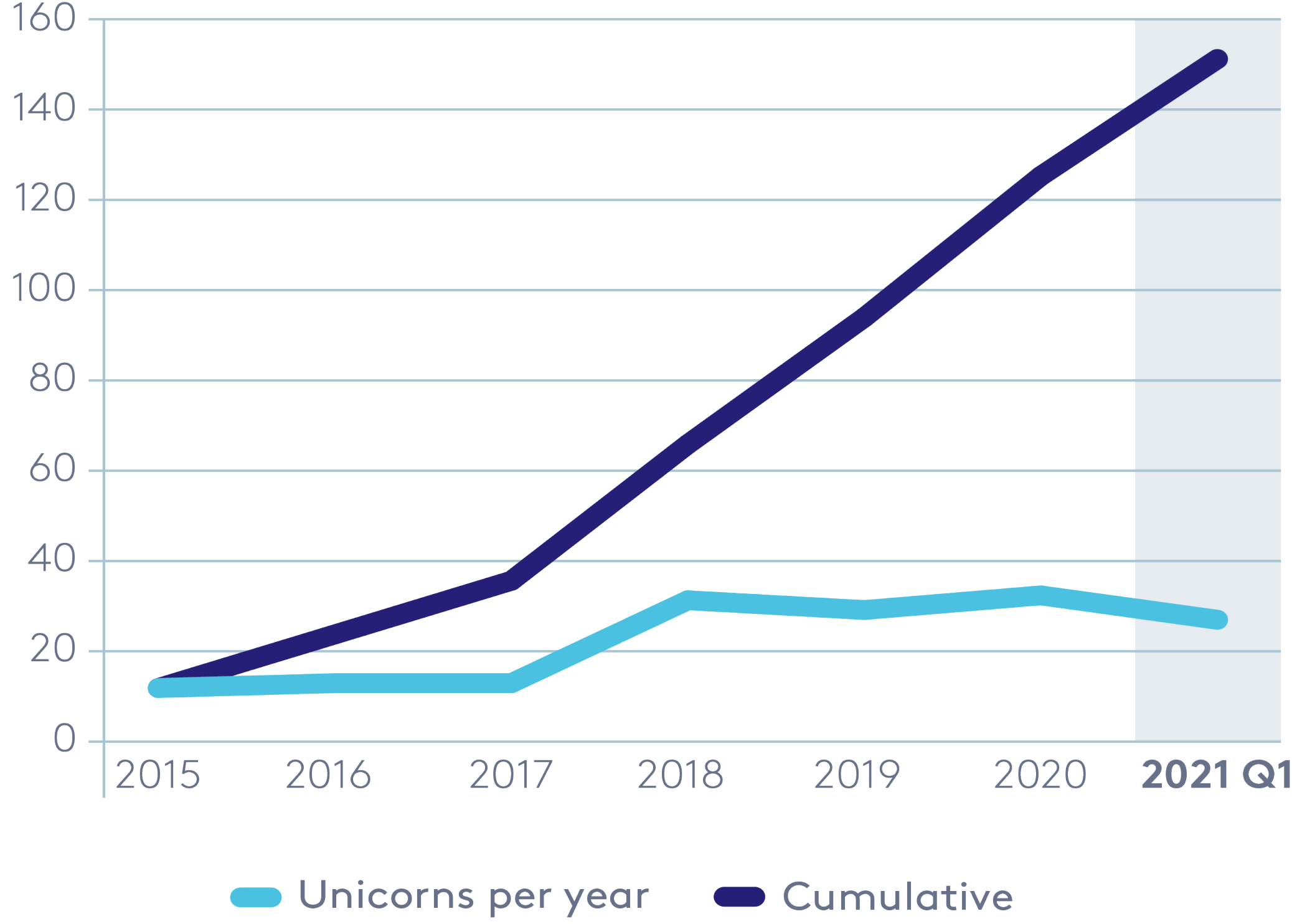
# Market Update (2)

- Activity in Q1 2021 breaks records – new “unicorns” in Q1 2021 compare to whole years 2018-2020
- In this environment, a flexible capital raising platform, access to the best seed deals, a disciplined investment procedure and the ability to continue to make follow-on deals is the optimal way to maximise potential returns

Value of deals by round size – Late Stage



EU Unicorn fundraising



# Our Sustainability Ambition

Continuing to progress our ESG roadmap

At 31 March 2021, we assessed 52\* of our portfolio companies for alignment with 1 or more UN Sustainable Development Goals (14% of the Gross Portfolio Value not assessed).

**35** companies of those assessed mapped to 1 or more UN SDG

**71%** as a percentage of the Gross Portfolio Value mapped to 1 or more UN SDG

**2** ZERO HUNGER  
01 company

**3** GOOD HEALTH AND WELL-BEING  
09 companies

**4** QUALITY EDUCATION  
02 companies

**1** NO POVERTY  
05 companies

**6** CLEAN WATER AND SANITATION  
01 company

**7** AFFORDABLE AND CLEAN ENERGY  
01 company

**8** DECENT WORK AND ECONOMIC GROWTH  
17 companies

**5** GENDER EQUALITY  
01 company

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE  
18 companies

**10** REDUCED INEQUALITIES  
02 companies

**11** SUSTAINABLE CITIES AND COMMUNITIES  
05 companies

**13** CLIMATE ACTION  
02 companies

**14** LIFE BELOW WATER  
01 company

# 04. Portfolio update

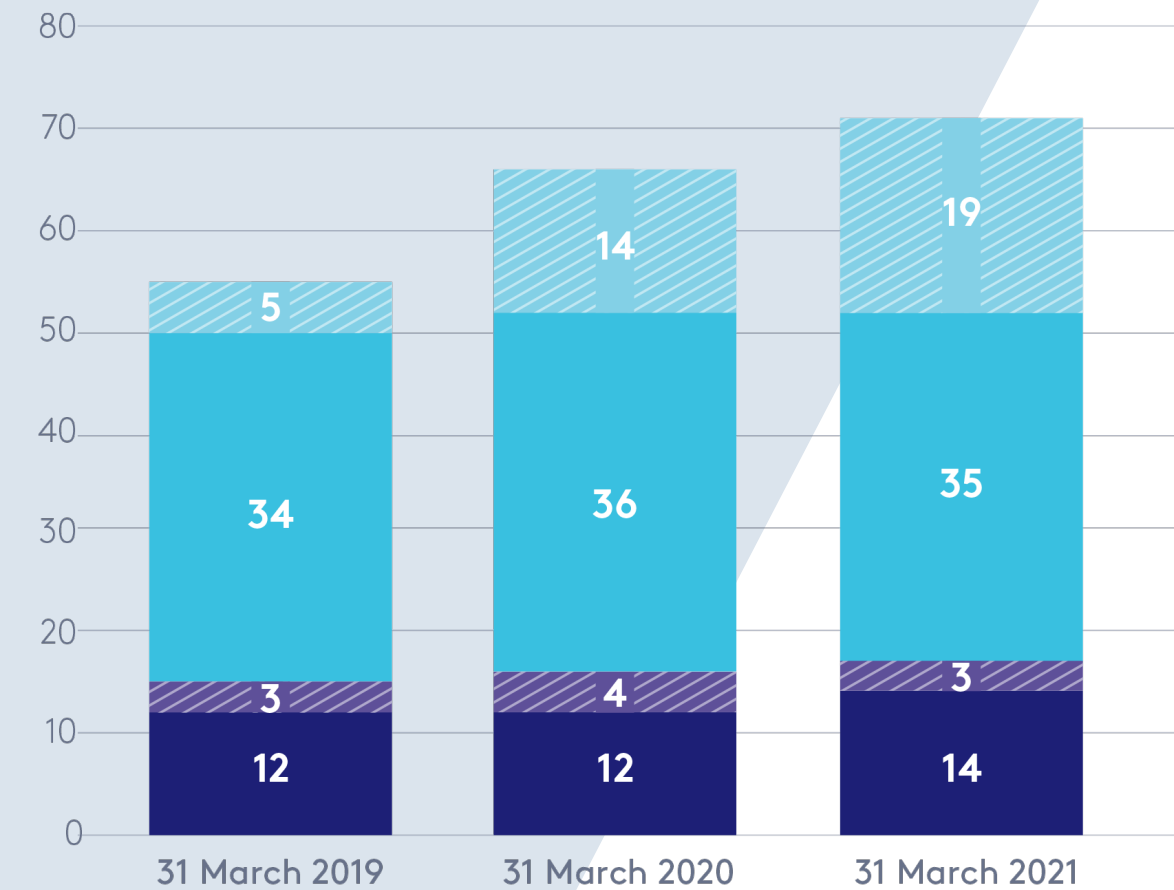


# Our portfolio

71 Total portfolio companies  
49 directly managed

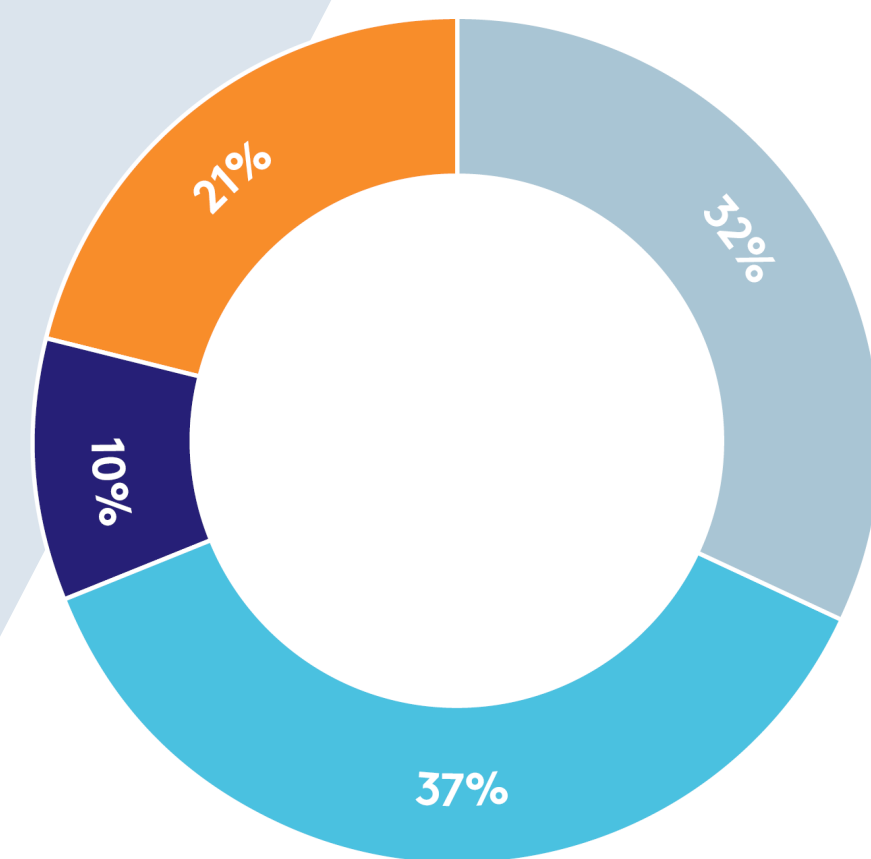
Number of Companies

Core portfolio company



● Core ● Core via Earlybird ● Emerging ● Emerging via Earlybird

Number of Companies - Split by sector



● Enterprise technology ● Hardware & deeptech  
● Digital health & wellness ● Consumer technology

## Consumer technology

New consumer-facing products, innovative business models, and proven execution capabilities that bring exceptional opportunities enabled by technology.

