

**Draper Esprit plc**  
**Investor Presentation**  
**FY March 2020 - Final Results**

# Disclaimer

This document has been prepared by Draper Esprit plc ("**Draper Esprit**", the "**Company**", or the "**Group**") and is for general information purposes only. The information provided in this document pertaining to Draper Esprit, its broader group and portfolio companies, and the business assets, strategy and operations related thereto, 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, options, futures, or other derivatives related to 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 or any part of, or affiliate to, the Company's broader group.

The contents of this document are not prescribed by securities laws and are only intended to be communicated or distributed within the UK and Ireland to persons to whom they may lawfully be communicated. In particular, note that this document and has not been approved for the purposes of section 21 of the UK Financial Services and Markets Act 2000. This document is for distribution to persons that qualify as professional clients or eligible counterparties under the rules of the UK's 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)), or as such term or equivalent term is understood in the jurisdiction in which this document is received.

Information contained in this document should not be relied upon as advice to buy or sell or hold such securities or as an offer to sell such securities, and is in any event not intended for the use of nor should be relied upon by any person who would qualify as a retail client. This document does not take into account nor does it provide any tax, legal or investment advice or opinion regarding the specific investment objectives or financial situation of any person. This document and the information contained in this document must not be copied, reproduced or published in whole or in part for any purpose to any other person without the prior written consent of Draper Esprit. This document 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. The distribution of this document in any 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, and Draper Esprit accepts no liability whatsoever for any such violations.

The information contained in this document 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 document are accurate and that any forecasts, opinions and expectations contained therein are fair and reasonable, no redocument 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 document must make its own investigation and assessment of the matters contained therein. In particular, but without prejudice to the generality of the foregoing, no redocument or warranty is given, and no responsibility or liability is accepted by us of our representatives to any person, as to the accuracy of the information set out in this document; the achievement or reasonableness of any future projections or the assumptions underlying them; any forecasts, estimates, or statements as to prospects contained or referred to; or for omissions from the information in this document.

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 and financial projections are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to

differ materially from those anticipated in the forward-looking statements and financial projections. Although we believe that the expectations reflected in the forward-looking statements and financial projections are reasonable, forward-looking statements involve substantial risks and uncertainties and there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, level of activity, performance or achievements and no representation is made by Draper Esprit that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking statements and financial projections.

By their nature, forward-looking statements and financial projections involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking information will not occur, which may cause the Company's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements and financial projections. Important factors that could cause actual results to differ materially from expectations include, but are not limited to: business, economic, global health and capital market conditions; the heavily regulated industry in which the Company carries on business; current or future laws or regulations and new interpretations of existing laws or regulations; legal and regulatory requirements; market conditions and the demand and pricing for our products; our relationships with our customers, developers and business partners; our ability to successfully define, design and release new products in a timely manner that meet our customers' needs; our ability to attract, retain and motivate qualified personnel; competition in our industry; competition; technology failures; failure of counterparties to perform their contractual obligations; systems, networks, telecommunications or service disruptions or failures or cyber-attack; macro-economic factors associated with trends in global or local economies; pandemic or other widespread disease or crisis event; ability to obtain additional financing on reasonable terms or at all; litigation costs and outcomes; our ability to successfully maintain and enforce our intellectual property rights and defend third party claims of infringement of their intellectual property rights; our ability to manage foreign exchange risk and working capital; and our ability to manage our growth. This list of factors should not be construed as exhaustive. The forward-looking statements and financial projections contained in this document are expressly qualified by this notice and we strongly advise against undue reliance on forward-looking statements or financial projections.

Information regarding several companies in which Draper Esprit (or funds controlled by Draper Esprit) hold shares ("**Investee Companies**") is included in this document 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 its contents or otherwise arising in connection therewith. In publishing this document, except as required by law, Draper Esprit undertakes no obligation to update or to correct any inaccuracies which may become apparent in this document, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Draper Esprit reserves the right to amend, replace or update the information contained herein in future versions of this document, in part or entirely, at any time, and undertakes no obligation to provide recipients with access to the amended information or to notify the recipient thereof.

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; 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

- 01. Results for the year end 31 March 2020
- 02. Portfolio update
- 03. Outlook
- 04. Appendix

# Model remains robust through pandemic

A long-term investment strategy delivering consistent returns in the private technology VC and Growth market

- Technology businesses are remaining private for longer, limiting public investment opportunities
- We invest Venture & Growth capital into Europe's fast-growing technology businesses
- Our mission is to continue to empower Europe to invent the future, alongside our progress in building the infrastructure required to scale the Group
- We are active board members and build stakes over the long term through primary and secondary investments
- Strong cash realisations are achieved on exit with a long-term aim to be self financing
- Prior to the pandemic, the Group was on track to achieve its targeted annual 20% portfolio growth – despite the current backdrop have still delivered strong growth across the market
- Company structure provides daily liquidity for investors with no implication on investment timeline for portfolio companies

# 01. Results for the year ended 31 March 2020

# Financial highlights for the period

Year ended March 2020

Robust performance drives growth in net asset value

**555p**

NAV per share  
6% increase

Disciplined approach to investment in diversified portfolio

**£90m**

Invested by the Group with a further £38m by EIS/VCT

Progress on realisations

**£40m**

Cash realisations

Gross Portfolio Value

**£703m**

Gross Portfolio Value increased by 18%

Gross Portfolio return of 10% in the year (12% H1, ~2% H2)

**£59m**

Gross Portfolio Fair Value increased by 10%

Substantial investment resources

**£89m**

Investment resources across the Group. Available cash of £34m, £5m undrawn debt facilities, further complimented by £50m from EIS/VCT

Post year end

**£60m**

Debt facility increased by £10m

**~£80m**

Anticipated return from Peak acquisition

# Business highlights for the period

Year ended March 2020

Continued growth in our portfolio	Invested in 9 new companies*
Continued investment in existing portfolio	19 existing portfolio companies*
Fund of Funds continues to develop	Committed to 4 new seed funds
Core Portfolio company value	Increased to £471 million (as at 31 March 2020)
Our response to COVID-19	Reacted quickly to safeguard employees, our investments and monitored the liquidity of the Company
Acquisition of Encore Ventures	Acquired remaining interest in Draper Esprit's EIS business
Expansion of Partnership team and wider Platform team	Internal promotions in both the Platform team and Partnership team as well as several new hires
Additions to the team to strengthen infrastructure	Expanded legal, HR and IT functions
Continue to enhance our ESG practices	Established an ESG committee as part of our 12-month ESG roadmap

