

THE ANGLO SCIENTIFIC EIS FUND

A GROWTH PORTFOLIO OF IDENTIFIED HOLDINGS WHICH
IS OPEN FOR INVESTMENT ALL YEAR

An opportunity to invest in an exciting EIS Growth Fund

An Evergreen EIS Fund that makes investments quarterly

Targeting significant gains across a concentrated portfolio of companies that have already been identified

Invests in technology-rich companies founded by Anglo Scientific Limited

Anglo Scientific Limited has significant experience and a proven track record in identifying disruptive technologies and creating dynamic companies around them

The technologies underpin true scientific innovation in areas of global importance, such as healthcare, communications and defence / security

A balanced portfolio aiming to provide Investors with exits at regular intervals

Prompt delivery of HMRC certificates

Valuable EIS tax benefits including - Income Tax, CGT and IHT

INNOVATION

SECURITY & RESILIENCE

FUTURE

BIOSCIENCES

DISRUPTIVE TECHNOLOGY

INFORMATION

THE ANGLO SCIENTIFIC EIS FUND



Phasor, an Anglo Scientific company introduced the world's first electronically steerable antennas to enable broadband communications on the move.

THE INVESTMENT OPPORTUNITY

This is an exciting opportunity from Innvotec Limited "Innvotec" to invest in the Anglo Scientific EIS Fund ("AS EIS Fund" or the "Fund").

The AS EIS Fund combines the skills and knowledge of both Innvotec and Anglo Scientific Limited ("Anglo Scientific" or "AS"). It is an "Evergreen" capital appreciation fund making investments on a quarterly basis in companies formed by Anglo Scientific.

The focus of the Fund remains the same as the previous AS EIS annual funds, namely to create a portfolio of high-value EIS Qualifying Investments in technology based companies that have been founded by Anglo Scientific. Importantly, Anglo Scientific principals will continue to play a key role in the on-going development of the companies and will oversee and help steer them to potentially very profitable exits.

A well balanced portfolio, in terms of the targeted time to exit, should ensure that Investors receive a flow of returns starting after year three.

The AS EIS Fund will benefit from all the usual EIS tax advantages.

The first exit, to investors in earlier AS EIS funds (Phagenesis Limited), will return a forecasted tax-free capital gain of up to a 5.5x cost.

INVESTMENT STRATEGY

The Fund aims to maximise returns for Investors and has the following objectives:

- A growth fund that aims to provide Investors with the opportunity to make significant tax free gains across a portfolio of companies that is identified at outset.
- The companies that the Fund invests in will generally have developed to a point where each has started to, or is poised to deliver "J-curve" growth in revenue, profit and value.
- Innvotec is targeting a minimum 40% return on investment across the portfolio (before taking into account any of the tax reliefs available on the investment).
- Ongoing active management of the portfolio companies, as provided by Anglo Scientific, helps to reduce risk and enhance prospective returns for Investors.

- The portfolio will be balanced between early stage and those already generating revenue in their target markets and likely to exit after the three-year holding period.
- The companies the Fund invests in will generally be at the latter stages of their core technology development, or have already developed certified products. They are generally already entering their chosen markets with launch products meaning that risk is more commercial than technical.
- It is at the earlier stages of commercial exploitation that there is the greatest potential to generate significant capital appreciation. This is what makes the AS EIS Fund such an attractive proposition.

FUND DETAILS - WHY INVEST?

In the crowded world of EIS Funds, the AS EIS Fund is innovative whilst combining both simplicity and transparency.

Anglo Scientific builds businesses around proprietary technology that is at the "cutting edge" and which addresses demand from markets that are truly global. The Fund provides private investors with the opportunity to invest in such businesses.

The Fund's objective is to build high-value companies capable of returning to Investors a significant multiple on the cost of each investment made and within a reasonable timeframe. This is highlighted by the recent sale of Phagenesis Ltd to Nestlé resulting in a tax-free forecasted gain of up to 5.5x the cost of investment in a six year holding period.

AS and Innvotec have collaborated on the AS EIS series of funds since 2009. Over this period over 70 separate investments have been made in twelve companies formed by AS.

The overall performance of the prior funds compares favourably against their peer group of EIS funds as well as the FTSE 100.

The AS EIS Fund takes a distinctly different approach to investment and value appreciation, compared to most typical UK based capital growth and EIS funds.

