

Draper Esprit plc (the "Company")**INVESTOR DISCLOSURE DOCUMENT****August 2020****Regulatory status of the Company and its Alternative Investment Fund Manager ("AIFM")**

This document contains the information required to be made available to investors in the Company before they invest, pursuant to Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers and UK implementing measures (the Alternative Investment Fund Managers Regulations No.1773/2013, and consequential amendments to the FCA Handbook) (the "AIFMD"). It is made available to investors in the Company by being made available at www.draperesprit.com.

In this document references to the "Manager" are to Esprit Capital Partners LLP (a wholly-owned subsidiary of the Company); references to the Board are to the board of the Company; references to "Shares" are to ordinary shares of £0.01 each in the capital of the Company; and references to "Shareholders" are to shareholders in the Company.

Important Information

This document contains solely that information that the Manager is required to make available to investors in the Company pursuant to the AIFMD and should not be relied upon as the basis for any investment decision.

This document is not being issued for any purpose other than to make certain, required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the Company and the Manager will not be responsible to persons other than the Shareholders for their use of this document, nor will they be responsible to any person (including the Shareholders) for any use which they may make of this document other than to provide information to invest in the Shares. This document does not purport to provide complete details of the Company and potential investors should not solely rely upon this document when determining whether to make an investment. This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Shares.

This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and its Shares.

The Company and the Manager are not advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company, the Manager or any of their subsidiaries, affiliates, officers, directors, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other matters concerning the Company or an investment in Shares.

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The Shares have not been, and will not be, registered under the US Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia, the Republic of South Africa or Japan. Accordingly, the Shares may not (unless an exemption from such Act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia, the Republic of South Africa or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such Act. Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Shares.

Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

Disclosures

DISCLOSURE REQUIREMENT	DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE
Investment strategy and objective	Please refer to the investment objective and strategy set out in the Company's admission document and its latest annual report: https://draperesprit.com/investors/plc/results-and-reports .
Master fund domicile, if relevant	Not applicable.
If the Company is a fund of funds, domicile of investee funds	Not applicable.
The types of asset in which the Company may invest	Please refer to the investment model and strategy in the Company's admission document and its latest annual report: https://draperesprit.com/investors/plc/results-and-reports . Please also refer to the investment policy in the AIM and Euronext Growth Rule 26 disclosures on the Company's website: https://draperesprit.com/investors/plc/aim-rules No material change may be made to the investment policy without the passing of an ordinary resolution by Shareholders.
Investment techniques that may be employed and all associated risks	Please refer to the investment techniques and risk disclosures in the Company's admission document and its latest annual report: https://draperesprit.com/investors/plc/results-and-reports .
Investment restrictions	The Company is subject to all such investment restrictions as it is required to adhere to in order to maintain its listing on AIM, a market operated by the London Stock Exchange, and the Irish Stock Exchange's Euronext Growth market (trading as Euronext Dublin).
Circumstances in which the Company may use leverage	Please refer to the Company's use of borrowing in its admission document: https://draperesprit.com/investors/plc/results-and-reports . Please also refer to the Company's use of borrowing in the AIM and Euronext Growth Rule 26 disclosures on the Company's website: https://draperesprit.com/investors/plc/aim-rules
The types and sources of leverage permitted Restrictions on the use of leverage The maximum level of leverage which the Company may employ	In May 2019, Draper Esprit Plc secured a new revolving credit facility, provided by Silicon Valley Bank and Investec, of £50.0 million over a 3-year term. In June 2020, the term was extended by 1 year to 2023 and increased its size by £10.0 million to £60.0 million in line with the growing portfolio.
Collateral and re-use arrangements	The Company does not currently intend to utilise collateral and re-use arrangements.
The main implications of the contractual relationship entered into for the purpose of investment including information on jurisdiction, applicable law and enforcement	The Company is a public company limited by shares, incorporated in England and Wales. While investors acquire an interest in the Company on subscribing for or purchasing Shares, the Company, or a directly or indirectly wholly owned subsidiary or subsidiary undertaking, is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of

	Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Shares held by them.
Manager's compliance with IPRU- INV 11.3.11G relating to professional liability risk	Professional liability risks resulting from those activities which the Manager carries out pursuant to the AIFMD, are, to the extent required by law, covered by the Manager through maintaining an amount of 'own funds' (within the meaning of IPRU-INV) and professional indemnity insurance.
Valuation procedure and methods	Please refer to the valuation procedure and methods in the Company's admission document and its latest annual report: https://draperesprit.com/investors/plc/results-and-reports
Liquidity risk management	<p>The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows. The utilisation of the Company's loan facility (as set out above) and requirement for utilisation requests is monitored as part of this process.</p> <p>Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations of the Company as they fall due.</p>
Fair treatment of shareholders / Preferential treatment	<p>As the Shares are admitted to trading on AIM, a market operated by the London Stock Exchange plc, and the Enterprise Securities Market, a market operated by Euronext Dublin, the Company treats all Shareholders of a given class equally.</p> <p>The Manager has procedures, arrangements and policies in place to ensure compliance with the principles more particularly described in the AIFMD relating to the fair treatment of investors. The principles of treating investors fairly include, but are not limited to:</p> <ul style="list-style-type: none"> • acting in the best interests of the Company and of the Shareholders; • ensuring that the investment decisions taken for the account of the Company are executed in accordance with the Company's investment policy and objective and risk profile; • ensuring that the interests of any group of Shareholders are not placed above the interests of any other group of Shareholders; • ensuring that fair, correct and transparent pricing models and valuation systems are used for the Company; • preventing undue costs being charged to the Company and Shareholders; • taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of Shareholders; and • recognising and dealing with complaints fairly.
Latest net asset value of the Company	The latest published net asset value of the Company can be found in the Regulatory News section of the Company's website: https://draperesprit.com/investors/plc/regulatory-news . Please also refer to the Company's latest annual report: https://draperesprit.com/investors/plc/results-and-reports , which contains historical performance information on the Company.

<p>Historical performance of the Company</p>	<p>Please refer to the Company's latest annual report: https://draperesprit.com/investors/plc/results-and-reports, which contains historical performance information on the Company.</p>
<p>SERVICE PROVIDERS AND COMPANY EXPENSES DISCLOSURE</p>	
<p>Manager (AIFM) and Administrator</p>	<p>Esprit Capital Partners LLP whose registered office is 20 Garrick Street, London WC2E 9BT is the Manager (AIFM) of the Company.</p> <p>The Manager is a wholly-owned subsidiary undertaking of the Company.</p> <p>The Manager, as the alternative investment fund manager of the Company, is responsible for the discretionary portfolio management of the Company and exercising the risk management function in respect of the Company.</p> <p>In addition, the Manager performs certain administration, fund accounting and valuation services for the Company.</p> <p>The Manager receives an annual management fee of 2 per cent per annum of the aggregate of the drawn down and outstanding loans provided directly or indirectly by the Company to other members of the Company's group which have been used to make investments in accordance with the Company's investing entitlements from third party funds it manages as described at paragraph 4 of Part 9 of the Company's admission document: https://draperesprit.com/investors/plc/results-and-reports.</p>
<p>Company secretary</p>	<p>Prism Cosec Limited whose registered office is Elder House St Georges Business Park, 207 Brooklands Road, Weybridge, Surrey, United Kingdom, KT13 0TS is the secretary to the Company.</p> <p>The company secretary's duties include the arrangement of, co-ordination and preparation of board and committee meetings and papers; ensuring that packs provided for board meetings shall include required documents; and attendance and minuting of board meetings.</p> <p>Prism Cosec is entitled to a fee based on an hourly rate for time spent providing its services (plus VAT).</p>
<p>Registrar</p>	<p>Equiniti Limited whose registered office is Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA is the Company's registrar.</p> <p>The principal duty of the registrar is the maintenance of the register of shareholders (including registering transfers). It also provides services in relation to corporate actions (including tender offers and the exercise of subscription shares), dividend administration and shareholder documentation.</p> <p>Equiniti is entitled to receive a fee for share registration services based on the number of Shareholders, subject to a minimum fee of £2,430 (plus VAT).</p> <p>The fee is subject to increase in line with Average Weekly Earnings rate. Equiniti is also entitled to activity fees pursuant to its registrar agreement with the Company.</p>
<p>Depository</p>	<p>Aztec Financial Services (UK) Limited whose registered office is Forum 3, Solent Business Park, Parkway South, Whiteley, Fareham, PO15 7FH and whose principle place of business is at Forum 4, Solent Business Park, Fareham, PO15 7AD is the depository to the Company.</p> <p>The depository's duties include, amongst others, the following:</p>

