

A black and white photograph of St Paul's Cathedral and the Gherkin in London, framed by a large blue and dark blue geometric shape.

# **Annual General Meeting**

September 29<sup>th</sup> 2020

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- March FY 2020 results highlights
- Portfolio update
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# Summary

- The Augmentum portfolio of 18 companies is well diversified across fintech verticals and has shown resilience during the Covid-19 pandemic
- As at 31<sup>st</sup> Mar-20 we delivered an increase of 6.5p in NAV per share versus 31<sup>st</sup> Mar-19, with an unrealised annualised IRR of 18% on invested capital since inception
- We remain a highly selective investor, and often the preferred choice for leading fintechs; we welcomed 3 exceptional companies to the portfolio in FY20 and strengthened existing portfolio positions through 6 follow-on investments
- We believe the opportunity in fintech remains nascent; accelerated digitisation driven by the Covid-19 pandemic will drive fintech adoption creating additional near-term opportunities for the sector
- Public market investors have limited opportunity to gain exposure to high quality fintech assets across all stages



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- Investment summary

- **March FY 2020 results highlights**









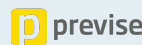








- Portfolio update

- Market update

- Appendix

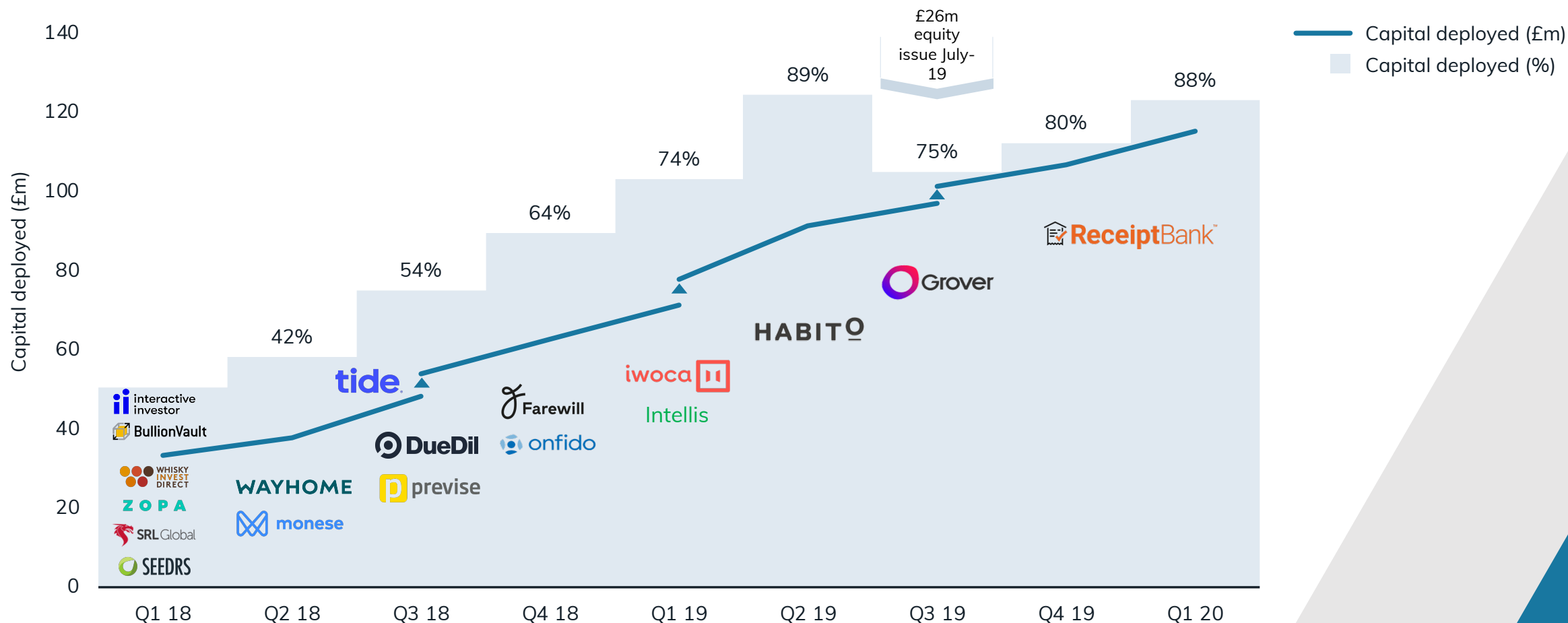
# Financial & operational highlights

Year ended 31st March 2020

AUGM PLC	Portfolio	Portfolio post-year end
<b>+18%</b> Unrealised annualised IRR on invested capital	<b>&gt;£400m</b> Equity raised by portfolio	<div>  <div>Acquired</div>  </div>
<b>+6.5p</b> NAV per share increase to 116.1p	<div>  <div>Acquired</div>  </div>	<div>  <div>Acquired</div>  </div>
<b>£33m</b> Capital deployed	Portfolio recognised with numerous industry awards	<div>  <div>CBILS/BBLS Accreditation</div>    </div>
<b>+59%</b> Gross Portfolio Value	<div>    </div>	<div>  <div>UK Banking License</div>    </div>
<div> Post-year end  <b>FTSE</b> </div> Entry to the FTSE All Share	<div> <b>50</b> </div> Technology Fast 50 2019UK Deloitte.	<b>&gt;£150m</b> Additional equity raised by portfolio

1. Increase in Gross Portfolio Value from 31<sup>st</sup> March 2019 driven by +16.4% fair value uplift, +42.3% additional capital Invested

