



Presentation

# Start-up Insights 1: Kapnative

Philipp Hemmersbach

CEO Kapnative



International Structured Products Forum – Uniting the Industry's Finest



3 to 4 September 2024



Lucerne

“

89% of high net worths

cannot invest in private market funds

”

which generate 5% (p.a.) better returns.



## We Identify the Quality Leaders in Private Markets

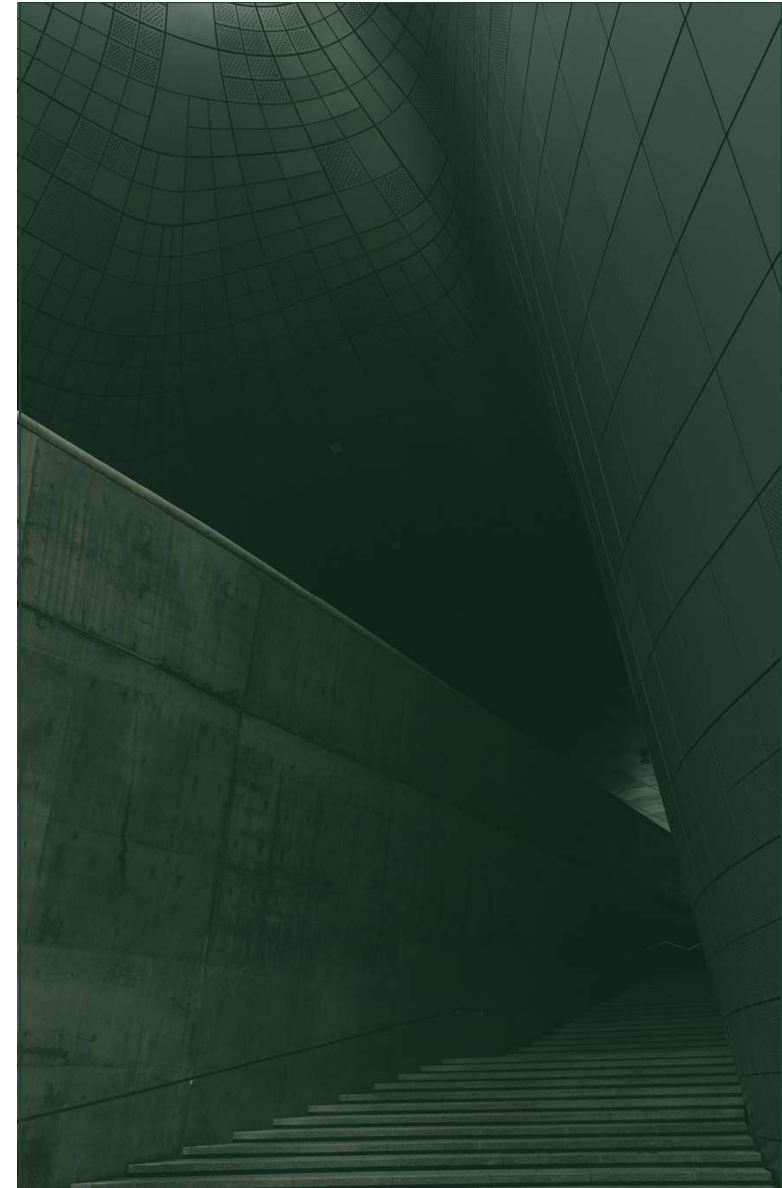
*For Wealth Managers, Banks, Family Offices and Investors*



