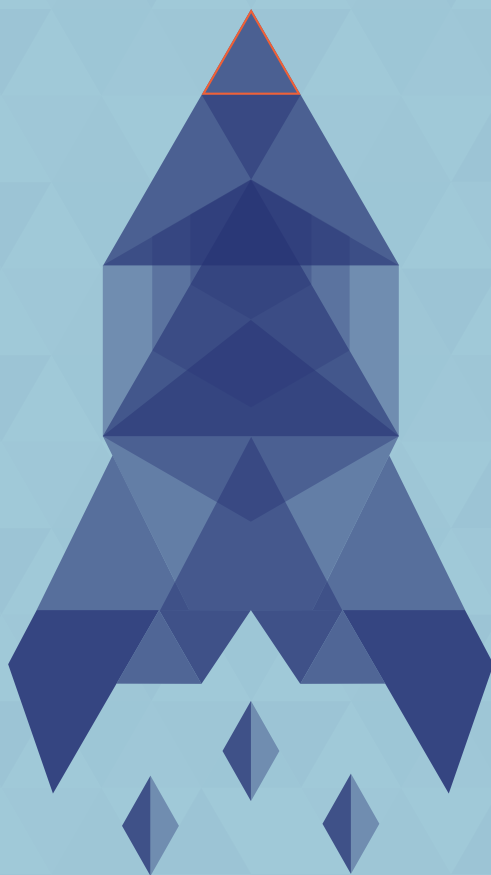


Venture Capital Reinvented.

Draper Esprit VCT plc

Half-Yearly Report for the six months ended 30 September 2020



SHAREHOLDER INFORMATION

Recent performance summary

	30 Sept 2020 Pence	30 Sept 2019 Pence	31 Mar 2020 Pence
Net Asset Value ("NAV") per Share	49.9	57.1	46.0
Cumulative distributions paid per Share	<u>105.0</u>	<u>102.0</u>	<u>105.0</u>
Total Return per Share	<u>154.9</u>	<u>159.1</u>	<u>151.0</u>

Recent/forthcoming dividends

	Amount per Share	Date of payment	Ex-div date	Record date
2020 Final	1.5p	23 Oct 2020	24 Sept 2020	25 Sept 2020
2021 Interim	1.0p	26 Mar 2021	4 Mar 2021	5 Mar 2021

A full dividend history for the Company can be found at www.downing.co.uk

Dividends will be paid by the Company's registrar, Link Market Services, on behalf of the Company. Shareholders who wish to have dividends paid directly into their bank account, rather than by cheque to their registered address, can complete a mandate form for this purpose (forms can be downloaded from www.linkgroup.eu). Queries relating to dividends, Shareholdings and requests for mandate forms should be directed to Link Market Services, on 0871 664 0300 (calls cost 12p per minute plus network extras, lines open 9:00 a.m. to 5:30 p.m. Monday to Friday), or by writing to them at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

Share price

The Company's Share price can be found on various financial websites with the TIDM/EPIC code "DEVVC". A link to the share price is also available on VCT's website at:

www.draperesprtvct.com

and on Downing LLP's website at:

www.downing.co.uk

Latest share price 21 December 2020: 40.5p per Share

Share scam warning

We are aware that a significant number of shareholders of VCTs have recently received unsolicited telephone calls from a company purporting to be acting on behalf of a client who is looking to acquire their VCT shares at an attractive price. We believe these calls to be part of a "Boiler Room Scam". **Shareholders are warned to be very suspicious if they receive any similar type of telephone call.**

Further information can be found on Downing's website. If you have any concerns, please contact Downing on 020 7416 7780.

Shareholder information is continued on the inside back cover

CHAIRMAN'S STATEMENT

Since my statement with the last annual report, published in July, we have seen some progress in the battle against the coronavirus with the end of the first lockdown but then a setback with the second wave and, more recently, positive news in respect of vaccines which now suggests there is some light at the end of the tunnel. The pandemic has been disruptive for all businesses, but I believe the Company's portfolio has generally weathered the storm well and many businesses have been able to adapt to the new conditions.

