

ENDEAVOUR VENTURES

Managed EIS Portfolio Service
Late-stage EIS
Individuals / Family Offices / IFAs

RISK WARNING

**Don't invest unless you're prepared to lose all the money you invested.
This is a high-risk investment. [Take 2 minutes to learn more.](#)**

RISK WARNING

Estimated reading time: 2 min

Due to the potential for losses, the Financial Conduct Authority (FCA) considers these investments to be high risk.

What are the key risks?

1. You could lose all the money you invest

- If any business you invest in through this Service fails, you may lose 100% of the money you invested.

2. You are unlikely to be protected if something goes wrong

- Protection under the Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, and does not cover poor investment performance. [Try the FSCS investment protection checker here.](#)
- Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA-regulated firm, FOS may be able to consider it. [Learn more about FOS protection here.](#)

3. You won't get your money back quickly

- Even if the businesses you invest in are successful, it may take several years to get your money back. You are unlikely to be able to sell your investment early.
- The most likely way to get your money back is if the business is bought by another business or lists its shares on an exchange such as the London Stock Exchange. These events are not common.
- You should not expect to get your money back through dividends.

4. Don't put all your eggs in one basket

- A good rule of thumb is not to invest more than 10% of your money in [high-risk investments](#).
- Putting all your money into a single business or type of investment is risky. Spreading your money across different investments makes you less dependent on any one investment to do well.

5. The value of your investment can be reduced

- The percentage of the business that you own will decrease if the business issues more shares. This could mean that the value of your investment reduces, depending on how much the business grows. Most venture-backed growth businesses of this kind issue multiple rounds of shares.
- These new shares could have additional rights that your shares don't have, such as the right to receive a fixed dividend, which could further reduce your chances of getting a return on your investment.

If you are interested in learning more about how to protect yourself, [visit the FCA's website here.](#)

Important Information

This Information Memorandum constitutes a financial promotion pursuant to section 21 of FSMA and is issued by Endeavour Ventures Managed EIS Portfolio Service Limited, a wholly owned subsidiary of Endeavour Ventures Limited and the adviser to the Portfolio Manager. Its contents have been approved for the purposes of section 21 of FSMA by Rivers Capital Management Limited, the Portfolio Manager of the Endeavour Ventures Managed EIS Portfolio Service. Rivers Capital Management Limited is authorised and regulated by the Financial Conduct Authority (reference 801238). The Endeavour Ventures EIS Managed Portfolio Service will select a portfolio of opportunities at Series A, Series B and pre-IPO stage from the Endeavour Ventures direct portfolio and third party EIS portfolios.

The Managed EIS Portfolio Service is a discretionary investment management service which will comprise of shares in a selection of companies that have received Advanced Assurance of EIS tax reliefs, and are at a later stage than the Seed and pre-Seed investments held by Endeavour angels investing directly, and are selected only from the later-staged opportunities within the broader Endeavour Ventures direct EIS portfolio.

The Portfolio Manager will be responsible for the discretionary management of each Investor's portfolio. Each Investor, for legal and tax purposes, will be the beneficial owner of a specific number of shares in each Investee Company. All shares and cash will be managed in accordance with the investment objectives and restrictions set out in the Investment Management Agreement. It is the responsibility of the Investor, and their advisor where appropriate, to ensure that this opportunity is a suitable investment in light of the contents of this Information Memorandum and their individual circumstances. If you are in any doubt about the content of this Information Memorandum, you are strongly recommended to seek advice immediately from an independent financial advisor authorised under the Financial Services and Markets Act 2000 ("FSMA") who specialises in advising on investments of this type. This Information Memorandum is only intended for release in the United Kingdom and is not for publication or distribution in any other jurisdiction. This Information Memorandum is intended exclusively for High Net Worth Individuals and Sophisticated Investors who understand the risks of investing and for investors receiving professional advice on the suitability of this service for their needs. **If you are not such a person and have this Investment Memorandum, please return it to the address at the end of the document or destroy it.**

Prospective Investors should not regard the contents of this Information Memorandum as constituting advice relating to legal, taxation or investment matters and are advised to consult their own professional advisors before contemplating any investment or transaction. Investors' money subscribed to the Managed EIS Portfolio Service will be committed to investments which will often be of an illiquid nature. The companies in which the Portfolio Service invests will usually not be quoted on any regulated market and, accordingly, there will not be an established or ready market for any such shares and the Portfolio Manager may experience difficulty in realising them (for value or at all).

