

# Welcome to SWAN



# SWAN's Personality

A friendly, welcoming group

- And we honor diversity

Focused on educating new angels

- Learn from experience angels

Humble

- Every angel has important insights

Shared desire to make the world a better place

- Help build your personal legacy

# Your Opportunities



Support innovation and meet interesting startups



Use the skills and expertise you have developed over a lifetime



Learn new skills – early stage investing



Enjoy being part of a like-minded group



Make a financial return

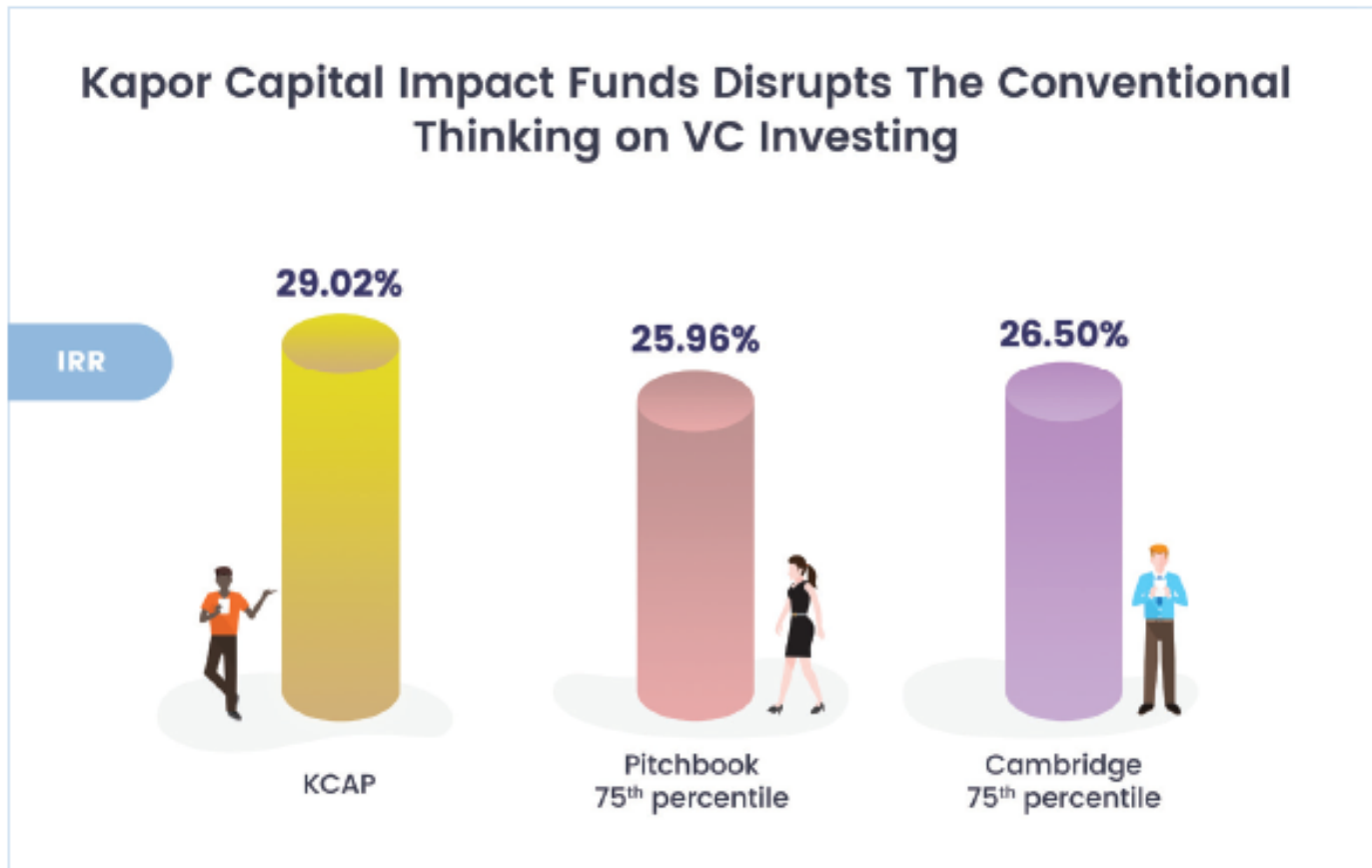
# You are Helping to Make the World a Better Place