Unsurprisingly, new investment activity fell to a reduced level in the early stages of the pandemic. However, this has now recovered and the Manager made good progress in continuing to deploy the Company's funds later in the period.

Net Asset Value, results and dividends

At 30 September 2020, the Company's Net Asset Value ("NAV") per share stood at 49.9p, an increase of 3.9p or 8.5% since 31 March 2020.

The profit on ordinary activities after taxation for the period was £5.7 million (period ended 30 September 2019: £228,000), comprising a revenue loss of £222,000 (period ended 30 September 2019: revenue return of £134,000) and a capital profit of £5.9 million (period ended 30 September 2019: £94,000).

An interim dividend of 1.0p per Share will be paid on 26 March 2021, to Shareholders on the register as at 5 March 2021.

Venture capital investments

Investment activity and valuation

During the period, the Company made two new and three follow-on investments, totalling £5.4 million.

The Company invested £2.4 million in Thought Machine Group Limited, a fintech company which has developed cloud native banking technology with its core banking system, Vault.

£1.1 million was also invested in Ravelin Technology Limited, a cloud-based fraud detection and prevention platform that helps companies stop online payment fraud.

Further investments were made into three existing portfolio businesses: Back Office Technology (£720,000), Evonetix (£692,000) and Roomex (£465,000).

At the period end, the Company held a portfolio of 39 venture capital investments, valued at £37.7 million.

The Board has reviewed the valuations of the unquoted investments as at 30 September 2020 and made a number of adjustments to their carrying values. This has resulted in a net valuation uplift of £6.2 million for the period across the portfolio.

Fundraising

The Company launched an offer for subscription in October 2019 which closed on 31 August 2020, having raised £13.5 million.

The Board is giving consideration to further fundraising plans.

Share buybacks

The Company continues to operate a policy of buying in its shares that become available in the market, at approximately a 5% discount to the latest published NAV, subject to regulatory and liquidity constraints.

In line with this policy, during the period the Company purchased 388,328 shares for cancellation an average price of 42.9p per share.

Any Shareholders considering selling their shares will need to use a stockbroker and may wish to contact Panmure Gordon (UK) Limited, who acts as the Company's corporate broker and can provide details on closed periods when the Company is unable to buy shares.

CHAIRMAN'S STATEMENT (continued)

Board Composition

As previously announced, Barry Dean retired from the Board and did not stand for re-election as a non-executive director at the AGM, which took place in September. We thank Barry for his significant contribution during the period that he served on the Board.

The Board now comprises four non-executive directors. The Directors are reviewing the Board structure and may make further adjustments in due course.

Outlook

A substantial part of the Company's portfolio is now invested in businesses introduced under the co-investment arrangements with Draper Esprit plc. It is still too early to expect major successful exits from these investments but progress is generally satisfactory to date. Although many of these businesses are reasonably immature, many operate in sectors that have not been heavily impacted by the pandemic and should be well positioned to flourish as the world starts to slowly return to more normal conditions.

Over the remainder of the financial year, with dealflow reported to be strengthening, we expect to see a reasonable level of further funds deployed.

I look forward to updating Shareholders in the next Annual Report, which will be issued in July 2021.



David Brock
Chairman

22 December 2020

INVESTMENT MANAGER'S REPORT

The co-investment arrangements with Draper Esprit plc, to share deal flow, management experience and investment opportunities, continues to be positive from both an investment and a fundraising perspective. We now define the Company as having two portfolios; a new technology portfolio invested alongside other Draper Esprit funds and a legacy portfolio assembled before the Draper Esprit arrangement.

At the period end, the Draper technology portfolio as a percentage of total net assets accounted for 41%, the legacy portfolio 27%, and cash 32%.

Since the March year end, two new investments have been completed in the fintech sector totalling £3.5 million.

One is Thought Machine Group Ltd. Founded in 2014 by a former Google engineer. The company has built Vault, a modern cloud native core system for banks constrained by legacy systems. Over the last months, the company has scaled up international hiring, adding 100 employees in the first two quarters of 2020. This Draper Esprit led round was joined by Lloyds Banking Group, IQ Capital, Backed and Playfair Capital. Together with a further subsequent round led by Eurazeo Growth this brings the total funds raised to \$125 million.