Philipp Hemmersbach

Co-Founder and CEO

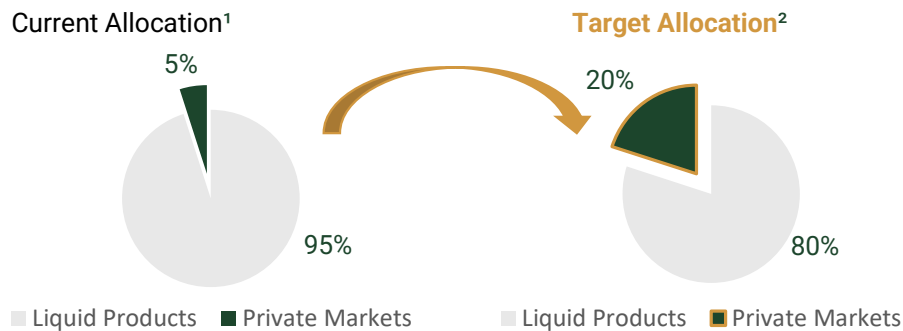
Sensitivity: C2 Internal



## Market Opportunity

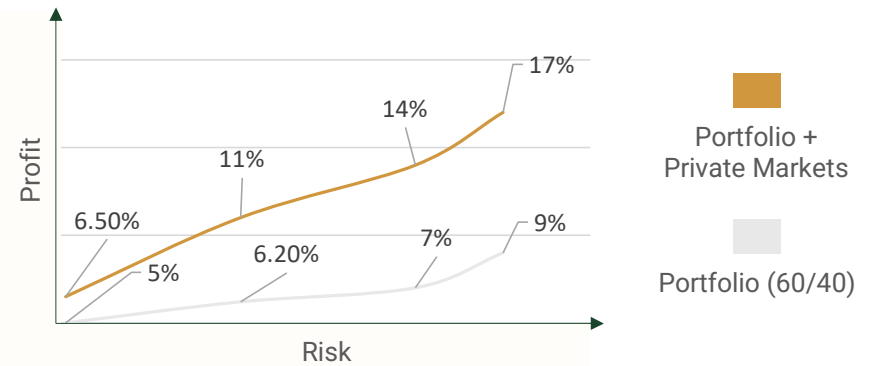
# There Is Increasing Demand across Both Professional and Advised Investors to Diversify Their Portfolios with Private Market Assets

## Private Market Allocation of Affluent- and HNW-Clients



**89%** of Affluent- and HNW-clients want to increase their allocation in the upcoming years from in average 5% to 20%

## Shift of the Chance-Risk-Profile through the Use of Private Market Funds



Private Market Funds achieve on average **4.8% p.a.** more performance compared to listed Equity Funds

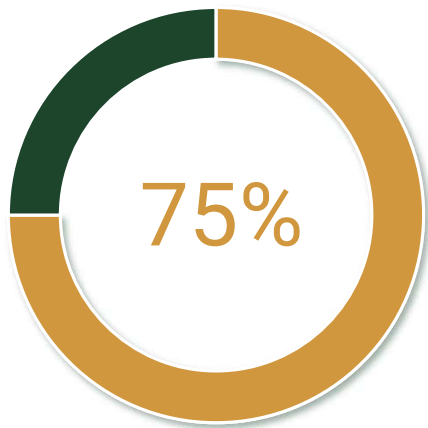
<sup>1</sup> CAIA Association – THE NEXT DECADE OF ALTERNATIVE INVESTMENTS: From Adolescence to Responsible Citizenship

<sup>2</sup> Roland Berger – Wealth Management Meets Tech Event, Statista, Credit Suisse

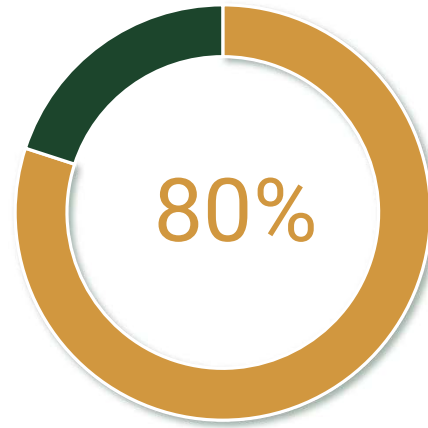
<sup>3</sup> Study led by Stephen L. Nesbitt, CEO and CIO of Cliffwater

