

GUINNESS EIS

SUMMARY BROCHURE

This document is presented to you in your capacity as a Professional Client and is not for general distribution to Retail Clients. Should you receive this document as a Retail Client you should disregard its content and take no action based upon it.

Guinness Ventures, a trading name of Guinness Asset Management Limited, has been investing in early-stage businesses since 2010. We focus on providing scale-up capital to exciting British companies, with more than £284 million invested into over 185 companies.

We are trusted by our investors to grow their capital. Our award-winning investment management team are experts at sourcing opportunities in growth-stage companies and helping them unlock their significant potential.

Why Invest in Guinness EIS

We are truly invested in the success of the businesses we back. Our impact goes beyond the financial investment as we use our resources and network to provide the companies that we invest in with the help they need to grow. Our experienced team provides continuous active support throughout the lifetime of our investment.

The investment management team combines diverse skills and experience to make high-quality, well-evidenced decisions. They support portfolio companies throughout the investment lifecycle, aiming to transform their potential into growth and returns for investors.

10-years of EIS Investments

To date, we have successfully raised over £175m and made more than 100 investments in over 40 portfolio companies. Our approach involves close collaboration with the management teams of the private companies we invest in, aiming to maximise value through a strategic focus on several key pillars. These include management information, professionalisation, hiring strategy, strategic planning, value creation, digital marketing, sales strategy, introductions, workshops, and future fundraising.

- ✓ 30% income tax relief
- ✓ Loss relief
- ✓ IHT relief

- ✓ Tax-free capital gains
- ✓ Capital gains tax deferral

Product Summary

- **Scale-up capital** into companies with more than **£1 million** of revenue and a **proven** technology, service or product.
- Tranches close **quarterly**
- Full investment in the **same tax year** as a tranche close
- At least **10 investments** per client portfolio
- Investing in a **range of sectors to provide diversified portfolios**
- Target portfolio return of **2x***
- **£20,000** Minimum investment

£1.9m

Average investment amount

£90m

Returned to investors

£175m

Raised and invested since 2017

21

Exits since 2016

40+

Growth companies supported

Warning: Past performance is not necessarily an indicator of future results. Your capital is at risk.

*Target returns should not be relied upon to predict actual returns and are not an indication of future performance

INVESTMENT CRITERIA & BREAKDOWN

Our generalist approach provides a balanced and diversified portfolio to our investors. We look for exciting and interesting businesses that we believe have potential to grow.

Investment Criteria

Our approach means we consider the potential growth of companies and their market opportunities in a wide range of sectors including technology, education, healthcare, manufacturing, retailing, leisure and food & drink.

Strong management teams

Experienced and competent management teams with a strong understanding of their market and competitive position, and with a track record of building and selling companies.

Exceptional growth prospects

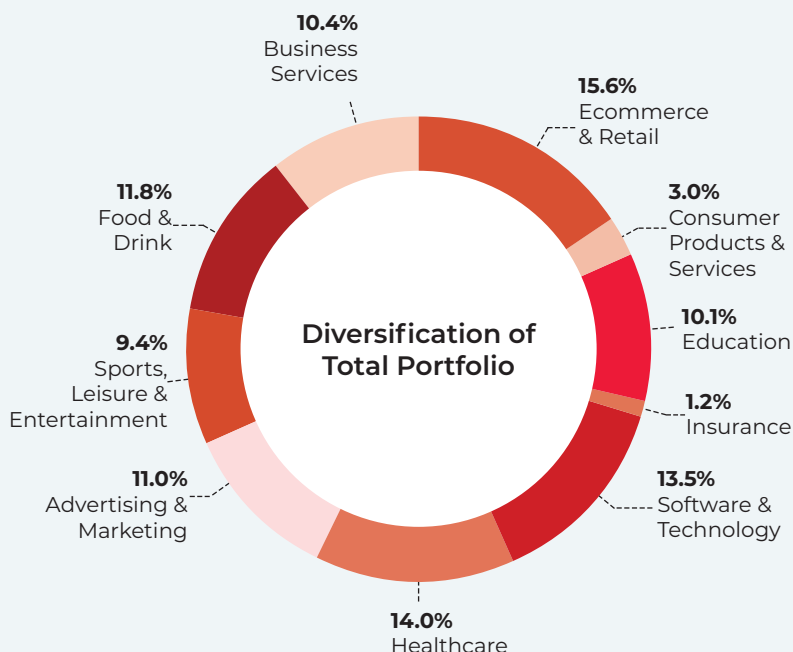
A realistic business plan supported by good operations and technology.

Strong competitive positions

A business with the ability to sustain a competitive advantage, with unique attributes that are difficult to replicate or substitute.

Future prospects

Strong prospects of being sold or floated in the future, at a multiple on the initial cost of investment.








Building a Diverse Portfolio

We seek to invest in a portfolio of businesses that we believe provide the opportunity for growth and value appreciation. Currently, the Guinness EIS is an active investor in over 40 private growth companies across 10 sectors.

Example Portfolio

Below is a portfolio illustration, showing a £100,000 EIS subscription invested into ten companies. This example best shows how to use tax reliefs available through investing into Guinness EIS.

Number of companies	10	1	2	2	2	3
						
Return		10x	4x	2x	1x	0x (write off)
Amount invested (£10k per company)	£100,000	£10,000	£20,000	£20,000	£20,000	£30,000
Proceeds from sales	£240,000	£100,000	£80,000	£40,000	£20,000	-
Less: Performance Fee (20%+VAT)	-£33,600					
Net Return	£206,400					
Plus : EIS Income Tax Relief	£30,000	£3,000	£6,000	£6,000	£6,000	£9,000
Plus: Share Loss Relief (40%)	£8,400					£8,400
Return with tax reliefs	£244,800					

This illustration should be used for reference only to show the impact of fees and the potential tax treatment of an investment in the Service. An actual investment in the Service may return more or less than this example.