25% 32%  
by value by number of companies



## Enterprise technology

The software infrastructure, applications and services that make enterprises more productive, cost-efficient, and smoother to run.

35% 37%  
by value by number of companies



## Hardware & Deeptech

R&D-heavy technologies which emerge to become commercially dominant, upending industries and enabling entirely new ways of living and doing business.

36% 21%  
by value by number of companies



## Digital health & wellness

Using data, software and hardware to create new products and services for the health and wellness market.

4% 10%  
by value by number of companies



# Significant fair value drivers



- Online global review site, Trustpilot, has detected and stamped out over 2.2 million fake or harmful reviews in 2020. Over 120+ million consumer reviews of businesses or products relating to over 530,000 domains have been reviewed
- In March 2021, the company listed with the London Stock Exchange with the ticker TRST
- Launched a Transparency report, to explain exactly how it manages and protects the integrity of the platform – in correlation with CEO and founder, Peter Mühlmann’s, Trust Promise announced in June 2020
- The company has over 700 employees and is HQ’d in Copenhagen, with operations in London, New York, Denver, Vilnius, Berlin, Melbourne, & Edinburgh
- Tim Hilpert was appointed as Chief Operating Officer. For 16 years Hilpert held various management and leadership positions at the OLX Group & Ebay
- Surpassed US\$100.0m of revenue during the third quarter (Nov 2020), since it was founded, Trustpilot has raised US\$173.0m
- The company has valuable partnerships and integrations with PayPal, BigCommerce, Yext, Magento, PrestaShop, Shopify, WooCommerce, Sprinklr, and Zendesk, amongst others
- The company listed on the London stock exchange with the ticker “TRST” in March 2021



£15.7m  
Invested

£85.5m  
Investment Valuation

5.5x  
Cash / NAV



- Post-year end in April 2021, UiPath listed on the New York Stock Exchange under the ticker symbol “PATH,” closing at a price to the public of US\$56.00 per share
- In Feb2021 the robotic process automation (RPA) company, raised a US\$750m Series F round, co-led by existing investors Alkeon Capital and Coatue
- In the twelve-month period ending Jan 2021, the company recorded revenues of more than US\$607m, which is almost double the year prior
- UiPath has made a number of improvements and advancements like releasing its App in October 2020, adopting a SaaS-first strategy UiPath Automation Cloud, released over 100 customer driven features on its platform, launched its Legal Automation task force in late 2020, and released a virtual streaming solution for customers
- In Oct 2020, Renzo Taal has joined the company as Senior Vice President and Managing Director of EMEA
- UiPath also appointed former VMware and Microsoft Global Executive, Thomas Hansen to lead worldwide sales



£10.3m  
Invested



£100.3m  
Investment Valuation

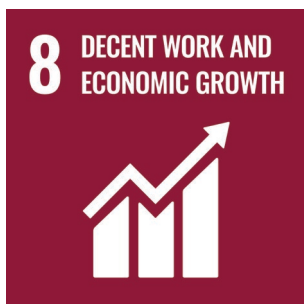
9.7x  
Cash / NAV

**Valuation key**  
**LR:** Valuation based on last round price  
**C:** Valuation based on a set of comparable listed peers

# Significant fair value drivers



- Allows developers to focus on application building while the platform manages open-source databases and messaging systems for business clients on all major cloud platforms
- The company operates with 11 open-source products, 6 Cloud platforms, covers 90+ regions with offices in Boston, Berlin, Sydney, and Helsinki (HQ)
- Since its establishment in 2006 Aiven has partnered with over 100 teams including: Graphcore, Klarna, Supercell, Compass, MessageBird, Masterclass, and Hinge Health
- Aiven offers its products on Google Cloud Marketplace, is one of the first service providers to quote and contract services in AWS
- In March 2021 the company raised a US\$100.0 million Series C round, which was led by Atomico, with new investors Salesforce Ventures and World Innovation Lab also joining
- Aiven plans to use the proceeds from the round to bring new products to market, increase contributions to developing open-source technologies and continue the company's international expansion
- The round brings Aiven's total funds raised to US\$150.0m
- Two new hires joined the company in Feb 2021, Julian Lange as Chief Financial Officer and James Arlen as Chief Information Security Officer



£5.0m

Invested

£45.5m

Investment Valuation

9.1x

Cash / NAV



- London-based Lyst, the leading platform for the world's fashion shoppers, helped 70 million users from 120 countries find and discover the perfect fashion item from a selection of more than 18,000 leading brands last year
- Tracks more than 10m global searches each month and captures the data to tell retailers what consumers want to wear
- Has had a successful year as Covid-19 accelerated ecommerce adoption
- Lyst's app averages about 660,000 monthly downloads according to Apptopia
- The company continues to evolve, going through a rebrand and hiring a new CPO

£6.0m

Invested

£35.1m

Investment Valuation

5.9x

Cash / NAV

**Valuation key**  
**LR:** Valuation based on last round price  
**C:** Valuation based on a set of comparable listed peers



# 05. Summary & outlook



# Outlook

Despite continuing uncertainty due to the ongoing Covid-19 pandemic, we look positively to the new financial year with the intention of increasing our deployment to above £150m pa.

The market environment remains competitive, but activity is at an all time high, driven by the post pandemic shift towards technology and digitisation.

We believe we can continue to identify and win the best deals across Europe

To do this we will continue to:

- retain our investment discipline and trust the integrity of our investment process
- enhance our dealflow processes and strengthen our team
- build and refine our model to provide improved access to the best deals and third-party funds, as well as being a source of management fees
- target 20% fair value growth through the cycle. Coming off a year of 51% growth, we anticipate 15% growth for the coming year

We now need to strengthen the balance sheet to enable us to continue at this pace as the opportunity unfolds by raising equity of up to £110m



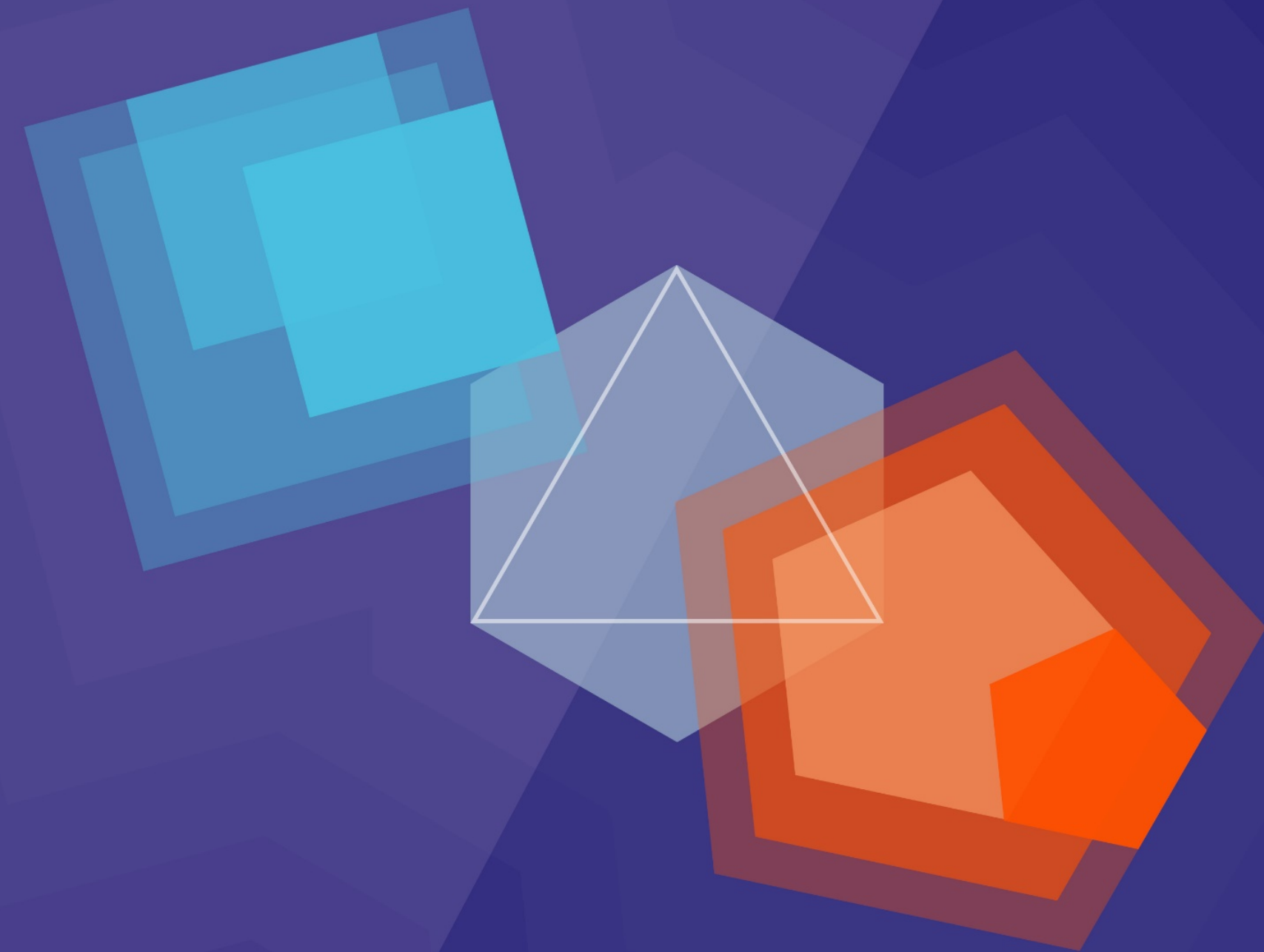
## Thank you

For further information:

