**Business strategy for longevity of change**

The information below is provided as evidence of Previsico’s ability to deliver a globally sustainable solution for flood prediction technology.

Please note the highlighted sections which are confidential for judging purposes only.

**Global market strategy**

Previsico’s primary market is insurance. Leading independent reinsurance and risk intermediary Aon Benfield reports that average annual global insurance losses, between 2008 to 2018, were £66 billion p.a. from weather-related natural catastrophes. In 2017 Hurricane Harvey caused insurance losses of $33bn in Texas, primarily due to surface water flooding, and its estimated that, using Previsico, insurers would have saved over $5bn. Contracts are in place with global insurance brands (Aviva, Sedgewicks = confidential, judging purposes only) Furthermore, there is a sales pipeline with over 100 opportunities, including 12 potential pilots with other leading insurers.

Previsico hosted Forecasting for Resilience London in February 2020 in direct response to The Bank of England’s new stress test for the largest UK lenders and insurers to scrutinise how they would cope with more frequent severe weather events such as floods and subsidence. With much of the country still seeing the impacts of Storm Ciara, the event could not have come at a more pressing time. Speakers included world-leading authorities on flood risk resilience from the UK Cabinet office, IBM, Previsico, and Watchkeeper International. Attending were insurers, brokers, reinsurers, risk managers, business continuity specialists, Government and Geovation members.

Previsico has been voted into the ‘Hot 100’ global InsurTechs by Intelligent InsurTech and selected from more than 190 global applications to join the Lloyds of London global (re)insurance market’s innovation accelerator.

Secondary markets are government, asset managers and humanitarian projects. Previsico’s first orders were from BP and GSafety, a Shanghai-listed international risk management business (for Macau confidential – judging purposes only). The UK Cabinet Office has confirmed its intention to roll out the service across England and Wales in 2020 with Previsico funding service development by selling premium services into the UK public sector and utilities.

**Build R&D and Management team**

In 2018, the team behind FloodMap Live comprised two university experts that proved the novelty of the research and established the evidence base. Now the 11-strong team also comprises experience in business development, flood modelling, programming, GIS analysis, user experience and product development. The workforce is expected to rise to 49, by 2021.

**Cross sector partnerships for global adoption**

Partnerships with global brands in the insurance (Aviva, Sedgewicks = confidential, judging purposes only) software (IBM) and engineering (WSP) sectors are enabling Previsico to build capability to deliver flood nowcasting services in the US, and worldwide.

**Sustainable business model**

With ‘software as a service’ subscription sales, Previsico became cash generative and profitable in 2021, on a cash basis. In July 2019, the company raised £270,000 from angel investors and is heading towards Series A funding in 2021, with Innovate UK £700k loan support to accelerate product development and growth. The whole of the UK is now mapped; the US East Coast mapping is currently underway and global enquiries are increasing.
### Financial summary (Confidential – judging purposes only)

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Net Profits</th>
<th>No of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual 2 years ago</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Actual last year</td>
<td>30,000</td>
<td>-101,000</td>
<td>7</td>
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<tr>
<td>Forecast this year</td>
<td>536,000</td>
<td>-90,000</td>
<td>17 (currently 11)</td>
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<td>Forecast next year</td>
<td>4,090,000</td>
<td>1,430,422</td>
<td>41</td>
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