

# Introducing Par Equity

## Overview

Par Equity is a leading, early-stage venture capital firm, investing in innovative, high growth technology companies. Based in Edinburgh, Par Equity focuses on the very best opportunities in the North of the UK and has already backed more than 60 companies across Northern Ireland, Northern England and Scotland.

*We back outstanding entrepreneurs and through the power of our network we help them build world class companies in the North of the UK, driving innovation, employment and attractive returns for our investors*

Par Equity operates a distinctive hybrid investment model, combining our discretionary managed EIS Fund with the skills, expertise and contacts of Par's Investor Network – a large and engaged pool of investors and mentors with a track record founding, growing and selling companies, who can add value throughout the investment life cycle. This investment strategy, fusing the experience of angel investors with the professionalism and rigour of a traditional venture capital fund manager, is a force multiplier for Par, delivering better outcomes for the investors and the entrepreneurs.

2008

Year founded

64

Companies backed

22

Realisations

18

Par Team Members

+200

Investor Network Members

Par's investment activities are supported by the Scottish Investment Bank, of which Par is a tier 1 co-investment partner, and the British Business Bank, through its commercial subsidiary British Business Investments, launching a £75m investment programme in 2020 to develop high growth technology companies in the North of the UK.

Par Equity won Best EIS Manager of the Year and was recognised as "highly commended" at for the Impact Award at the EIS Association Awards 2021, as well as winning a hat-trick of awards at the UK Business Angel Association Awards 2021 for Best Angel Group of the Year, Best Exit of the Year and Best Scale Up Team of the Year.

*"This is one of the few industry track records that can be looked on as a credible indication of ability. The quantum of exits, the overall success rate and good IRRs suggest that Par Equity is capable of producing a good performance."*

Hardman & Co, EIS Fund Analyst  
June 2020



Par Portfolio Company: Current Health

## Investment Criteria

We look for early stage, disruptive technology companies with the ability to rapidly scale to a global audience. In summary, we look for the following attributes in our target investee companies.

- Enterprise technology (B2B)
- Scalable business model
- Clear and coherent route to market strategy
- Defensibility, i.e. IP, know-how, business model
- Proven management team
- Monthly revenue of £20k - £200k
- Equity investment of £500k - £3m (pre-series A)
- EIS qualifying



## Track Record

To date, Par's portfolio has raised £282m across 64 companies with 22 realisations delivering a composite IRR of 25% and an average 3.4x money multiple. Par's EIS qualifying investment performance, specifically, has delivered a 4.2x money multiple since inception. These figures exclude EIS income tax relief and loss relief, where applicable.

*Source: Par Equity, September 2021. Performance fees are not included. Past performance is not a guide to future performance or a reliable indicator of future results.*

## The Par Team

Par Equity is made up of 17 members of staff, of which 10 are focused on Par's investment activities and a further 7 are delivering investor servicing, finance and administrative roles. The team brings a broad range of skills and expertise to table and has recently attracted talent from top tier institutions such as McKinsey & Co, Deloitte, KPMG, Addleshaw Goddard and Baillie Gifford. Notably, the team has substantial "skin-in-the-game", as the partners and wider team have personally invested over 7% of Par's core venture capital AUM.



## About the Par Investor Network

The Par Investor Network is a group of Elective Professional Clients of Par Equity, who invest in Par's deal flow on an execution-only basis. These investors are self-advised and often bring specific, industry and technology expertise to the table, rolling up their sleeves to help Par Equity and the portfolio companies across all 4 stages of the investment live cycle – deal origination, screening and due diligence, portfolio management and exit management. Out of Par's portfolio of 42 companies, 80% have appointed members of Par's Investor Network to their respective boards.

*“The Par team really care about what they do, they're adroit with any required due diligence and, crucially, they fully support high-energy, winning teams. They are also swift to address any drift in company performance and sponsor growth in shareholder value wherever possible.”*

**Guy Martin**, Par Investor Network member, Par EIS Fund Investor and portfolio company director

## About the Par EIS Fund

The EIS Fund is a discretionary, evergreen investment vehicle, which in effect means that Par will make investments on the investor's behalf. Many investors enjoy this strategy as it offers a hands-off approach to early stage investing, whilst delivering a broad portfolio of EIS qualifying companies. A large proportion of the Par Investor Network also use this vehicle to build a base layer of investments from which they top up with a further investment into specific companies of a particular interest on an execution-only basis.

## Other investment funds

Par Equity also manages discretionary funds in other alternative asset classes, in particular forestry and residential property with an impressive track record in each sector dating back to 2011 and 2012 respectively.

### Disclaimer

This brochure has been issued by Par Fund Management Limited (“Par Equity”), 3A Dublin Meuse, Edinburgh, EH3 6NW, registered in Scotland with company number SC338649. Par Fund Management Limited is authorised and regulated by the Financial Conduct Authority (“the FCA”) with registration number 485668.

This brochure has been prepared solely for the intended recipient and is not intended to be a Financial Promotion as defined by the FCA and it is for information purposes only. Further, this brochure and its contents have been prepared solely for information purposes only and in no way constitute investment advice, nor is it a solicitation, an offer to buy or sell any security.

Certain higher risk funds, such as those managed by Par Equity, require an assessment of suitability and / or appropriateness to be made depending on the categorisation of the client. Interested parties are strongly recommended to seek specialist financial and tax advice before investing. Any comments expressed should not be taken as a recommendation or advice. You should always seek the advice of a qualified investment professional before making any investment decisions.

Please note that the income from investments can fall as well as rise and you may not get back the amount originally invested. Past performance is not a guide to future returns and may not be repeated. Par Equity accepts no liability or responsibility whatsoever for any consequential loss of any kind arising out of the use of this brochure or any part of its contents.