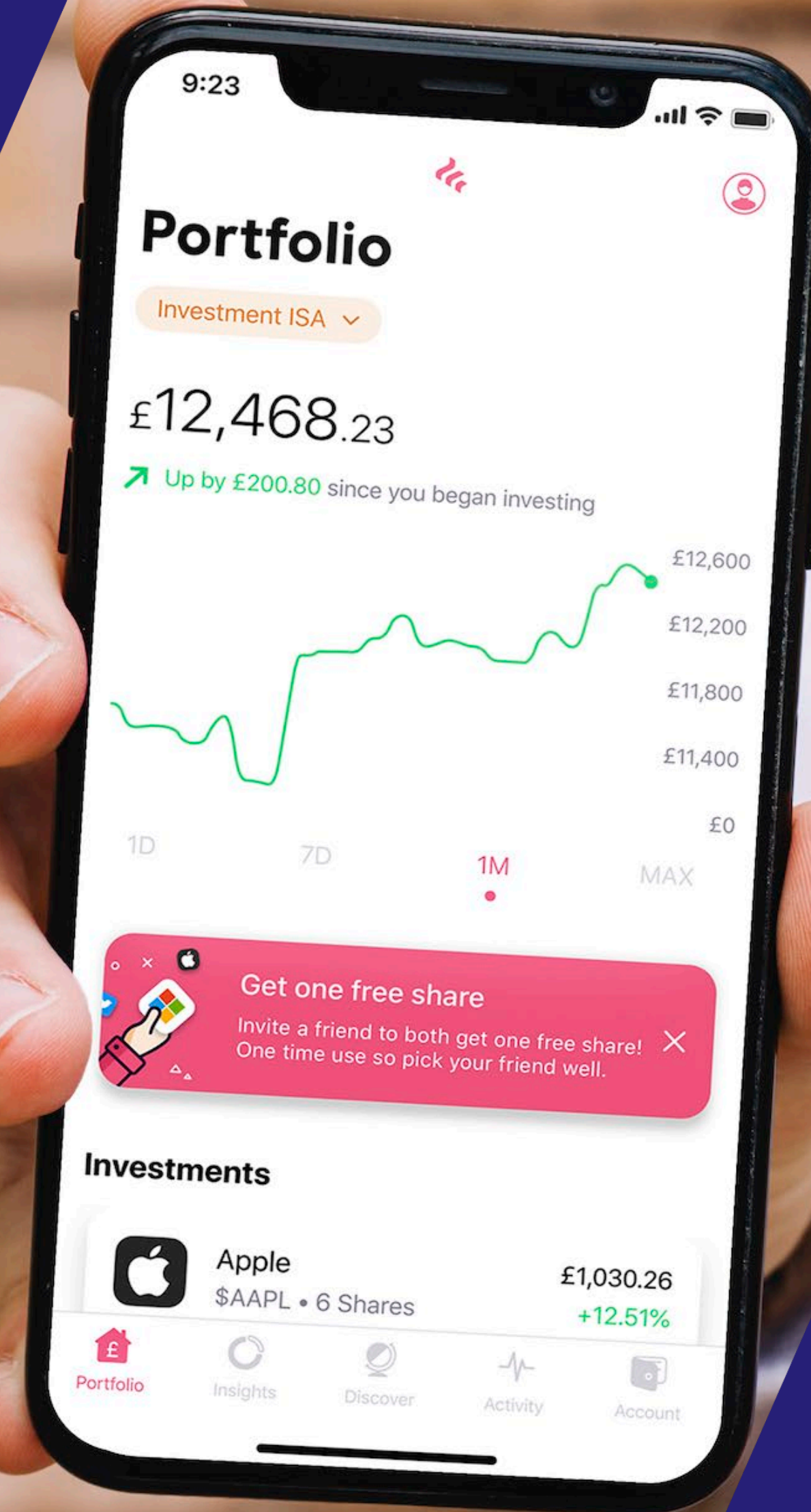
Martin Davis, Chief Executive Officer  
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Ben Wilkinson, Chief Financial Officer  
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Stuart Chapman, Director  
[Stuart.chapman@draperesprit.com](mailto:Stuart.chapman@draperesprit.com)



# 06. Appendix



# Gross portfolio value table

Company	Fair Value of Investments 31-Mar-20 £m	Investments £m	Realisations £m	Draper Esprit (Ireland) Limited £m	Movement In Foreign Exchange (A) £m	Movement In Fair Value (B) £m	Total Fair Value Movement (A+B) £m	Fair Value of Investments 31-Mar-21 £m	Interest FD category* At reporting date
Graphcore	86.8	10.3	-	-	(7.5)	19.2	11.7	108.8	A
UiPath	28.0	-	(5.3)	-	(6.8)	84.4	77.6	100.3	A
Trustpilot	65.3	-	(75.0)	-	-	95.2	95.2	85.5	B
Aiven	12.8	-	-	-	(3.1)	35.8	32.7	45.5	B
Ledger	17.7	-	-	-	(2.9)	27.0	24.1	41.8	B
Lyst	10.8	-	-	-	(2.4)	26.7	24.3	35.1	C
Aircall	24.3	-	-	-	(1.6)	10.1	8.5	32.8	B
RavenPack	30.9	-	-	-	(2.1)	1.1	(1.0)	29.9	D
M-files	20.0	1.5	-	-	(1.6)	9.8	8.2	29.7	B
Cazoo	-	10.3	-	-	-	15.4	15.4	25.7	A
Smava	16.7	-	-	-	(1.6)	8.7	7.1	23.8	B
Revolut	21.7	-	-	-	(1.5)	0.2	(1.3)	20.4	A
Freetrade	-	4.0	-	-	-	16.0	16.0	20.0	B
Perkbox	19.9	-	-	-	-	(1.3)	(1.3)	18.6	C
SportPursuit	11.1	-	-	-	-	7.4	7.4	18.5	E
Thought Machine	17.4	-	-	-	-	1.0	1.0	18.4	B
Endomag	6.9	7.0	-	-	-	1.8	1.8	15.7	C
Remaining Portfolio	310.8	94.9	(125.4)	-	(20.1)	50.5	30.4	310.7	-
<b>Total</b>	<b>701.1</b>	<b>128.0</b>	<b>(205.7)</b>	<b>-</b>	<b>(51.2)</b>	<b>409.0</b>	<b>357.8</b>	<b>981.2</b>	<b>-</b>
Co-Invest	1.8	-	(0.6)	-	-	1.4	1.4	2.6	-
<b>Gross Portfolio Value</b>	<b>702.9</b>	<b>128.0</b>	<b>(206.3)</b>	<b>-</b>	<b>(51.2)</b>	<b>410.4</b>	<b>359.2</b>	<b>983.8</b>	<b>-</b>
Carry External Portfolio Deferred	(40.6)	-	-	-	-	(56.4)	(56.4)	(97.0)	-
tax	(5.3)	-	-	-	-	(14.7)	(14.7)	(20.0)	-
Trading carry & co-invest	0.3	-	-	-	-	-	-	0.3	-
DE Ireland Limited	-	-	-	11.8	-	(11.8)	(11.8)	-	-
<b>Net Portfolio value</b>	<b>657.3</b>	<b>128.0</b>	<b>(206.3)</b>	<b>11.8</b>	<b>(51.2)</b>	<b>327.5</b>	<b>276.3</b>	<b>867.1</b>	<b>-</b>

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

# Consolidated Statement of Comprehensive Income

For the year ended 31 March 2021

	Note	Year ended 31 March 2021 £'000s	Year ended 31 March 2020 £'000s
Change in gains on investments held at fair value through the profit and loss	5	276,307	40,755
Fee income	6	12,507	11,255
<b>Total income</b>		<b>288,814</b>	<b>52,010</b>
<b>Operating expenses</b>			
General administrative expenses	7	(13,844)	(9,810)
Depreciation and amortisation	14, 17	(650)	(520)
Share-based payments—resulting from company share option scheme	13	(1,548)	(990)
Investments and acquisition expenses		(262)	(239)
<b>Total operating expenses</b>		<b>(16,304)</b>	<b>(11,559)</b>
Other income	18	94	–
<b>Profit from operations</b>		<b>272,604</b>	<b>40,451</b>
<b>Finance (expense)</b>			
Net finance (expense)	10	(5,157)	(68)
<b>Operating profit before tax</b>		<b>267,447</b>	<b>40,383</b>
Income taxes	11	(26)	(17)
<b>Profit for the year</b>		<b>267,421</b>	<b>40,366</b>
Other comprehensive income/(expense)		–	–
<b>Total comprehensive income for the year</b>		<b>267,421</b>	<b>40,366</b>
<b>Profit attributable to:</b>			
Owners of the parent		267,421	39,707
Non-controlling interest <sup>^</sup>	18	–	659
<b>Earnings per share attributable to owners of the Parent:</b>			
Basic earnings per weighted average shares (pence)	12	208	34
Diluted earnings per weighted average shares (pence)	12	206	33