\*Reporting threshold – companies with a NAV of £1million or more

# Gross Portfolio Value Progression



# NAV Progression

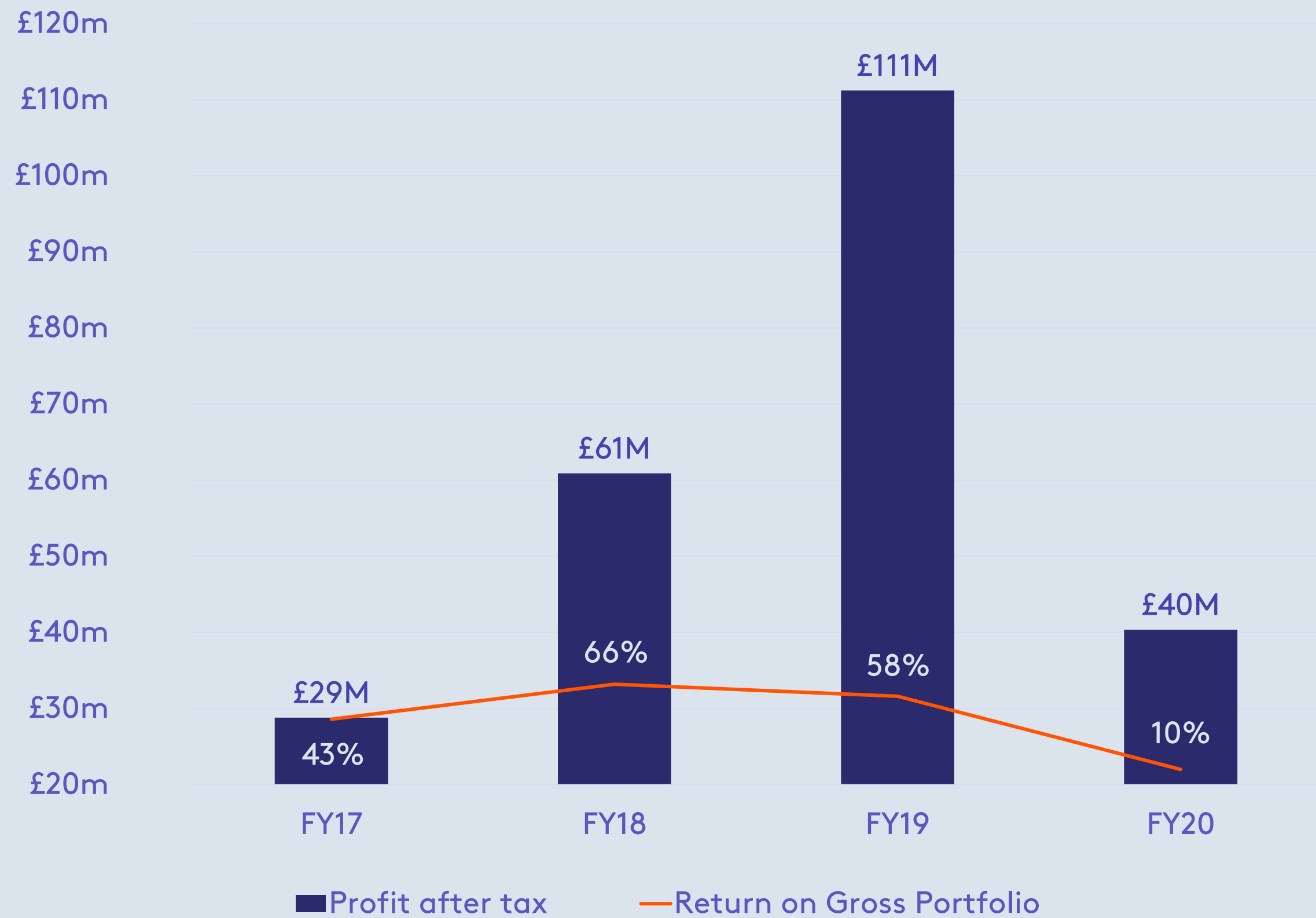




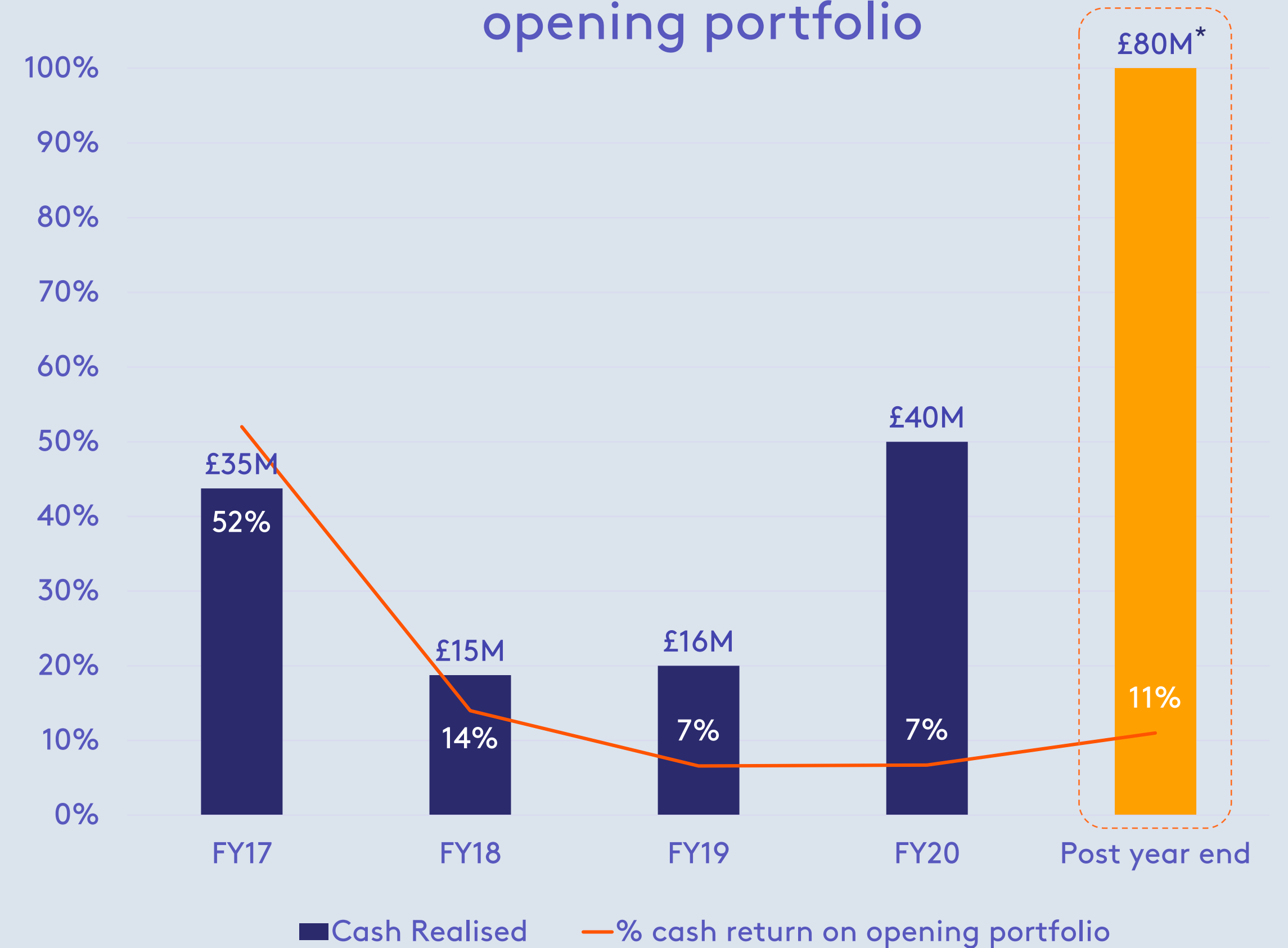
# Cash realisations

£106 million cash realised since IPO (June 2016) with a further £80m subject to completion post year end

## Profit after tax and return on gross portfolio



## Cash Realisations as % opening portfolio

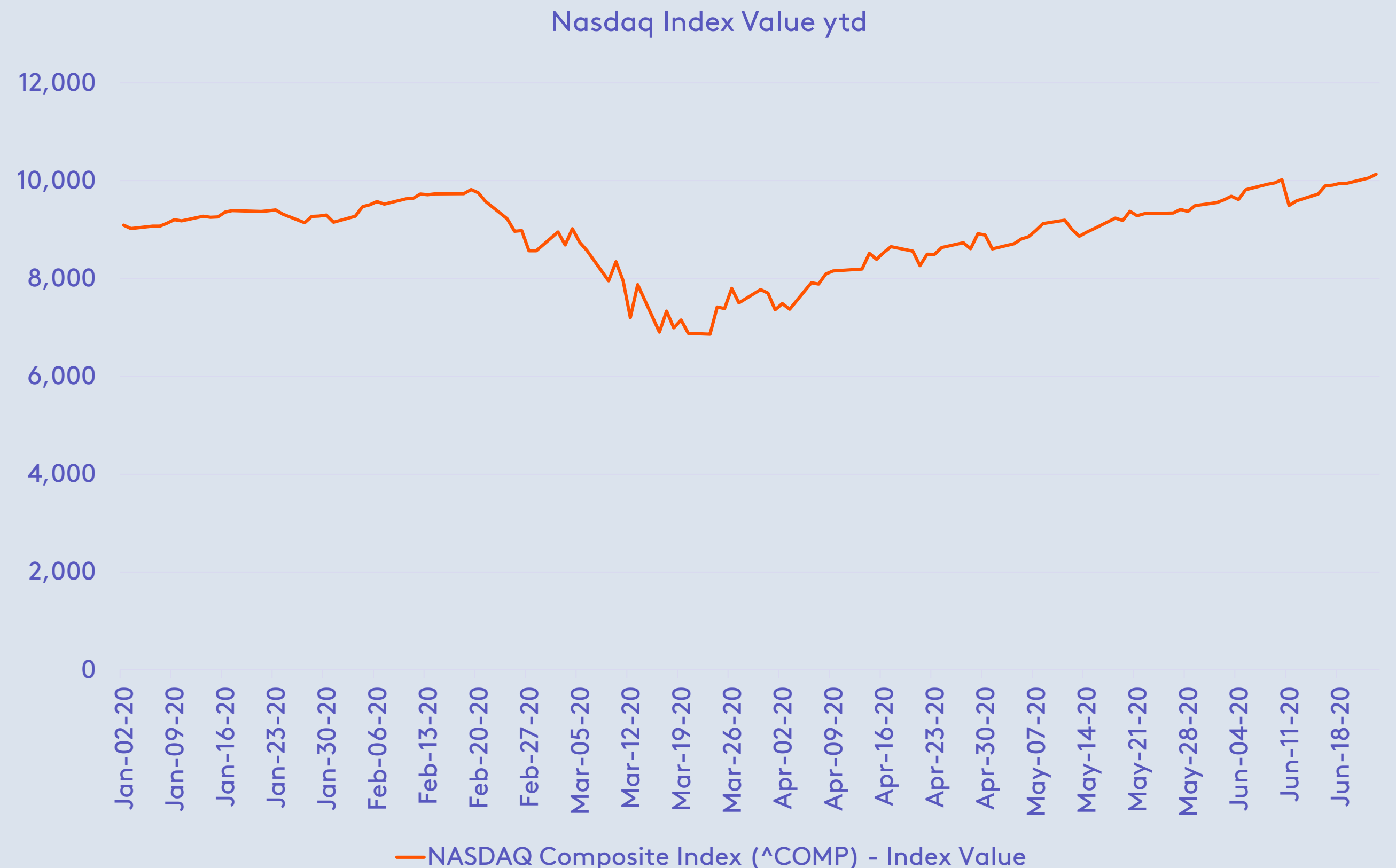


\*£80 million approximate and subject to completion

# COVID-19 & the market opportunity

After an initial shock caused to the business environment by Covid-19, the technology industry has been driving the rebound in the stock markets, bringing them back to pre-COVID levels

- Investors are becoming more selective
- Greater emphasis on follow-on investments
- Greater competition for quality deals – average valuations will compress but quality deals will get funding
- Focus on revenue generating businesses in sectors such as fintech, cloud infrastructure, online gaming and entertainment, digital healthcare, remote financial services and automation
- Increasing digitalisation in the broader economy accelerated in the face of the pandemic



\*Source: [speakerdeck.com/dkelnar/whats-next-for-private-markets](https://speakerdeck.com/dkelnar/whats-next-for-private-markets)

Market NASDAQ composite as of 18/06/20

# Covid-19 & Draper Esprit

The ongoing spread of COVID-19 continues to be, first and foremost, a public health crisis but the impact on the economy and businesses is clearly also very significant. We took early steps and have continued to put in place measures to safeguard our employees, manage our business and remain well financed, as well as supporting our portfolio companies.

We continue to focus on:

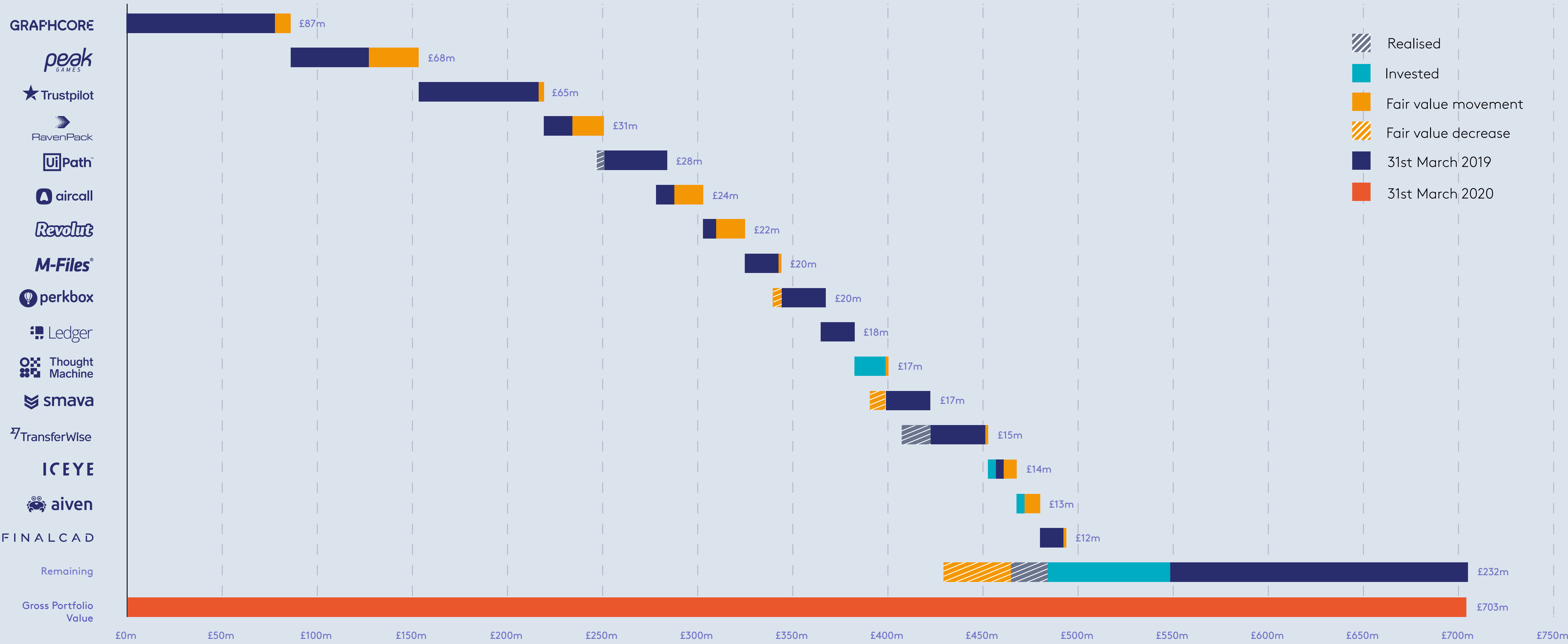
1. Keeping our team safe
2. Supporting our portfolio companies
3. Valuations
4. Strong balance sheet

Our portfolio companies are making a positive impact and designing the post-COVID world.