## Challenge

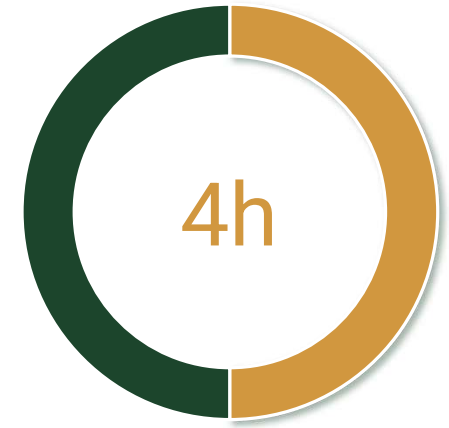
# Advisors and Investors Face a Number of Barriers



don't have enough resources for due diligence and lack education<sup>1</sup>



complain about time consuming investment processes and report creation<sup>2</sup>



on average to create documentation, due to increased regulatory demands<sup>3</sup>

<sup>1</sup> BCG – Global Wealth 2020 – 20<sup>th</sup> Edition, Forbes - The Barriers To Investing In Private Equity Are Too High, 1EXCHANGE - Difficulties In Private Market Investing,

<sup>2</sup> Deloitte - On chain asset tokenization, Deloitte – Wealth and Asset Management 4.0, BCG – When clients take the lead,

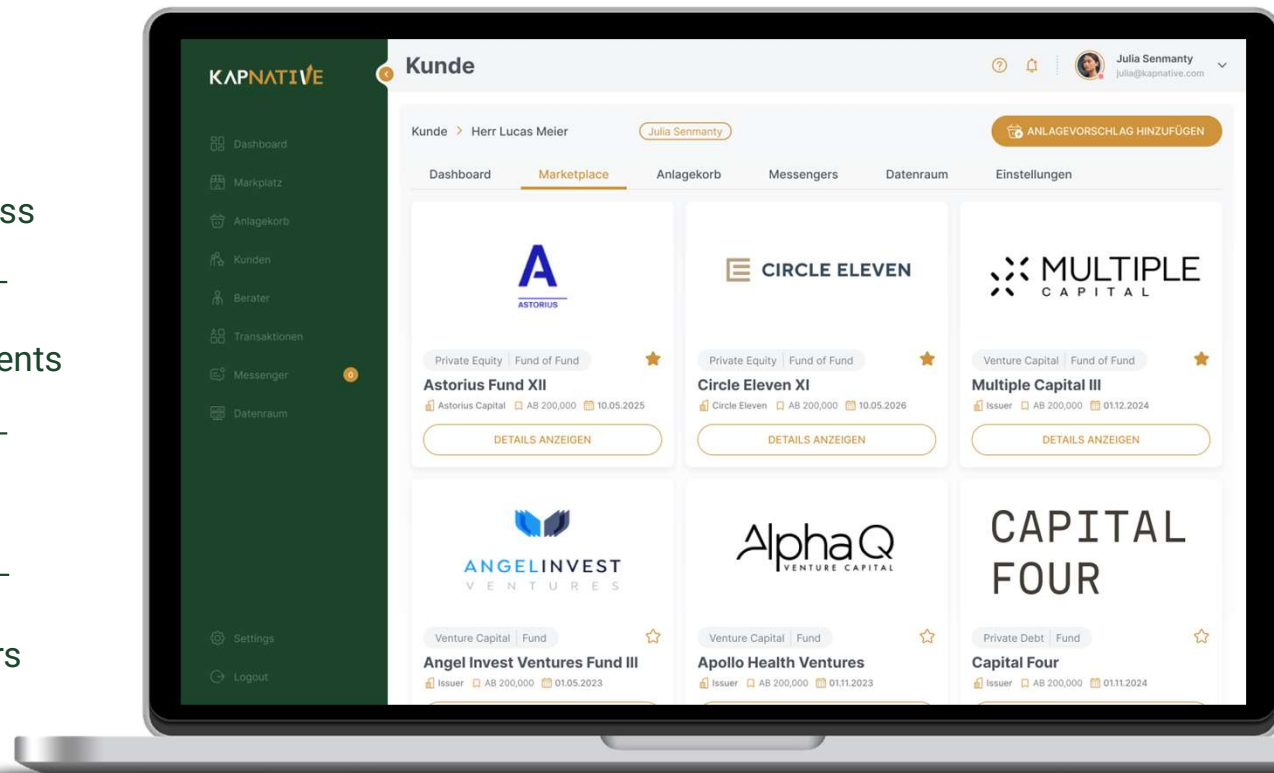
<sup>3</sup> Alto 2022 Alternative Investing Report, Wealth Briefing - Why Wealth Managers are the Ultimate Private Market Matchmakers