The Portfolio Manager believes that the factual content contained in this document is accurate and the statements of their opinions herein are reasonably held. Subject to the Portfolio Manager's overriding duty to ensure that the content of this Information Memorandum is presented in a manner which is fair, clear and not misleading with respect to the persons to whom the Portfolio Service is promoted by them, the Portfolio Manager does not accept responsibility to any recipient of this Information Memorandum for inaccuracies in factual representation or for any consequences to such persons of placing reliance upon statements of their opinion. Additionally some material included in this Information Memorandum is derived from public or third party sources, and the Portfolio Manager disclaims all liability for any errors or misrepresentations which any such inclusions may contain. The investments envisaged may not be suitable for all potential Investors. Investments in unquoted companies generally carry a high degree of risk and you should consider the Risk Factors set out on pages 24-26 in this Information Memorandum carefully. Except where required by applicable laws and FCA Rules, no responsibility or liability is accepted for any loss or damage howsoever arising that you may suffer as a result of this Information Memorandum and any and all responsibility and liability is expressly disclaimed by the Portfolio Manager and its subsidiaries, directors, shareholders, partners, officers, affiliates, employees, advisors or agents. The Portfolio Manager reserves the right to update this Information Memorandum from time to time.

Executive Summary

Why a Portfolio Service?

- EIS rule changes allow for later stage investment which reduces risk
- Later stage of investment means less time until exit
- Investing later should mean fewer failures and higher multiples in shorter timeframes achievable
- Narrowing of IHT tax sheltering options is pushing people towards EIS
- Investors are seeking a lower-risk EIS option
- Portfolio structure means investors do not have to wait for a fund to terminate when a company has an exit

Why us?

- Experienced, enduring team
- Peerless track record, with high multiple exits
- Broader portfolio offers pipeline of externally priced Series A prospects
- No investment fees or management fees charged to the investor
- Exclusively focused on EIS since 2005, recession-proof business model
- We do not sell out of successful companies early

Why now?

- Endeavour's established EIS portfolio presents Series A opportunities
- EIS rounds can now be larger: up to £20m in total
- £40m in total for Knowledge Intensive Companies
- EIS Income tax rebate remains 30%, VCTs reduced to 20%
- Up to £1m of EIS holdings remain IHT free
- EIS "sunset clause" has been extended until at least 2035

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Chairman's Letter

Dear Investor, Advisor or Representative,

Endeavour has been investing in small and medium-sized tech companies for 21 years, with a peerless track record. It is complicated and time-consuming, and involves detailed knowledge and sector experience. We have learned what works, what to avoid, and stick only to what we understand.

While every year is different, we have exited several investments at high multiples, and show an overall IRR of 20.2% since we were founded. Recent tax changes allow companies to raise greater amounts under EIS, per annum and in total, meaning we can target later stage rounds with reduced risk. As a result we have launched the Managed EIS Portfolio Service that we expect to reduce risk and improve investor returns over shorter timeframes.

Endeavour Ventures

From the very start, Endeavour Ventures has championed growth technology investing. Since 2005 we have built a dedicated investment team that has consistently applied the EIS tax breaks as they were intended by the government: investing in ventures that create new jobs and make use of new technologies. We find companies that, fed by the UK tax breaks, can successfully scale into European, Asian and US markets with limited capital investment.

The Endeavour team has raised and deployed over £200m to date, and our results compare very favourably to our growth investing peers. We understand the complete growth investment cycle and we know that better returns are made by those who are patient. Over 19 years, our audited cash-to-cash IRR is 20.2%. Our best exit is 150x.

A successful combination

Endeavour has invested in enterprise software, AI, fin-tech, prop-tech, pay-tech, data management, cloud computing, marketplace and FX platforms. It has taken many years to develop a robust and broad-ranging deal flow in technology and technology-enabled subsectors in the unquoted and quoted EIS-qualifying venture capital market.

With the new rule changes in the 2025 Autumn Budget, we have an opportunity to deploy at a later-stage than before, once the companies have proven their model and need growth or expansion capital. The Managed EIS Portfolio Service aims to mitigate the down-side risks, and has the flexibility you don't always get with

a conventional EIS fund. We charge the investor only when we are successful. As you will see from page 16, we believe that if we had had such a service over the last 11 years, and stuck to the rules we outline here of backing only institutionally-led and priced Series A, pre-IPO, or Series B rounds, that we might have achieved a quite remarkable 96% IRR for investors. Even if we ruled out Blue Prism, our outperforming investment, the IRR would still be 29%. All investors should know that past performance is not necessarily be a reliable indicator of future results, but we believe our track record shows what Endeavour can achieve.