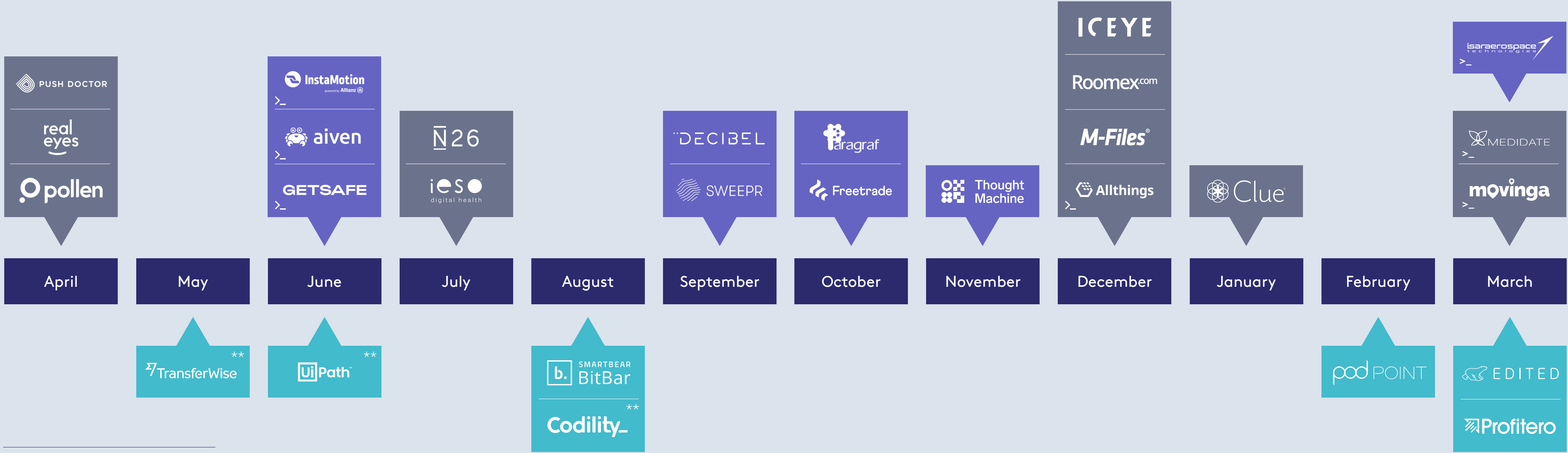
Only ~5% of portfolio value exposed to travel/hospitality sectors

# Gross portfolio value progression to March 2020



# Plc invested £90m in the period\*

Further £38m from EIS/VCT funds



Deal Sourcing Strategy

- Initial investments
- Follow-on investments
- Exits
- >\_ Via Earlybird

\* All companies listed represent investments of over £1.0 million.  
 \*\* Partial sale of shares

# Partnership with Earlybird

Expanding our presence in the European market

**£131m**  
Total invested  
in EB

**£187m**  
Valuation of  
EB




**£25.4m** **3.2x**  
Invested Cash/NAV

- In Jan 2019, Draper Esprit furthered its strategic partnership with Earlybird, acquiring a 27% interest in Earlybird’s EB IV fund for approx. £55m (including holdings in Peak).
- In May 2020, post period end Zynga entered into agreement to acquire Peak for US\$1.8bn. The acquisition is expected to close in Q3 2020.
- The agreement indicates a fair value holding for Draper Esprit in Peak of approx. £80 million (depending upon the Zynga share price at the time), approx. £12 million (approx. 10p NAV per share) uplift to the fair value referenced in the 31<sup>st</sup> March 2020 results.

- Continue to co-invest alongside the team at Earlybird. We have joint deal teams which focus on specific industries, sharing insight and best practice
- New companies include: Aiven
- Aiven now added to the core portfolio following further investment

## Co-investments via EB VI & Growth Opportunities

Primary investments



## Acquisition of stakes in Earlybird IV and Digital East I

Secondary investments



## 02. Portfolio update

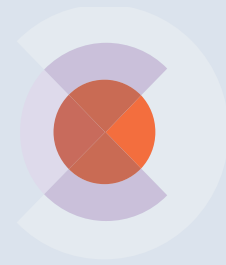
# Our Portfolio

We invest across four sectors in high growth European technology companies\*

66

Total Portfolio Companies

■ Core Portfolio Companies  
■ Emerging Companies  
\*Reporting threshold – companies with a NAV of £1.0 million or more



## Consumer technology

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

22

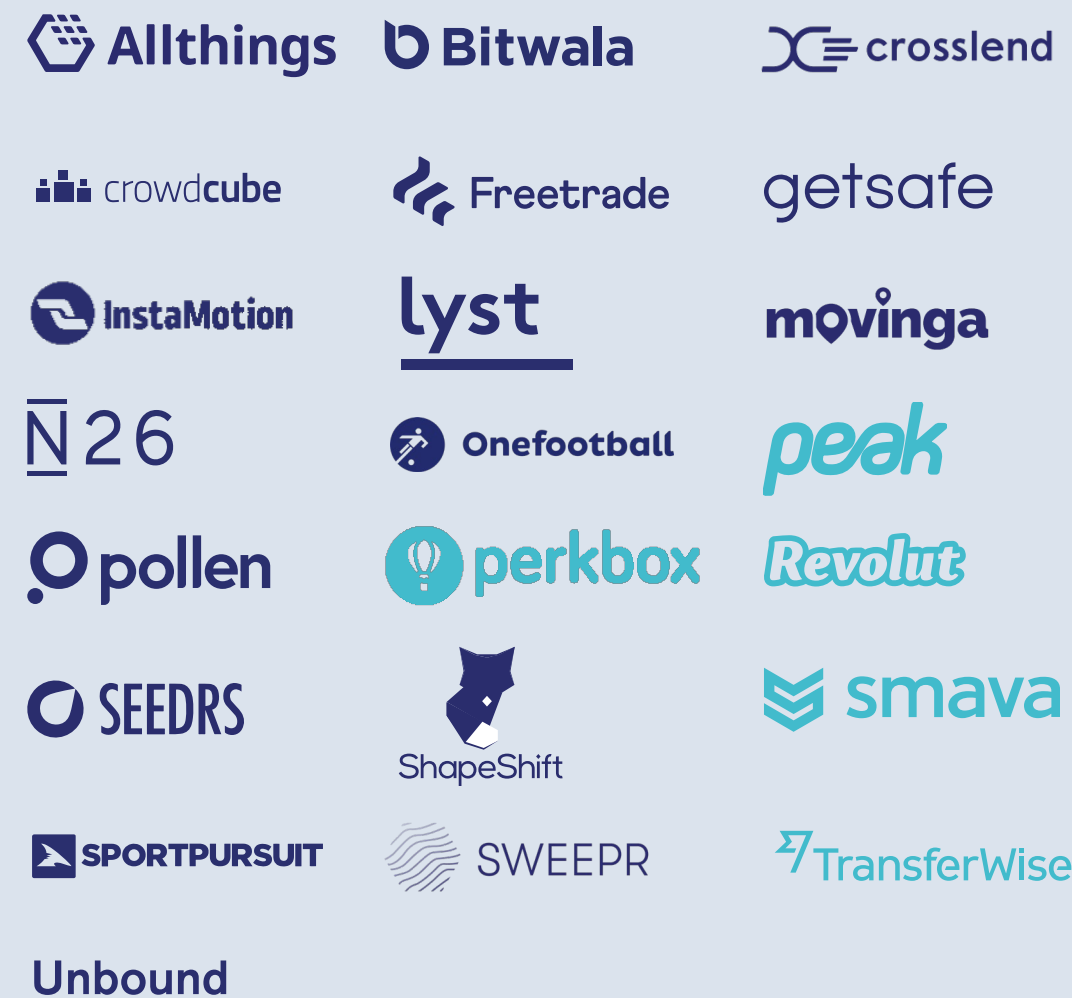
Total Companies in sector

33%

Split by NAV

33%

Split by number of companies



## Enterprise technology

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

25

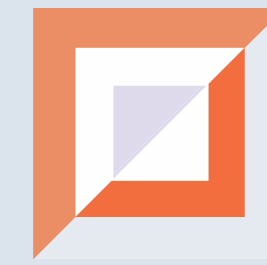
Total Companies in sector

35%

Split by NAV

38%

Split by number of companies



## Hardware & Deeptech

The deeper technologies that will spark advances in computing, consumer electronics and other industries.

11

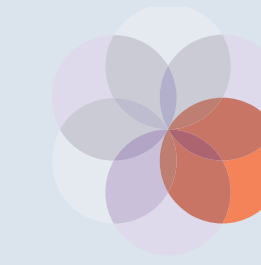
Total Companies in sector

26%

Split by NAV

17%

Split by number of companies



## Digital Health & Wellness

Using digital and genomic technologies to create new products and services for the health and wellness market.

8

Total Companies in sector

6%

Split by NAV

12%

Split by number of companies





# New additions to the core portfolio



 **aiven** **LR**

- Aiven, the data infrastructure management platform, possesses 8 open-source products, 6 Clouds, and covers 87 regions with headquarters in Boston, Berlin, Sydney, and Helsinki.
- The company achieved SOC 2 compliance and became the first cloud service to provide hosted PostgreSQL, in October 2019.
- The company tripled its revenue and added former Amazon head of business development Olaf Schmitz to the company's Board.
- In February 2020 Aiven raised \$40 million in their Series B fund raise.
- Aiven's operational capability is secured by a globally distributed team that is able to work remotely in order to provide support for its service, which is a self-hosting, fully automated platform that requires little human support. Remote working is part of everyday for the company and so they have seen minimal disruption from COVID-19.

£5.0m Invested    £12.8m Investment Valuation    2.6x Cash / NAV



 **Thought Machine** **LR**

- Thought Machine offers a single software solution that banks can configure to provide any product, user experience, operating model or data analysis capability.
- Vault, the company's core offering provides a next generation core banking platform that enables banks, both established and challenger to compete in a cloud-based era.
- Thought Machine has over 300 hundred employees at its London headquarters with plans to continue to scale to 500 employees.
- The company launched its Google Cloud Partnership in November 2019.
- Announced a new project, Vault Rare, intended to harness Vault's full power of the core and allow banks' customers to edit, adjust and even visually style banking products themselves.