- The target companies that will receive investment from the AS EIS Fund have already been identified (a separate document detailing the current target companies is available on request).
- Anglo Scientific applies rigorous criteria when selecting technologies to exploit. Its experience in actively managing and building companies has proven to be a successful formula for both minimising risk and maximising potential returns.
- The fee charging and structure of the AS EIS Fund puts Investors and their interests first.
- An Investor obtains tax relief on 100% of his or her Commitment to the Fund.
- A performance hurdle only rewards the Fund Manager for delivering real and meaningful returns as opposed to rewarding mediocrity. The Performance Fee cannot be drawn until Investors have received back 140% of their Commitment before taking into account any tax reliefs.

- Importantly, the Performance Fee is based on the Commitment to the Fund and is not calculated on a company by company basis.
- There are no charges other than a 1.5% annual management fee and the above-mentioned Performance Fee.
- The Fund is best viewed as a partnership between Innvotec as the regulated Fund Manager and its Strategic Partner, Anglo Scientific, acting as the technology entrepreneur. This is a solution that provides the best of both worlds.
- The investment model adopted by the Fund means that the Investor has a good idea of the companies that will comprise his or her portfolio before committing to the Fund. Unlike other EIS funds, Innvotec does not have to trust that unknown management in investee companies have the requisite knowledge and skills to grow and achieve successful exits for their shareholders. The management and strategic direction of the AS EIS Fund Portfolio Companies resides with the experienced Anglo Scientific team.
- Innvotec and Anglo Scientific both have significant and complementary experience and know-how, and combine this to create a winning partnership.

Overall, the Fund will provide Investors with a rare combination of experienced capital appreciation fund management and entrepreneurial excellence.

The Target Companies

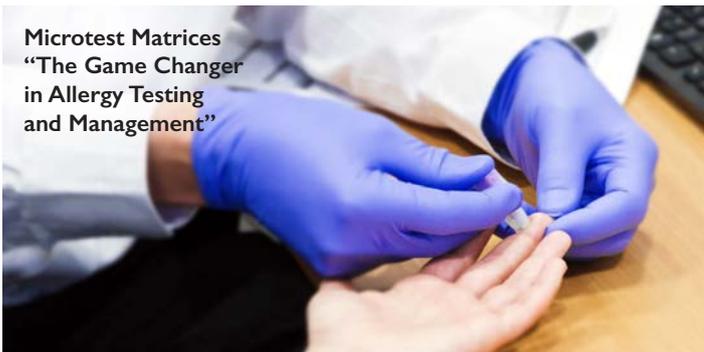
One of the benefits of the Fund is that the Manager already knows the main companies the Fund will target for investment.

Every company in the AS EIS Fund portfolio aims to deliver truly ground breaking products and services. With strong competitive advantages, each company has the opportunity to achieve very high "exit" multiples.

The Anglo Scientific model is to form companies with founding scientists and/ or academics after extensive due diligence of the underlying technology and likely applications. On occasions, Anglo Scientific is approached to provide its knowhow and expertise to existing early stage businesses started by others. If the potential for success is deemed suitable Anglo Scientific may agree to help move such businesses forward and the Fund may make a strategic investment alongside the provision of such support.

Details of the companies that are currently being targeted and also the Fund Performance to date are available in a separate document, a copy of which is available on request.

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in Allergy Testing
and Management"**



FUND MANAGER & PROMOTER - INNVOTEC LTD

Innvotec was established in 1987 and is authorised and regulated by the FCA as a small authorised UK Alternative Investment Fund Manager (AIFM).

Innvotec is probably the longest established, independent venture capital fund manager in the UK. It has historically focused on investing in early-stage companies, most possessing proprietary and innovative technology.

The team that is assigned to the management of the Fund has a combined total of over 60 years of relevant experience of creating and managing similar investment portfolios and building value for clients.

Innvotec has raised and managed over £100 million of investment to date primarily from institutional investors and has put this commitment to work in approximately 150 start-up and early stage businesses. Innvotec has also been successful in helping these companies raise nearly £200 million from third parties.

Alongside its Strategic Partner collaboration with Anglo Scientific in EIS investment, Innvotec works with the Start-up Funding Club and Oxford Innovation Opportunities Network (OION) in the raising and management of Seed EIS (SEIS) Funds, with other Strategic Partners keen to work alongside Innvotec in the launching of further funds later this year.