	<ul style="list-style-type: none"> ensuring that the Company's cash flows are properly monitored, and that all payments made by or on behalf of investors upon the subscription for shares are received; safekeeping the assets of the Company, which includes (i) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depository's books and all financial instruments that can be physically delivered to the Depository; and (ii) for other assets, verifying the ownership of such assets and maintaining records accordingly; ensuring that the sale, issue, re-purchase, redemption and cancellation of shares in the Company are carried out in accordance with applicable law and the Company's articles of association; ensuring that the value of the shares in the Company is calculated in accordance with applicable law and the articles of association; carrying out the instructions of the Manager, unless they conflict with applicable law or the articles of association; ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and ensuring that the Company's income is applied in accordance with applicable law and the articles of association. <p>The depository receives an annual fee of £28,500. In addition to this fee, the Depository is entitled to recharge expenses incurred in the performance of its duties.</p>
<p>Reporting Accountants and auditors</p>	<p>PricewaterhouseCoopers LLP whose registered office is 1 Embankment Place, London WC2N 6RH and whose principle place of business is at 7 More London Riverside, London SE1 2RT is the Company's auditor.</p> <p>The auditors' responsibility is to audit and express an opinion on the financial statements of each Company in accordance with applicable law and auditing standards.</p> <p>The auditors' remuneration is determined by the Directors of the Company and can be found in the latest annual report: https://draperesprit.com/investors/plc/results-and-reports.</p>
<p>Rights against third party service providers</p>	<p>The Company is reliant on the performance of the Manager and third-party service providers including the registrar, the secretary and the depository.</p> <p>Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only.</p> <p>Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.</p> <p>In the event that a Shareholder considers that it may have a claim against a third-party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.</p>

	<p>The above is without prejudice to any right a shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious or contractual cause of action.</p> <p>Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort or contract, against any service provider in connection with their investment in the Company, should consult their legal adviser.</p> <p>Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against the Manager to the Financial Ombudsman Service ("FOS") (further details of which are available at www.financial-ombudsman.org.uk).</p> <p>Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("FSCS") if they have claims against an FCA authorised service provider (including the Manager) which is in default. There are limits on the amount of compensation available. Further information about the FSCS is at www.fscs.org.uk. To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal advisers.</p>
Directors' fees	<p>The directors of the Company are entitled to receive, by way of fees for their services as directors, such sum as the board or any committee authorised by the board may, from time to time, determine. Such sum shall be divided amongst the directors in such proportions and in such manner as the board, or any committee authorised by the board, may determine.</p> <p>The remuneration of the directors of the Company for the last financial year can be found in the Company's annual report: https://draperesprit.com/investors/plc/results-and-reports</p>
Other ongoing expenses	<p>Other ongoing operational expenses that will be borne by the Company include travel, accommodation, printing, D&O insurance, website maintenance, bank facility, legal fees, and professional fees.</p> <p>Out of pocket expenses of the registrar, the depositary and the directors relating to the Company will also be borne by the Company. These expenses will be deducted from the assets of the Company and, although they may vary, are estimated to be in the region of £5k per annum, excluding any non-recurring or extraordinary expenses.</p> <p>Given that many of the above fees, charges and expenses are either irregular or calculated using formulae that contain variable components, the maximum amount of fees, charges and expenses that Shareholders will bear in relation to their investment cannot be disclosed in advance.</p> <p>The fees and expenses for the Company in the last financial year (including the ongoing expenses of the Company) can be found in the Company's annual report: https://draperesprit.com/investors/plc/results-and-reports.</p>
ONGOING AND PERIODIC DISCLOSURES	
Information to be made	The Manager must periodically disclose to Shareholders certain information

<p>available, as a minimum, as part of the Company's annual report</p>	<p>in relation to the Company. This includes providing disclosure on the Company's risk profile, which, as prescribed in the AIFMD, shall outline:</p> <ul style="list-style-type: none"> the measures used to assess the sensitivity of the Company's portfolio to the most relevant risks to which the Company is or could be exposed; if risk limits set by the Manager have been or are likely to be exceeded; and where these risk limits have been exceeded, a description of the circumstances and the remedial measures taken. <p>The Company will, in the annual report, disclose:</p> <ul style="list-style-type: none"> the current risk profile of the Company and the risk management systems employed by the Manager to manage those risks; and the total amount of leverage employed by the Company. <p>Shareholders will also be notified whenever the Manager makes material changes to liquidity management systems and procedures it employs in respect of the Company.</p>
<p>Information to be made available without undue delay</p>	<p>Information will also be provided regarding changes to:</p> <ul style="list-style-type: none"> the maximum level of leverage which the Company, or the Manager on the Company's behalf, may employ; the rights for re-use of collateral under the Company's leveraging arrangements; or any guarantee granted under the Company's leveraging arrangements. <p>This information will be made available by way of an update to this document, or in such other manner as the Manager and directors of the Company determine as appropriate.</p>
<p>TERMS OF ISSUE</p>	
<p>Procedure and conditions for the issue of shares</p>	<p>Shares will be issued in registered form.</p> <p>Shares are eligible for settlement through CREST. Shares allocated will be transferred to places through the CREST system unless otherwise stated. Member firms will be requested to give their CREST settlement details to the Company. The Company will arrange for Euroclear to be instructed to credit the appropriate Euroclear accounts of the subscribers concerned or their nominees with their respective entitlements to Shares. The names of subscribers or their nominees that invest through their Euroclear accounts will be entered directly on to the share register of the Company.</p>