

Foresight WAE Technology EIS Fund

FreeFlow Technologies



Company Key Facts	
Business Description	FreeFlow Technologies is developing patented e-bike drivetrain technology that provides higher power density than existing solutions as well as being lighter, smaller and cheaper
Technology	One of the world's most efficient power to weight electronic bike systems
Company Website	www.freeflowtechnologies.com
Headquarters	Glasgow
Industry	Leisure
Fund Investment Date(s)	October 2018 (£1.7m) and October 2020 (£0.2m)
Fund Investment Total	£1.9m
Current Investment Performance	●

Trading Update

- FreeFlow continues to sell pre-production systems to test and design into a range of bike brands.
- While the company has yet to secure a significant design-win, several brands are furthering their development activities. FreeFlow has put in place a more structured sales planning tool to help accelerate the process.
- Based on customer feedback, one area requiring further development is reducing the noise of the system. While it is unlikely to be fully resolved with the current version of the drivetrain, the aim is to reduce the noise as much as possible.

Recent Events

- In June 2023, FreeFlow closed a £1m funding round from existing investors and a new investor, Seedrs. The funding round was at an uplift in valuation and FWT chose not to participate, given the current slow pace of technical and commercial progress and that it is only expected to provide c.10 months of cash runway.
- As part of the funding round, a new Chairman, Nigel Vaughan, was appointed. Nigel has a technical background and extensive experience supporting the growth of early-stage companies. The team has demonstrated a noticeable increase in focus since his appointment.

Current Focus and Outlook

- FreeFlow continues with development work for bicycle brands, using the new sales planning tool to increase the speed of conversion.
- FreeFlow is to re-commence its fundraising efforts and is preparing a list of potential investors.

FWT Value-Add

- WAE's technical advisor has stepped down from the board as the technical team has been suitably strengthened.
- Foresight was instrumental in identifying and appointing the new Chairman.