## UN Sustainable Development Goals

# Impact investing can yield leadership returns

Impact Fund's IRR compared with 75th percentile benchmarks as of 9/30/18



# How to Think About Angel Investments

Angel investments become part of your overall asset allocation strategy

- For example: stock, bonds, hedge funds, private equity, venture capital and angel investments
- Recommend that angel investments be no more than 5-10% of overall allocation

Characteristics of Angel Investments

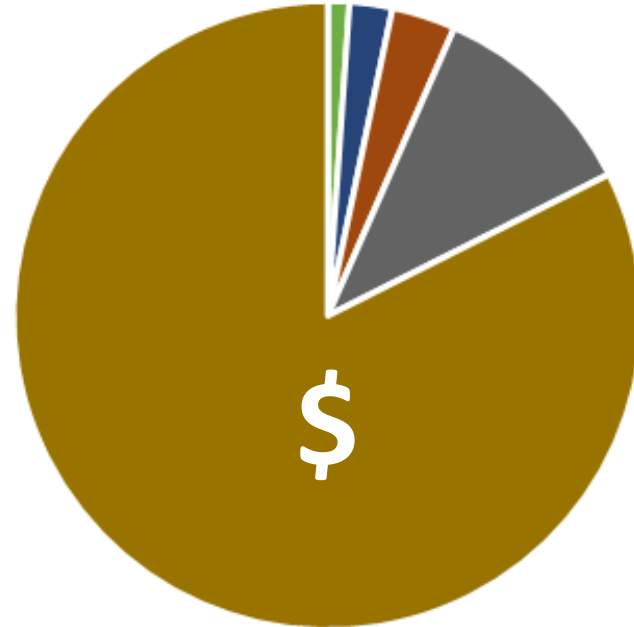
- High risk/high reward
- Patient Capital - 3-10 year holding periods
- Illiquid investments until a company is acquired or has an IPO

# Solid returns if you are diversified

Assume you make equal sized investments in 10 companies



Then, maybe five companies will provide a return, and one of those will give you a big win.



**Recommended: 20 angel investments**

# Key Drivers of Angel Investing Success

Thoughtful due diligence (40+ person-hours per deal)

- Individually or collectively by network members

Access to expertise in the investment area

- Networks have immense collective expertise

Angels supporting portfolio companies after investing

- In a network, other angels might fill that role





# You get to meet interesting companies and founders

50% of SWAN investments have  
been in companies with an  
under-served founder – woman  
or person of color

# SWAN Impact Network Investments

## Flow Below

- Improves truck fuel efficiency by 1.5%
- 2016 investment
- 2019 acquisition
- 35% IRR



Josh Butler  
CEO/Founder

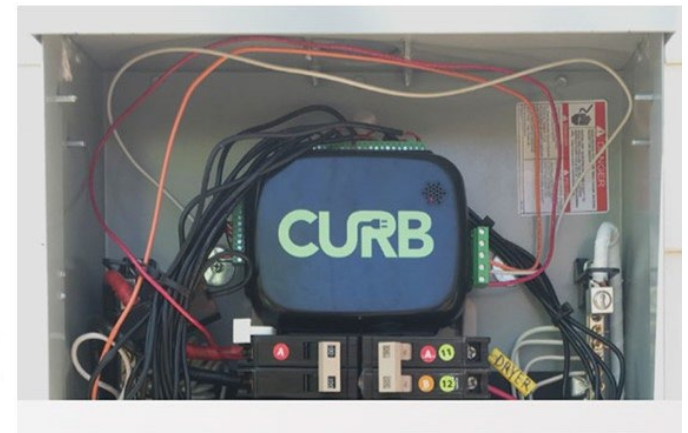


## Curb

- Enables residences to reduce power consumption by 20%
- Investments in 2019 and 2020
- 2020 merger (stock swap) → 1.1x multiple on cost basis