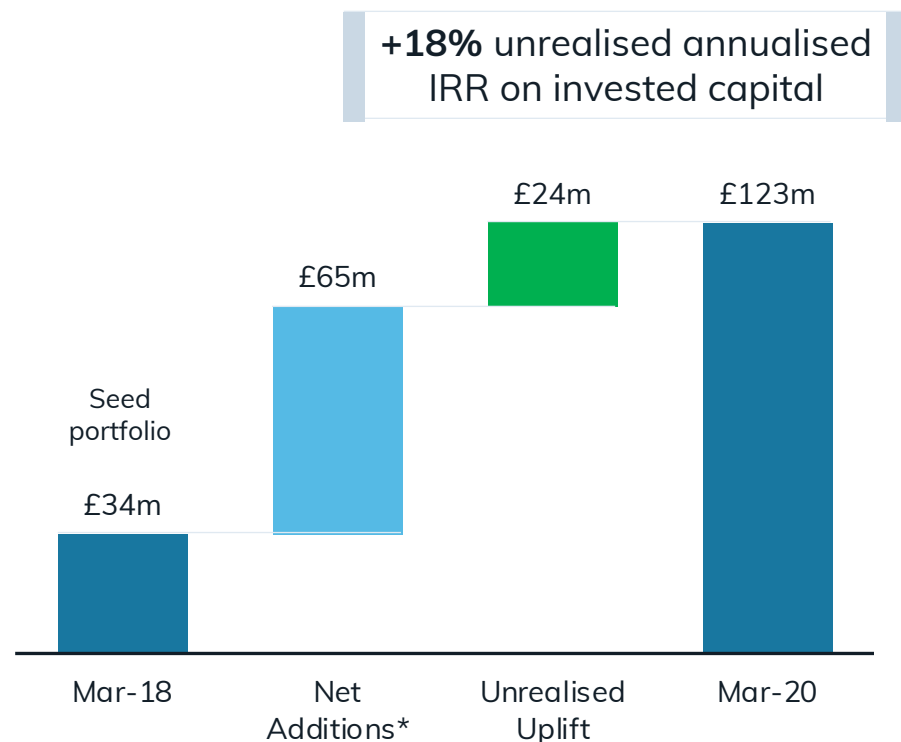
# The portfolio stands at 18 companies with steady deployment of capital since IPO in 2018



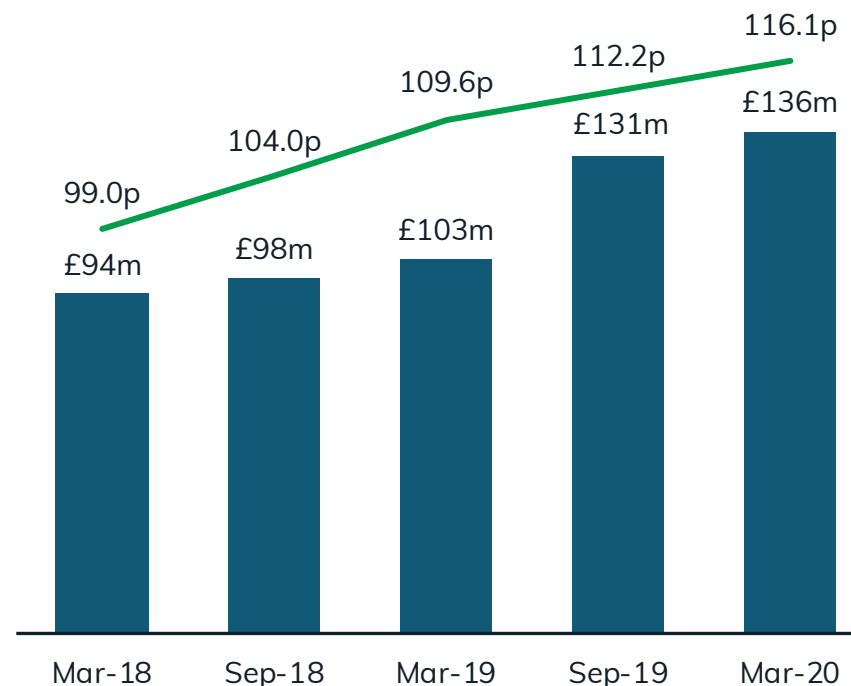
# The fund has performed strongly since IPO with +18% unrealised annualised IRR on invested capital and 17.1p increase in NAV per share