The other is Ravelin Technology Ltd, a vendor of fraud detection software. Founded in 2018, Ravelin has pioneered the use of machine learning and graph network technologies to help online businesses accept more payments with confidence. It has marquee clients in each sector globally and has helped businesses to accept over 1.2 billion transactions; secure over 230 million active user accounts; and use machine learning to block 4 million fraudulent accounts which attempted to place 14.7 million orders worth \$53 billion.

Since the September period end, we have signed commitments to an additional two new investments totalling £1.2 million and are awaiting HMRC advance assurance to complete.

Four further follow-ons have been made into the Draper Esprit portfolio totalling £3.4 million, one post the September period end. Two follow-ons were investments led by third party investors into Evonetix and Back Office Technology.

Back Office Technology (trading as Form 3) is a cloud native fintech payments processor. This £29 million strategic investment round included new investors Lloyds Banking Group, Nationwide Building Society, and venture capital firm, 83 North.

Evonetix, which is developing DNA gene synthesis technology, raised a further round led by US venture investors, Foresite Capital. The new funding will be used to accelerate internal technology development, including the integration of Evonetix's technology to enable the synthesis of DNA on a chip.

Details of these additions can be found on page 6.

Within the legacy portfolio, four companies make up 94% of the carrying value at 30 September 2020. Two of these, Access Intelligence plc and Fulcrum Utilities Services Limited, are quoted on AIM and have risen in value by 56% since 31 March and now total £6.6m (12% of NAV). The valuation of the two private companies, Fords and Lyalvale, remain unchanged. No further investment was made into the legacy portfolio.

INVESTMENT MANAGER'S REPORT (continued)

As Managers of the VCT, we were confident of the upward trend in the portfolio valuations until the advent of the Covid crisis which resulted in a marked decrease in portfolio valuations at the year end. We are pleased to report an overall recovery in these valuations, despite some mixed results in trading across our portfolio companies.

As a result, the Company recorded a 3.9p increase in the Total Return (net asset value including cumulative dividends), from 31 March 2020 from 151.0p to 154.9p, an increase of 8.5%.

The Draper Esprit investments continue to offer some exciting prospects for the future. The pace at which new technologies are disrupting, shaping and improving the world around us shows no signs of relenting with developments around machine learning, artificial intelligence, mobility, and blockchain opening up exciting new possibilities across our areas of focus in enterprise, digital health, hardware and deeptech, and consumer technology.

In summary, the Manager continues to believe that despite the setbacks of the Covid pandemic and the uncertainty of Brexit, investing into technology retains the attributes of good potential for future value growth.

Elderstreet Investments Limited

22 December 2020

SUMMARY OF INVESTMENT PORTFOLIO

Investment Portfolio as at 30 September 2020	Cost £'000	Valuation £'000	Valuation movement in period £'000	% of portfolio by value
Top ten venture capital investments				
Access Intelligence plc*	2,586	5,980	2,238	10.8%
Fords Packaging Topco Limited	2,433	5,626	-	10.1%
Endomagetics Limited	912	2,862	396	5.2%
Back Office Technology Limited	1,420	2,410	-	4.3%
Thought Machine Group Limited	2,400	2,400	-	4.3%
IESO Digital Health Limited	1,900	2,061	161	3.8%
StreetTeam Software Limited	2,504	1,917	1,776	3.5%
Evonetix Limited	1,485	1,882	7	3.4%
Freetrade Limited	600	1,500	240	2.7%
Lyalvale Express Limited	1,915	1,428	-	2.6%
	<u>18,155</u>	<u>28,066</u>	<u>4,818</u>	<u>50.7%</u>
Other venture capital investments	<u>20,775</u>	<u>9,611</u>	<u>1,353</u>	<u>17.2%</u>
	<u>38,930</u>	<u>37,677</u>	<u>6,171</u>	<u>67.9%</u>
Cash at bank and in hand		<u>17,806</u>		<u>32.1%</u>
Total investments		<u>55,483</u>		<u>100.0%</u>