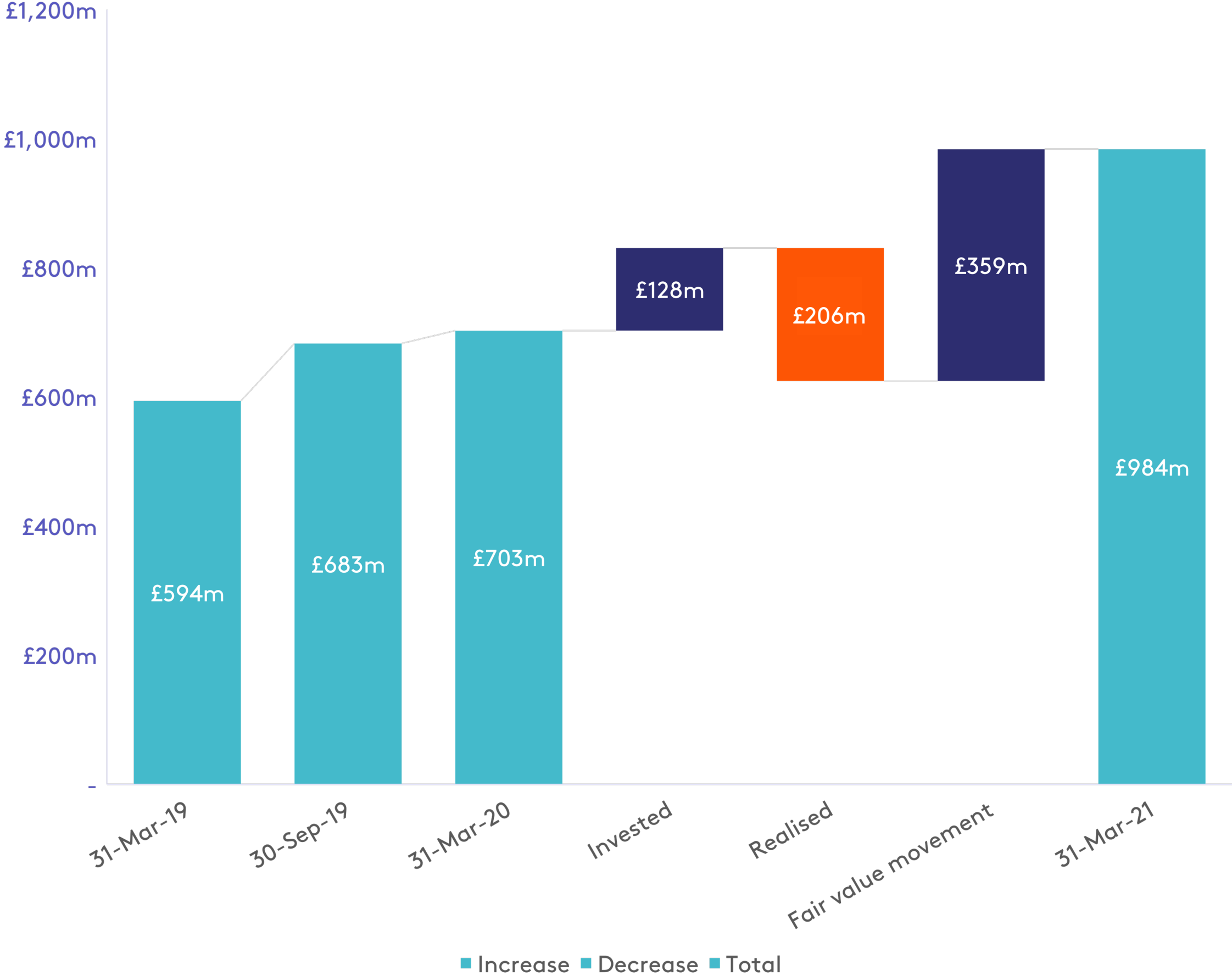
<sup>^</sup> On 10 March 2020, the Group acquired the remaining interest in Encore Ventures LLP and as such no profit after 10 March 2020 is attributable to the non-controlling interest – see Note 18 for further details in the Annual Report.

# Consolidated Statement of Financial Position

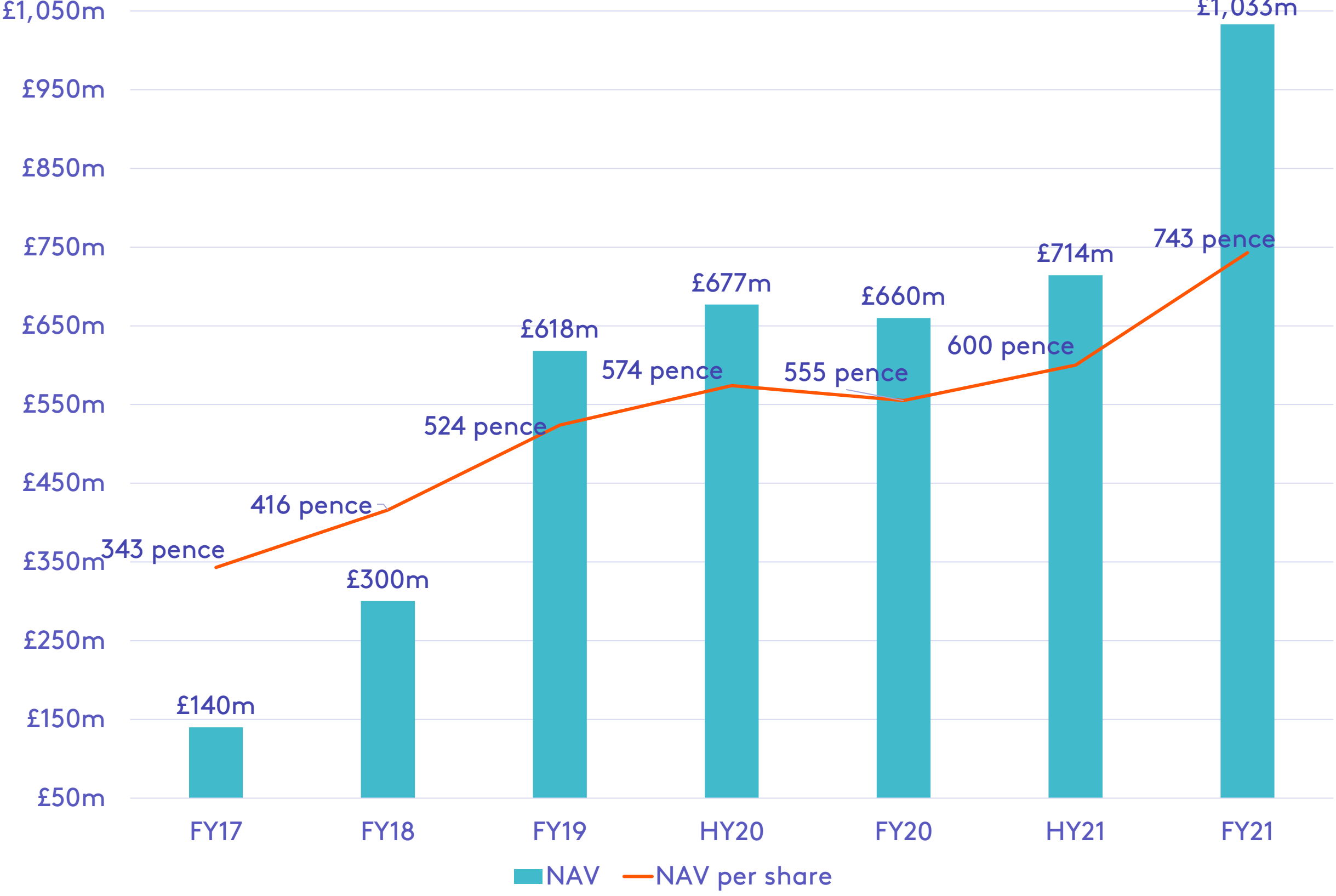
As at 31 March 2021

	Note	31 March 2021 £'000s	31 March 2020 £'000s
<b>Non-current assets</b>			
Intangible assets	14	10,936	10,028
Investments in associates	15,18	–	258
Financial assets held at fair value through the profit or loss	16	867,088	657,333
Property, plant and equipment	17,20	1,368	1,760
<b>Total non-current assets</b>		<b>879,392</b>	<b>669,379</b>
<b>Current assets</b>			
Trade and other receivables	19	3,700	7,719
Cash and cash equivalents		158,417	32,255
Restricted cash	20II	2,260	1,883
<b>Total current assets</b>		<b>164,377</b>	<b>41,857</b>
<b>Current liabilities</b>			
Trade and other payables	21	(9,645)	(5,038)
Financial liabilities	20	(345)	(358)
<b>Total current liabilities</b>		<b>(9,990)</b>	<b>(5,396)</b>
<b>Non-current liabilities</b>			
Deferred tax	22	(362)	(611)
Financial liabilities	20	(276)	(45,611)
<b>Total non-current liabilities</b>		<b>(638)</b>	<b>(46,222)</b>
<b>Net assets</b>		<b>1,033,141</b>	<b>659,618</b>
<b>Equity</b>			
Share capital	23	1,391	1,189
Share premium account	23	508,279	400,726
Own shares reserve	24i	(331)	–
Other reserves	24ii	26,258	26,259
Retained earnings		497,544	231,444
<b>Equity attributable to owners of parent</b>		<b>1,033,141</b>	<b>659,618</b>
Non-controlling interests	18	–	–
<b>Total equity</b>		<b>1,033,141</b>	<b>659,618</b>
<b>Net assets per share (pence)</b>	12	<b>743</b>	<b>555</b>

# Gross portfolio value progression



# NAV progression





# Significant fair value drivers

**Valuation key**  
 LR: Valuation based on last round price  
 C: Valuation based on a set of comparable listed peers



C



LR



C

- The security and infrastructure solution provider for cryptocurrencies and block chain application, celebrated its 5-year anniversary at the end of 2019
- The company has 250 global employees working in its Paris, New York, San Francisco, Singapore, and London offices and 1 million users in over 165 countries with 1.5 million units sold
- Products include; Ledger-Nano, Ledger-Live, and Ledger-Vault which help to provide infrastructure solutions for enterprises and hardware crypto wallets for consumers
- Ledger announced support for Algorand (ALGO) and Algorand Standard Assets (ASA) in its software application, Ledger Live
- Post period end Ledger launched 8 new coins available
- Ian Rodgers, formerly the chief digital officer at LMVH took on a new role as “chief experience officer” at Ledger in Nov 2020
- Apple Music veteran Parker Todd Brooks also joined the team in April 2021 as head of NFT (non-fungible tokens)

- Continues to make trading commission-free and easy by adding thousands of new stocks and ETFs to invest in for members, with exclusive options for Plus members like David Beckham’s, Guild Esports, and Papa John’s
- Draper Esprit joined the company’s US\$69.0m Series B round, led by Left Lane Capital with L Catterton also participating
- Freetrade plans to use the funds to supercharge expansion and product development
- Registered users for the app have surpassed 600,000 and Q1 2021 trade volumes exceeded US\$1.0bn
- Opened new offices in Stockholm and Brisbane. The company has doubled the size of its team in the last twelve months
- Has begun its expansion into the Netherlands and Ireland, has announced its plans to be available everywhere in the EEA, and recently launched an app so users could use the app on an iPad
- Launched its own Self-invested personal pensions (SIPP), an investment account designed to allow individuals manage their own pensions

- One of the UK’s fastest-growing digital businesses and leading online car retailers
- Founded in 2018 by Alex Chesterman, founder of Zoopla and LoveFilm
- With a team of over 1,800 people based across the UK, Germany, France, and Portugal, the company continues to grow and has delivered over 20,000 cars to consumers across the UK
- Following the acquisition of car subscription service, Drover, Cazoo has had over 6,000 subscribers across the UK, Germany, and France
- Draper Esprit initially invested in Cazoo as part of our fund of funds via Stride Capital who backed Cazoo in Nov 2018
- In June 2020, Plc invested directly in the company’s £25.0m Series C round, and then participated in their latest £240.0m Series D round in Oct 2020
- In March Cazoo announced US\$7.0bn business combination with SPAC, AJAX I, the transaction is expected to close in the third quarter of 2021, once closed Cazoo will be listed on NYSE ticker “CZOO”
- The transaction will support Cazoo’s mission to continue to transform the car buying experience across Europe, as they work to further build out their brand and infrastructure