Fund Performance, 31<sup>st</sup> March 2018-20

## Gross Portfolio Value



## NAV and NAV per share

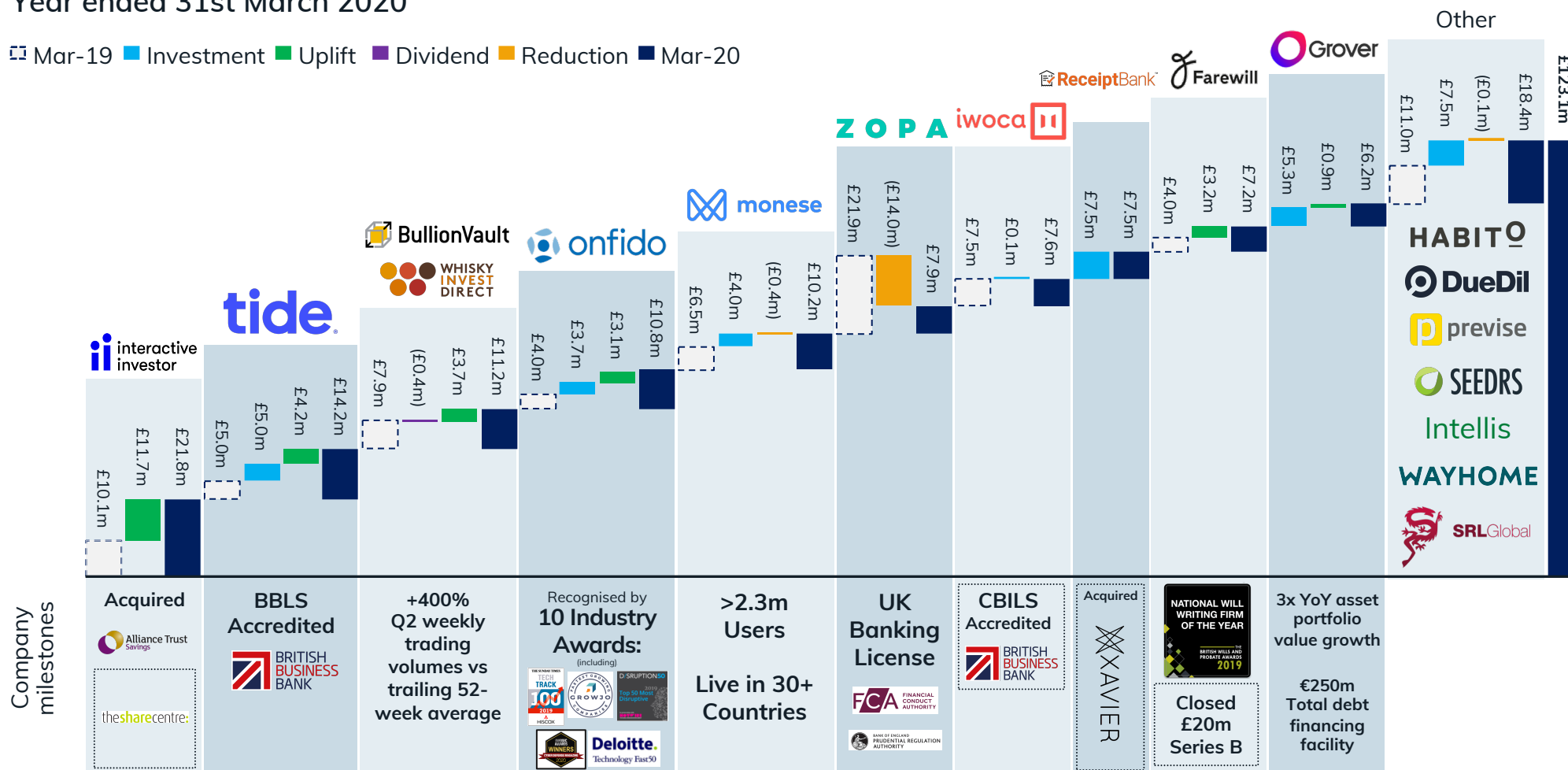


\* Net additions = Invested Capital - Dividends

# Portfolio valuation changes

Year ended 31st March 2020

Mar-19 Investment Uplift Dividend Reduction Mar-20



# Our profile continues to grow

## Press coverage highlights

INVESTMENT TRUST  
**INSIDER**

### Augmentum rallies as fintech fund raisings defy downturn

By Jeremy Gordon / 17 Apr, 2020

**investors**  
CHRONICLE

Simon Thompson March 26 2020

“Exploiting market mis-pricing

Simon Thompson

Augmentum priced for material upside

**QuotedData**

BY MARTEN & CO

Augmentum proves resilient in face of crisis

16 July 2020 | QuotedData | Global | Show 3 Sectors | Augmentum Fintech : AUGM | James Carthew

**investors**  
CHRONICLE

Simon Thompson July 20 2020

“Watchlist small caps on the upgrade

Simon Thompson

A fintech winner... There is no doubt in my mind that Augmentum is performing well.

**The Telegraph**

By Richard Evans  
20 August 2020 - 6:00am

Questor: as Invesco bond veterans step down from their funds, should investors worry?

[Augmentum] offers something truly different and the wisdom of its choice of holdings appears proven by their ability to withstand the epidemic.

**investors**  
CHRONICLE

Podcasts September 7 2020

John Baron: "Investment trusts are a superior option"

Augmentum Fintech offers tremendous potential

**W.M** WEALTH  
MANAGER



At Wellian Investment Solutions, wealth manager Richard Philbin gets exposure to private markets both by investing in dedicated private equity funds such as 3i and the venture capital fund Augmentum which provides exposure to unlisted fintech firms.

'I've invested in Augmentum for a number of our clients and portfolios'... It's a really good diversifier'

## Awards highlights



**INVESTOR** *Allstars*



GROWTH  
**INVESTOR**  
2019 AWARDS

**PRIVATE EQUITY**  
**EXCHANGE**  
&  
AWARDS



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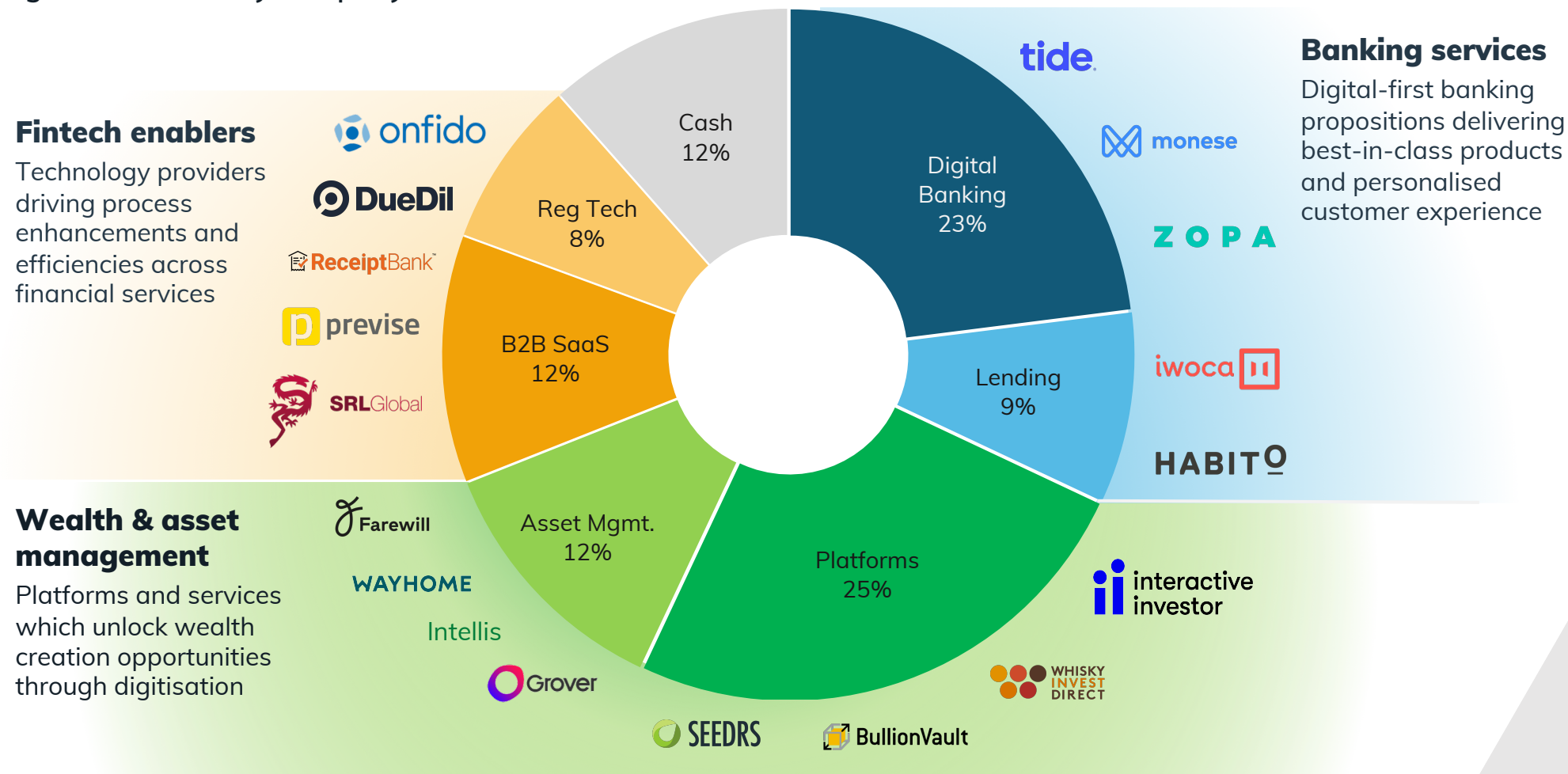
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# The Augmentum portfolio is diversified across key fintech verticals