£16.5m Invested    £17.4m Investment Valuation    1.1x Cash / NAV

## We maintain a prudent approach to valuations

- The fair value of the portfolio companies are established in accordance with International Private Equity and Venture Capital Guidelines
- 33% of portfolio companies are valued at last round price
- 57% of portfolio companies are valued based on a set of comparable listed peers

### Valuation key

**LR:** Valuation based on last round price

**C:** Valuation based on a set of comparable listed peers

# Key portfolio companies underpin NAV growth



**Aircall**

**LR**

- Aircall, the cloud-based call centre, launched a new partner program to help agents and resellers sell its phone solution to its server message block customers. The new channel partnerships will enable further growth as it helps companies reach new audiences.
- The company launched its app marketplace featuring +60 integrations.
- In the post Covid-19 climate, Aircall raised US\$65m from led by DTCF including funding from previous investors.
- The company has more than 300 employees with 5000+ clients in over 1500+ companies .
- Aircall provided online resources to help its clients transition to productively working from home as they transition to working remotely .

£9.9m

Invested

£24.3m

Investment Valuation

2.4x

Cash / NAV



**FINALCAD**

**C**

- Finalcad, the construction management application, allows architects, field workers, and contractors to run synchronized project builds and risk management solutions.
- The company launched FINALCAD Live, 'Slack' an app allowing users to write a digital site diary with images, a location, and description, creating a news feed for short duration construction projects.
- Since 2012, Finalcad has delivered more than 20,000 projects in 35 countries and raised over US\$55m in funding.
- Several strategic hires were made across the business including; Franck Le Tendre, former Industry Director EMEA at Dropbox, as CEO .
- Finalcad is helping companies adjust to Covid-19 restrictions by providing a paperless process that digitises projects and creates easily trackable health, safety , and environment records.

£12.4m

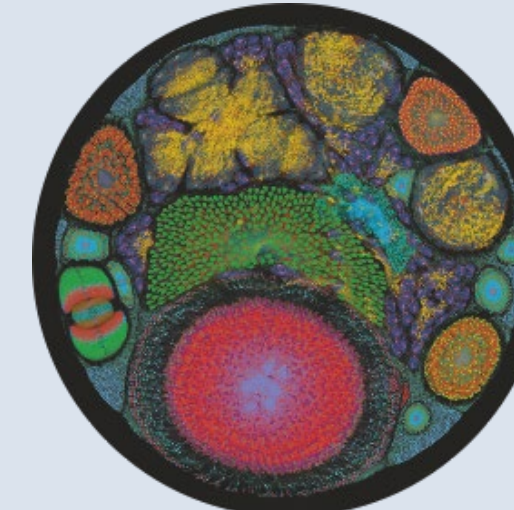
Invested

£12.4m

Investment Valuation

1.0x

Cash / NAV



**GRAPHCORE**

**LR**

- Machine intelligence semi-conductor, Graphcore announced in May 2019, that Dell was one of the first customers to build an IPU-based Dell platform combined with Graphcore's Poplar software stack.
- The company announced their collaboration with Microsoft Azure in mid-November 2019.
- In February 2020, Graphcore raised a US150m Series D round for research and development investments.
- Graphcore launched its new Popular Analysis Tool in April 2020. The tool assisted users to gain a deeper understanding of how their applications are performing and utilising IPU.
- The company IPU was used to recognize Covid-19 in chest x-rays, processing in 30 minutes compared to the 5 hours the conventional chip took.

£13.7m

Invested

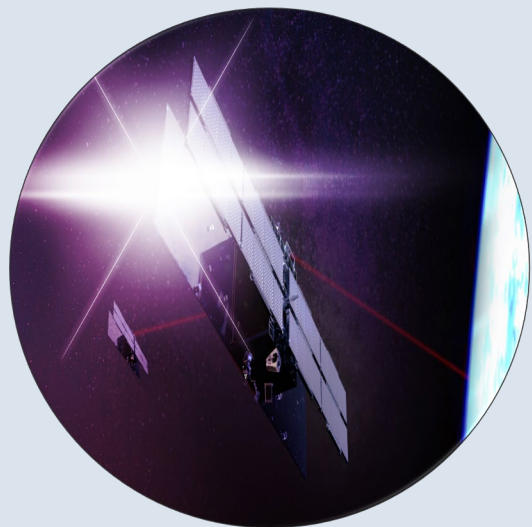
£86.8m

Investment Valuation

6.4x

Cash / NAV

# Key portfolio companies underpin NAV growth



**ICEYE**

**LR**

- Founded in 2014, the radar satellite imaging service, ICEYE, is the first organization in the world to successfully launch synthetic-aperture radar (SAR) satellites with a launch mass under 100 kg.
- ICEYE has three satellites in orbit with plans to launch several new units over the next few years.
- The company’s radar satellite imaging service, with coverage of selected areas every few hours, both day and night, helps clients resolve challenges across a variety of sectors such as maritime, disaster management, insurance, finance, security and intelligence.
- The company hired Dr. Mark Matossian, an aerospace industry expert, as CEO of ICEYE US, Inc indicating plans to extend satellite manufacturing to the US.

£7.5m

Invested

£13.9m

Investment Valuation

1.8x

Cash / NAV



**Ledger**

**C**

- Ledger, the cryptocurrency and blockchain hardware security wallet successfully launched Ledger Live companion software and the Nano X product.
- The Nano X received CSPN (First Level Security Certificate) certification issued by the National Agency for Information Systems Security (ANSSI).
- Ledger has established a number of partnerships with companies like; Engie, Birdz, Bitstamp and Shapeshift.
- The company has 200 global employees working in Paris, New York, Hong Kong, and Vierzon.
- Ledger has over 1 million users in over 165 countries with 1.5 million units sold.

£17.7m

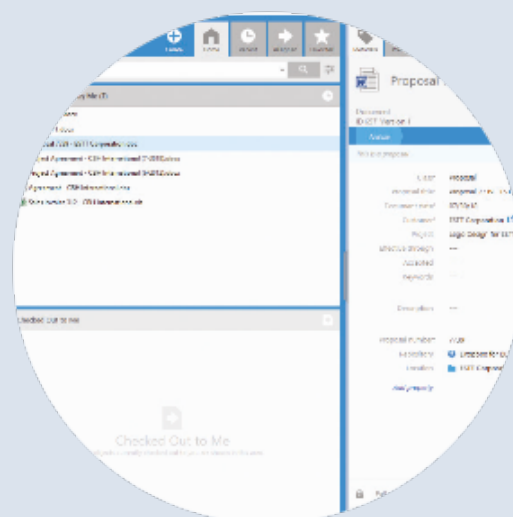
Invested

£17.7m

Investment Valuation

1.0x

Cash / NAV



**M-Files®**

**C**

- M-Files, the intelligent information management platform, announced that they have linked their platform to Microsoft Office 365, Microsoft Teams, and Salesforce Customer 360 in order to streamline the customer experience further.
- M-files grew subscription based annual recurring revenue by over 100% in 2019.
- The company have also hired a new CMO and have won a number of awards including the European Investment Banks 2019 Innovation Award.
- The M-Files offering has helped businesses as they shift to remote working to digitise, organise, and work more effectively during the COVID-19 pandemic.

£5.0m

Invested

£20.0m

Investment Valuation

4.0x

Cash / NAV

# Key portfolio companies underpin NAV growth



peak

C

- Peak, the mobile games developer surpassed US\$1bn in player spending, lead by its 2015 release Toy Blast.
- Over 275 million users world wide have installed at least one of the company's products.
- Most popular games, Toon Blast and Toy Blast, have more than 12 million average mobile DAUs (Daily Active Users).
- Most popular in the United States, where they have generated close to an estimated 68% of their revenue or an estimate of nearly US\$800 million.
- Post-period end, Zynga entered into an agreement to acquire Peak for \$1.8 billion.

£25.4m Invested    £67.8m Investment Valuation    \*2.7x Cash / NAV

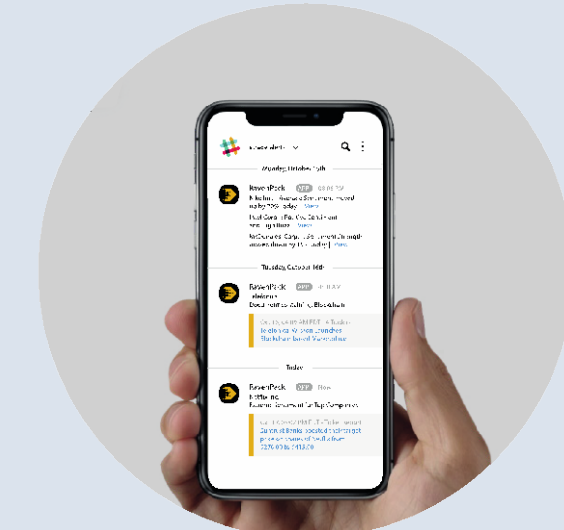


perkbox

C

- Perkbox raised £13.5 million in a round lead by Draper Esprit in March 2019.
- The company signed up a number of new partners including; Krispy Kreme, ASDA,, Sainsbury's and H&M.
- Perkbox has successfully expanded in Australia and France.
- The company made several key new; Marissa White as Revenue Operations Director and Ed Ellis as Organisational Readiness Director.
- Perkbox ranked 25th as one of FT's 2019 'Europe's Fastest Growing Businesses.
- 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    £19.9m Investment Valuation    1.4x Cash / NAV



RavenPack

LR

- Ravenpack raised a US\$10 million Series B round from the technology advisory and investment firm GP Bullhound to fuel its expansion into Asia, as well as to diversify their product offering in order to target corporate customers.
- Ravenpack also introduced 'Ravenpack connections'- a tool to analyse capital markets through the lens of business relationships and interconnections among thousands of entities including companies, organisations, and key political figures.
- In response to the coronavirus pandemic, Ravenpack created a free Coronavirus news monitor. The monitor is a live and interactive website built to track the latest news and trending topics surrounding the pandemic.

£7.5m Invested    £30.9m Investment Valuation    4.1x Cash / NAV

\*based on year end number at 31 March 2020

# Key portfolio companies underpin NAV growth



**Revolut** LR

- Revolut, a global challenger bank, supports 140 currencies, with no international transaction fees, boasts 8+ million customers and is responsible for 350m+ transactions.
- In Feb 2020, Revolut raised a US\$500m Series D round led by TCV.
- The company launched Revolut Junior, a product for under 17s and launched integrations with Paymo, Adzooma, and Invoicexpress.
- Former Standard Life Aberdeen co-Chief Executive, Martin Gilbert, joined as executive chairman post year end and Revolut appointed Pierre Decote as the new group chief risk officer in 2019.

