

Prytek Experience Circle Event

May 2021

Scaling up business



Growth and scale are all that matters

PRYTEK

- Startup failure rates in 2020: 90% of new startups fail. 75% of venture-backed startups fail. Under 50% of businesses make it to their fifth year
- Why?
 - One of the reasons is...

INABILITY TO SCALE!

They cannot break the \$10-20m
revenues ceiling



Challenges and mistakes

PRYTEK

- Scaling Amplifies Everything – the good and the bad!
 - It's not enough anymore to fix things as we go along
 - Scaling before perfecting product-market fit
 - You spend less time building products but more time on bug/issue fixes
 - Products, managers, cash flow, brand



Challenges and mistakes

PRYTEK

- Not changing management structures as growth occurs
- Losing sight of profitability
- Scale through competition on price vs. quality, ingenuity and customer service
- Not planning financially for scale - it is expensive !!!
- Growing revenue while maintaining profit
- Scaling too fast



Solutions

PRYTEK

- Innovators vs. Accelerators – you need them inside
- Develop a leadership team – can't continue making all decisions
- Develop a clear vision – market, employees
- Plan, plan, plan ! Forecast and build rolling 12 months' detailed plans
- Build a data driven business
- Building Systems – automate as much as possible



Key facts: HackerU and Prytek

PRYTEK

- First Prytek investment was in December 2017 at a valuation of \$40.5m
- Prytek invested close to \$50m into HackerU shares over the years
- HackerU is already today above “unicorn” status in valuation terms
- In 2021 HackerU expects to have revenues of over \$100m and more than double that in 2022 by adding only 8 new clients
- HackerU employees about 1200 employees, 70% of which management has never met physically

HACKERU



Gil Adani
Founder & CEO

- Army intelligence officer in the IDF
- Pioneer in the Israeli IT and Cyber Education sector with over 20 years experience



Dan Vigdor
Founder & Executive Chairman

- Founded, managed and exited several companies: Born Free Holdings and LV Holdings LP (VC fund)