The origins

Our initial investor group came together as a result of a successful software exit. In the 21 years since, we have carefully built a bespoke EIS offering for sophisticated investors. We have developed a distinguished and professional team with skills in investment selection, due diligence, structuring, negotiating terms, finance, legal documentation, monitoring, governance, compliance and administration to ensure that we deliver an efficient, responsive and transparent service.

We think this is the right time for us ask investors to fund the follow-on Series A and B opportunities in the Endeavour portfolio and in our wider circle, which we have to date handed on to AIM brokers, corporates, or larger Venture Capital and Private Equity funds.

How the Portfolio Service will work

The standard EIS growth cycle is normally quite long – usually ten years or more from first investment

to exit. The casualties (typically up to 30% of any early-stage EIS portfolio) usually make themselves known in the first three years. Another 30% never merit larger rounds. The goal is for the Service to come in after most of the failures have shown themselves, and target the most promising 40% of the companies remaining, typically as they receive externally priced institutional or broker-led funding offers.

Historical performance shows that the success rate of these companies is higher and the time to exit condensed. The entry price will almost certainly be higher than in the previous rounds, but one can make impressive returns, faster.

Endeavour Ventures acts as the Company Advisor to the Portfolio Manager. As Company Advisor, Endeavour advises the Portfolio Manager on all aspects of the portfolio investee companies and recommends the investments. Once Endeavour has identified that a portfolio company has a reduced risk of failure, has proven its model, and terms have been agreed, the Portfolio Manager will request capital to be drawn down from the signatories within the application form to the Investment Agreement for the Managed EIS Portfolio Service, pro-rated to how much capital they have committed. We will already have vetted the company and its founders, who often have successful exits behind them. A portfolio will typically begin with 6-8 companies, and we aim to increase that number over successive tax years if you continue to invest with us.

Is this investment right for you?

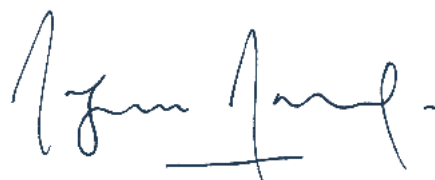
You are a High Net Worth, sophisticated or advised investor with income tax or CGT to offset, and you recognise that these investments can be highly illiquid and that your funds should not be deployed if they might be needed in the short or medium term for other purposes. You know that past future success is no

guide to future performance and you fully understand the risk factors involved with the Portfolio Service so that you can decide whether it is right for you.

When we have identified a suitable selection of follow-on investments and the Portfolio Manager has approved them, the Portfolio Manager will draw down the funds from the custodian. Shares will be allotted directly and EIS3 forms applied for.

The Endeavour journey

Endeavour's mission is to deploy intelligent capital at the optimum moments, whilst doing all we can to mitigate and reduce risk. We have done so very successfully to date for early stage investments. The Managed EIS Portfolio Service aims to repeat and improve upon that success in a condensed timeframe.



Magnus Macintyre
Chairman
Endeavour Ventures Limited.

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DEFINITIONS

AIM

The Alternative Investment Market.

Applicable Laws

Relevant UK laws and FCA Rules.

Associate

Any person or entity who is under the control of another person or entity.

Company Advisors (or “Advisors”)

Endeavour Ventures EIS Managed Portfolio Service Ltd. company number 11799361 at 41 Devonshire Street, London W1G 7AJ, authorised and regulated by the Financial Conduct Authority (FRN: 832796). This is the advisor to the Portfolio Manager on investee companies.

CGT Deferral Relief

EIS reinvestment (deferral) relief for chargeable capital gains under section 150C and schedule 5B TCGA.

CGT

Capital Gains Tax.

Custodian

Apex Unitas Limited (registered in England and Wales with registration number 08255713 and with its registered address at 4th Floor, 140 Aldersgate Street, London EC1A 4HY), authorised and regulated by the Financial Conduct Authority (FRN: 591814) or such custodian as the manager shall determine. This company was previously known as Mainspring Nominees Limited, and is now owned by Apex Group.

Data Protection Legislation

This means the Data (Use and Access) Act 2025, United Kingdom General Data Protection Regulation (UK GDPR), Data Protection Act 2018, and the Privacy and Electronic Communications Regulations 2003 (PECR), and all other applicable laws and regulations relating to the processing of the personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner or any other national data protection authority, and the equivalent of any of the foregoing in any relevant jurisdiction that come into force from time to time.

