

## Foresight WAE Technology EIS Fund

### Kognitiv Spark



Company Key Facts	
Business Description	A Canadian software company growing its operations in the UK that provides 3D data to support field service workers in remote locations
Company Website	<a href="http://www.kognitivspark.com">www.kognitivspark.com</a>
Headquarters	Didcot, Oxfordshire
Industry	TMT
Fund Investment Date(s)	January 2022
Fund Investment Total	£1.3m
Current Investment Performance	●

#### Trading Update

- The monthly recurring revenue of the company is up 53% from the end of the prior year and up 40% from the prior quarter. The business is on track to meet its target year end MRR of CAD\$0.5m.
- Net retention, a key measure of customer satisfaction, is in excess of 100%, reflecting additional orders, limited churn and successful price rises.
- The cash balance as at 30 June gives a cash runway of c. six months, but expected customer renewals over the coming quarter are expected to extend this to 12 months.

#### Recent Events

- Kognitiv Spark successfully launched the second generation of its operating platform, Remote Spark. The upgrade has proven stable and has been well received by customers, leading to an increase in user numbers.
- The company has secured grant funding from Innovate UK to explore opportunities with the UK MoD and the Defence Science and Technology Laboratory.

#### Current Focus and Outlook

- The company has launched a series B funding round with a target raise of \$15-25m. Multiple investors have already been engaged and the team is confident of receiving a term sheet before the end of the year.
- The current sales pipeline has an aggregate value of more than \$10m. The company is reviewing its business development and account management processes to increase conversion and accelerate upsells.
- In addition to growing the number of customers, the key goal is to rapidly grow engagements with existing customers to demonstrate scalability and user adoption.

#### FWT Value-Add

- Foresight continues to challenge and support the company through its seat on the board.
- WAE supports the company by making introductions to potential customers and finding additional use cases for Kognitiv Spark's technology.