Erik Norwood  
CEO/Founder



# SWAN Impact Network Investments

## Speech Vive

- Restores conversational speech for Parkinson patients
- 2020 investment



Steve Mogensen  
CEO/Co-Founder



Dr. Jessica Huber  
CTO/Co-Founder

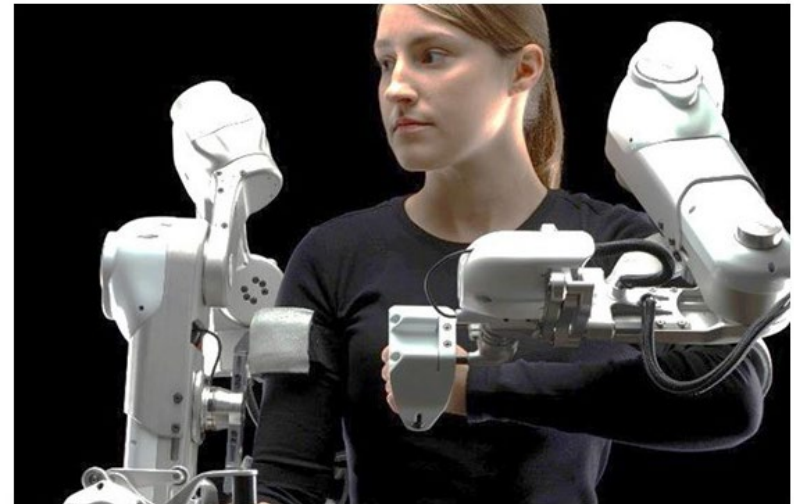


## Harmonic Bionics

- Robotic physical therapy system for stroke patients
- 2019 investment
- 1.9x unrealized gain in valuation



Chris Prentice  
CEO



# SWAN Impact Network Investments

## Shyft Energy

- Accelerates the integration of green energy in developing countries
- 2019 investment



