



SERAPHIM
CAPITAL

Space2Invest, 25th October 2017

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Seraphim Space Fund Overview



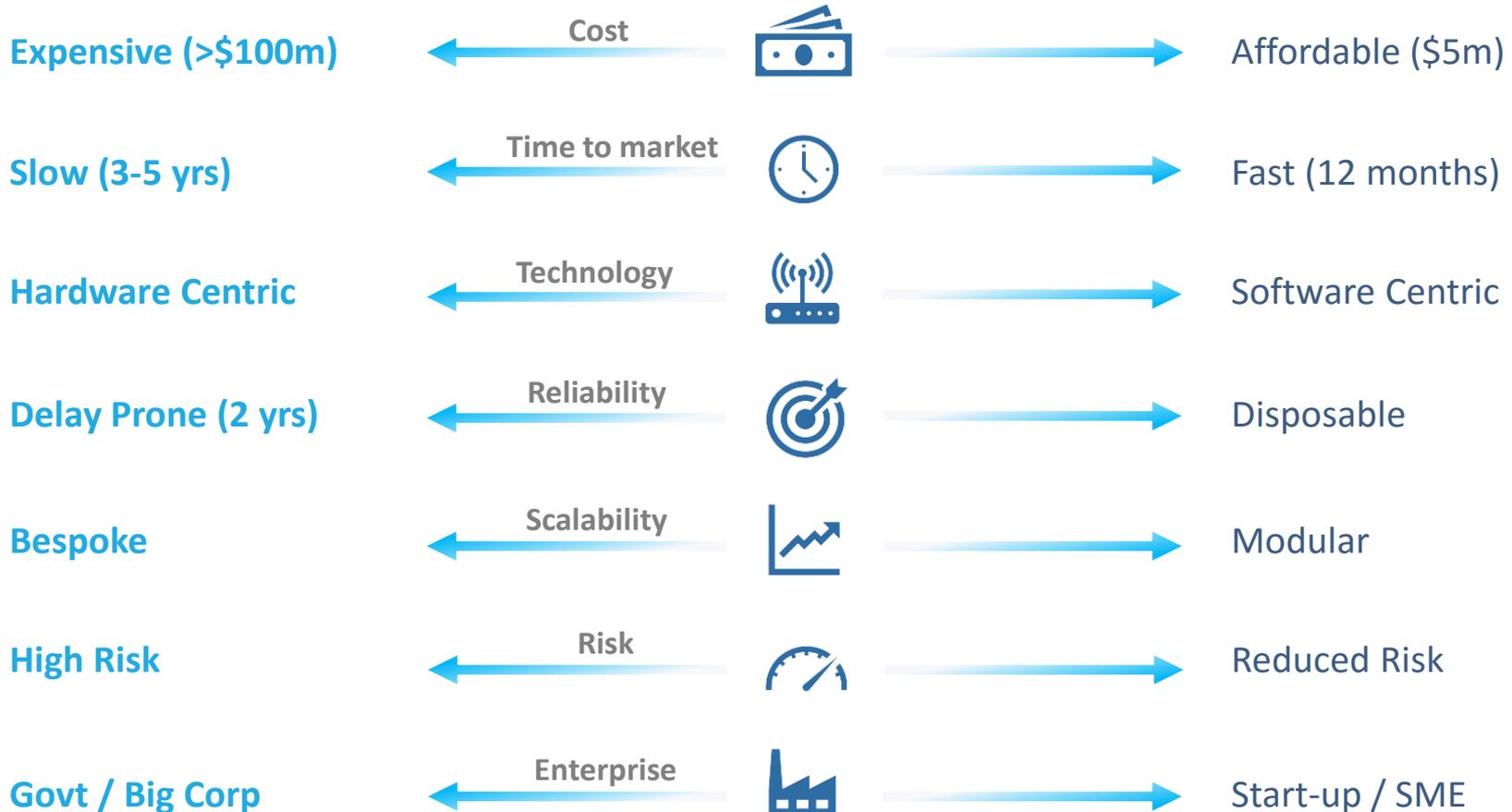
- World's only space-tech focused VC fund
- \$90 million / £67 million
- Backed by leading space companies, British Business Bank and the European Space Agency
- Focus on Series A, but remit Seed to Series B+
- £1-3m initial investments
- 2x nanosat investments to date (Spire, Iceye). 2x UAV + 1x nanosat investments expected to close this next quarter



Why a Space Fund?



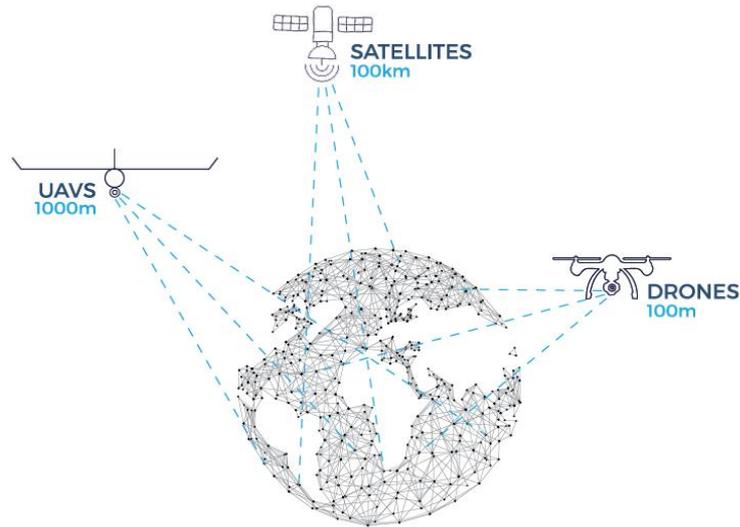
Disruption being led by venture funded start-ups



Our Investment Focus



Space / Aerial Platforms Collecting Data From Above....