Innvotec will be responsible for all aspects of managing the AS EIS Fund and its assets, including reporting to Investors, in accordance with the Fund Management Agreement.

STRATEGIC PARTNER - ANGLO SCIENTIFIC

Anglo Scientific is a team of parallel entrepreneurs building next generation technology companies.

Anglo Scientific is not a venture capital fund nor a fund manager, but members of the team do invest meaningful amounts in the companies that they form.

Anglo Scientific has significant experience and an excellent track record, firstly in identifying disruptive technologies with real potential and then, alongside founding academics, scientists and institutions, creating companies around them. In this case, "technology" means true scientific innovation in areas of global importance, such as healthcare and defence – not social media and apps!

Anglo Scientific gets involved at the earliest stages of company development, typically co-founding a business together with lead scientists. The Anglo Scientific team then builds the businesses from the ground up, often acting as Executive Chairman or CEO before bringing in highly experienced industry leaders to pursue global market entry and growth. Essentially Anglo Scientific starts, nurtures, grows and introduces exciting new tech companies into international markets.

Anglo Scientific makes money through the capital appreciation of its founder ordinary shares in the individual portfolio companies and in so doing, aligns its interests with both the investors and co-founders.

Investing personal money and raising funds from others is an integral part of the Anglo Scientific business model.

INVESTMENT DETAILS

Minimum Fund Size - £1 m pa or other such sum at the Fund Manager's discretion.

Maximum Fund Size - £40 million pa

Minimum Investor commitment - £5,000

Closing date - An "Evergreen" Fund with quarterly closings and investment on or around normal quarter dates.

Fees - 1.5% Annual Management Charge deferred until exits and 30% Performance Fee based on Commitment to the Fund. Subject to a 40% Hurdle Rate.

Relief - on 100% of Commitment.

AS EIS – EIS FUND STATUS

The Fund has not been "approved" by HM Revenue and Customs for Approved Investment Fund ("AIF") status. Being unapproved provides more flexibility to the Fund Manager:

Approval only covers certain administrative matters and in no way bears on the commercial viability of the investments to be made, nor does it guarantee the availability, amount or timing of relief from income tax or capital gains tax.

Income Tax relief under an unapproved Fund is either granted in the tax year in which the investments into Qualifying Companies are made (and the shares issued) or in the previous tax year.

Details of the tax benefits can be found in the EIS Tax Benefits box.

The timing of investments will be dependent upon timing of receipt of the Application Pack and Commitment from Investors.

EIS TAX BENEFITS

Each of the target companies will qualify for EIS relief under the EIS companies rules.

Investors in EIS companies can, depending on their individual circumstances, benefit from a number of tax benefits including the following:

Income Tax Relief of up to 30%, available on the first £1 million invested in any tax year.

Capital Gains Tax ("CGT") Exemption on disposal of the EIS investment. Any capital gains realised on disposal of the shares are tax free provided EIS relief has not been withdrawn. This applies after the Relevant Holding Period, which is currently 3 years.

Deferral of Capital Gains Tax on disposal of other assets, if investment in the EIS Portfolio Companies is made within one year before or three years after the date of disposal of the asset which gave rise to the gain. There is no limit to the amount that can be invested in EIS companies for the purposes of Capital Gains Deferral Relief.

Loss Relief giving a current aggregate income tax relief for top rate tax payer of up to 61.5%, which can be offset against income tax or CGT liabilities.

100% Inheritance Tax Business Property Relief provided that the shares have been held for two years at the time of death.

Further information on Taxation can be found in the Information Memorandum and in the Innvotec "Know More About: Tax Efficient Investing" Guide. The Taxation situation depends on the individual circumstances of the Investor and may change in the future.

Professional tax advice should be taken when considering EIS.

THE WAY FORWARD

If you are interested in this opportunity and would like further details, please contact your Independent Financial Adviser (IFA) or similar professional, or the team at Innvotec.

In this document we have provided some general details on this opportunity. Full details are provided in the Information Memorandum which is available on request (subject to status).

This investment is not suitable for all investors.

CONTACT DETAILS

For further information, please find the contact details below.

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The Information Memorandum, which is available on request, contains full details on this opportunity.

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IMPORTANT NOTICE

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