SUMMARY OF INVESTMENT MOVEMENTS

Investment additions

Venture capital investments	£'000
Thought Machine Group Limited	2,400
Ravelin Technology Limited	1,133
Back Office Technology Limited	720
Evonetix Limited	693
Roomex UK Limited	465
	<u>5,411</u>

Investment disposals

	Cost £'000	Value at 1 April 2020 £'000	Proceeds £'000	Profit vs cost £'000	Realised gain £'000
Venture capital investments					
<i>Retention proceeds</i>					
Pod Point Holdings Limited	-	-	22	22	22
	<u>-</u>	<u>-</u>	<u>22</u>	<u>22</u>	<u>22</u>

*Quoted on AIM

All venture capital investments are unquoted unless otherwise stated.

UNAUDITED BALANCE SHEET

as at 30 September 2020

		30 Sept 2020 £'000	30 Sept 2019 £'000	31 Mar 2020 £'000
	Note			
Fixed assets				
Investments	9	37,677	31,913	26,095
Current assets				
Debtors		51	75	2,416
Cash at bank and in hand		17,806	14,036	8,422
		<u>17,857</u>	<u>14,111</u>	<u>10,838</u>
Creditors: amounts falling due within one year		<u>(220)</u>	<u>(205)</u>	<u>(190)</u>
Net current assets		<u>17,637</u>	<u>13,906</u>	<u>10,648</u>
Net assets		<u>55,314</u>	<u>45,819</u>	<u>36,743</u>
Capital and reserves				
Called up Share capital	7	5,544	4,015	3,997
Capital redemption reserve		652	615	633
Share premium account		18,321	6,387	6,388
Merger reserve		1,828	1,828	1,828
Special reserve	8	17,814	21,729	18,713
Capital reserve - unrealised		10,588	8,952	4,417
Capital reserve - realised	8	798	2,175	776
Revenue reserve	8	<u>(231)</u>	<u>118</u>	<u>(9)</u>
Equity Shareholders' funds	6	<u>55,314</u>	<u>45,819</u>	<u>36,743</u>
Basic and diluted Net Asset Value per Share	6	49.9p	57.1p	46.0p

UNAUDITED INCOME STATEMENT

for the six months ended 30 September 2020

	Six months ended 30 Sept 2020			Six months ended 30 Sept 2019			Year ended 31 Mar 2020
Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Total £'000
Income	48	-	48	411	-	411	585
Gains on investments							
Realised	-	22	22	-	-	-	120
Unrealised	-	6,171	6,171	-	386	386	(5,746)
	<u>48</u>	<u>6,193</u>	<u>6,241</u>	<u>411</u>	<u>386</u>	<u>797</u>	<u>(5,041)</u>
Investment management fees	(91)	(276)	(367)	(98)	(292)	(390)	(848)
Other expenses	<u>(179)</u>	<u>-</u>	<u>(179)</u>	<u>(179)</u>	<u>-</u>	<u>(179)</u>	<u>(366)</u>
Return on ordinary activities before taxation	(222)	5,917	5,695	134	94	228	(6,255)
Tax on total comprehensive income and ordinary activities	-	-	-	-	-	-	-
Return attributable to equity Shareholders	<u>4</u> (222)	<u>5,917</u>	<u>5,695</u>	<u>134</u>	<u>94</u>	<u>228</u>	<u>(6,255)</u>
Basic and diluted return per Share	<u>4</u> (0.2p)	<u>5.5p</u>	<u>5.3p</u>	<u>0.2p</u>	<u>0.1p</u>	<u>0.3p</u>	<u>(7.8p)</u>

All Revenue and Capital items in the above statement are derived from continuing operations. The total column within the Income Statement represents the profit and loss account of the Company.