## Solution

# We Simplify Private Market Investments for Advisors and Investors

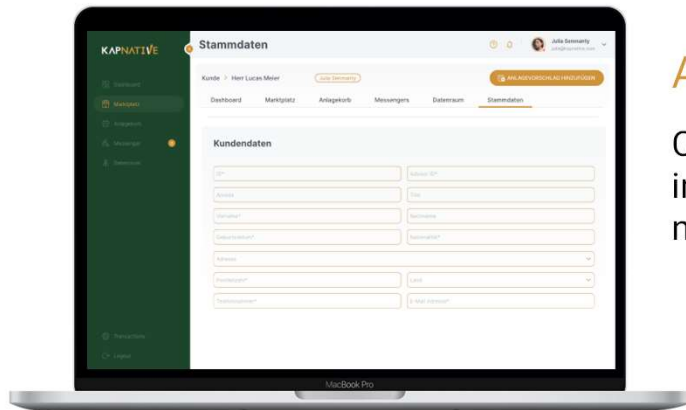
## Kapnatives' digital platform:

1. Provides curated private market access
2. Creates easy to digest fund assessments
3. Streamlines compliance processes
4. Educates wealth managers & investors



## Platform Overview

# Benefit from Time-Efficient, one-time Onboarding and Automated Investment Processes

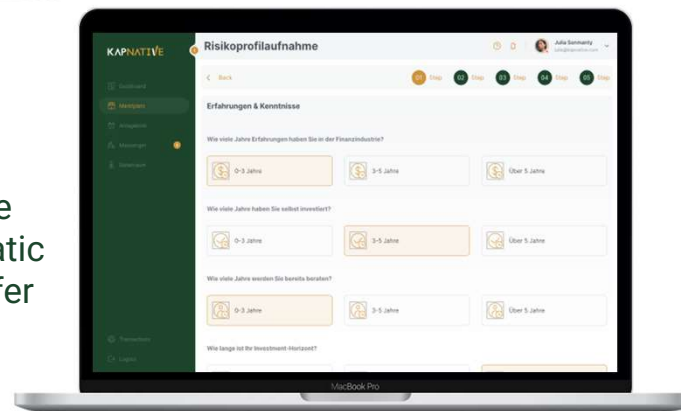


## Add customers

Creation of customers time-efficiently in the customer manager, including all necessary KYC and AML checks.

## Risk profiling

Adding the customer's risk profile to the platform once and benefit from automatic target market matching and data transfer to subscription forms.



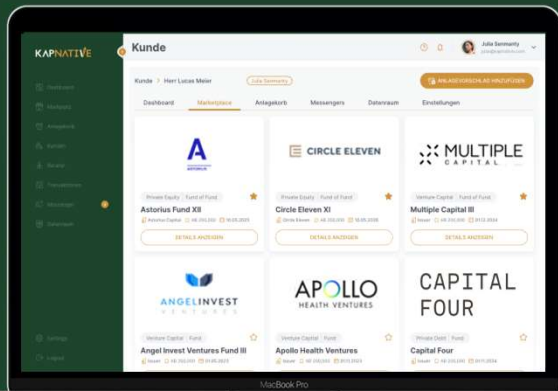
1

## Onboarding

- MIFID II-conform onboarding with risk- and ESG-Profilung.
- Automation of target market matching and subscription forms.

