

GUINNESS EIS

SUMMARY BROCHURE

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you are unlikely to be protected if something goes wrong. [Take two minutes to learn more here.](#)

Guinness Ventures has been investing in growth companies businesses since 2010. We focus on providing scale-up capital to exciting British businesses, with more than £300 million invested into over 185 companies.

Guinness has backed some of the UK's fastest growing small companies, including Cera Care, Popsa, Wolf & Badger and Pasta Evangelists. The Guinness EIS is established as one of the leading EIS services on the market with over 3500 investors.

Why Invest in Guinness EIS

Since 2017 our flagship Guinness EIS Service has been wholly focused on investing into the most exciting British growth companies that require capital to scale their businesses.

We look to build diversified portfolios for our investors and do this by investing across a range of sectors including technology, education, healthcare, manufacturing, retailing, leisure and food & drink. We target scale-up companies with at least £1 million of historic revenues so that we can focus on companies that have already proved their product, service or technology.

Our experienced team source, review, invest and actively manage investment portfolios. We have quarterly tranche closes and look to fully invest the funds raised in the same tax year. We take pride in providing our investors with a thorough, professional service and many clients invest with us year after year.

Due Diligence

The investment team reviews hundreds of business plans each year, received through our extensive networks as well as direct approaches from entrepreneurs that feed into a broad pipeline of investment opportunities. Every private company that is selected for potential investment is required to pass through a comprehensive due diligence process which aims to test its business plan, technology and financials as well as reviewing EIS eligibility. Our investment committee meets regularly to assess and approve investments.

- ✓ 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



based in **London** since **2003**



We have invested **over £300m** in **EIS & IHT** qualifying companies



The Guinness Group manages **over £8 billion** for investors (31/07/24)



We have **over 70 staff** employed across the business

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

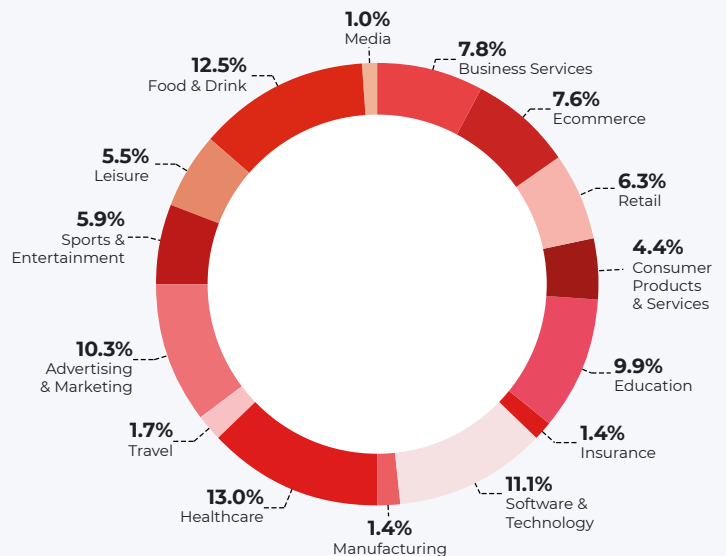
A realistic business plan supported by good operations and technology.

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.



Source: Guinness Ventures Internal Reporting, 7 July 2024

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 15 sectors.

Example Portfolio

Below is a portfolio illustration, showing a £100,000 advised Subscription Amount, leading to £95,089 being invested into a portfolio of ten EIS qualifying companies. This example shows how to utilise the tax reliefs available when investing into Guinness EIS.

Number of companies	10	1	2	2	2	3
Return of each investment		10x	4x	2x	1x	0x (write off)
Amount invested (£9.5k per company)	£95,089	£9,509	£19,018	£19,018	£19,018	£28,527
Proceeds from sales	£247,232	£95,089	£76,071	£57,053	£19,018	-
Less: Annual Management Charge (Y2-Y4)	-£6,480					
Less: Annual Custody Fee	-£1,000					
Less: Transaction Fee	-£2,472					
Less: Performance Fee (20%+VAT)	-£32,947					
Net Return	£204,332					
Plus : EIS Income Tax Relief	£28,527	£2,853	£5,705	£5,705	£5,705	£8,558
Plus: Share Loss Relief (45%*)	£8,986					£8,986
Return with tax reliefs	£241,845					

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 and is not a reliable indicator of future results. Some businesses may fail and an actual investment in the Service may return more or less than this example. Additional fees are charged for Direct Investors which reduces the amount of the Subscription which is invested.

** Assumes the investor is an additional rate income taxpayer*

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.

Once the company is part of our portfolio we work closely with the management team, providing a support framework to help the business achieve its growth potential. Some example portfolio companies are detailed below



A new standard for insurance

Wrisk is an award-winning InsurTech company reimagining auto insurance distribution. It helps car companies create data-driven, integrated insurance experiences for customers. Wrisk's scalable solutions can be deployed globally, standing out due to its focus on advanced integrations, car data, smart pricing, and efficient insurance capacity utilization, which boost penetration rates for car companies.

Guinness EIS Investment to Date:	Current Valuation:
£2.5 million	1.6x

Sector: Insurance Website: www.wrisk.co



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

Examples of Successful Exits



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:
£9.4 million



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

Initial Fee*	1.5%
Transaction Fee	1.0%
Annual Management Charge*	1.8%
Annual Custodial Fee	0.2%
Performance Fee*	20%
Investable Subscription	95.1p per £1 Subscribed

**These fees are subject to VAT*

Initial Fee

An Initial Fee of 1.5% (plus VAT) is charged on your Subscription Amount once your application to the Service is accepted. This covers set-up and ancillary costs

Transaction Fee

A Transaction Fee of 1.0% is charged on each purchase or sale transaction in your portfolio. This represents a fee for arranging and executing the relevant purchase or sale transaction on your behalf.

Annual Management Charge

The Annual Management Charge (AMC) of 1.8% (plus VAT) is charged on your Subscription Amount for four years only. The AMC for the first year is charged up-front, and the remaining three years are accrued and payable from exit proceeds. This helps maximise the amount invested and on which tax relief can be claimed.

Annual Custodial Fee

The Annual Custodial Fee of 0.2% of your Subscription Amount is accrued and payable from exit proceeds. This helps maximise the amount invested and on which tax relief can be claimed.

Performance Fee

A performance fee of 20% (plus VAT) of the net profit achieved on your portfolio of investments. No Performance Fee is payable until investors have received back cash proceeds equivalent to their Subscription.

Other fees may be applied as follows:

Direct Investors only

An additional Direct Investor Fee of 3% (plus VAT) is charged on your Subscription Amount once your application to the Service is accepted. This is charged prior to investments being made. For Direct Investors the Investable Subscription is 91.5p per £1 Subscribed.

Investee companies

Guinness may also charge arrangement and/or monitoring fees to investee companies, agreed on a case-by-case basis.

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.

Copyright © July 2024 Guinness Asset Management Ltd, All rights reserved.

CONTACT



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

Guinness Ventures is an Appointed Representative of Guinness Asset Management Limited which is authorised and regulated by the Financial Conduct Authority.

* Phone calls are recorded