£17.7m  
Invested

£41.8m  
Investment Valuation

2.4x  
Cash / NAV

£8.0m  
Invested

£20.0m  
Investment Valuation

2.5x  
Cash / NAV

£10.0m  
Invested

£25.7m  
Investment Valuation

2.6x  
Cash / NAV

# Significant fair value drivers

**Valuation key**  
 LR: Valuation based on last round price  
 C: Valuation based on a set of comparable listed peers

## GRAPHCORE

LR

- Machine Intelligence semi-conductor company, develops IPU (Intelligence Processing Unit), which enable unprecedented levels of compute
- Dec 2020 – raised US\$222.0m Series E led by Ontario Teachers’ Pensions Plan Board and added funds managed by Fidelity International and Schroders as new investors, existing investors also participated, including Draper Esprit and Baillie Gifford. This investment brings the total funds raised by Graphcore to more than US\$710.0m
- Released a number of major updates and new releases including those for Poplar v1.4 and SDK 1.3
- The platform now supports Alibaba Cloud’s open Deep Learning API (ODLA)
- Participated in research with U.Mass Amherst and Facebook to publish a paper to demonstrate how important COVID-19 analysis using Approximate Bayesian Computation which can be massively accelerated with IPU processors
- New office in Germany and existing offices in Bristol, London, Cambridge, Palo Alto, Oslo, Beijing, Hsinchu, Seoul, New York, Seattle, and Austin, the global its previously reported 200+ employees



£24.0m Invested    £108.8m Investment Valuation    4.5x Cash / NAV

## aircall

C

- Cloud-based call centre system, Aircall, provides an integrated and easy to use solution for its customers. In Sept the Aircall’s IOS mobile app was rebuilt and relaunched to accommodate more integrations, features, and utilize better code
- The company’s App Marketplace currently provides over 85 integrations with its solution, including Salesforce, Zendesk, Hubspot, Zoho, Freshdesk, and Slack
- Since Aircall’s Series C US\$65.0m fundraise in May 2020 the company has expanded their sales team to a staff of over 350 employees and opened its third office in Sydney to coincide with their recent launch into Australian markets and existing customer base in Australia of over 500 clients
- The Series C in May was led by DTCP with participation from new investors Swisscom and Adam Street and existing investors including Draper Esprit, eFounders, Balderton Capital and NextWorld. This round brings the company’s total funding to date to over US\$100.0m

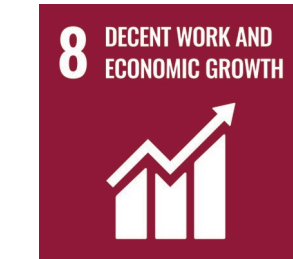


£10.7m Invested    £32.8m Investment Valuation    3.1x Cash / NAV

## M-Files®

LR

- The Intelligent information management platform, organises customers’ content with the ability to connect to existing network folders and systems and to enhance them with the help of AI to categorise and protect information
- The SaaS business has more than 500 employees based in 11 global offices
- In Jan 2021, the company raised a milestone US\$80.0m round led by Bregal Milestone; existing investors Draper Esprit, Partech, and Tesi also participated
- M-files has been a part of Draper Esprit’s portfolio since 2013. Since leading the company’s Series A, Draper Esprit has invested in each consecutive round
- The company completed its transition to SaaS in 2020 with 94% of its ARR in 2020 contributed to subscription-based sales
- Thousands of organizations in more than 100 countries use M-Files for managing their business information and processes, including NBC Universal, OMV, Valmet, SAS Institute and Thyssenkrupp



£6.5m Invested    £29.7m Investment Valuation    4.6x Cash / NAV

# Significant fair value drivers

**Valuation key**  
 LR: Valuation based on last round price  
 C: Valuation based on a set of comparable listed peers



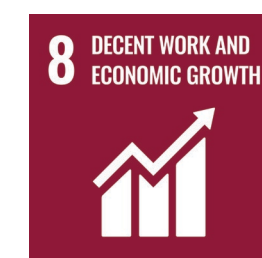
- Membership-based eCommerce business, Sportpursuit, helps sportsmen and women find products from the world's best brands at unbeatable prices in an attractive, content rich, and personalised environment
- Sales are focused on the following segments: outdoor, running, skiing & snowboarding, triathlon, cycling, health & wellbeing, athletics, swimwear, cycling, golf, tennis, and others
- The company established new alternative categories, to adapt to customer preference during COVID, which catered to home based exercise rather than visits to the gym, garden equipment, new high street lifestyle brands, etc
- Sportpursuit also had strong growth in its 'owned brands' which the company owns and operates under its own labels with a quality product selection



- Online lending platform, that provides easy access to the best conditions for consumer loans from more than 20 banks
- Largest specialised loan marketplace in Germany, provides access to over €3.0bn a year in loans
- In May 2020, the company secured €57.0m in financing with debt from Kreos Capital, along with equity from existing investors Earlybird, Verdane, Vitruvian Partners and Runa Capital
- The platform offers an overview of 70 loans between €1,000 and €120,000 from over 20 banks and lending partners. Consumers select the loan that suits them and take it out directly
- The company also announced a new partnership with Commerzbank, Deutsche Bank, and Younited Credit



- Utilizes technology to improve cancer care by preventing unnecessary surgery and improving outcomes and patient experience where surgery is needed, and the company is increasing access for all in need
- Products include; the Sentimag system, Magseed marker and Magtrace lymphatic tracer
- Over 550 hospitals in more than 40 different countries have utilized Endomag's technology on over 130,000 patients
- In Nov 2020 the company announced it closed its £15.0m Series D funding round, led by Draper Esprit. Existing investors Sussex Place Ventures, among others, also participated
- This investment follows on from Draper Esprit's initial investment in Endomag's 2018 Series C round, bringing the Company's total funding to over £32.0m
- The funds will help the company expand its global reach while advancing breast cancer care to the next level
- Endomag has its headquarters in Cambridge, with a second office in Austin, Texas



£5.6m  
Invested

£18.5m  
Investment Valuation

3.3x  
Cash / NAV

£14.5m  
Invested

£23.8m  
Investment Valuation

1.6x  
Cash / NAV

£9.3m  
Invested

£15.7m  
Investment Valuation

1.7x  
Cash / NAV

# Significant fair value drivers



- Cloud native core banking technology company, Thought Machine, provides core banking infrastructure to both incumbent and challenger banks
- The company’s technology provides an alternative more flexible cloud-based solution that can be configured to provide any product, user experience, operating model, or data analysis capability
- In early 2020, Thought Machine completed an US\$83.0m round led by Draper Esprit and joined by Lloyds Banking Group, IQ Capital, Backed and Playfair Capital. In July 2020 Thought Machine extended the Series B round to US\$125.0m. The extension was led by Eurazeo, with British Patient Capital and SEB also joining the round as new investors
- In Sept 2020, Former HSBC Group COO Andy Maguire joined Thought Machine as Chairman
- Thought Machine also announced partnerships with TransferGo and Monese
- Responsible lending start-up Curve Credit, selected Thought Machine to power its new credit and loan offering



£16.5m  
Invested

£18.4m  
Investment Valuation

1.1x  
Cash / NAV



- Leading big data analytics provider for financial services, allows clients to enhance returns, reduce risk and increase efficiency by systematically incorporating the effects of public information in their models or workflows
- The company announced its partnership with Synechron Inc., leading digital transformation consulting firm focused on the financial services industry, to provide an ESG Booster which will perform ESG analysis and 360+ which provides an individualized 360-degree view of each customer
- Also announced its partnerships with market-moving corporate event data provider, Wall Street Horizon and data analytics provider, Cosaic
- In the financial year, the company launched an Insider Transactions Data Solution, a free 2020 US Election Media Monitoring Insights, and free Coronavirus monitoring insights

£7.5m  
Invested

£29.9m  
Investment Valuation

4.0x  
Cash / NAV

**Valuation key**  
**LR:** Valuation based on last round price  
**C:** Valuation based on a set of comparable listed peers

# Significant fair value drivers

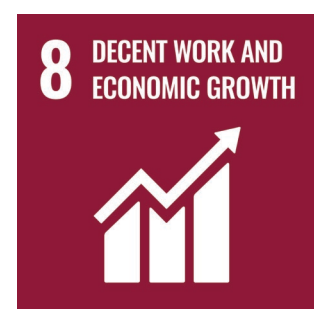
## Revolut

LR

- Revolut celebrated 3 years of business in Sept 2020, marking 500k business customers since its launch in 2017. The company currently boasts over 15 million personal customers, 500k business customers, is supported in 35 countries, and has 30+ in-app currencies
- The company added a number of updates and new features to its offerings, including an online web app that users can access a complete overview of account transaction history and cards via their laptop or desktops as well as a smart subscriptions feature
- Furthering its expansion into the US, Revolut applied for a US banking licence and launched business accounts in all 50 states
- The company also announced the launch of its acquiring solution in 16 additional European countries, with 29 European countries now able to accept card payments online, directly into their accounts
- Revolut Business added a suite of new features for businesses including a metal card plan for freelancers, QR codes for socially distanced payments, and updates to its suite of expenses tools



£7.4m  
Invested



£20.4m  
Investment Valuation



2.7x  
Cash / NAV

## perkbox

C

- Employee well-being platform that provides a unique employee experience, enriching the personal and working life of employees. It offers a suite of products including a platform with access to best-in-class Perks, Recognition, Insights and Medical
- Europe's fastest growing global 'employee experience' platform partnered with the global buy-now-pay-later Fintech, Zip
- Perkbox secured new partnerships with Action Aid, Dakota Hotel, Igloo Energy, and Landmark, while existing partners, Gymshark and Krispy Kreme, have enhanced their benefits
- Ex-Groupon Director, Higor Torchia has joined the team as Chief Revenue Officer and Ankur Sharma has been hired as VP Product & Engineering. The company also appointed co-founder Gautam Sahgal as CEO, and Saurav Chopra, co-founder, stepped into a new role of Executive Chairman of the Board
- Perkbox offers resources that have become particularly useful in light of COVID-19. The platform offers online GPs on-demand, online employee recognition, real-time feedback, and perks like online shopping discounts, free online fitness classes, and 24/7 online learning