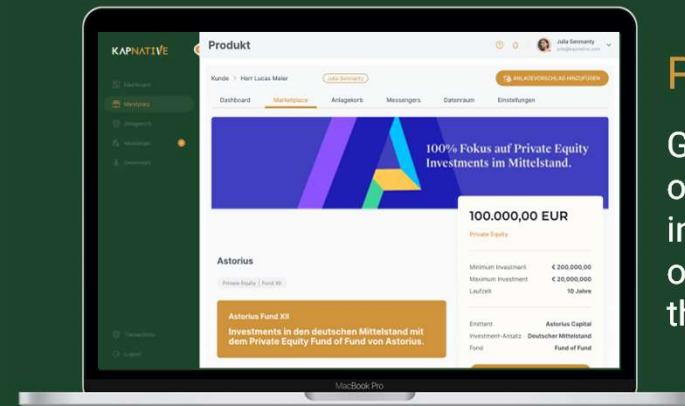
## Platform Overview

Get all Suitable Investment Opportunities at a Glance with Direct Contact Options for Each Individual Issuer



### Marketplace

The marketplace will only suggest alternative investments for the respective client that correspond to their target market



### Product view

Get a transparent overview of each investment with the option to contact the issuer

2

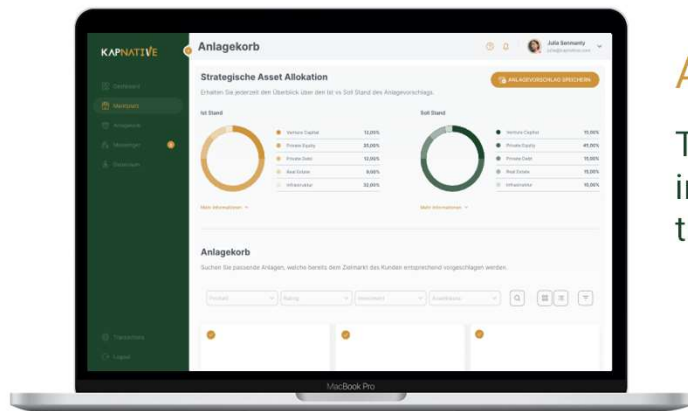
## Marketplace

- Fully automated and regulatory audited target market matching
- Centralized access to all required product information as well as the possibility to contact each individual issuer directly



## Platform Overview

# Implement Strategic Asset Allocation and Always Maintain an Overview of all Client Assets

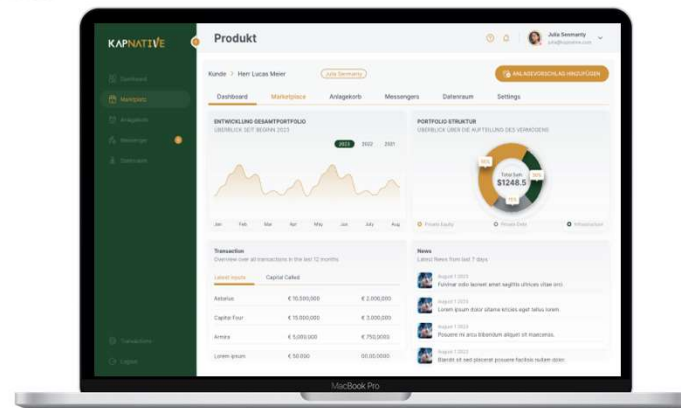


## Asset allocation

The investment basket shows selected investments and supports to implement the strategic asset allocation.

## Dashboard

The dashboard gives customers an overview of the portfolio, including an overview of all transactions made.