£7.4m Invested      £21.7m Investment Valuation      2.9x Cash / NAV



**smava** C

- Smava announced that it plans to IPO, having achieved strong, consistent growth with a Compound Annual Growth Rate (CAGR) of 90% from 2012.
- The company is now the largest specialised loan portal in Germany, providing access to over €3bn a year in loans.
- Smava’s early 2020 partnership with S-Kreditpartner GmbH part of Landesbank Berlin AG has facilitated consumers to consumers obtaining cheap loans with Smava.

£14.5m Invested      £16.7m Investment Valuation      1.2x Cash / NAV

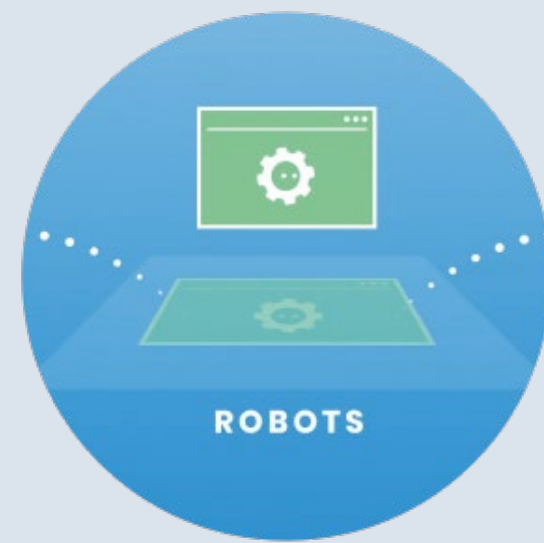
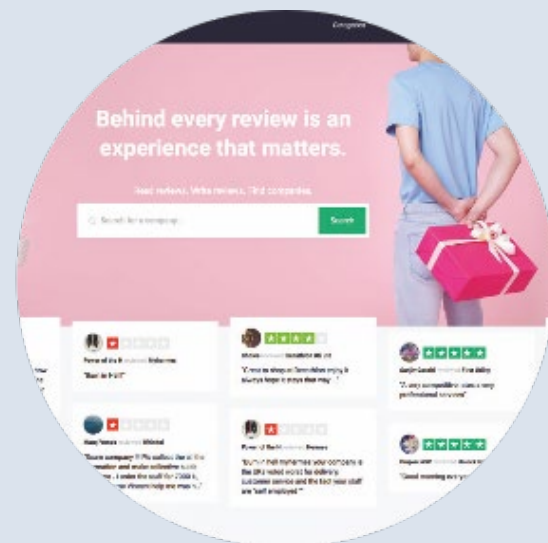


**TransferWise** LR

- TransferWise is used by over 7 million people transferring over £4 billion a month.
- The company introduced new currency lines in several countries in Africa and South America.
- They have now integrated with the UK’s Open Banking API and are steadily rolling out their TransferWise for Business account to hundreds of companies via their beta program.
- Transferwise appointed two non-Exec Directors to the board the CFO of Adyen, Ingo Uytdehaage, and David Wells, former CFO of Netflix.

£5.9m Invested      £15.0m Investment Valuation      2.5x Cash / NAV

# Key portfolio companies underpin NAV growth



- Raised a series E round of \$55 million in March 2019.
- Made a number of significant hires across their senior management team, adding a new Chief Marketing Officer, Chief Human Resources Officer, and Chief Legal & Policy Officer and added to its Board of Directors.
- To make its ratings easier to understand and more transparent, they launched TrustScores and 'Transparent Flagging' to create more nuanced ways to understand overall ratings.
- Trustpilot has over 800 employees in its 8 office locations in Copenhagen, London, Edinburgh, New York, Denver, Berlin, Melbourne, and Vilnius.
- The company now has more than 77 million reviews of over 344,000 web domains with almost 2 million reviews written each month.

- UiPath raised its series D investment round raising US\$568m at a post-money valuation of US\$7 billion, making UiPath one of the fastest growing and highest-valued AI enterprise software companies in the world.
- The company has increased its annual recurring revenue (ARR) from US\$8m to over US\$360 million from 2017 to 2019 and has grown its customer base to over 6,000.
- UiPath has been ranked in Deloitte's 2019 Technology fast 500 in the number two spot and placed on FT America's Fastest Growing Companies 2020 list.
- UiPath boasts 50% of the top 50 Fortune Global 500 as customers, including American Fidelity, BankUnited, Duracell, Google, Ricoh, Shinsei Bank, Uber, Virgin Media and World Fuel Services.

£29.7m Invested    £65.3m Investment Valuation    2.2x Cash / NAV

£11.0m Invested    £28.0m Investment Valuation    2.5x Cash / NAV

# 03. Outlook

# Summary and outlook

- Despite market uncertainty, we've entered the new financial year well positioned to capitalise on our growing reputation as one of Europe's leading venture capital businesses. We support the community and businesses in this difficult period and identify those with strong business models
- Our growth target for the coming financial year is 15%, with an expectation of returning to 20% through the cycle whilst recognising the volatile environment in which we are currently operating
- We further enhanced our Partnership team and Platform team, continuing to build a strong infrastructure to build long-term growth while maintaining the integrity on our investment process
- Our dual listing, strong cash reserves, and access to broad suite of funding sources will enable us to continue to access the best deals across the UK and Europe
- We remain passionate about democratising entrepreneurship and fuelling jobs across the UK and Europe



# Thank you

For further information:

Martin Davis, Chief Executive Officer  
[martin.davis@draperesprit.com](mailto:martin.davis@draperesprit.com)

Ben Wilkinson, Chief Financial Officer  
[ben.wilkinson@draperesprit.com](mailto:ben.wilkinson@draperesprit.com)

Stuart Chapman, Chief Operations Officer  
[Stuart.chapman@draperesprit.com](mailto:Stuart.chapman@draperesprit.com)

# 04. Appendix

# Gross Portfolio Value Table

	Fair Value of Investments 31 Mar 2019 £'000s	Investments £'000s	Realisations £'000s	Draper Esprit (Ireland) Limited £'000s	Movement in Fair Value £'000s	Fair Value of Investments 31 March 2020 £'000s	Interest FD category* at reporting date
<b>Investments</b>							
Graphcore	78.6	-	-	-	8.2	86.8	B
Peak Games	41.7	-	-	-	26.1	67.8	B
Trustpilot	62.0	-	-	-	3.3	65.3	C
Ravenpack	15.6	-	-	-	15.3	30.9	D
Ui Path	33.0	-	(4.6)	-	(0.4)	28.0	A
Aircall	9.9	-	-	-	14.4	24.3	B
Revolut	7.4	-	-	-	14.3	21.7	A
M-files	17.2	1.0	-	-	1.8	20.0	B
Perkbox	23.7	-	-	-	(3.8)	19.9	C
Ledger	17.7	-	-	-	0.0	17.7	B
ThoughtMachine	0.0	16.5	-	-	0.9	17.4	B
Smava	23.5	-	-	-	(6.8)	16.7	B
Transferwise	27.7	-	(15.0)	-	2.3	15.0	A
ICEYE	3.7	3.8	-	-	6.4	13.9	B
Aiven	-	5.0	-	-	7.8	12.8	B
FinalCad	12.4	-	-	-	0.0	12.4	C
Remaining portfolio	217.9	63.6	(19.9)	-	(31.1)	230.5	-
<b>Total</b>	<b>592.0</b>	<b>89.9</b>	<b>(39.5)</b>	<b>-</b>	<b>58.7</b>	<b>701.1</b>	
Co-Invest assigned to plc	2.0	-	-	-	(0.2)	1.8	
<b>Gross Portfolio Value</b>	<b>594.0</b>	<b>89.9</b>	<b>(39.5)</b>	<b>-</b>	<b>58.5</b>	<b>702.9</b>	
Carry external	(27.6)	-	-	-	(13.0)	(40.6)	
Portfolio deferred tax	(5.4)	-	-	-	0.1	(5.3)	
Trading carry & co-invest	1.1	-	-	-	(0.8)	0.3	
Draper Esprit (Ireland) Limited	-	-	-	4.0	(4.0)	0.0	
<b>Net portfolio value</b>	<b>562.1</b>	<b>89.9</b>	<b>(39.5)</b>	<b>4.0</b>	<b>40.8</b>	<b>657.3</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 ended 31 March 2020

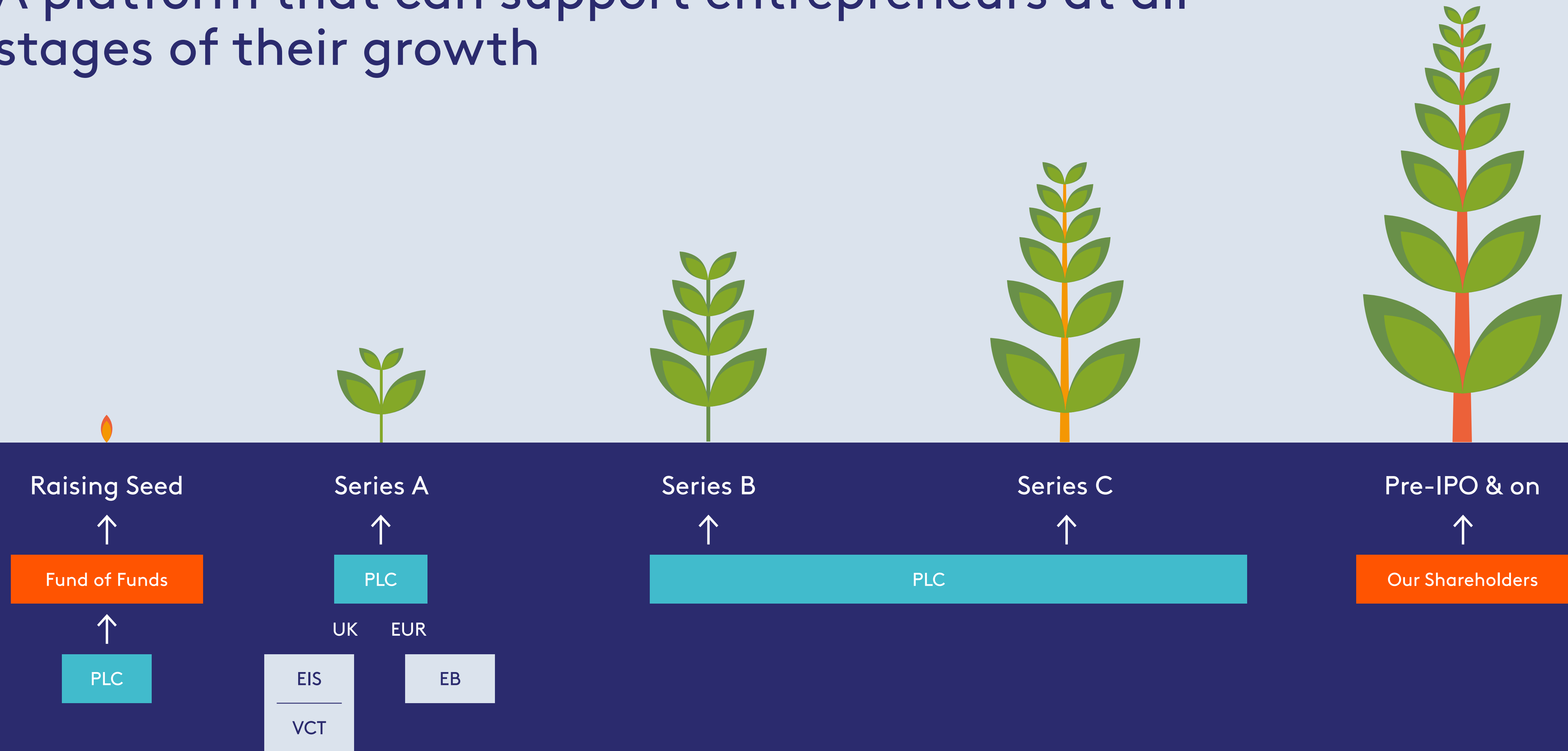
	Notes	Year ended 31 March 2020 £'000s	Year ended 31 Mar 2019 £'000s
Change in unrealised gains on investments held at fair value through the profit and loss	5	40,755	114,715
Fee income	6	11,255	6,101
<b>Total investment income</b>		<b>52,010</b>	120,816
<b>Operating expenses</b>			
General administrative expenses	7	(9,810)	(7,774)
Depreciation and amortisation	14, 17, 20, 23	(520)	(163)
Share based payments – resulting from company share option scheme	13	(990)	(1,100)
Share based payments – resulting from acquisition of subsidiary		—	(1,989)
Investments and acquisition costs		(239)	(207)
Exceptional items		—	(34)
<b>Total operating costs</b>		<b>(11,559)</b>	(11,267)
<b>Profit from operations</b>		<b>40,451</b>	109,549
<b>Finance (expense)/income</b>			
Net finance (expense)/income	10	(68)	1,601
<b>Operating profit before tax</b>		<b>40,383</b>	111,150
Income taxes	11, 23	(17)	11
<b>Profit for the year</b>		<b>40,366</b>	111,161
Other comprehensive income/(expense)		—	—
<b>Total comprehensive income for the year</b>		<b>40,366</b>	111,161
<b>Profit attributable to:</b>			
Owners of the parent		39,707	110,579
Non-controlling interest <sup>^</sup>	18	659	582
<b>Earnings per share attributable to owners of the Parent:</b>			
Basic earnings per weighted average shares (pence)	12	34	115
Diluted earnings per weighted average shares (pence)	12	33	110