£14.0m  
Invested



£18.6m  
Investment Valuation

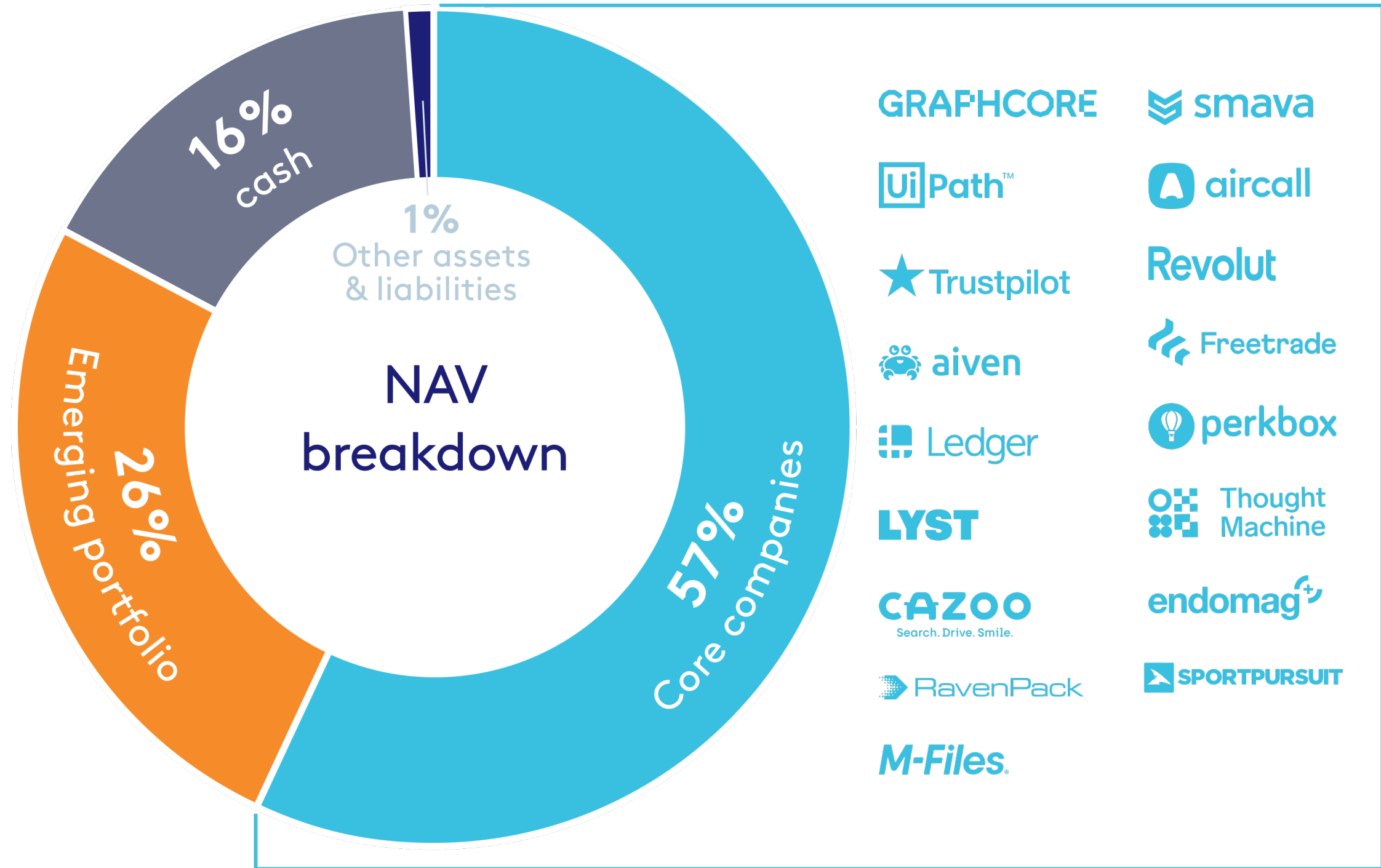
1.3x  
Cash / NAV

### Valuation key

LR: Valuation based on last round price

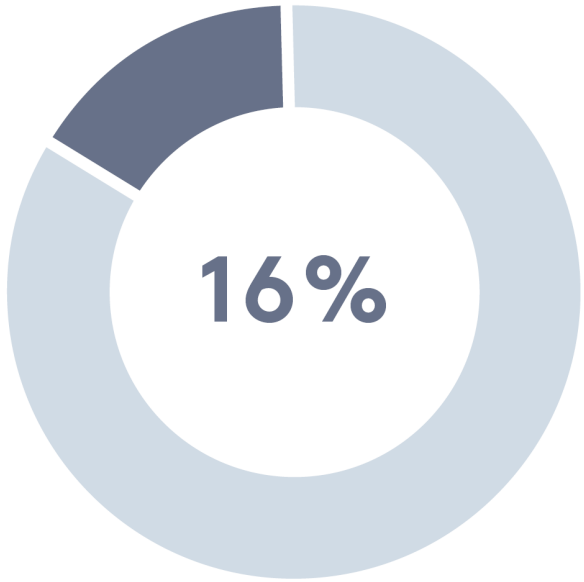
C: Valuation based on a set of comparable listed peers

# Focused on long-term winners in technology



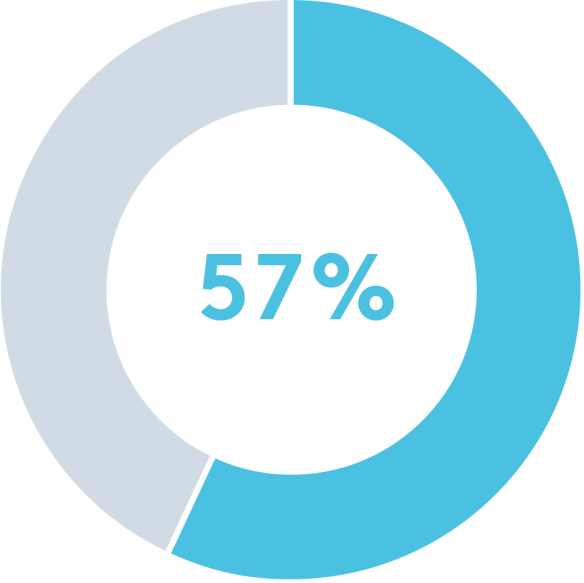
## As our companies grow, we provide follow-on capital to build our stake.

68% of Gross Portfolio Value and 57% of our Net Asset Value is distributed in the top 17 companies, representing our core holdings. By doubling down on the winners in our portfolio, we manage the risk exposure of the portfolio and generate improved upside. Equally, our more flexible approach to capital enables the companies themselves to grow over a longer period, creating value to the benefit of our shareholders. When the companies exit, the cash is returned to the balance sheet, so we can reinvest it in new opportunities.



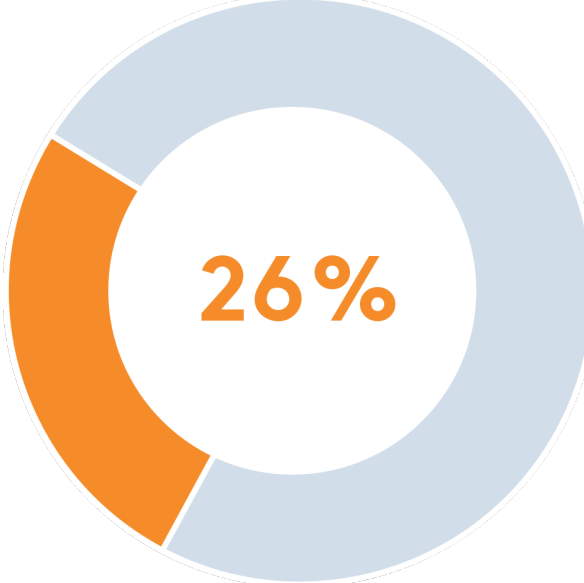
### Cash

When companies exit, the cash generated is returned to the balance sheet and re-invested into new opportunities in the market.



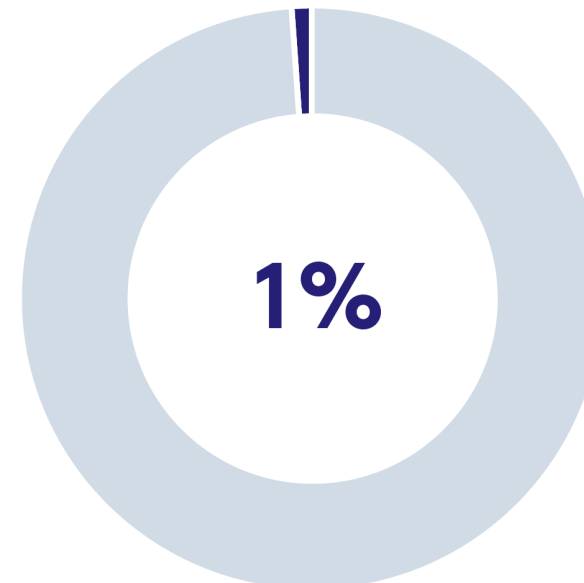
### Core companies

The companies in the portfolio representing 69% of Gross Portfolio Value, which is 58% of the Net Asset Value (NAV). Draper Esprit provides follow-on capital, developing a more significant stake in the business once it has proven its business model.



### Emerging portfolios

The Group invests in entrepreneurial and fast growing tech businesses..