3

## Investment

- **Time-efficient** selection and coordination of investment proposals based on strategic asset allocation.
- **Paperless, digital drawing and complete overview** of the entire portfolio.

## Asset Classes

We Facilitate Investment Processes for All of the Strategic Asset Allocation Relevant Private Markets Asset Classes

### M&A

- Corporate Sales
- Sale of Majority Shares
- Sale of Minority Shares

### Funds

- Private Equity
- Venture Capital
- Hedge Funds
- Private Debt
- Infrastructure
- Real Estate

### Mezzanine Financing

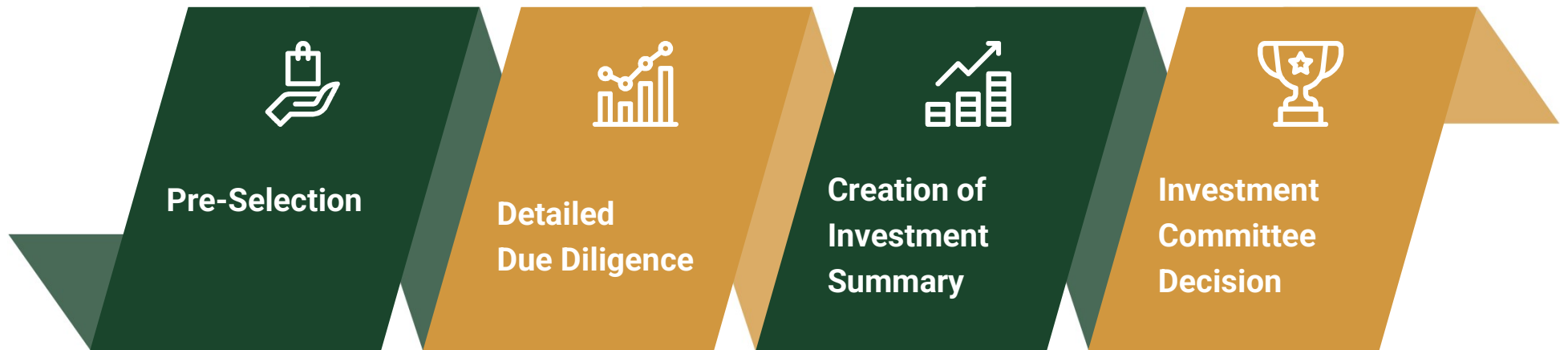
- Mezzanine Projects
- Structured Finance Products
- Participation Rights

### Miscellaneous

- Restructuring Deals
- Pre-IPO Growth Deals

## Due Diligence Process

Our Due Diligence is Constructed and Performed by Exceptional Industry Experts



## Investment Committee

# Our Committee Combines 200+ Years of Stellar Experience in Wealth Management, Private Equity, Asset Management and Risk Management



**Christian Maria Kreuser**

Co-Founder Quirin Bank  
and Merck Finck AG



**Prof. Werner Gleissner**

Board FutureValue Group AG,  
Board of the Federal Association of  
Rating Analyst



Ex-CFO Skandia and  
Nordea Asset  
Management



**Dr. Matthias Geurts**

Partner Schalast,  
Ex-Partner Noer LLP



**Stefan Zuschke**

Ex-Partner BC Partners



**Markus Buncsak**

Ex-MD Investment Banking  
HSBC / Santander

## Business Model

# Investors Pay Exactly the Same as They Would If They Paid the Issuer Directly

### Transaction Fee

- Kapnative gets paid on committed capital by the issuers
- In average based on todays placement agreements we earn 2% either up-front or during the fund lifecycle

### Software as a Service

- White Label of the software earns:
  - € 2.500 – € 25.000 Set-up fee
  - € 150 per advisor access
- Non White Label of the software earns:
  - € 500 Set-up fee
  - € 75 per advisor access