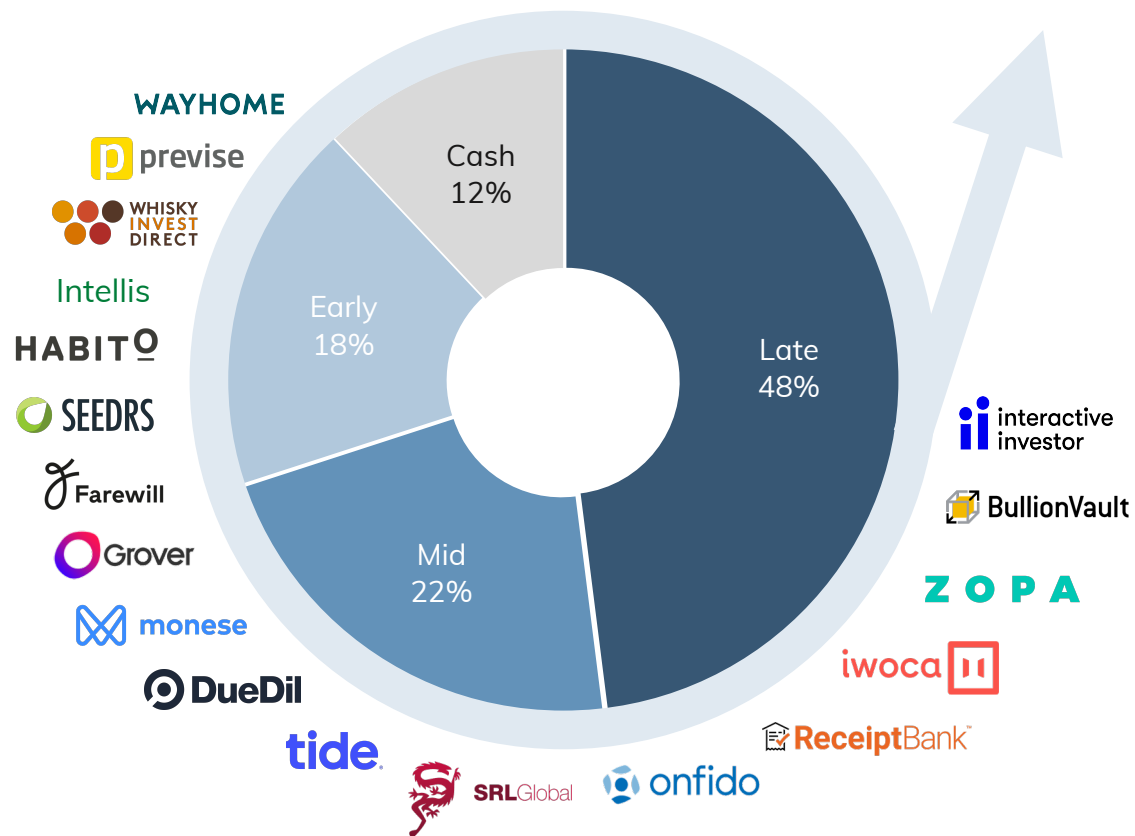
Augmentum NAV by company vertical, %





# Our portfolio is balanced across stages of maturity

Augmentum NAV by company stage, %



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18 portfolio companies

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Value weighted towards later stage

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Building a solid exit pipeline

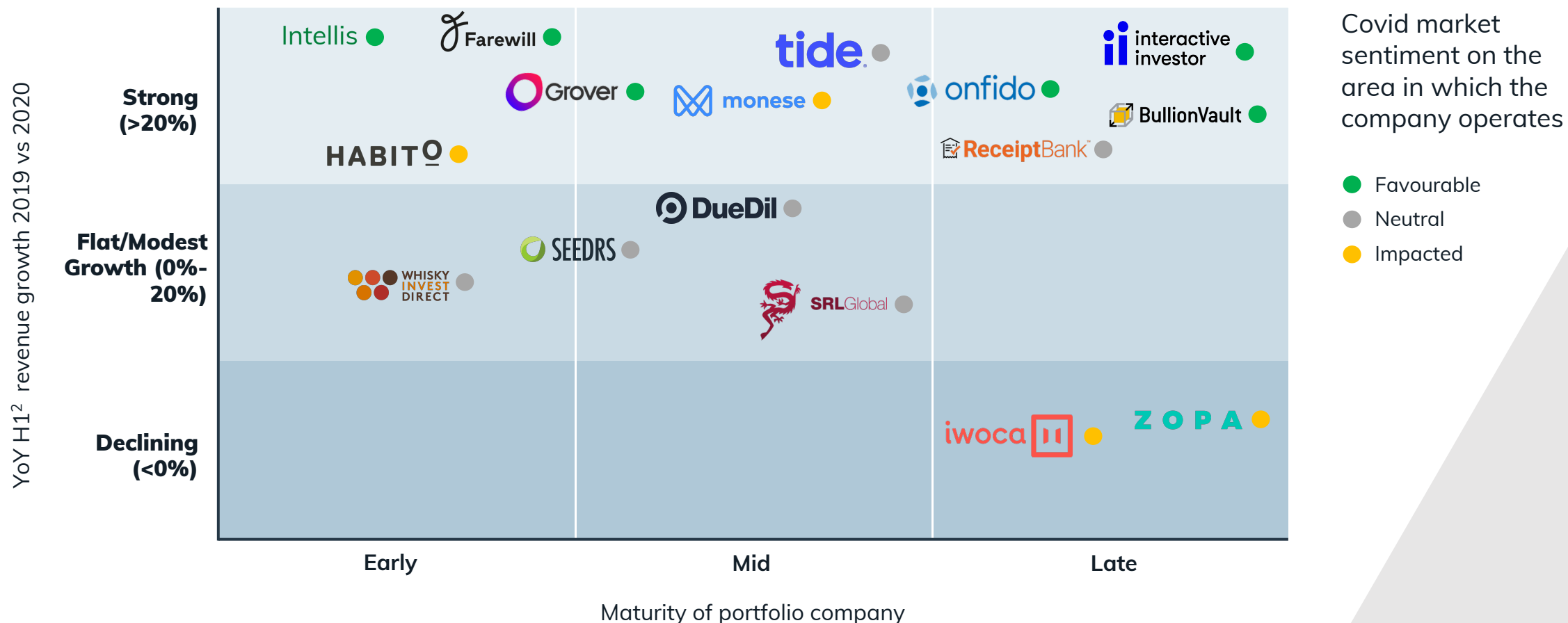
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Clear path to liquidity