UNAUDITED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2020

	Called up Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Merger reserve £'000	Special reserve £'000	Capital reserve- unrealised £'000	Capital reserve- realised £'000	Revenue reserve £'000	Total £'000
At 1 April 2019	3,436	599	-	1,828	22,545	8,403	2,174	(16)	38,969
Total comprehensive income	-	-	-	-	-	(5,746)	(516)	7	(6,255)
Transfer between reserves	-	-	-	-	(3,281)	1,760	1,521	-	-
<i>Transactions with owners</i>									
Issue of new Shares	595	-	6,388	-	-	-	-	-	6,983
Share issue costs	-	-	-	-	(185)	-	-	-	(185)
Purchase of own Shares	(34)	34	-	-	(366)	-	-	-	(366)
Dividends paid	-	-	-	-	-	-	(2,403)	-	(2,403)
At 31 March 2020	3,997	633	6,388	1,828	18,713	4,417	776	(9)	36,743
Total comprehensive income	-	-	-	-	-	6,171	(254)	(222)	5,695
Transfer between reserves	-	-	-	-	(276)	-	276	-	-
<i>Transactions with owners</i>									
Issue of new Shares	1,566	-	11,933	-	-	-	-	-	13,499
Share issue costs	-	-	-	-	(455)	-	-	-	(455)
Purchase of own Shares	(19)	19	-	-	(168)	-	-	-	(168)
Dividends paid	-	-	-	-	-	-	-	-	-
At 30 September 2020	5,544	652	18,321	1,828	17,814	10,588	798	(231)	55,314

A transfer of £276,000 was made from the Special reserve to the Capital Reserve – realised in respect of capital expenses for the period.

UNAUDITED STATEMENT OF CASH FLOWS

for the six months ended 30 September 2020

	Six months ended 30 Sept 2020 £'000	Six months ended 30 Sept 2019 £'000	Year ended 31 Mar 2020 £'000
Cash flow from operating activities			
Return on ordinary activities before taxation	5,695	228	(6,255)
(Gains)/losses on investments	(6,193)	(386)	5,626
Decrease/(increase) in debtors	2,365	(10)	(2,403)
Increase in creditors	30	13	16
Net cash inflow/(outflow) generated from operating activities	<u>1,897</u>	<u>(155)</u>	<u>(3,016)</u>
Cash flow from investing activities			
Purchase of investments	(5,411)	(2,850)	(5,208)
Sale of investments	22	-	2,165
Net cash outflow from investing activities	<u>(5,389)</u>	<u>(2,850)</u>	<u>(3,043)</u>
Cash flows from financing activities			
Proceeds from Share issue	13,499	6,982	6,983
Share issue costs	(455)	(203)	(165)
Purchase of own Shares	(168)	(194)	(389)
Equity dividends paid	-	1	(2,403)
Net cash inflow from financing activities	<u>12,876</u>	<u>6,586</u>	<u>4,026</u>
Increase/(decrease) in cash	<u>9,384</u>	<u>3,581</u>	<u>(2,033)</u>
Net movement in cash			
Beginning of period	8,422	10,455	10,455
Net cash inflow/(outflow)	<u>9,384</u>	<u>3,581</u>	<u>(2,033)</u>
End of period	<u>17,806</u>	<u>14,036</u>	<u>8,422</u>

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

for the six months ended 30 September 2020

1. The unaudited Half-Yearly Report covers the six months to 30 September 2020 and has been prepared in accordance with the accounting policies set out in the statutory accounts for the period ended 31 March 2020, which were prepared in accordance with the Financial Reporting Standard 102 (“FRS 102”) and the Statement of Recommended Practice “Financial Statements of Investment Trust Companies” issued in October 2019 (“SORP”).
2. The Company has only one class of business and derives its income from investments made in shares, securities and bank deposits.
3. The comparative figures are in respect of the six months ended 30 September 2019 and the year ended 31 March 2020 respectively.