Our generalist investment approach means we consider the potential growth of companies and their market opportunities in a wide range of sectors including technology, education, healthcare, manufacturing, retailing, leisure and food & drink.

Over £200 million has been invested into companies from the Guinness EIS Service since 2010 and more than £70 million has already been returned to investors. Funds managed by Guinness have invested into 42 unlisted growth companies across 14 sectors from the Guinness EIS service. 76% of unlisted growth companies invested in Funds advised/managed by the Manager are, on a blended basis, currently valued at or above cost with the remaining 24% held below cost. Some examples of these are detailed below and are typical of the type of investment targeted for the Guinness EIS service.

Popsa

Photobooks created in minutes



Popsa is a photobook application for iOS and Android that, through the use of proprietary machine learning algorithms, has reduced the time it takes for customers to produce photobooks from 2 hours to an average of just 6 minutes. Popsa now has a team of more than 40 people and receives tens of thousands of orders per month.

Guinness EIS Investment to Date:	Current Valuation:
£3.9 million	2.8x

Sector: eCommerce Website: www.popsa.com

Distributed

Quality driven tech teams. On demand.



Distributed enables enterprises to work with fully managed, globally distributed software development teams. It provides companies with access to top quality developer talent by eliminating cultural, language, and geographical barriers, giving freelancers greater access to work and opportunities for career progression.

Guinness EIS Investment to Date:	Current Valuation:
£4.4 million	1.7x

Sector: Technology Website: www.distributed.com

Examples of Successful Exits

ContentCal

Social media made simple



ContentCal is a content management and publishing workflow tool that allows marketing teams to plan, co-ordinate and efficiently deliver marketing content to target audiences. ContentCal was acquired by Adobe in December 2021.

Full Exit

Guinness EIS Investment to Date:	Current Valuation:
£2 million	4.7x

Returned to investors to date:
£9.4 million

PASTA

The freshest artisan pasta



Pasta Evangelists is a luxury pasta delivery service. The company delivers pasta direct to customer's homes nationwide and prides itself on using the freshest ingredients and recipes sourced from various regions in Italy. In January 2021, Pasta Evangelists was acquired by the Barilla Group for £40 million.

Full Exit

Guinness EIS Investment to Date:	Money multiple:
£3 million	3.0x

Returned to investors:
£9 million

Warning: Past performance is not necessarily an indicator of future results. Your capital is at risk. Examples provided are illustrative only and will vary from the companies which a Subscription made today will invest into.

Fees	Direct Investor	Advised Investor
Direct Investor Fee	3%	-
Initial Fees*	2.2%	2.2%
Management Fees*	2% per annum	2% per annum
Custodian Fees*	0.2% per annum	0.2% per annum
Custodian Sales Fee	0.3%	0.3%
Performance Fee	20% + VAT	20% + VAT

*Charged to Investee Companies

Initial Fee

An Initial Fee of 2.2% of the Subscription amount is charged to EIS Investee Companies at the time of investment. This covers the transaction costs and ancillary fees charged by the Custodian.

Management Fee

A Management Fee of 2% per annum of the amount Subscribed is charged to EIS Companies.

Custodian Fees

A Custodian fee of 0.2% per annum of the amount invested in an Investee Company is charged by Guinness to Investee Companies. The Custodian will charge a sale transaction fee of up to 0.3% on the sale proceeds.

Performance Fee

A performance fee of 20% plus VAT is applied to profits on the total portfolio return. No performance Fee is payable until investors have received back cash proceeds equivalent to the amount invested in Investee Companies.

Direct Investors only

A Direct Investor Fee of 3% of the Subscription amount is payable to Guinness once the Subscription is accepted. This is charged prior to investments being made.

Risks

The Information Memorandum contains more complete and detailed information of risk, charges and expenses that are to be borne by an investor. [The documentation should be read carefully before investing and can be accessed here.](#)

Guinness EIS will invest in small unquoted companies. Such investments can be more risky than larger companies or those listed on the main market of the London Stock Exchange. Shares in unquoted companies may be subject to transfer restrictions and may be difficult to sell. It may be difficult to obtain information as to how much an investment is worth or how risky it is at any given time. Investing in unquoted companies may expose you to a significant risk of losing all the money invested. Before investing, you are strongly recommended to consult an authorised person specialising in advising on investments of the kind described in the Information Memorandum.

The tax reliefs referred to in this Summary Brochure and in the Information Memorandum are those currently applicable. However, Investors should be aware that tax reliefs can change. Their applicability and value will depend upon the individual circumstances of a given Investor, and Investors should seek their own independent professional advice on their particular tax situation and the application of such tax reliefs prior to making an investment in the Service.

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CONTACT



GUINNESS VENTURES 18 Smith Square, London, SW1P 3HZ
+44 (0)20 7222 3475 eis@guinnessfunds.com
www.guinnessgi.com/ventures/guinness-eis

* Phone calls are recorded

Guinness Ventures is a trading name of Guinness Asset Management Ltd, which is authorised and regulated by the Financial Conduct Authority.

FOR PROMOTER AND INTERMEDIARY ENQUIRIES



RAM Capital Partners LLP 18 Soho Square, London, W1D 3QL
+44 (0)20 3006 7530 taxsolutions@ramcapital.co.uk
ramcapital.co.uk