<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.

# Financial Position as of 31 March 2020

	Notes	31 March 2020 £'000s	31 Mar 2019 £'000s
<b>Non-current assets</b>			
Intangible assets	14	10,028	10,130
Investments in associates	15	258	258
Financial assets held at fair value through the profit or loss	16	657,333	562,061
Property, plant and equipment	17, 20	1,760	209
<b>Total non-current assets</b>		<b>669,379</b>	<b>572,658</b>
<b>Current assets</b>			
Trade and other receivables	19	7,719	1,140
Cash and cash equivalents		32,255	50,358
Restricted cash	21	1,883	—
<b>Total current assets</b>		<b>41,857</b>	<b>51,498</b>
<b>Current liabilities</b>			
Trade and other payables	22	(5,038)	(4,959)
Lease liabilities	20	(358)	—
<b>Total current liabilities</b>		<b>(5,396)</b>	<b>(4,959)</b>
<b>Non-current liabilities</b>			
Deferred tax	23	(611)	(631)
Loans and borrowings	21	(44,636)	—
Lease liabilities	20	(975)	—
<b>Total non-current liabilities</b>		<b>(46,222)</b>	<b>(631)</b>
<b>Net assets</b>		<b>659,618</b>	<b>618,566</b>
<b>Equity</b>			
Share capital	24	1,189	1,179
Share premium account	24	400,726	395,783
Merger relief reserve	25	13,097	13,097
Share-based payments reserve – resulting from company share option scheme		2,339	1,713
Share-based payments reserve – resulting from acquisition of subsidiary		10,823	10,823
Retained earnings		231,444	195,737
<b>Equity attributes to owners of parent</b>		<b>659,618</b>	<b>618,332</b>
Non-controlling interests	18	—	234
<b>Total equity</b>		<b>659,618</b>	<b>618,566</b>
<b>Net assets per share (pence)</b>	12	<b>555</b>	<b>524</b>

# A platform that can support entrepreneurs at all stages of their growth



# Our People

## Partnership Team

Our Partnership team is made up of experienced individuals that were founders, CEOs, start-up advisors, private equity and investment bankers, and even a doctor in their past lives. The point is we recruit the very best to work at Draper Esprit and to us the best come with years of knowledge and real-life experience. They know how to support start-ups because they have been through it themselves. They're here to bring hands-on support and advice to every team we back, helping them to grow and scale supported by a talented and experienced group of Venture partners.



**Simon Cook**  
Founding Partner



**Stuart Chapman**  
Chief Portfolio Officer



**Will Turner**  
Senior Partner



**Richard Marsh**  
Partner,  
Enterprise & SaaS



**Jonathan Sibia**  
Partner,  
Fund of Funds



**Vishal Gulati**  
Venture Partner,  
Digital Health



**Nicola McClafferty**  
Partner,  
Consumer



**Vinoth Jayakumar**  
Partner,  
Fintech



**Christoph Hornung**  
Investment Director,  
Deep Tech

## Platform Team

Making smart investments is key to succeeding in venture capital markets, and so is an investing firm's ability to engage, support and collaborate with the entrepreneur community, other investors and the wider ecosystem.



1. Research, identify, engage and support tech start-ups
2. Connect with European & UK tech entrepreneurs and investor
3. Develop and maintain close collaborative partnerships with prospective and existing portfolio
4. Work closely with Partnership team to support to ongoing deals, our portfolio companies, and provide our portfolios founders with guidance as their businesses scale and grow.

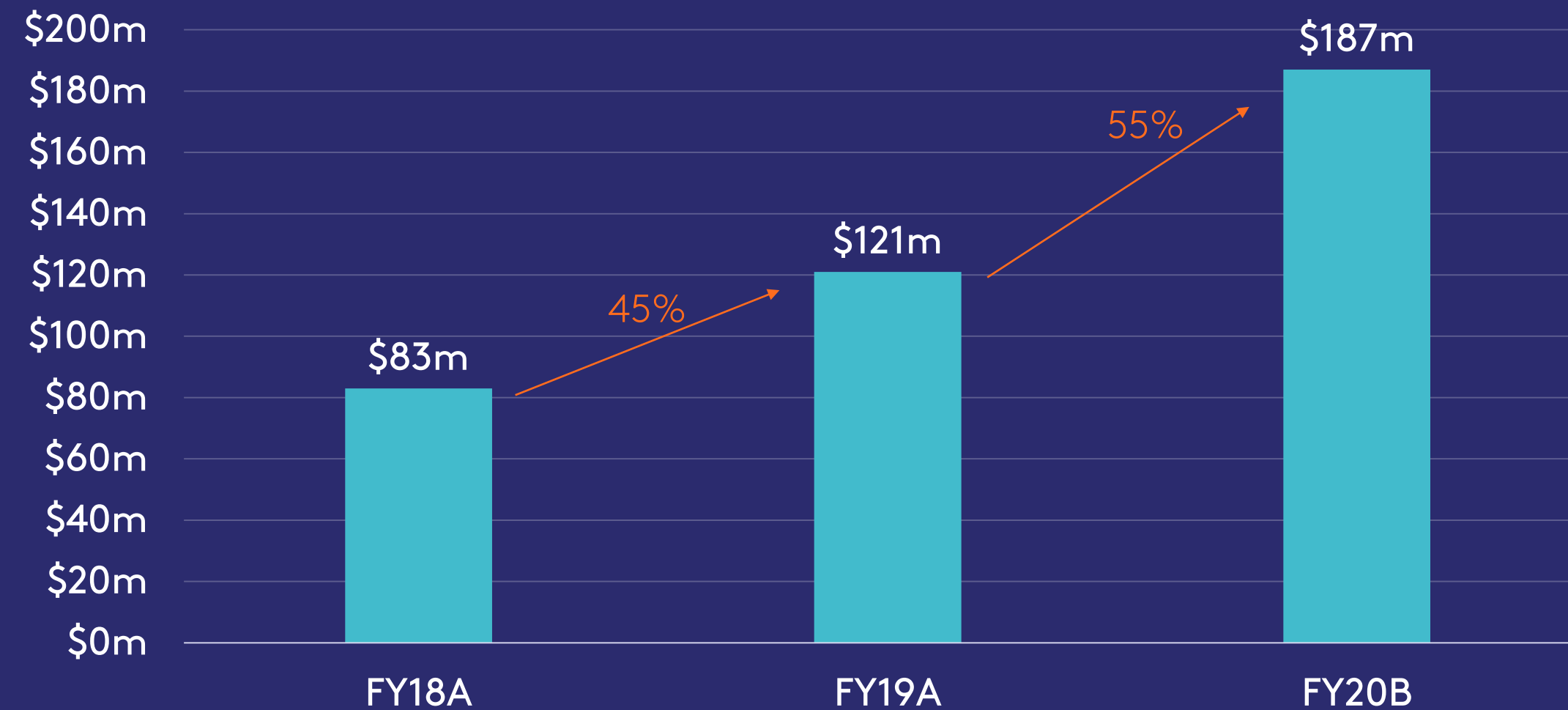
# Focused on long-term winners in technology

Whilst we make numerous earlier stage investments to capture upside, we focus our capital on a small number of core holdings, as well as advantageous secondary opportunities.