4. Basic and diluted return per Share

	Six months ended 30 Sept 2020	Six months ended 30 Sept 2019	Year ended 31 Mar 2020
Return per Share based on:			
Net revenue (loss)/return (£'000)	<u>(222)</u>	<u>134</u>	<u>7</u>
Capital return per Share based on:			
Net capital gain/(loss) (£'000)	<u>5,917</u>	<u>94</u>	<u>(6,262)</u>
Weighted average number of Shares	<u>106,544,017</u>	<u>80,116,839</u>	<u>80,113,600</u>

5. Dividends

	Per Share Pence	30 September 2020			31 March 2020
		Revenue £'000	Capital £'000	Total £'000	Total £'000
Payable					
2021 Interim	1.0p	<u>-</u>	<u>1,109</u>	<u>1,109</u>	<u>-</u>
Paid in the period					
2020 Final	1.5p	-	1,587	1,587	
2020 Interim	1.5p	-	-	-	1,199
2019 Final	1.5p	-	-	-	1,204
		<u>-</u>	<u>1,587</u>	<u>1,587</u>	<u>2,403</u>

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (continued) for the six months ended 30 September 2020

6. Basic and diluted Net Asset Value per Share

	30 Sept 2020	30 Sept 2019	31 Mar 2020
Net asset value per Share based on:			
Net assets (£'000)	<u>55,314</u>	<u>45,819</u>	<u>36,743</u>
Number of Shares in issue at period end	<u>110,874,413</u>	<u>80,293,973</u>	<u>79,934,164</u>
Net Asset Value per Share	<u>49.9p</u>	<u>57.1p</u>	<u>46.0p</u>

7. Called up Share capital

	30 Sept 2020	30 Sept 2019	31 Mar 2020
Ordinary Shares of 5p each			
Number of Shares in issue at period end	<u>110,874,413</u>	<u>80,293,973</u>	<u>79,934,164</u>
Nominal value (£'000)	<u>5,544</u>	<u>4,015</u>	<u>3,997</u>

During the period the Company allotted 31,328,577 Ordinary Shares of 5p each ("Ordinary Shares") under an Offer for Subscription that launched in October 2019, at an average price of 43.1p per Share. Gross proceeds received thereon were £13.5 million, with issue costs in respect of the Offer amounting to £455,000.

During the period, the Company purchased 388,328 Shares for cancellation for an aggregate consideration of £168,000, at an average price of 42.9p per Share (approximately equal to a 5.8% discount to the most recently published NAV at the time of purchase) and representing 0.5% of the Share capital in issue as at 1 April 2020.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (continued) for the six months ended 30 September 2020

8. Reserves

The special reserve is available to the Company to enable the purchase of its own Shares in the market without affecting its ability to pay dividends and allows the Company to write back realised capital losses arising on disposals and impairments.

Distributable reserves are calculated as follows:

	30 Sept 2020	30 Sept 2019	31 Mar 2020
	£'000	£'000	£'000
Special reserve	17,814	21,729	18,713
Capital reserve - realised	798	2,175	776
Revenue reserve	(231)	118	(9)
Merger reserve - distributable element	423	423	423
Unrealised losses - net of unquoted gains	805	(524)	(3,545)
	<u>19,609</u>	<u>23,921</u>	<u>16,358</u>

In October 2018, the balances on the Share Premium account and the capital redemption reserve were cancelled and added to the special reserve, contributing an additional £26.2 million to distributable reserves. The VCT regulations place some restrictions on the use of these reserves during the first three to four years after the funds on which they arose were raised.

9. Investments

The fair value of investments is determined using the detailed accounting policy as set out in Note 1 of the Annual Report.

The Company has categorised its financial instruments using the fair value hierarchy as follows:

- Level 1 Reflects financial instruments quoted in an active market (fixed interest investments, and investments in shares quoted on either the Main or AIM Markets);
- Level 2 Reflects financial instruments that have prices that are observable either directly or indirectly; and
- Level 3 Reflects financial instruments that use valuation techniques that are not based on observable market data (unquoted equity investments and loan note investments).

	Six months ended 30 Sept 2020				Period ended 31 Mar 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
AIM quoted shares	6,605	565	-	7,170	4,006	250	-	4,256
Loan notes	-	-	508	508	-	-	508	508
Unquoted shares	-	-	29,999	29,999	-	-	21,331	21,331
	<u>6,605</u>	<u>565</u>	<u>30,507</u>	<u>37,677</u>	<u>4,006</u>	<u>250</u>	<u>21,839</u>	<u>26,095</u>

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (continued) for the six months ended 30 September 2020

10. Risks and uncertainties

Under the Disclosure and Transparency Directive, the Board is required in the Company's half-yearly results to report on principal risks and uncertainties facing the Company over the remainder of the financial year.