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# Our diversified portfolio has shown resilience despite the challenges brought about by Covid-19

Year on year revenue growth of portfolio companies by maturity<sup>1</sup>, 2019H1-2020H1, %



# Top 10 holdings



- Interactive Investor is an online trading and investment platform and is now the second largest digital broker in the UK with AUM of >£36 billion
- Interactive Investor recently acquired Alliance Trust Savings and Share PLC

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Mar-18	£3.2m	£21.8m	6.9x	160%



- Tide is building a modern business banking platform that gives time back to the people who work for themselves
- Founded in 2015, Tide now has 130,000+ customers representing 3% market share of UK SME banking
- Tide was awarded a £60 million RBS Banking Competition Remedies grant in February 2019

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Jul-18	£9.0m	£14.2m	1.6x	48%



- BullionVault is a physical gold and silver market for private investors online
- Whiskey Invest Direct, a subsidiary of BullionVault, provides retail investors with access to maturing whisky as an asset class
- In Q2 BullionVault saw trading volumes increase almost 400% on the previous 52-week average

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Mar-18	£8.4m	£11.2m	1.4x	18%

# Top 10 holdings



- Onfido is building the identity standard for the internet using AI technology and biometric data to enable companies to onboard customers remotely and securely
- Onfido saw a 40% increase in sales in Q2 2020, with 22% of that driven by new customer demand
- In April 2020 Onfido raised \$100m in a funding round led by US investor TPG

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Dec-18	£7.7m	£10.9m	1.4x	49%



- Monese is a leading European neobank
- Initially launched in the UK in 2015, it is now active in 30+ countries across Europe and allows customers to receive salary, deposit cash, send money abroad and spend globally
- ~60% of incoming funds are from salary payments with \$5bn+ per year moving through Monese accounts

Joined Portfolio	Invested	Value	NAV/Cash	IRR
May-18	£9.3m	£10.2m	1.1x	8%



- Zopa built the first peer-to-peer lending company to give people access to simpler, better-value loans and investments
- In 2020 Zopa received a full UK banking licence after raising investment of £140m
- The company has generated positive returns for platform investors every year and their proprietary technology has contributed to their leading digital acquisition position

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Mar-18	£18.5m	£7.9m	0.4x	(34)%

# Top 10 holdings



- iwoca uses award-winning technology to provide capital to small business across Europe
- They offer short-term loans of up to £20,000 to SMEs across the UK, Germany and Poland
- iwoca was awarded £10m from the Banking Competition Remedies' Capability and Innovation Fund (CIF) in August 2019

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Jan-19	£7.6m	£7.6m	1.0x	-



- Receipt Bank was founded in 2010 out of frustration from the amount of time and money lost in forgotten expenses, receipts and weekends spent sorting through paperwork
- Receipt Bank operates in six markets (UK, US, Canada, Australia, South Africa and France) and processes 2 million documents every week

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Jan-20	£7.5m	£7.5m	1.0x	-



- Farewill is a digital, all-in-one financial and legal services platform for dealing with death and after-death services
- 68% of target consumers currently don't have a will, and 90% have no financial planning
- In June 2020 Farewill raised a £20m Series B led by Highland Europe

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Nov-18	£4.0m	£7.2m	1.8x	56%



- Grover sits at the intersection of retail and finance offering a simple monthly subscription service for technology products
- Founded in 2015, Grover has >60,000 active subscriptions with a total financing volume of €298m to date

Joined Portfolio	Invested	Value	NAV/Cash	IRR
Sep-19	£5.3m	£6.3m	1.2x	38%

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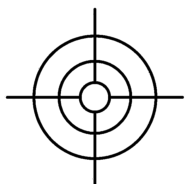
# We offer rare access to unquoted fintech companies

Augmentum invest in fintech companies with the potential to transform the global financial services industry

## Our approach



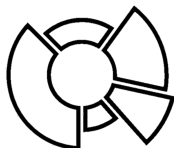
We invest in high-growth, unquoted fintech companies, many of which are staying private for longer



With unwavering focus on fintech and a deep sector network we secure advantaged access to deal flow and add value post-investment



