

# Key Information

## Document

### Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

### Product

**DRAPER ESPRIT PLC. Name of PRIIP Manufacturer: Esprit Capital Partners LLP.**

ISIN: GB00BY7QYJ50. Website: <http://draperesprit.com/>. Call 0207 931 8800 for more information. The Financial Conduct Authority is responsible for the supervision of Esprit Capital Partners LLP in relation to this document. Date of production of this document: 1 January 2018.

You are about to purchase a product that is not simple and may be difficult to understand.

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### What is this product?

**Type: public limited company incorporated in England and Wales and whose shares are admitted to trading on the Alternative Investment Market of the London Stock Exchange and the Enterprise Securities Market of the Irish Stock Exchange.**

**Objectives:** Draper Esprit plc (the **Company**) aims to generate capital growth for shareholders by the creation, funding, incubation and development of high-growth technology businesses. To achieve its investment objective, the Company: (i) provides early stage businesses with initial smaller rounds of seed and series A primary investments and co-investments; (ii) makes larger series B+ and later series C+ primary investments and co-investments for scaling technology companies; and (iii) undertaking secondary transactions. The Company will focus on the following sectors of the digital economy: consumer technology, enterprise technology, hardware and healthcare.

Investments are mainly in the form of equity (primarily in unquoted companies), although may be made by way of debt, convertible securities or investments in specific projects.

**Borrowing:** The Company does not currently intend to borrow, but it may do so in the future. This would magnify any gains or losses made by the Company. The Company would intend to limit its borrowings to a maximum of 25% of net asset value (at the time of investment).

**Dividends:** The Company intends to reinvest any income received from investee companies as well as the net proceeds of any realisations in the group's portfolio. The directors may consider paying dividends in the future.

**Intended retail investor:** Individuals who are professionally advised or highly knowledgeable and who understand (and are capable of evaluating) the merits and risks of an investment in the Company and who have sufficient resources to be able to bear any losses that may result from an investment in the Company.

**Term:** The product has no maturity date.

### What are the risks and what could I get in return?

#### Risk Indicator



This risk indicator assumes you keep the product for five years. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Company is not able to pay out.

We have classified this product as 6 out of 7, which is the second highest risk class.

This rates the potential losses from future performance at a high level, and poor market conditions are very likely to impact the capacity to pay you.

Further details of the risks relevant to the Company are set out in its admission document which is available at <http://draperesprit.com>.

This product does not include any protection from future market performance so you could lose some or all of your investment.

## Performance Scenarios

Initial Investment Amount		10,000		
		1 year	3 years	5 years Recommended Holding Period
<b>Stress Scenario</b>	<b>What you might get back after costs</b>	<b>6,648</b>	<b>6,975</b>	<b>6,217</b>
	Average return each year	-33.5%	-11.3%	-9.1%
<b>Favourable Scenario</b>	<b>What you might get back after costs</b>	<b>13,012</b>	<b>19,198</b>	<b>27,644</b>
	Average return each year	30.1%	24.3%	22.6%
<b>Moderate Scenario</b>	<b>What you might get back after costs</b>	<b>11,652</b>	<b>15,903</b>	<b>21,703</b>
	Average return each year	16.5%	16.7%	16.8%
<b>Unfavourable Scenario</b>	<b>What you might get back after costs</b>	<b>10,523</b>	<b>13,286</b>	<b>17,186</b>
	Average return each year	5.2%	9.9%	11.4%

This table shows the money you could get back over the next five years, under different scenarios, assuming that you invest £10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/ product.

The stress scenarios shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

### What happens if Draper Esprit plc is unable to pay out?

As a shareholder of the Company, you would not be able to make a claim to the Financial Services Compensation Scheme about the Company in the event that the Company is unable to pay out.

### What are the costs?

#### Costs over time

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

£10,000 investment	If you cash after 1 year	If you cash after 3 years	If you cash after 5 years
Total costs	250	792	1,498
Impact on return	2.50%	2.29%	2.24%

#### Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

#### This table shows the impact on return per year

**One-off costs**      **Entry costs**      0.2%      The impact of the costs you pay when entering your investment.

On-going costs	Exit costs	0.2%	The impact of the costs of exiting your investment when it matures.
	Portfolio transaction costs	0.0%	The impact of the costs of us buying and selling underlying investments for the product.
Incidental costs	Other on-going costs	2.2%	The impact of the administration and finance costs incurred each year in managing the investments.
	Performance fees	None	No performance fees apply to this product.
	Carried interests	None	No carried interests apply to this product.

#### How long should I hold it and can I take money out early?

There are no restrictions on the transferability of the shares. The shares of the Company trade continuously on the London Stock Exchange and the Irish Stock Exchange and are not bound by any prescribed redemption or sale restrictions. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

#### Recommended and/or required minimum holding period

There is no required minimum holding period and this product has no maturity. The recommended holding period is expected to be at least five years for shares in the Company. This is on the basis that the Company's investment objective aims to provide shareholders with capital appreciation over the medium to long term.

Prospective investors should not treat the contents of this Key Information Document as advice relation to legal, taxation, investment or any other matters. Prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Company and an investment in the shares.

#### How can I complain?

As a shareholder of the Company, you do not have the right to complain to the Financial Ombudsman Service about the management of the Company. Complaints about the Company or the key information document should be sent to the Company Secretary at Prism Cossec Limited (website: <https://prismcossec.com/>, email: [ ]@prismcossec.com and address: 42-50 Hershaw Road, Walton-on-Thames, Surrey KT12 1RZ).

#### Other relevant information

The cost, performance and risk calculations included in this Key Information Document follow methodology prescribed by EU Regulations. However due to there being no comparable benchmarks for this product, we have based the performance scenarios on 18 month daily prices because we believe that this is the most representative sample available.

Depending on how you buy these shares, you may incur other costs, including broker commission, platform fees and stamp duty. The distributor will provide you with additional documents where necessary.

The admission document and additional information documents are available on the following website:

<http://draperesprit.com>