Technologies Facilitating The Data Lifecycle....



Enabled Applications for Specific Verticals...



Our SpaceTech Market Segmentation



BUILD

- Building & selling satellites, drones, autonomous systems. Components, sub-systems, complete systems
- Hardware (sensors), software (i.e. control system), hybrid (i.e. machine vision)



STORE

- Data storage & data processing infrastructure / architecture
- High performance computing



LAUNCH

- Building & launching rockets
- Launch-related services



ANALYZE

- Analysis of data from space / aerial platforms
- A.I / machine learning enabled analytics



COLLECT

- Any data collection / space platform (i.e. smallsat, drone, sensor network)
- Multi-modal: look, listen, communicate



PRODUCT

- Packaging of different data streams (space & non space)
- Tailored to specific use cases in specific verticals



DOWNLINK

- Facilitate transmission of data from space / aerial platform back down to earth
- Satcomms & terrestrial comms networks

Our Team



9

VENTURE
PORTFOLIOS
managed

>180

COMPANIES
invested

>£750m

RETURNED
to investors



- **Kit Hunter Gordon**
- 30 years early stage investing
- Founder CEO The Summit Group



- **Mark Boggett**
- 18 years VC & tech investing
- Chair LCIF, Ex YFM Equity Partners



- **Michael Jones**
- Founder / Inventor Google Earth
- CTO Google Maps, Earth, Local



- **Daniel Carew**
- Deep Tech analyst Enzo Ventures
- PhD in Chemistry / Nanomaterials



- **Anthony Clarke**
- 18 years VC / PE experience
- Founder CEO Angel Capital Group / London Business Angels



- **Paul Thomas**
- 30 years VC / PE experience
- CIO Pi Capital, ex MD ECI Partners



- **James Bruegger**
- 11 years VC / PE experience
- Ex Deloitte M&A Strategy



- **Conor O'Sullivan**
- Satellite Applications Catapult, advised >50 space start-ups
- MBA, 5 yrs investment banking

Creating a space funding ecosystem



UK Space Tech Angels Network

- LBA largest, most active BA network in UK
- Special interest group >50 angels
- Seed fund >6 businesses per year
- Feed from / to Seraphim Space Fund
- Launched December '16, holding 3rd pitch event on November 1st

ukspacetechangers.com

Market Observations



- 1,200+ opportunities reviewed in last c.12 months – panoptic view of latest developments in spacetechnology ecosystem
- Spacetechnology ecosystems (esp. analytics / applications) far richer than most believe
- Innovation happening globally, across entire industry value chain
- Investor appetite increasing significantly (more investors, more A + B rounds)

Seraphim Index

- The Barometer for the SpaceTech Venture Capital Market
- Quarterly indicator tracking and illuminating the increasing activity and relevance of the SpaceTech start-up ecosystem
- Assessed over 2,400 equity transactions for 12 months from July 2016 to July 2017
- Identified 300 relevant equity transactions across Seed, Series A, B and later stage
- Quarterly reports to be released covering financings and trends

What we look for



- Clearly defined, large addressable market with major pain points
- Hardware the tool, data the business
- Platforms collecting proprietary datasets
- Fantastic teams that will get through the tough times
- Defensible Intellectual Property (IP) & some technical validation
- We are always looking for a high growth profile

Down to the make-up of the leadership team and the earning potential of the business

Things to Demonstrate



- How your company is a good fit for our investment philosophy
- There's a latent or real demand for what you're selling
- What you're selling is different/better than the competition
- You've got a solid management team in place that has the potential to execute
- Back it up with metrics and some evidence (*if you have them*)
- How are you going to use our money and what milestones will you aim for?

Venture capital investors want to know that you will be a good steward of the funds they place under your control. You need to prove yourself a competent entrepreneur and someone who will push as hard as they can to make an idea work.

Advice for Entrepreneurs



Pre and during VC engagement.....

- Do your homework on the VC before you engage. Look for what stage they invest at, existing investments into companies etc.
- Think about what you want from your investor and how they can help you.
- Send the slide deck (*not the full business plan*) ahead of the call/meeting.
- Speak with data, if it's there. Express your achievements/milestones through metrics.
- Be knowledgeable about your competitive environment

Conversation with investors can be ongoing over a long period, keep them informed of your progress against key milestones (if they tell you to keep in touch).

Advice for Entrepreneurs (contd.)



Pitching.....

- Express the problem clearly and define it: help investors understand the pain points that exist and how big the problem is.
- Express your passion: less the technical “*what does it do*”, but more the “*why is it important to customers.*”
- Remember you are selling the business opportunity.
- Investors may not know as much as you about your particular sector/market/technology. Don’t assume they all will!
- An initial pitch is not the time to close a deal, but an opportunity to get investors excited enough to learn more.

Be transparent, answer the questions as openly as possible.



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