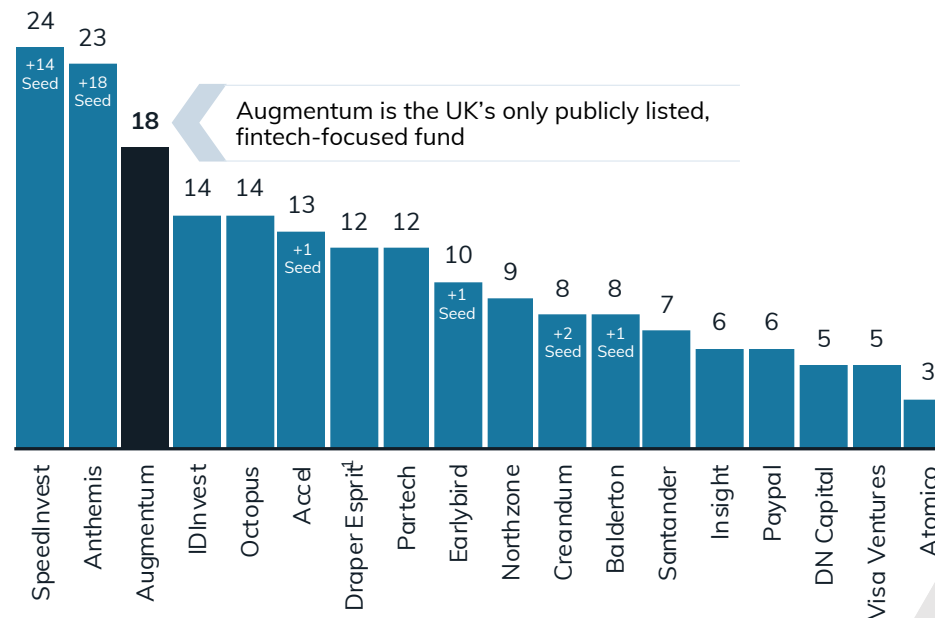
Our listed structure offers public market investors access to private market returns



Our portfolio is diversified across fintech and has shown resilience in the face of the Covid-19 Pandemic

## We have built one of the largest fintech portfolios in Europe

### Direct Active European Series A+ Fintech Investments, #



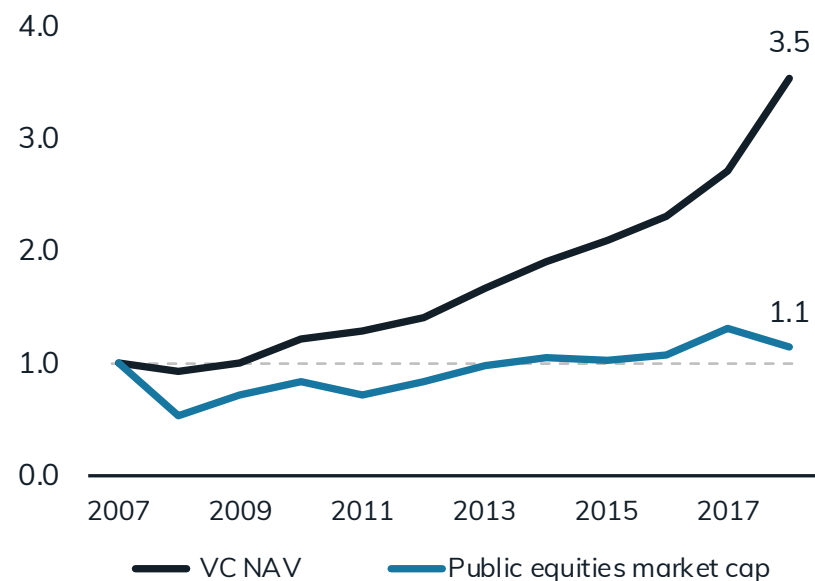
Source: Investor Websites, Tracxn, Pitchbook, accessed 01/07/2020.

1. Draper Esprit investment in Earlybird evaluated as a single active investment

# Venture has outperformed public equities since 2007 and within venture the fintech is the outstanding performer

## Venture backed companies have appreciated 3.5x since 2007, outpacing public equities

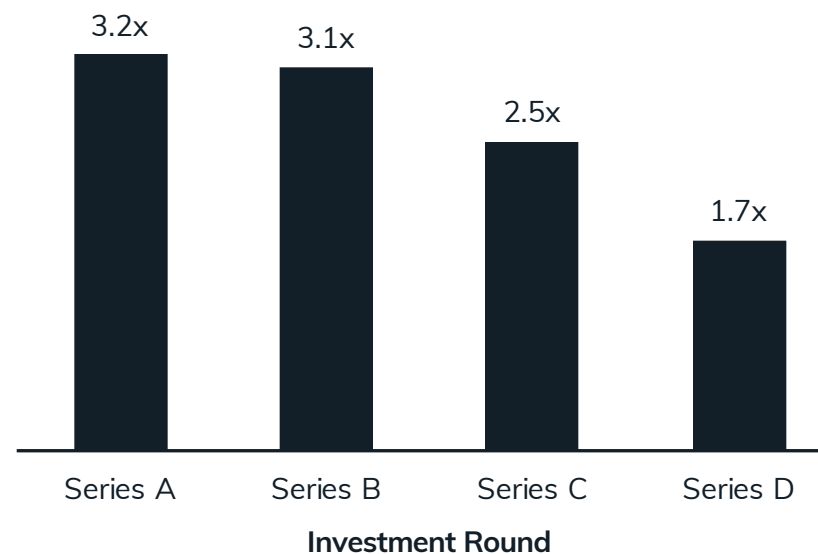
Public equities and VC Net Asset Valuations  
2007-18 indexed to 2007



1. Net asset value (NAV) = AUM less dry powder. Total market cap. Covers companies listed globally  
Source: Preqin Global Venture Capital Perspectives 2019; World Bank Dataset

## Fintechs are delivering the biggest returns for investors, particularly at the early stages

Multiple of fintech VC adjusted annualised return on general tech VC by investment round



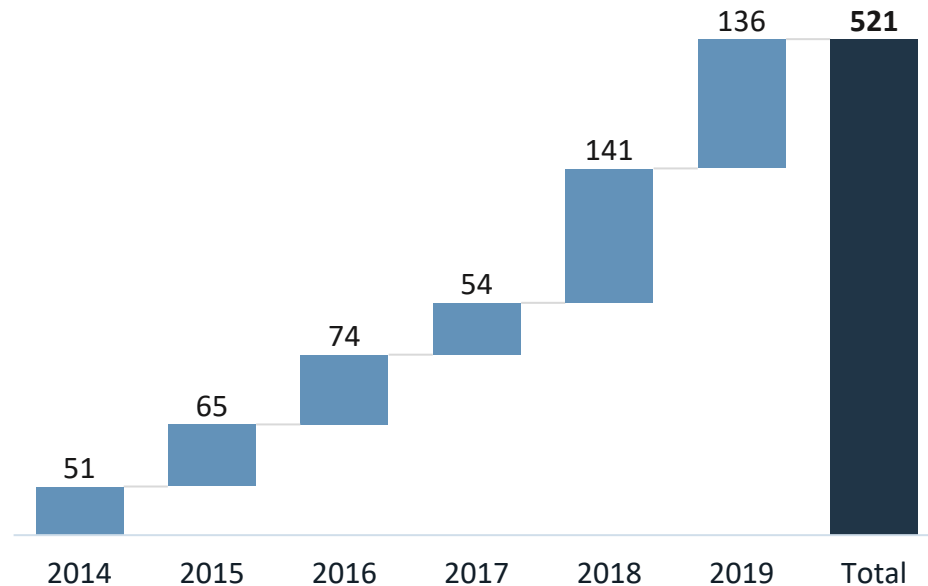
Source: Pitchbook



# Fintech has attracted more than \$500bn in investment and the scale of the opportunity provides significant headroom for further growth

