

oneflare

shippit

DEPUTY

EatClub

pendula

rezdy

foodbomb



Snooper

VendorPanel

evp

EQUITY VENTURE PARTNERS

Lumary



EVP Fund III - Investment Opportunity



PRACTICE Ignition

UPTICK

MAD:paws

Biteable

fusion sport



PractiFl

Important notice about valuations and predictions:

This document should be read in conjunction with the Information Memorandum in respect of EVP Fund III prepared and issued by EVP Funds Management Pty Ltd (**IM**).

To the extent that this document contains information about valuations of any investments made by any of EVP Fund I or EVP Fund II, such figures may be unaudited and based on unrealised returns.

Fund returns may be unaudited and based on unrealised returns, and are gross of fees and costs. A fund may sell an asset at a price less than a valuation.

This document is provided as a general guide only to sophisticated and professional investors. It is not an offer or invitation to invest and should not be relied upon by investors in making an investment decision. Offers to invest in the Fund described herein will only be made in the information memorandum for the Fund which is available by invitation only. By accepting this document you are representing that accepting this document is in compliance with the relevant laws that apply to you and that you will keep this document strictly confidential and not provide it to other persons. This document and presentation is strictly confidential. The information in this document has been prepared without taking account of any investor's objectives, financial situation or needs. An investment in the Fund carries potential risks and fees which are described in the information memorandum. An investor should, before deciding whether to invest in the Fund, consider the appropriateness of the Fund, having regard to both the information memorandum in its entirety and the investor's objectives, financial situation and needs.

Past performance is not a reliable indicator of future performance. No representation is made as to future performance or volatility of the Fund. In particular, there is no guarantee that the investment objectives and program for the Fund set out in this presentation may be successful. Returns and multiples in this document with respect to investments are often unrealised, unaudited and are shown on a gross basis and calculated before management fees, carried interest, all of which would reduce returns to investors, and other expenses are deducted. Forward looking statements, opinions and estimates provided in this document are based on assumptions and contingencies which are subject to change without notice and should not be relied upon as an indication of the future performance. In preparing this document, EVP has relied upon and assumed, without independent verification, the accuracy and completeness of all information available to EVP. Persons should rely solely upon their own investigations in respect of the subject matter discussed in this document. No representations or warranties, express or implied, are made as to the accuracy or completeness of the information, opinions and conclusions contained in this document. To the extent permitted by law, all liability in reliance on this document is expressly disclaimed.

Introducing EVP Fund III

A \$50M+ venture capital fund focused on early stage subscription software businesses, building on deep sector expertise and a 15 year track record

2000 to 2015
Founding Portfolio

\$15M invested
21.8x Valuation Uplift

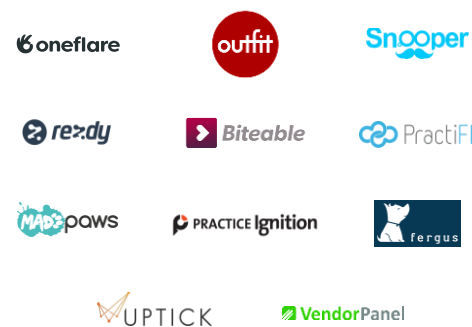
2016
EVP Fund I

\$25M capital committed
2.3x Valuation Uplift

2018
EVP Fund II

\$35M capital committed
1.2x Valuation Uplift
(Majority held at cost)