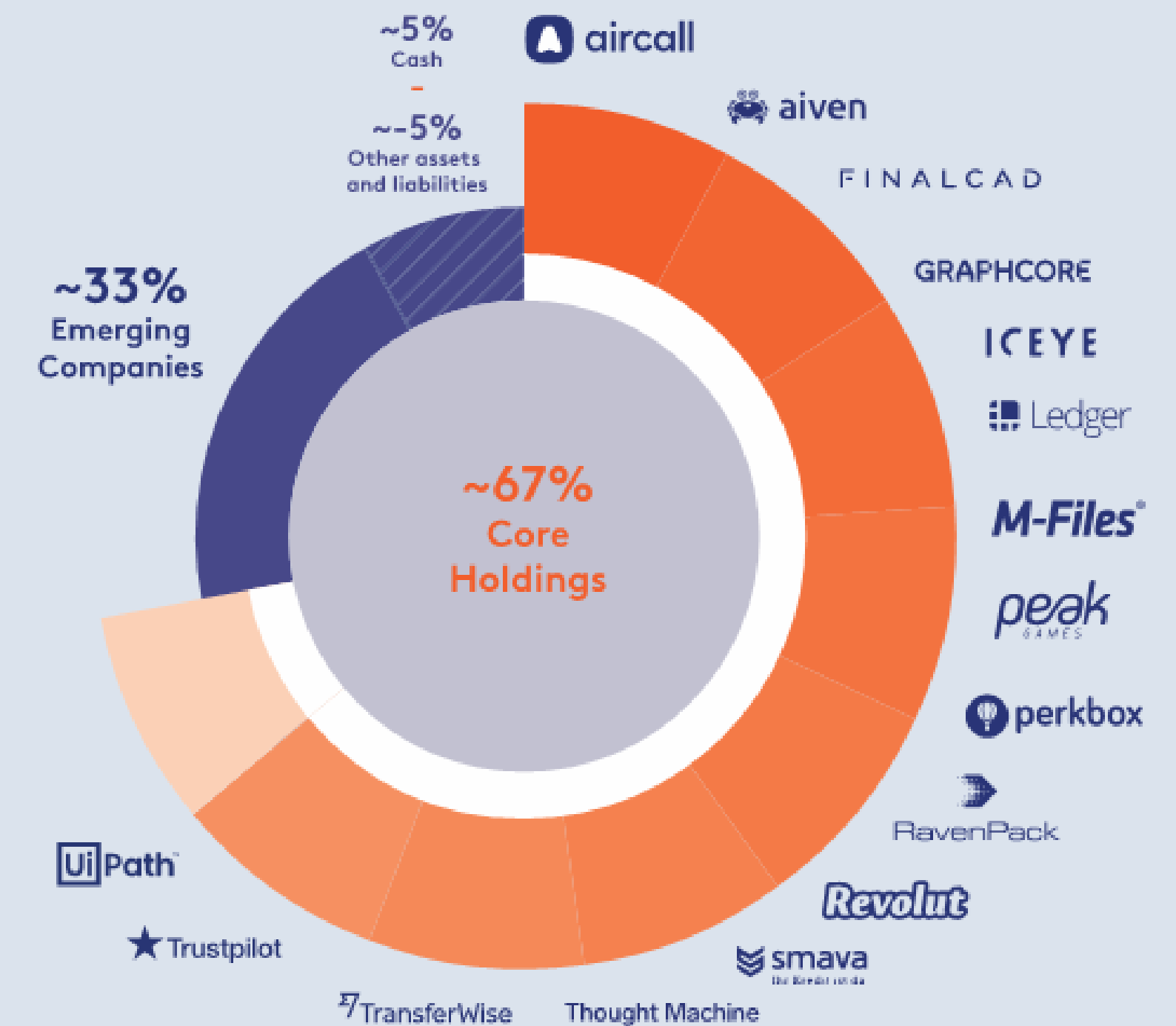
Profile of core portfolio companies (on average)

- ~60%+ Gross Margin
- £29m Average Holding Value
- 8% Average Stake

Average revenues - Core Portfolio



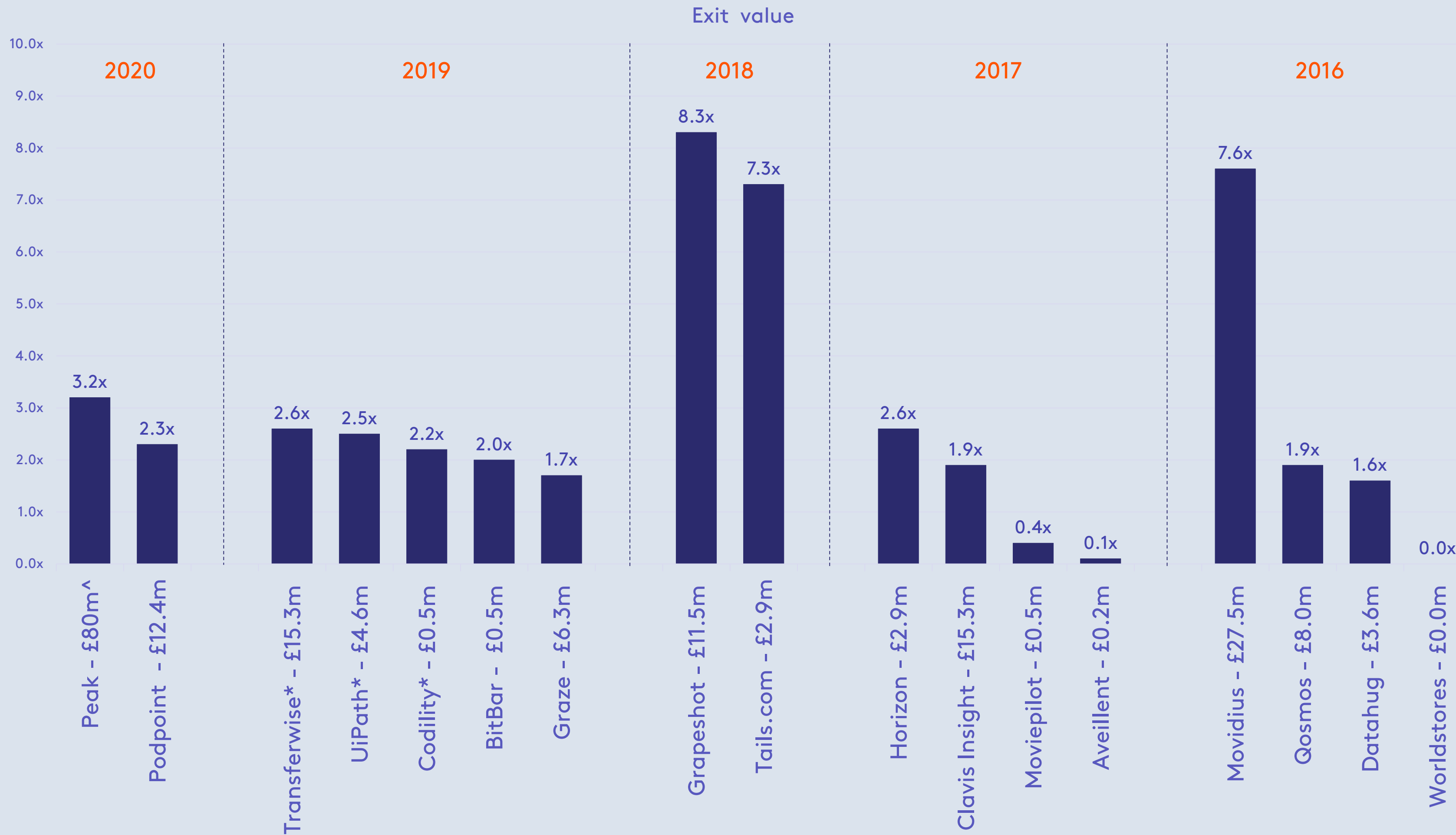
Core Holdings (16 companies) represent 67% of NAV and Approx. 67% of Gross Portfolio Value\*



\*Core companies are those with a Fair Value of over £12m



# Track Record



- Historical track record of over 20% IRR prior to IPO\*\*\*
- Over 125 deals since 2006
- Over \$5bn value of exits since 2010

<sup>^</sup> Peak Games subject to 3 months completion from

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

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

# Track Record

Nav progression for deals > £2m



\* Peak Games disposal is subject to completion

# Seeding the early stage ecosystem: our fund of funds



- 2.5 years after launch program has committed £39.1 million to 20 early stage funds, with a further 4 approved by the Investment Committee
- Over 300 companies have raised aggregate capital of £1.1 billion

## Seed fund strategy:

- Invest small cheques into funds across Europe, particularly in geographies and verticals that we don't have exposure to
- We look for high quality fund managers with a proven track record
- Our seed funds partner with us as scouts, as the companies grow we can source the best for series A & B
- Max 5-10% of our annual investment total

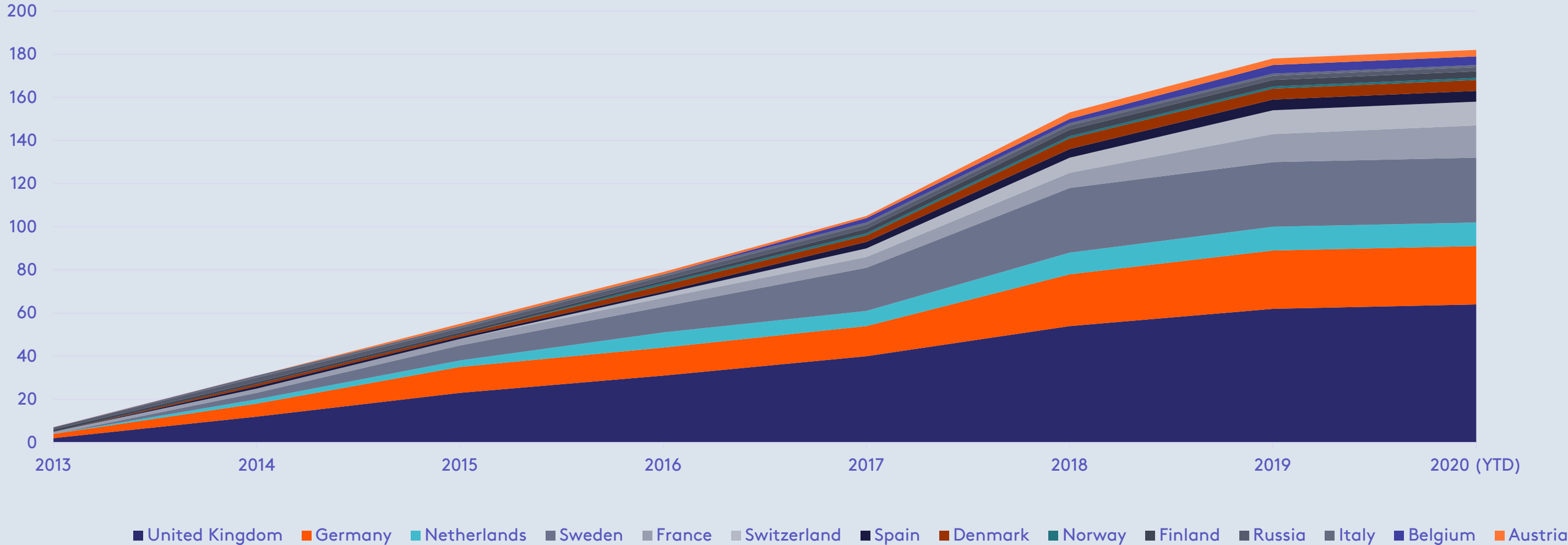


# Market Summary Overview

## Public to Private & Staying Private longer

Over the last decade we have witnessed a historic shift in the capital markets from public to private with companies staying private for longer, raising more capital and reaching greater levels of maturity before exit.

