

Deepbridge Technology Growth EIS

Active investing for growth

Deepbridge

TECHNOLOGY
GROWTH

The Deepbridge Technology Growth EIS is an opportunity to participate in a portfolio of actively-managed high-growth technology companies, taking advantage of the potential tax benefits available under the Enterprise Investment Scheme. A diversified portfolio of actively managed high-growth companies seeking commercialisation funding, the Deepbridge EIS invests in technology growth companies that have a proven technology, clear intellectual property and are operating in a high growth/high value market sector.

KEY FEATURES

Minimum investment	£10,000
Maximum investment	£1,000,000
Offer size	Uncapped
Closing date	Open ended
Sector	Disruptive technology
Compliance status	Discretionary Managed Portfolio Service
Client type	Retail and Professional
HMRC Advance Assurance	Received for all Investee Companies prior to respective deployment of funds

TARGET RETURNS

Target return	160p for every 100p invested
Target timescale	A minimum of 3 years

POTENTIAL TAX RELIEFS

30% INCOME TAX RELIEF

CGT DEFERRAL

IHT RELIEF AFTER 2 YEARS

TAX FREE GAINS

LOSS RELIEF AVAILABLE

No remittance charge for non-domiciled UK residents bringing funds onshore for investment via Business Investment Relief.

DEEPBRIDGE CHARGES

There are no management charges levied on the investor, resulting in 100% allocation of the subscription. This ensures 100% tax efficiency for investors. Deepbridge fees are paid by the Investee Companies.

Deepbridge fees charged to Investee Companies:

Initial Fee	2.5%
Annual Maintenance Fee	2%

Performance fee: an incentive fee of 20% of cash returned, in excess of 120% of the funds invested

IMPORTANT INFORMATION AND RISKS

Generally the underlying investments are likely to be both illiquid and high risk, not suitable for all investors and investors should not consider investing unless they can afford the full loss of their investment.

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OFFER BACKGROUND

The Deepbridge EIS invests in a portfolio of actively-managed Investee Companies, offering investors the opportunity to participate in potential capital growth underpinned by proven market demand, and experienced and aligned management teams. The Deepbridge Technology Growth EIS is focused on investing in high growth companies that are seeking to commercialise and expand, specifically in three sectors:

- Energy & resource innovation: including waste water treatment and conservation, advanced materials and renewable energy generation technologies;
- Medical technology: such as medical and surgical instrumentation, devices, and diagnostics;
- I T-based technology: particularly Enterprise Application Software and Software as a Service.

Successful investment in emerging growth technologies requires an appropriate balance between entrepreneurial optimism and venture capital realism. Investors can be blinded by the potential upside in early stage disruptive technologies; however, seeing the path to commercialisation from a realistic standpoint demands an objective and experienced perspective from both the Manager and Investment Adviser.

Deepbridge takes an active role (not just a Board seat) to guide, mentor and counsel the investee management team. The provision of hands on operational experience combined with financial expertise can materially mitigate the investment risk borne by the Investor, along with comprehensive due diligence on investee companies.

THE TEAM

The Deepbridge Executive Team possesses a depth of knowledge and expertise across a range of investment opportunities, including medical technologies, disruptive growth technologies, specialist software sectors, and renewable energy.

With a combined cross-sector commercial experience of over 200 years, the Deepbridge Technology Team at Deepbridge Advisers will be responsible for selecting, establishing, and managing the investee opportunities of the Deepbridge Technology Growth EIS.

The Deepbridge Technology Team is led by Managing Director Ian Warwick. Ian is a CEO with business skills earned over more than 20 years working with, and for, private and public companies. He spent the last 15 years leading publicly listed (OTCBB) technology businesses in the UK and USA, focusing on business structure, capital investment, transformation and growth.

EXAMPLE OF A PREVIOUS INVESTMENT

MAM Software Group Inc.

MAM Software Group Inc. is a provider of business management systems and e-commerce solutions to the US automotive aftermarket. MAM Software was the gem inside of a distressed public company called Auto Data Network (OTCBB: ADNW). Ian Warwick was brought in to turnaround the fortunes of MAM Software.

Evaluation:

Auto Data Network was a troubled company, but had an underlying suite of software products that were industry leading and met a large and growing market need. The organisation was running at a loss and had no consistent strategy or business plan. Due to struggles between legacy management teams between the U.S. and UK, the company had failed to capitalise on its promise, and was floundering to gain traction in the market.

Action:

Members of the Deepbridge team took a hands-on role, eliminating operational burdens by restructuring the capital structure of the business, recasting the management team, divesting/shuttering unproductive products, rebranding the organisation, and generally enabling focus on the valuable product lines in a concerted manner across all divisions and geographies. The company went through a whole-sale change, emerging as an efficient and focused organisation.

Execution:

MAM Software Group continues to operate profitably, and is seen as a market leader in the automotive parts software space. The company continues to evolve its product suite and gain market share.

Outcome:

MAM Software Group is now a standalone Nasdaq-listed company with a market capitalisation of \$75 million. Investors exited at a range of exit valuation multiples up to 8.75x.

HOW TO APPLY

For further information please refer to the Information Memorandum and Investor Agreement. If in doubt about the suitability of the investment please seek independent financial advice.

Please note that investment objectives may not be met and investors may lose the capital invested.

Information Memorandum and application details can be found at:

www.deepbridgecapital.com

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