The Board has concluded that the key risks facing the Company over the remainder of the financial period are as follows:

- investment risk associated with investing in small and immature businesses;
- liquidity risk arising from investing mainly in unquoted businesses; and
- failure to maintain approval as a VCT.

In all cases the Board is satisfied with the Company's approach to these risks. As a VCT, the Company is forced to have significant exposure to relatively immature businesses. This risk is mitigated to some extent by holding a well-diversified portfolio.

With a reasonably illiquid venture capital investment portfolio, the Board ensures that it maintains an appropriate proportion of its assets in cash and liquid instruments.

The Company's compliance with the VCT regulations is continually monitored by the Administration Manager, who regularly reports to the Board on the current position. The Company also retains Philip Hare and Associates LLP to provide regular reviews and advice in this area. The Board considers that this approach reduces the risk of a breach of the VCT regulations to a minimal level.

The Company has considerable financial resources at the period end and holds a diversified portfolio of investments. As a result, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (continued) for the six months ended 30 September 2020

11. The Directors confirm that, to the best of their knowledge, the half-yearly financial statements have been prepared in accordance with the “Statement: Half-Yearly Financial Reports” issued by the UK Accounting Standards Board as well as in accordance with FRS 104 Interim Financial Reporting and the half-yearly financial report includes a fair review of the information required by:
- (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the current financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period, and any changes in the related party transactions described in the last Annual Report that could do so.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (continued) for the six months ended 30 September 2020

- 12.** The unaudited financial statements set out herein do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 and have not been delivered to the Registrar of Companies. The figures for the period ended 31 March 2020 have been extracted from the financial statements for that period, which have been delivered to the Registrar of Companies; the Auditor's report on those financial statements was unqualified.

- 13.** Copies of the unaudited Half-Yearly Report will be sent to Shareholders shortly. Further copies can be obtained from the Company's registered office or downloaded from www.draperesprtvct.com and www.downing.co.uk.

SHAREHOLDER INFORMATION (continued)

Selling Shares

The Company's Shares are listed on the London Stock Exchange and can be bought or sold like any other listed Shares using a stockbroker. If you wish to sell your Shares, you should ask your stockbroker to contact Panmure Gordon (UK) Limited, who act as the Company's Corporate Broker.

The Company will usually buy back shares several times each year. If you have any queries regarding the process, please contact the Administration Manager, Downing LLP on 020 7416 7780. Any Shareholder considering selling some or all of their Shareholding should ensure that they are fully aware of any tax consequences, especially if they purchased shares within the last five years. If you are in any doubt, please contact your financial adviser.

Notification of change of address

Communications with Shareholders are mailed to the registered address held on the Share register. In the event of a change of address or other amendment this should be notified to the Company's Registrar, Link Market Services, under the signature of the registered holder.

Other information for Shareholders

Up-to-date Company information (including financial statements, company announcements and Share price) may be obtained from Downing's website at www.downing.co.uk by clicking on "Invest" and "Existing investor centre". Financial information is also available on the VCT's website at www.draperespritvct.com.

If you have any queries regarding your Shareholding in Draper Esprit VCT plc, please contact the Registrar on 0871 664 0300 or visit Link's website at www.linkgroup.eu and click on "Shareholders".

Directors

David Brock (Chairman)
Hugh Aldous
Michael Jackson
Nicholas Lewis

Company Secretary and Registered Office

Grant Whitehouse
6th Floor, St. Magnus House
3 Lower Thames Street
London EC3R 6HD
Tel: 020 7416 7780

Registered No. 3424984
www.draperesprtvct.com

Investment Manager

Elderstreet Investments Limited
20 Garrick Street
London WC2E 9BT
Tel: 020 7831 5088
www.elderstreet.com

Administration Manager

Downing LLP
6th Floor, St. Magnus House
3 Lower Thames Street
London EC3R 6HD
Tel: 020 7416 7780
www.downing.co.uk

Registrar

Link Market Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
www.linkgroup.eu

Tel: 0871 664 0300

(calls cost 12p per minute plus network extras)



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