2020
EVP Fund III
\$50m+

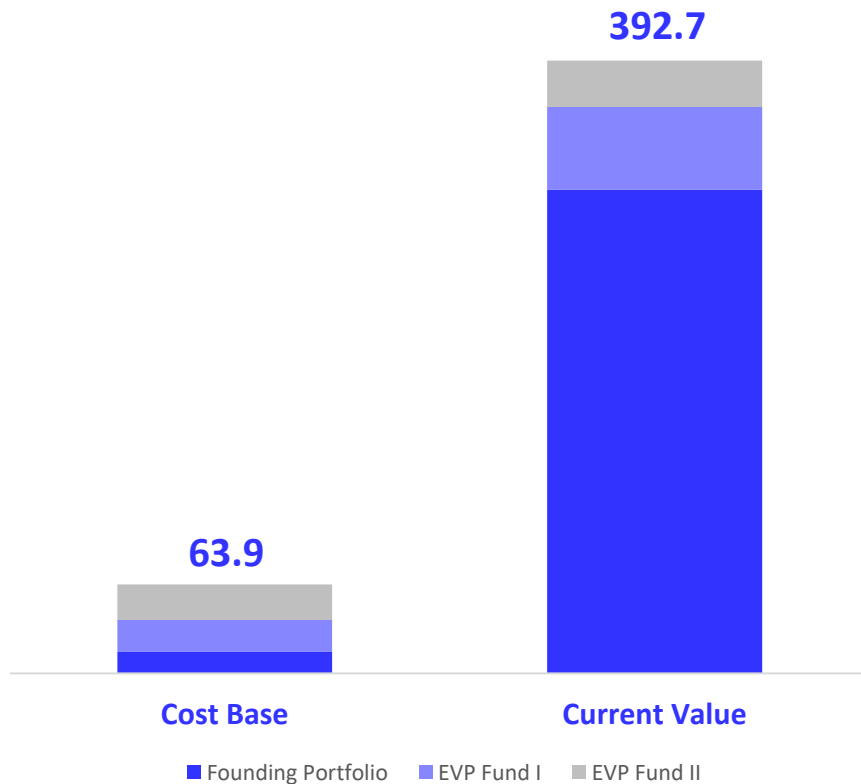


- B2B software at Series A stage
- Initial investments of \$2-4M
- Concentrated portfolio of c.15 companies
- Follow on opportunities from current EVP portfolio
- Experienced team with established track record, process and capability

Track Record

Longstanding record of successful startup investing. \$64M invested across 29 companies. Current portfolio valuation \$393m, or 6.1x capital invested.

Current value compared to cost base (\$m's)



Investment Entity	First Investment	Portfolio Companies	Cost (\$000's)	Capital Returned (\$000's)	Current Value of Investment (\$000's)	Gross Multiple
Founding Portfolio	Mar-00	12	14,199	64,681	309,472 *	21.8x
EVP Fund I	Dec-16	11	22,302	7,257	50,283 *	2.3x
EVP Fund II	Sep-18	11	27,442	-	32,905 *	1.2x
Total			63,943	71,938	392,660 *	6.1x

* Indicative valuation only. Investments are held at cost or at the price of the company's most recent 3rd party funding round.

Investment Strategy

We provide early growth capital for annuity income businesses. We don't swing for the fences. We double down on the winners and seek multiple paths to exit.

Growth Capital at the Series A Stage

- We provide capital to scale go-to-market functions in businesses with strong early evidence of product adoption
- We do not invest at the seed stage and do not take meaningful technology or product risk
- Rather, we take commercial, market and execution risk and ensure that these are appropriately priced
- Investing **early** provides the potential for significant gains. Investing only once there's a density of paying customers helps materially to mitigate downside risk
- We believe software companies at this stage are the most attractively priced

Subscription Software Businesses

- We have a strong focus on Software-as-a-Service platforms with annuity income characteristics. We look for high margin, contracted revenue with strong, predictable growth
- Investment decisions are underpinned by cost of customer acquisition and lifetime value considerations. Effective acquisition channels, combined with strong unit pricing, low user churn, and healthy net revenue retention underpin ongoing equity returns
- Vertical SaaS companies serving large industries typically have multiple potential buyers. Downside risk is moderated by the annuity income profile

Active, High Conviction Investors

- We almost always serve as lead investor and have a strong preference for doing so
- We typically invest \$2-4M initially and seek substantial minority equity positions of c.15-30%
- We always serve on the board and work hard to be value-add partners to our founders over the long term





















Double down on the winners, focus on exits

- We reserve up to 50% of capital to support follow-on rounds within the portfolio
- We allocate disproportionately to maximise exposure to the best performing companies
- Each fund enjoys follow-on opportunities from the best of the previous funds' investments
- Exit opportunities sought via follow-on rounds to financial sponsors, trade sale or IPO

Over the 3.5 years since the launch of EVP Fund I, we have reviewed >1,600 opportunities and completed investments in c.1% of these.

Investment Criteria

We invest in world class B2B software businesses. We recognise the patterns. We understand the risks. We don't deviate.

Business to Business software	Applications that integrate deeply into their customers' workflows, solving important problems for their users	   
Product in market and strong revenue growth	Early base of paying users, clear product validation, and strong customer propensity to support, upgrade or refer	   
Compelling unit economics	Subscription revenue model with strong acquisition, churn and retention metrics	   
Market opportunity of scale	Clearly defined problem space in a large addressable global market	   
Outstanding founding team	Industry insiders with unique perspective and the vision, talent and tenacity to build a large global business	   

Strong Validation through Covid-19

Inherent resilience of B2B subscription software demonstrated through COVID-19 exposure. Portfolio level impact has been limited. All EVP companies will emerge in a position of strength.

1

EVP invests in B2B subscription software companies with annuity revenues and products that are critical to their customers' operations. These businesses are inherently resilient in the face of economic downturn.

2

A handful of companies exposed to the travel and hospitality sectors have been directly impacted. They have acted decisively to adjust operating models. All are recovering quickly as markets re-open.