### Due Diligence as a Service

- Our AI enabled Due Diligence as a Service will be used by Fund of Funds, Banks etc. and will earn:
  - € 25.000 Set-up fee
  - € 10.000 - € 20.000 per product

## Why Now?

# Market Inefficiency and Increasing Demand Is Driving the Need for Transparent Digital Platforms

## WHY NOW?

80%

Of financial institutions are searching for digital solutions to simplify the assessment of and investment in private markets.<sup>1</sup>

46%

Of wealth managers want to increase clients private market allocation within the next 18 months.<sup>2</sup>

68%

Increase of private market AuM from €13,7T to €23T by 2027.<sup>3</sup>

MC Kinsey – Performance Edge: Investors hone their strategies for a new era<sup>1</sup>

Blackstone – Advisor Trends in 2023<sup>2</sup>

Preqin – Global Report 2023: Alternative Assets<sup>3</sup>

Traction

A Built and Ready to Go Alternative Asset Network With € 20Bn. AuM

823K

Raised from Senior-  
Industry Experts and Tenity



6 senior experts in  
our investment committee

100K

In Revenue Signed  
for the Next 12 months



Acquired Private Placement software  
from M.M. Warburg Bank

60+

Funds in our  
due diligence process



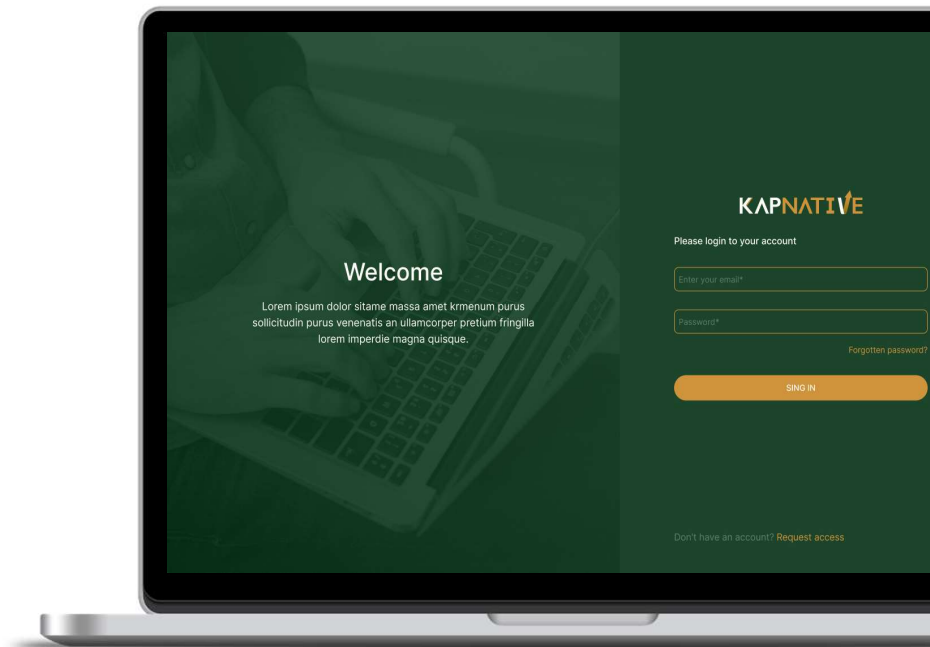
27 podcast episodes  
recorded with c. 150 listeners



## Why Kapnative?

# We Believe we are the Ideal Partner for Private Markets, Offering Unmatched Expertise and Pre-Vetted Access

- **Get** access to the quality leaders of the private markets with much lower min. ticket sizes
- **Use** the chance of our educational support through e.g. our podcast Private Markets Unleashed
- **Benefit** from an independent platform that has an investment Committee with senior industry experts
- **Ensure** that you are using private markets in a time efficient and regulatory compliant manner







Talk to Us

If You Want to Learn  
More About How to **Access** and  
**Invest** in Private Markets



**Philipp Hemmersbach**  
Co-Founder and CEO