Ugwem Eneyo  
CEO/Co-founder



## Clear Flame Engines

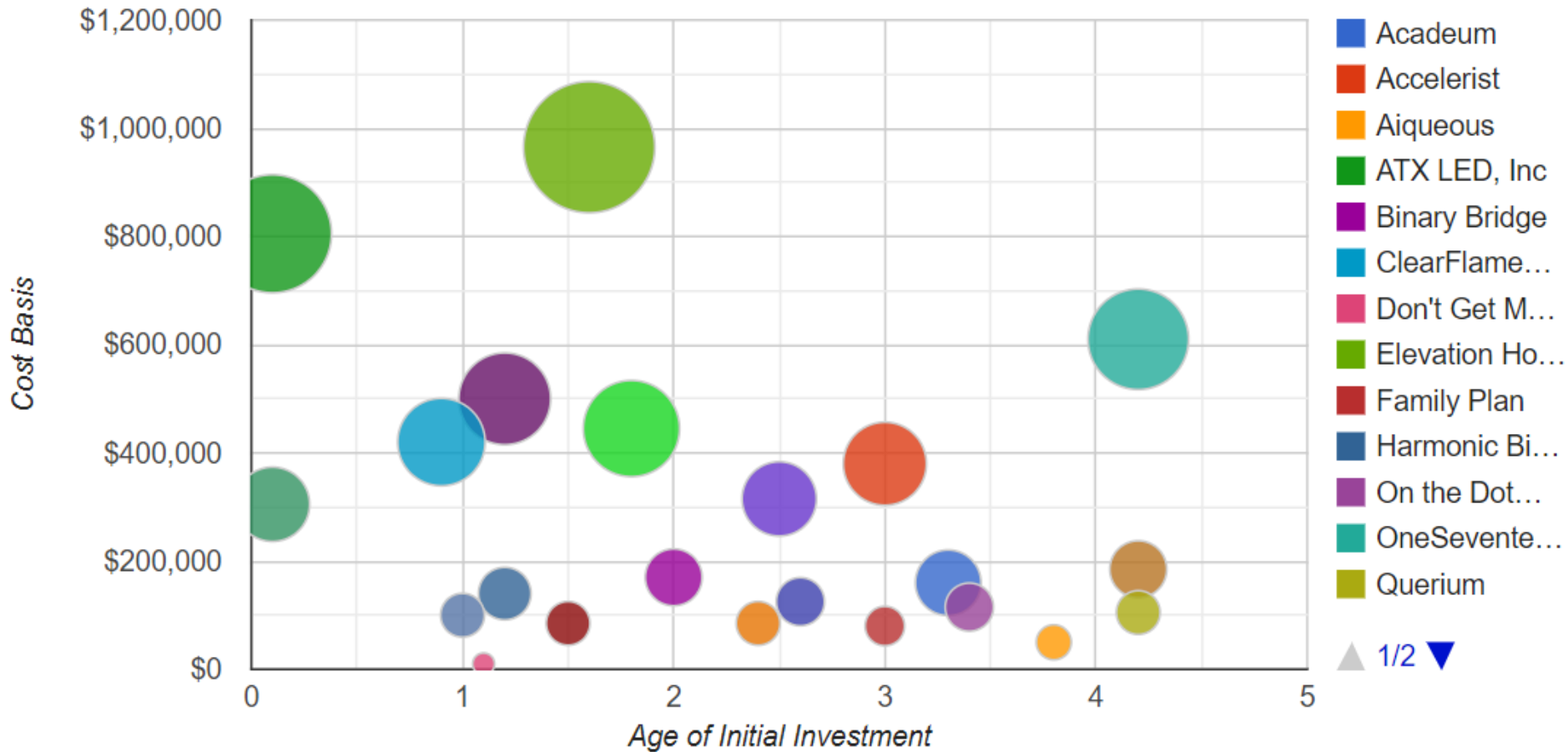
- Improves the fuel efficiency of diesel truck engines
- 2020 investment