## The fintech sector has attracted significant investment...

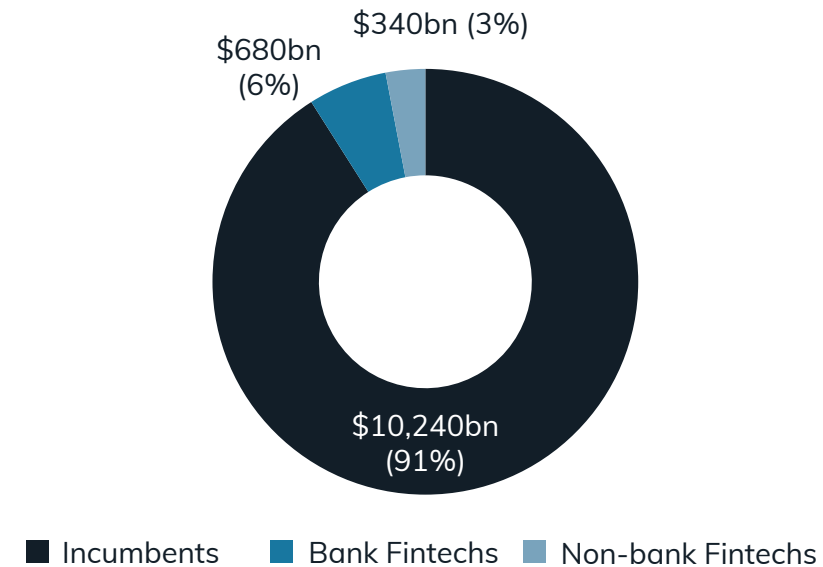
Global investment in fintech 2014-2019, \$bn  
VC, PE and M&A investment



Source: KPMG Pulse if Fintech 2020H1

## ...but huge opportunity remains; incumbents still own 91% of global financial services revenue

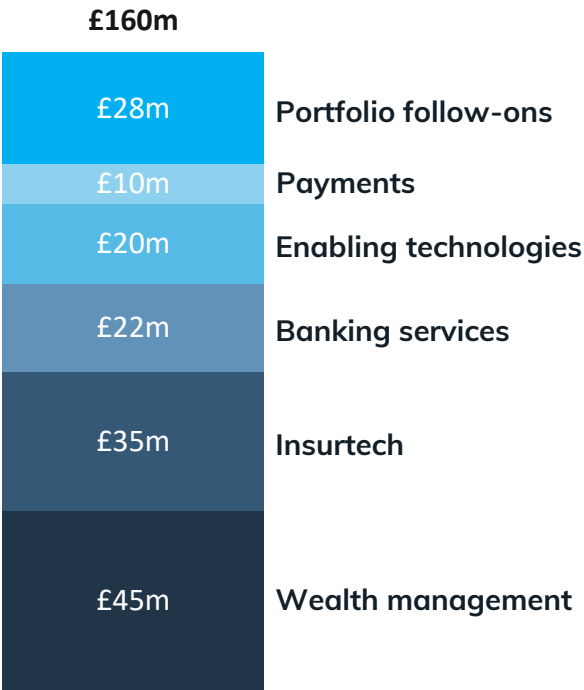
Financial services industry revenue breakdown in 2019



Source: IMF Fintech: The Experience So Far 2019.

# We have a sizeable pipeline of compelling investment opportunities

Our pipeline contains investment opportunity of £160m across priority fintech sub-sectors



Sub-sector	Opportunity Overview	Ticket value (up to)
Wealth management	Portfolio management platform for asset managers	£20m
	Workplace pensions & savings product provider	£15m
	Pension administration software	£10m
Insurtech	Provider of white-label insurance products to global ecommerce platforms	£15m
	Tech-led insurance policy builder with B2C and B2B2C distribution channels	£12m
	Risk management solution for life assurance policy providers	£8m
Banking services	ERP and financial services SaaS for SMEs	£12m
	Infrastructure for decentralised finance	£10m
Enabling technologies	Retail trading infrastructure	£12m
	Collections management software for enterprises agencies	£8m
Payments	New to market payment method for international merchants	£10m
Total near-term new opportunities		£132m
Near-term follow-on opportunities		£28m
Total		£160m

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# Our experienced management team are ex-operators and entrepreneurs with deep sector expertise