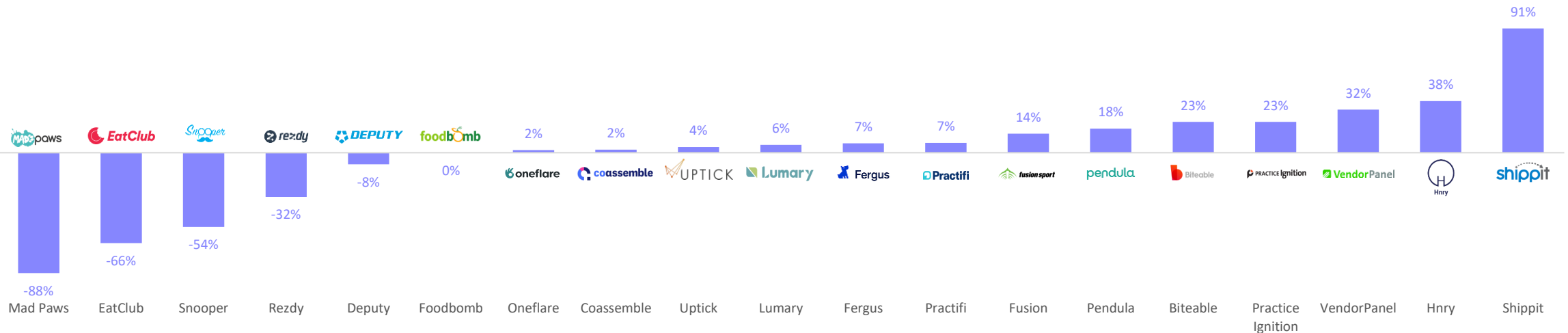
3

A majority of EVP companies have traded well through the crisis. Several businesses leveraged to online deliveries, remote work or healthcare monitoring will see long term structural benefit as a result of COVID-induced economic shifts.

4

All companies have strong cash balances and, where necessary, have adjusted burn to ensure healthy long term runway. All are well positioned to accelerate growth into the recovery.

Covid-19 Growth by Portfolio Company – Revenue Change from Feb-20 to May-20



Team

Complementary financial, operational and legal backgrounds. Longstanding partnership, strong track record, and deep alignment with Fund investors.



Les Szekely

- Co-founder of EVP
- Experienced lawyer, M&A adviser
- Full time startup investor and adviser since 2009
- Investments include HotelClub, SiteMinder, Alternative Media, Oneflare, Rezdy, Shippit, DesignCrowd, UrbanYou and DriveMyCar



Howard Leibman

- Co-founder of EVP
- Full time startup investor and adviser since 2011
- Background in engineering, with experience across technical, operational and corporate advisory roles
- Director of Deputy, Oneflare, Rezdy, Fergus, Practice Ignition, Practifi and Fusion Sport



Justin Lipman

- Investment Director
- Investment banking, wealth management and advisory roles at Credit Suisse, Investec and Ernst and Young respectively
- Joined EVP in 2015
- Director of Biteable, VendorPanel, Pendula, Foodbomb, Coassemble and Hnry and Board Observer at Outfit, Practifi, Shippit, EatClub, Practice Ignition and Snooper



Daniel Szekely

- Investment Director
- Previously a corporate lawyer with experience across buy and sell side advisory and funds management
- Joined EVP in 2016
- Director of Snooper, Lumary, EatClub, Funding.com.au and Bluethumb and Board Observer at Biteable, Fergus, Uptick, VendorPanel and Foodbomb



Mark Velik

- Associate
- Joined EVP in 2019 after 3.5 years at McKinsey & Company
- Previous roles at Deutsche Bank, Rothschild and UBS
- Board Observer at Fusion Sport, Hnry, Lumary and Rezdy



Britt Nabarro

- Associate
- Joined EVP in 2020 after 2 years at Strategy& (previously Booz & Company)
- Experience across law and management consulting

EVP Fund III - Key Terms

Key Term	Description
Legal Structure	ESVCLP – Australian investors receive a tax offset of up to 10% of contributed capital. Investors pay no Australian tax on their share of returns (capital or income) when the Fund disposes of eligible investments.
Target Fund Size	\$50m+
EVP Principals' Commitment	Minimum of \$5m invested on identical terms to all external investors
First Close	30 September 2020 or such date as determined by the Manager
Final Close	To be determined, not more than 12 months after the First close, subject to one 6 month extension at the Manager's discretion
Fund Term	7 years from Final close, with ability to extend for 3 consecutive 12-month periods, subject to approval
Minimum Investment	\$200,000 unless otherwise approved by the General Partner
Management Fee	2% p.a. (excluding GST), paid quarterly in advance
Performance Fee	20%, subject to a Preferred Return of 8% IRR
Targeted number and size of investments	10-15 companies at the Series A stage



Partnering with exceptional
founders who have the vision,
talent and tenacity to build
outstanding companies

Les Szekely

E: les@evp.com.au

P: 0432 500 144

Howard Leibman

E: howard@evp.com.au

P: 0402 440 644

Justin Lipman

E: justin@evp.com.au

P: 0410 691 223

Daniel Szekely

E: daniel@evp.com.au

P: 0412 038 825