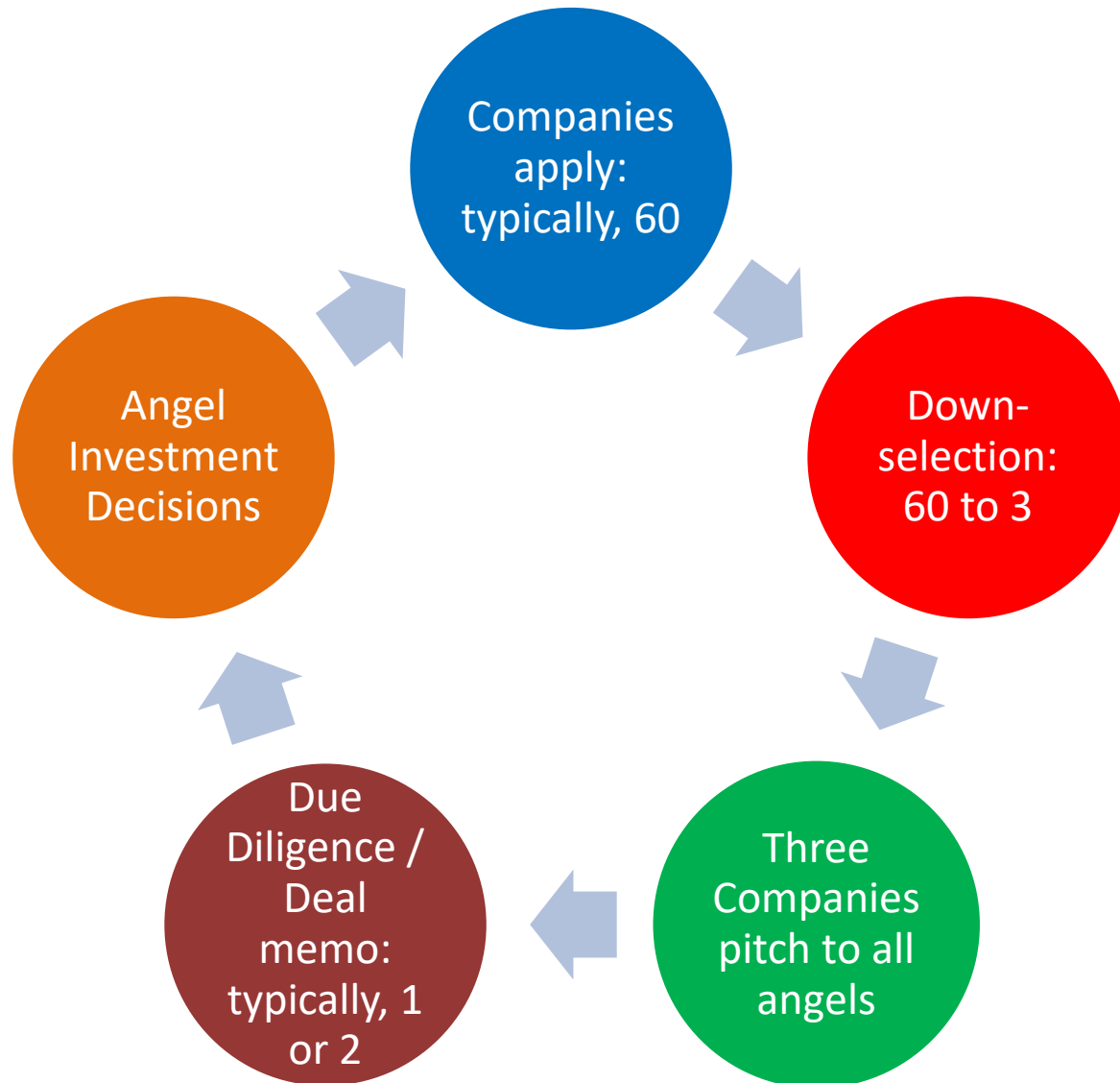
Dr. BJ Johnson, CEO,  
Dr. Julie Blumreiter, CTO



# SWAN's current Portfolio By Year



# SWAN's Quarterly Cycle



# How the SWAN cycle works

## Down-selection

- Performed by volunteers
- Opportunity to help and learn
- Review 35 applications and then zoom calls with six companies

## Pitch Event

- For all angels
- 3 companies pitch & group Q&A
- Followed by breakouts with each company

## Due diligence/Deal Memos

- Performed by volunteers
- Opportunity to help and learn
- 20-page memo

## Investment Decisions

- You personally decide if you want to invest
- No investment required



# Ways to Plug into SWAN

- Be part of our quarterly funding cycles
  - Optionally help with down-selection (via zoom)
  - Optionally help with deal memos (via zoom)
  - Attend pitch events (Hybrid with in-person and zoom options)
- Virtual Happy Hours (via zoom)
- In-person Community-wide Impact Happy Hours (Austin and Dallas)
- In-person Social events (Austin and Dallas)
- Affinity groups
  - Women@SWAN
  - POC@SWAN



# Additional Webinars



## Angel Investing 201

- The Big Picture: Basics of building an Investment Portfolio, and an introduction to how to do Due Diligence



## Angel Investing 202

- The Mechanics of Investments: Investment instruments, company valuations, dilution across rounds, post-investment activities, and tax considerations



## Angel Investing 203

- Measuring Impact and Results: A Discussion of Metrics and Tools, and examples of SWAN impact assessments

# Good Resources