## Management team



Tim Levene



Richard Matthews



Martyn Holman



Perry Blacher



Ellen Logan



Georgie Hazell



Akash Bajwa



## Advisory board



Edward Wray



Phillip Riese



Josh Hannah

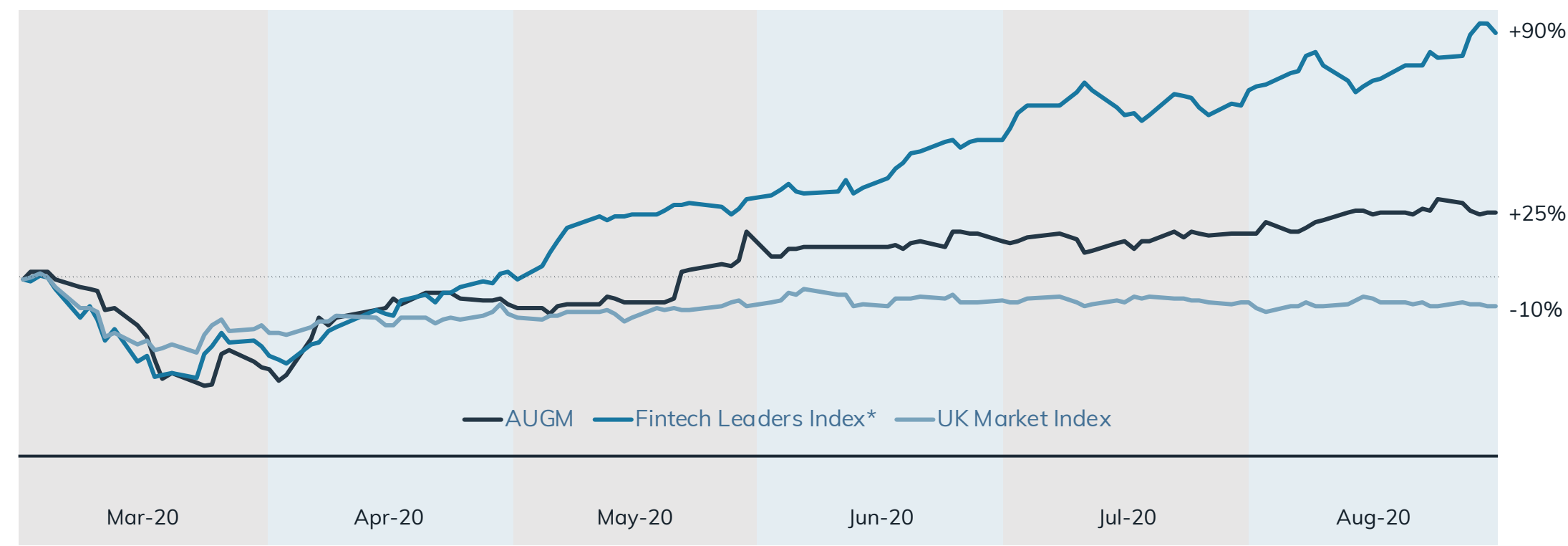


Bronek Masojada



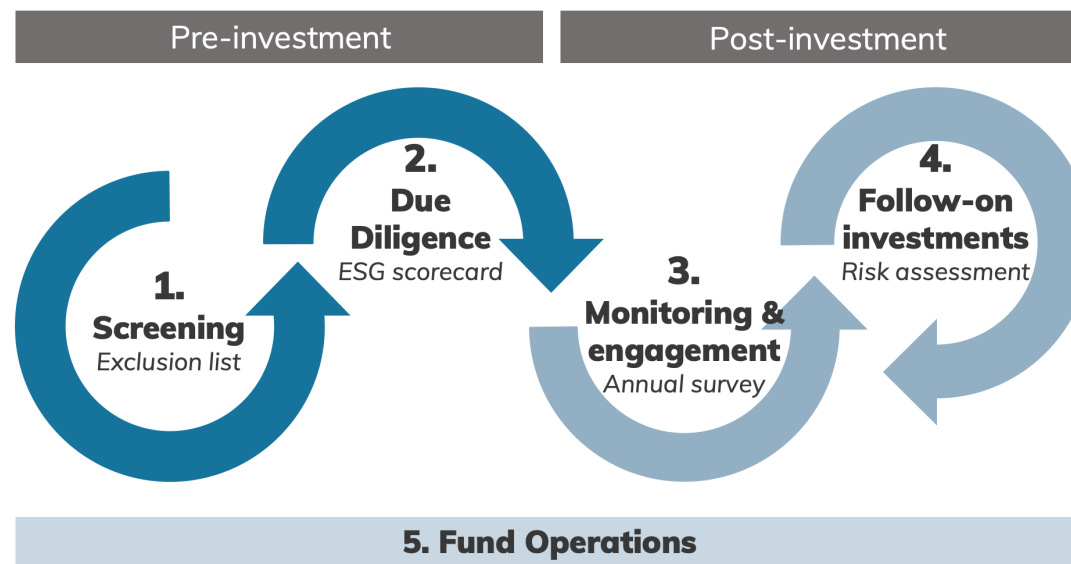
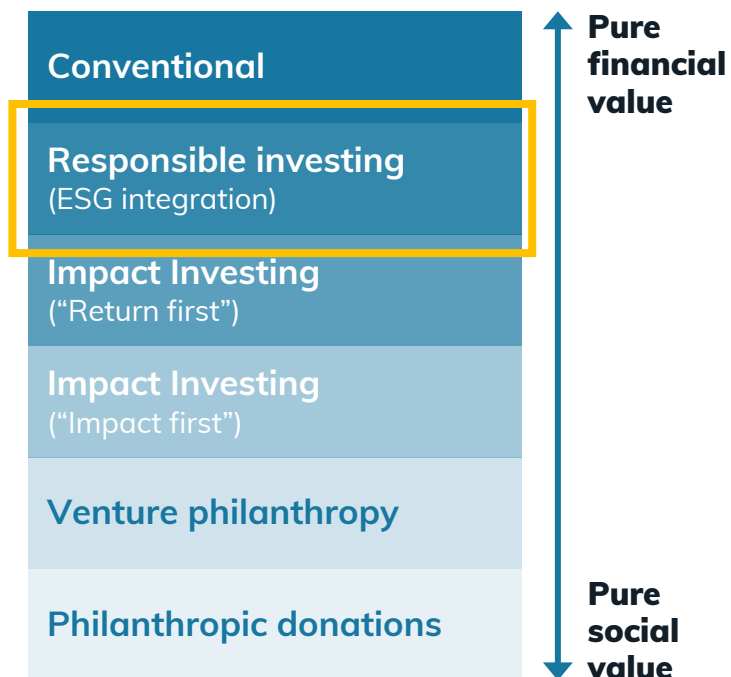
# Augmentum has significantly outperformed the market since Covid, but has not yet benefited to the same extent as the listed Fintech index

Indexed performance March-August 2020



\* Fintech Leaders Index comprised of Afterpay, Bill.com, Intuit, PayPal, Shopify & Square  
Source: Reuters

# We have integrated a broad set of responsible investment principles into our investment approach and fund operations



A black and white photograph of St Paul's Cathedral in London, viewed from across the River Thames. The Gherkin (30 St Mary Axe) is visible in the background. The image is framed by a large, stylized 'X' shape composed of dark blue and light blue geometric shapes.

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