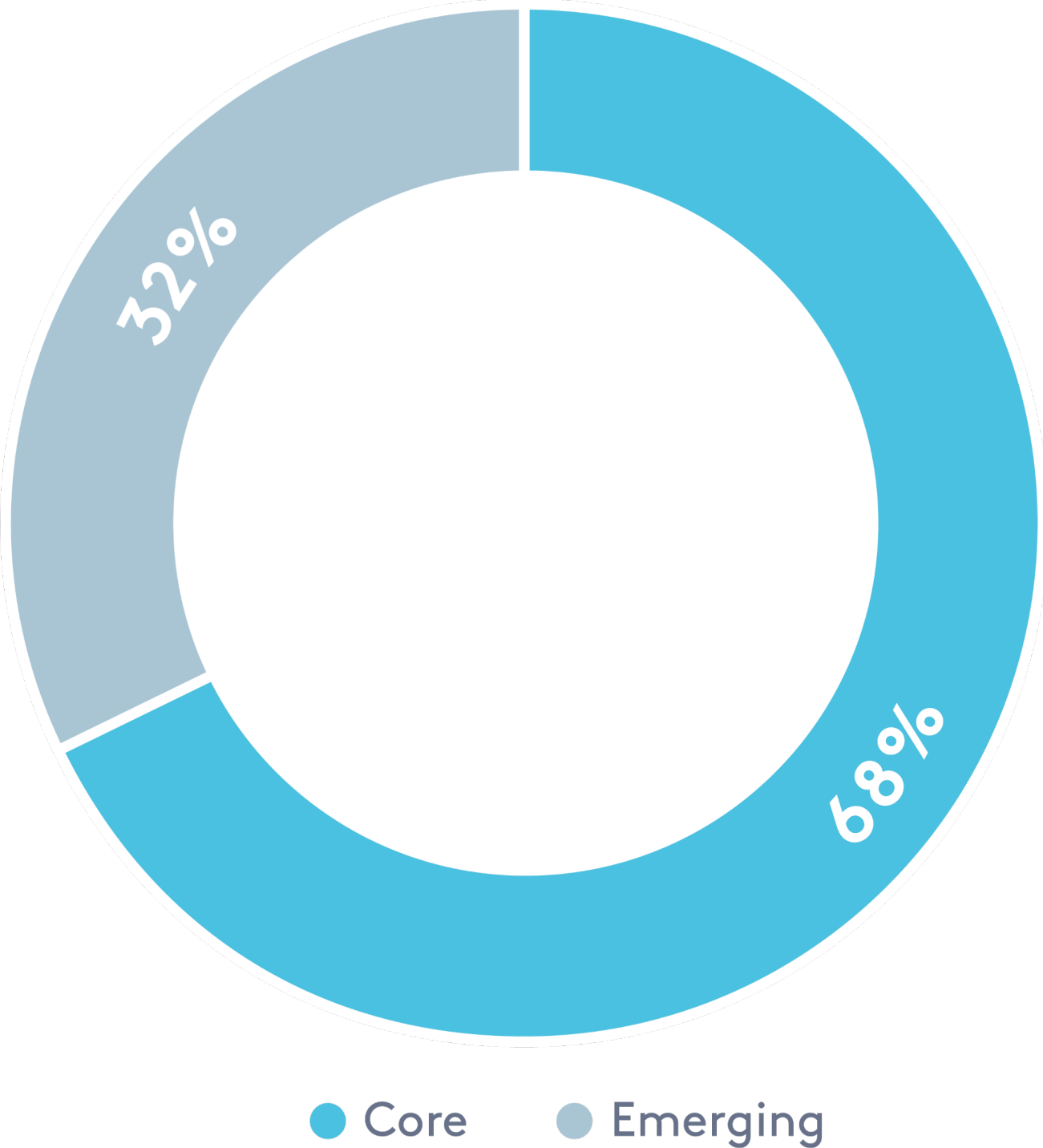


### Other assets and liabilities

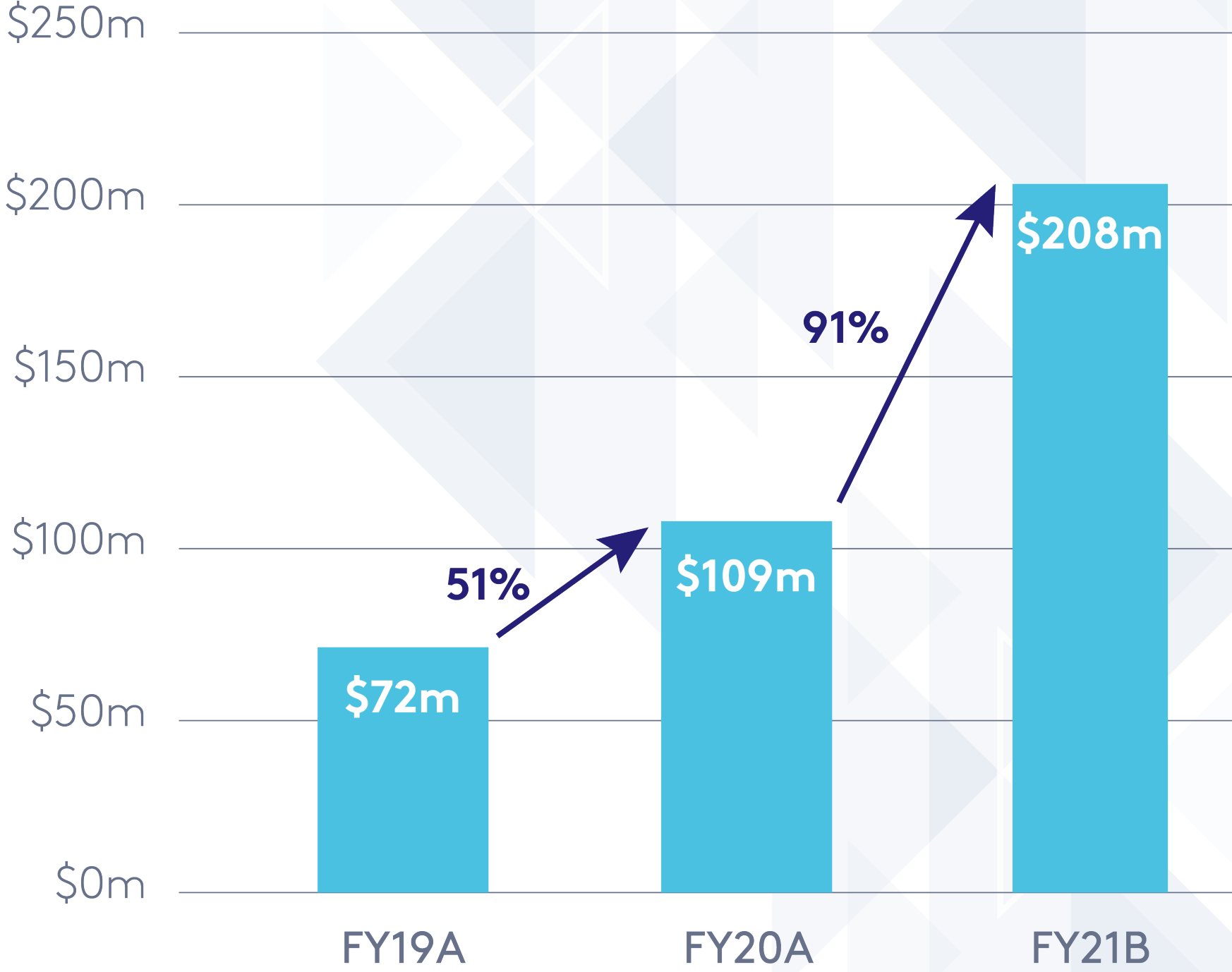
Other assets and liabilities of the Group.

# Core portfolio revenues

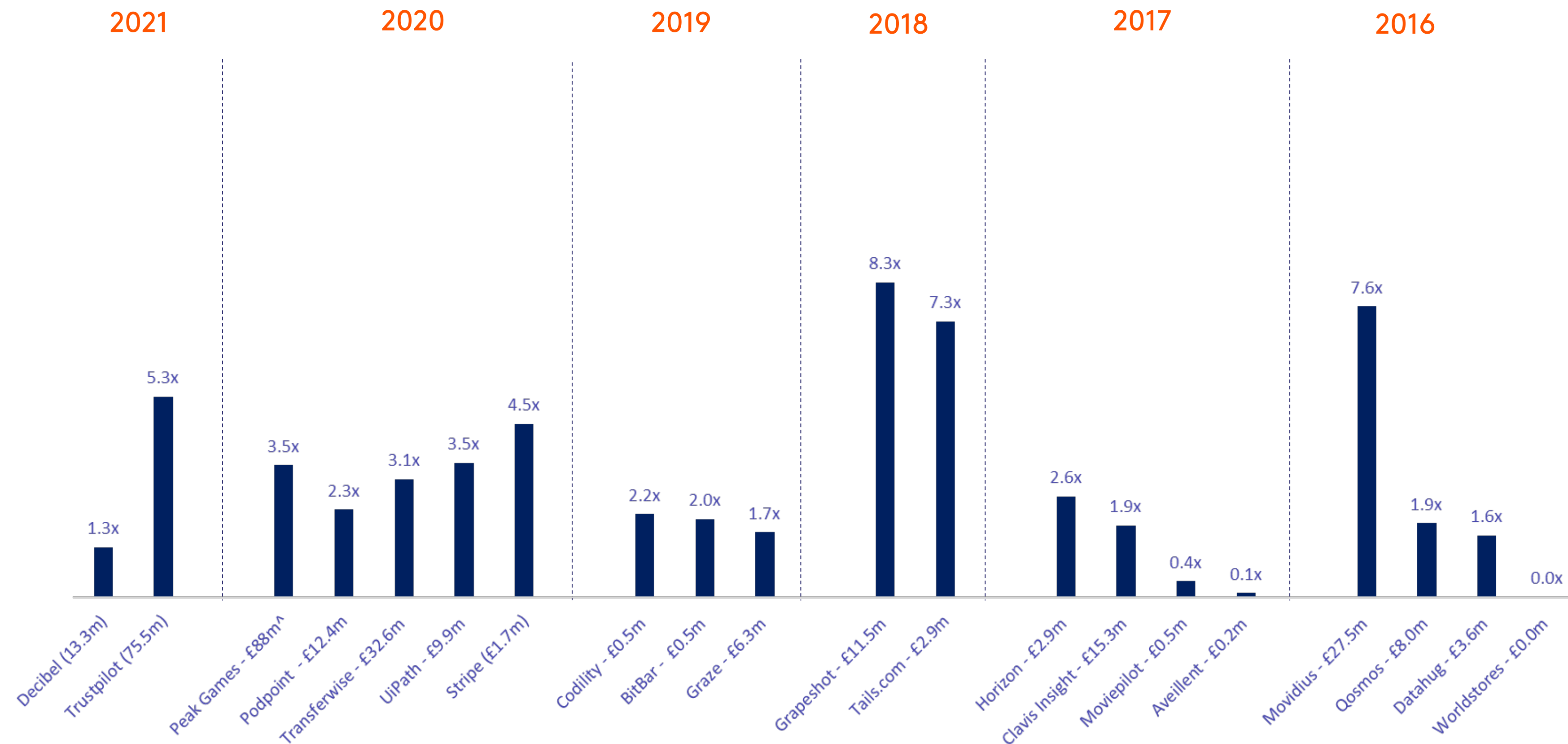
Core Holdings as % GPV



Average core revenues



# Track Record



^ Peak Games includes escrow amounts due

\*UiPath, Trustpilot and Codility represent partial disposals and Draper Esprit continue to hold stakes in these companies