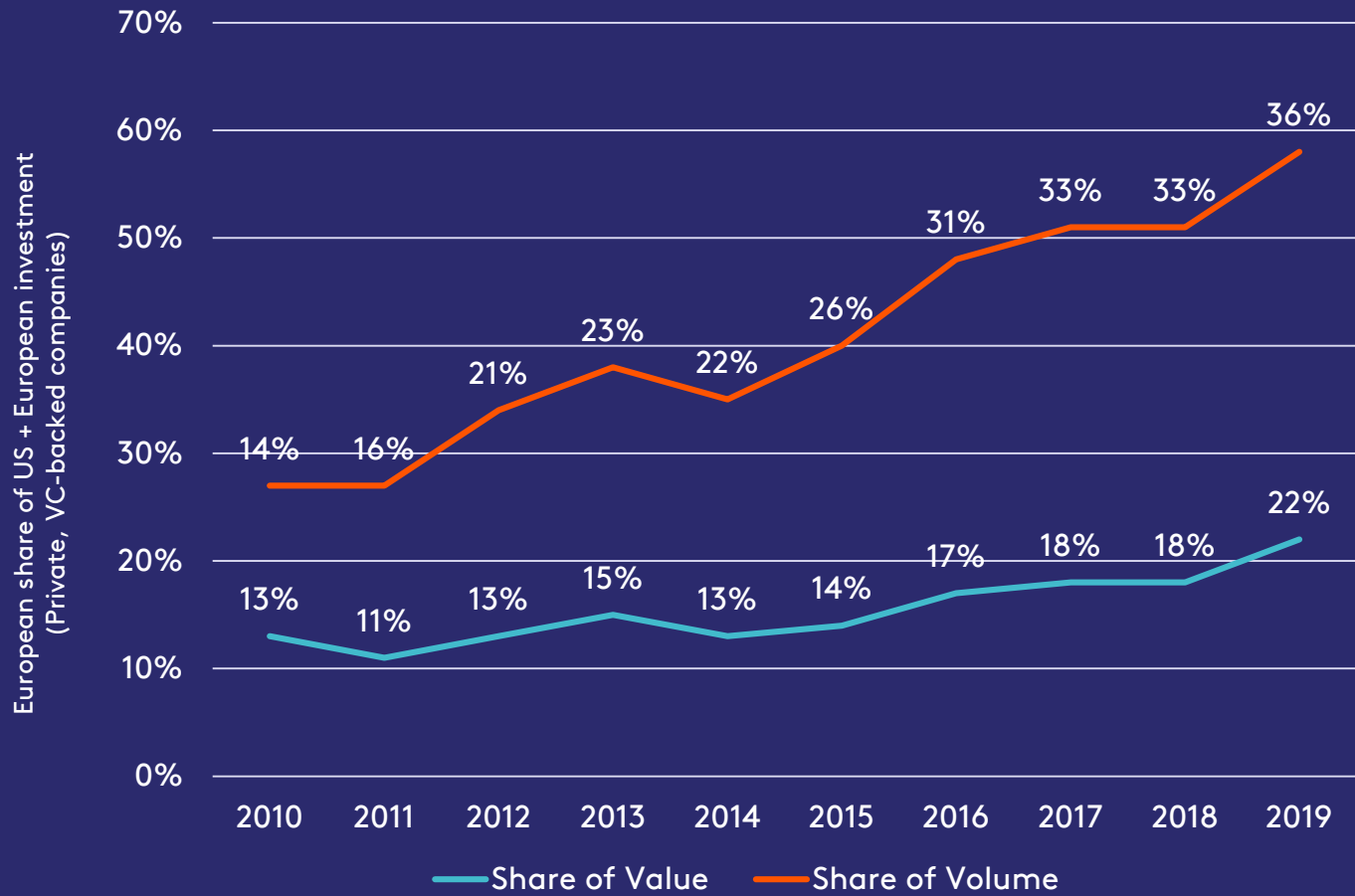
Number of EU Unicorns (Cumulative)



## More Funds, More Funding, Winners at the Top

This increase in private capital has led to a rapid expansion on both new VC funds and the total level of fundraising. But it is the top end of the market that has shifted most. In 2010, a single fund of US\$1 billion or more was rare, today, such funds are increasingly common.

Europe's share of investment has nearly doubled by value and tripled by volume

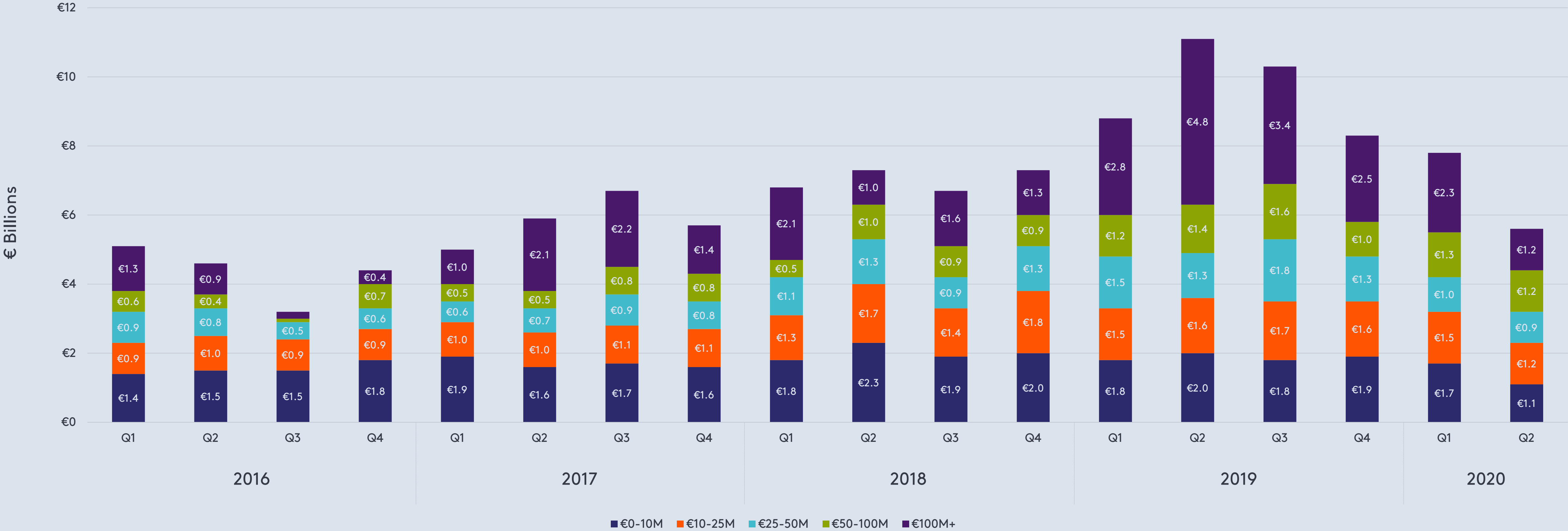


## Europe's Growing influence

This has led to a rapid expansion of both new VC funds and the total level of fundraising. We have also witnessed Europe starting to realise its potential as a technology powerhouse. Given the flexibility in our structure and the experience and expertise within our team, Draper Esprit is in an excellent position to benefit from opportunities these longterm trends provide.

# Most of the growth remains in private larger rounds

Investments in Europe by round size



Data source: Dealroom 2020

# Sustainability

Our ESG ambitions are an ongoing and evolving process that we are committed to build and develop over time, and we have a long way to go on this journey, however meaningful steps have been taken in this period across multiple areas within our business.

## Environment

- Environmentally minded investments;
  - **Pod Point:** (Exit in Feb 2020) rapidly scaling, award-winning electronic vehicle charge point station
  - **Everoad:** Leverages technology solutions to build efficiencies and carbon reductions into the global freight industry
  - **Aircall:** facilitates cloud-based calling solutions reducing the need for travel
- As a plc we have heavily invested in Zoom conferencing solutions to encourage video calls in lieu of domestic travel
- We continue to advocate for a paperless workplace with the adoption of improved internal IT and document sharing solutions
- Commissioned a full carbon footprint report and balancing programme (see images on right)

## Social

- Our existing portfolio is full of companies doing remarkable things to enhance health and wellbeing (e.g. **Endomag, Push Doctor, Ieso Digital Health, Lifesum, Fluidic Analytics and Miracor Medical Systems**); encourage social engagement (e.g. **Perkbox, Aircall and Resolver**); and improve pro-consumer compliance (**Kaptivo and getsafe**).
- Hired a dedicated Head of Human Resources
- Engaging with entrepreneurs in hosted themed events, including a 'Ladies in VC' event; and continuing to offer highly competitive remuneration and benefits packages to all of our personnel.
- Various policies are in place within the Group designed to protect and empower personnel including; Anti-bribery and corruption, Whistleblowing and Health and Safety, all of which are reviewed annually and, where relevant, amended or supplemented to accommodate the evolving risk profile of the business.

## Governance

- Investing in businesses that enhance the state of the art digital security technology i.e. Ledger, Fraugster or facilitate greater transparency, accountability, and/or protection in existing solutions i.e. Form3, Revolut, N26, Transferwise
- As a publicly traded entity we are subject to robust risk management and governance arrangements, and have this year bolstered our internal systems and processes
- A dedicated head of IT has been hired to implement various security enhancements into our IT environment
- Complimenting the technological changes is the addition of our first in-house legal counsel who has been working with our internal and external IT and compliance advisors to build policy and systems designed to protect our data and redouble our commitment to minimising compliance risk and preventing bribery and corruption.
- Responsibility for governance within the group ultimately sits with the Board but is also permeated throughout the group by regularised training and internal processes that are designed to ensure observance of good governance at every stage of investment.
- Remuneration policies are regularly reviewed by the Board's remuneration committee and are designed to ensure that all reward and recognition structures are aligned with the broader goals of the company's stakeholders by dissuading any risk-taking that is inconsistent with the goals and parameters established by the Board.



**CommuniTree**  
Monitoring the success of C-Level carbon balancing through reforestation

**Hadza Hunter Gatherers**  
C-Level carbon balancing with communities protecting forests



# How we help companies grow



## Long term investment

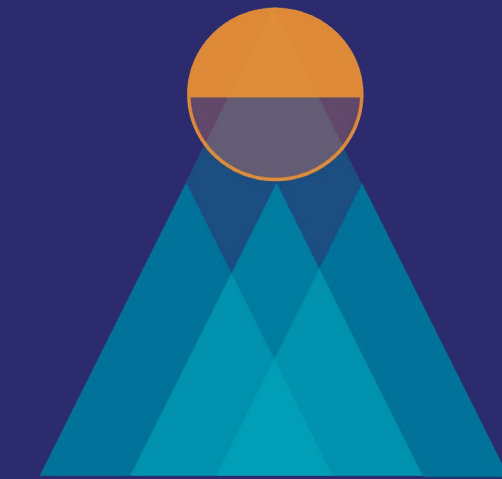
With a plc balance sheet, we can take a longer view, enabling us to back companies from scale up to IPO.



## 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.



## Hands on support

When we invest, we offer more than money. We take a seat on the board of the company, to offer support as the company grows.

We also run events and offer specific training for portfolio companies.



# Strict investment criteria drive our decisions

- Strict investment criteria:
  - Strong technology and business models with experienced management teams
  - Operate in new markets with serious potential for global expansion
  - Strong gross margins and capital efficient business models
- Screen thousands every year, including through our seed funds
- Focus on price discipline
- We invest small amounts early, reserving more for later rounds

# From potential opportunity to exit