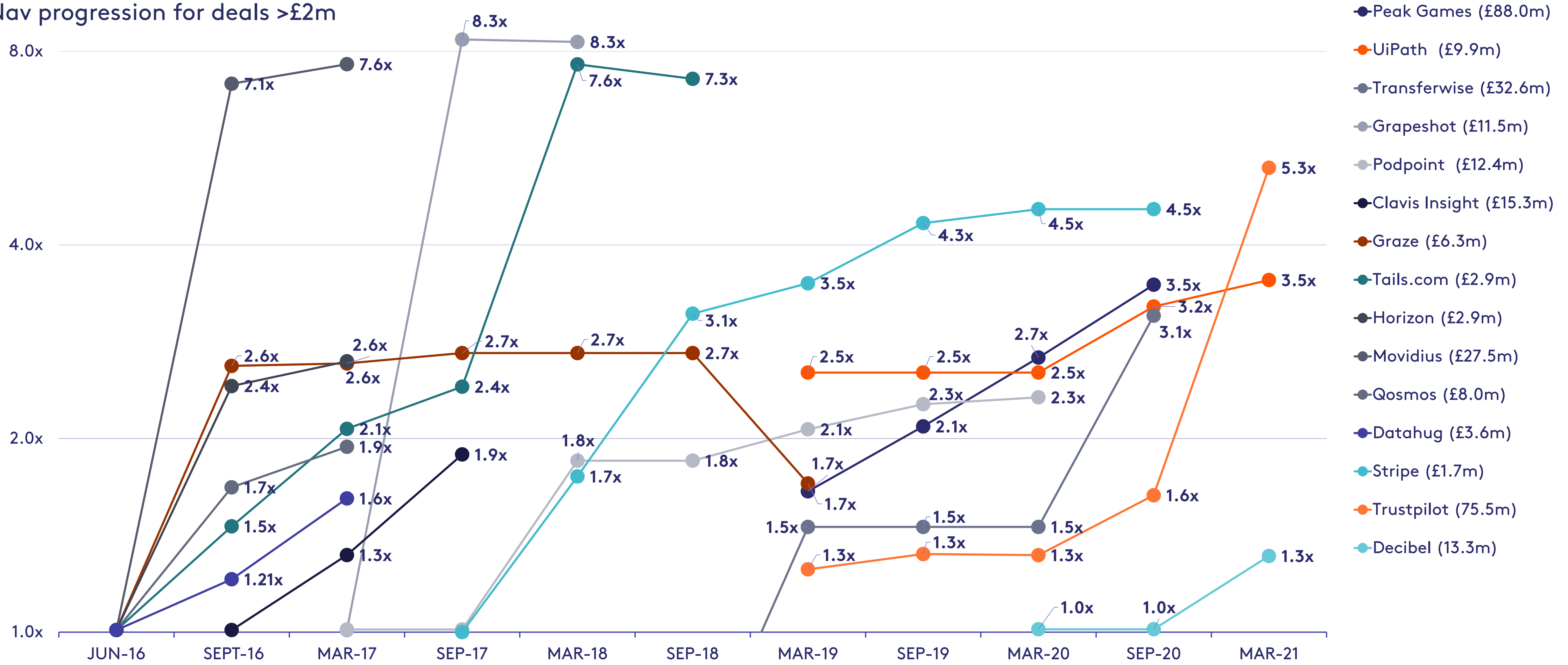
- Historical track record of over 20% IRR prior to IPO\*\*\*
- Over 145+ deals since 2006
- Over \$14.9bn value of exits since 2010

\*\*\* Aggregate portfolio return since 2010 of the Company



# Track Record

Nav progression for deals >£2m



# Delivering Growth with our people

## Partnership team

Our Partnership team works hard to make sure we find and offer the best opportunities to the founders of tomorrow as well as support the companies already in our portfolio. With the support of the Platform team, they're here to engage, support, and invest in the entrepreneurs of the future. Our Executive Directors also form part of the Partnership team, see their bios [here](#).



**Will Turner**  
Managing Partner,  
Growth



**Jonathan Sibilis**  
Partner, Secondaries &  
Fund of Funds



**Richard Marsh**  
Senior Partner  
  
Sector focus:  
SaaS & Enterprise



**Nicola McClafferty**  
Partner  
  
Sector focus:  
Consumer



**Vinoth Jayakumar**  
Partner  
  
Sector focus:  
FinTech



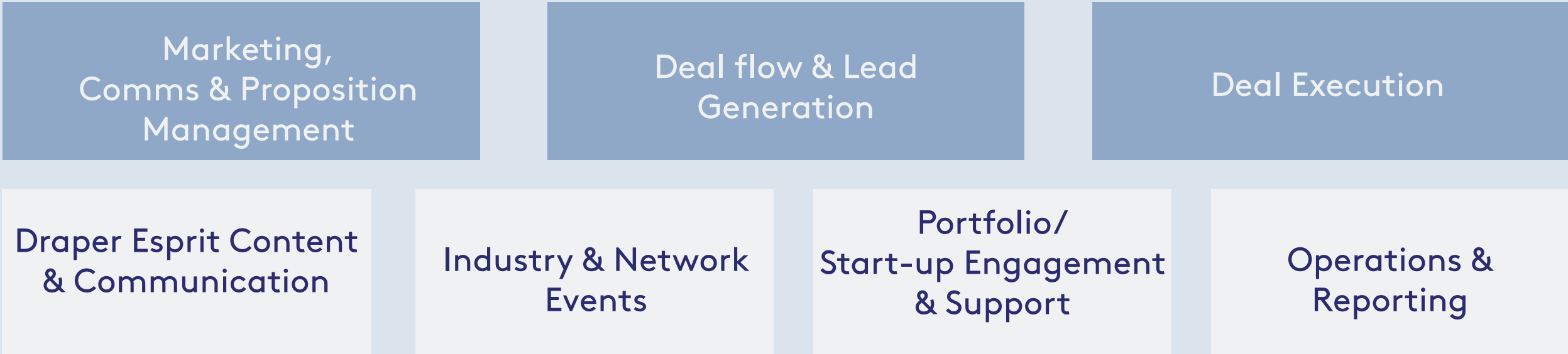
**Christoph Hornung**  
Investment Director  
  
Sector focus:  
DeepTech



**Inga Deakin**  
Principal  
  
Sector focus:  
Digital Health

## Platform team

Our Platform team has been established and developed to enable Draper Esprit to take the lead across each of these functions. As part of our work to build the infrastructure to enable growth, we have enhanced our sourcing approach.



Lead & Dealflow Generation is one area of focus of our Platform team, which is supporting the optimisation of our deal origination processes to ensure high quality leads and to identify, attract and originate the most exciting technology prospects in Europe.

A number of hires and internal promotions have occurred to support the Platform team function including:

- Edel Coen promoted to Head of Dealflow
- Three new hires to the dealflow team
- Phillip O'Reilly promoted to Head of Deal Execution
- New Legal Counsel hire
- James Clark hired as Marketing Director
- Hiring Head of Comms post-year end

# Our Sustainability Ambition

Our ESG ambitions are an ongoing and evolving process that we are committed to build and develop over time. Meaningful steps have been taken in this year across multiple areas within our business.

Our mission is to empower Europe to invent the future. We want that future to be sustainable, fair and accessible to all. We aim to use our platform in VC to encourage and promote our values and ESG considerations in developing best-in-class technology companies and achieving strong returns for our investors

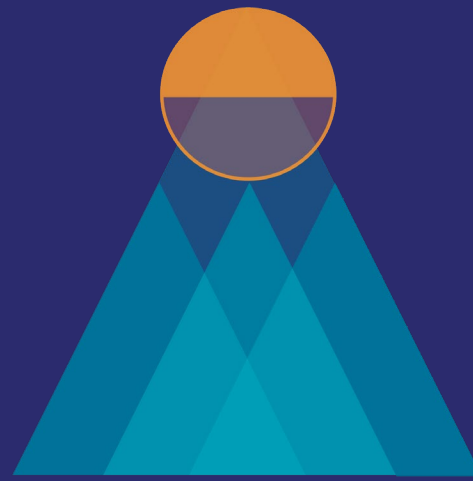
- ESG Policy Board approval
  - Received Board approval (September 2020) on our ESG policy including target ESG standards for our portfolio
  - Ensures responsible investment throughout the lifecycle of our investments, from pre-screening to exit
  - Sets out how we aim to achieve our goals of responsibly selecting and investing in portfolio companies
  - Updated our investment legal due-diligence checklist to take ESG considerations into account
- KPIs
  - Finalised four ESG KPIs for this year. These will be linked to all staff and executive remuneration by combining to form a single headline business KPI that sits alongside the other five business KPIs.
    - Environment – establish a road-map to allow us to make TCFD disclosures in the FY22 cycle
    - Social – create and implement a group-wide Diversity and Inclusion Policy and a Board D&I Policy
    - Governance – strategically engage with between 10 and 15 portfolio management teams on their governance arrangements
    - All-encompassing – provide a training programme for the investment team in applying
- PwC's Sustainability & Climate Change Team provided training for the investment team on integrating ESG into investment decisions.
- Post year-end, submitted our first report to the UN PRI
- Post year-end, appointed ITP Energised as our new external ESG consulting partner to support us in developing a TCFD roadmap for the business during the year ahead and to support us in our Streamlined Energy and Carbon Reporting (SECR) and carbon-balancing exercise.

# Draper Esprit Group Responsible Investment & Sustainability Policy

## Target ESG Standards

Our aim is to invest in businesses and entrepreneurs who are committed to changing the world in a positive way by embodying the following sustainable practices and standards in their business activities:

1. Emphasis on sustainability and the protection of the natural environment (including in the supply chain) with a commitment to the material reduction and balancing of company-related carbon emissions.
2. Encouraging diversity and inclusion at all levels of the business including at a management level, through policy and direct action, and enforcing a zero tolerance against any type of discrimination.
3. Ensuring that all people involved in the operations of the business, including in the broader supply chain, are treated fairly, with dignity, and with access to safe conditions that encourage healthy working.
4. Entrenching robust structures of corporate governance with identified responsibilities and procedures that are proportionate to the scale of the business and aligned with a leadership culture that is grounded in effective risk management and accountability.
5. Acting with integrity and strong business ethics evidenced through positive engagement with stakeholders in line with all applicable local and international laws, regulations and sector / territory specific standards.
6. Positively addressing customer / client interests, including concerns around privacy, inclusion, health and safety, and marketing.
7. Commitment to the inclusion of a strategic sustainability board agenda item that is discussed at least annually.
8. Encouraging transparency and a commitment to monitoring and financial / nonfinancial reporting upon ESG progress within the business.



## Hands on support

When we invest, we offer a lot more than money. We typically take a seat on the board of the company, to offer support and guidance as it grows and scales. This means we can actively manage our investments and put valuable experience to good use, right where it matters. We also offer enhanced knowledge sharing for portfolio companies, including trend spotting, panel discussions, and focused networking to help our companies get ahead.



## Long term investment

Our structure as a growth-focused technology venture capital firm dual listed on the London and Euronext Dublin stock markets means we are not tied to a specific time period of investment; we have the flexibility to find the best opportunities for entrepreneurs – and to back companies from scale-up all the way to IPO or acquisition. With a public balance sheet, we can take a longer view, allowing shareholders to capture value as companies reach their full potential.



## Global firepower

We are part of a global community of investors and funds looking to scale the best companies. We have backed businesses such as Cazoo, ICEYE, UiPath, Graphcore and Revolut. Our network allows us to gather like-minded funds from around the world to invest in the brightest companies. The network helps us support companies as they grow – providing the sort of international introductions that can spark years of growth or put companies in touch with potential acquirers. It is also a chance to share expertise on markets and hear from the world's brightest entrepreneurs and investors in the world.