EIS or Enterprise Investment Scheme

Enterprise Investment Scheme as set out in Part 5 of ITA and sections 150A-D TCGA and schedule 5B TCGA.

EIS Carry Back Relief

EIS Income Tax Relief against an individual’s income tax liability for the tax year preceding that in which shares in Qualifying Companies are issued pursuant to Section 158(4) ITA.

EIS Income Tax Relief

Relief from income tax pursuant to Section 158 ITA.

Endeavour Ventures

Endeavour Ventures Limited, 41 Devonshire Street, London W1G 7AJ, company number 05244123, is regulated by the Financial Conduct Authority.

Endeavour Ventures EIS Portfolio Service Limited

The Portfolio Advisor, which is the Appointed Representative of Rivers Capital Management, the Portfolio Manager. It is a wholly-owned subsidiary of Endeavour Ventures Limited.

FCA

Financial Conduct Authority.

FCA Rules

The FCA Rules made under powers given to the FCA by the Financial Services and Markets Act 2000 as amended.

HMRC

His Majesty’s Revenue & Customs.

Investee Company

Companies in which the Endeavour Ventures Follow-On Portfolio Service invests.

Investment Amount

The amount an Investor invests after the deduction of Custodian Fees (excluding those charged when selling a holding) and any advice fee agreed with their financial advisor.

Investment Committee

Comprises members of the Investment Team as set out on pages 20-21 of this brochure.

Investment Management Agreement

The agreement entered into by an Investor and the Portfolio Manager (Rivers Capital Management Ltd.).

I.M. (or “Information Memorandum”)

This Information Memorandum, excluding any accompanying document.

Investor

An individual who completes an Application Form which is accepted by the Portfolio Manager.

IPO

An initial public offering, or IPO, is the first sale of stock by a company to the public.

ITA

The Income Tax Act 2007 as amended.

Mentoring Services

Services provided or procured by Endeavour to the Portfolio Manager and the Investee Companies including providing due diligence on potential Investee Companies as well as research, legal, taxation, marketing, accounting, public relations, information technology and other areas in which the investee companies may need expert advice.

Nominee/Nominees

MNL Nominees Limited and is registered in England and Wales with registration number 09512864 and registered address at 4th Floor, 140 Aldersgate Street, London, EC1A 4HY (now owned by Apex Unitas Limited) or such nominee company that will hold Investments on behalf of the Investors as the Manager shall determine.

Portfolio

All investments and cash to which an Investor is beneficially entitled, and which are held in the Portfolio Service, also referred to as “the Service”.

Portfolio Manager (or “The Manager”)

Rivers Capital Management Ltd. (a company registered in England and Wales with CRN: 10169304 , FCA Authorised Representative No: 801238), whose registered office is at 27 Gloucester Place, London, England, W1U 8HU 12 being the party responsible for the management of each Investor’s holdings.

Portfolio Service (or “the Service”)

The Endeavour Ventures Managed EIS Portfolio Service.

Qualifying Company or Companies

Companies that qualify under EIS under s.180 ITA.

Qualifying Trade

A trade which is a qualifying trade within the meaning of Part 5, Chapter 4, ITA.

SMEs

Small to medium sized UK companies.

Subscription

The amount an Investor invests before the deduction of any fees or charges or the facilitation of any advice fee to their Financial Advisor.

TCGA

Taxation of Chargeable Gains Act 1992.

Three Year Period

The three years following the point at which the Portfolio Service invests in an Investee Company.

VAT

Value Added Tax.

Managed EIS Portfolio Service

Managed EIS Portfolio Service

Introduction

The Opportunity

Endeavour Ventures, one of the most successful and longest-established boutique direct investment firms in the country, has a portfolio of EIS-qualifying small and medium sized enterprises (SMEs) in the UK.

The Managed EIS Portfolio Service aims to take the most successful of these companies, which have proven their model and overcome the majority of the early stage risks, and wish to complete a Series A or B investment. Most of these opportunities, at least at Series A stage, will still qualify for EIS.

Over the past 20 years Endeavour has focused exclusively on entrepreneurial growth company investments and never employed the tax breaks to invest into low risk asset-backed portfolios. Endeavour's team is well positioned to build upon this growth technology expertise. We are familiar with the growth company cycle and the many risks inherent in growth company investing.

We recognise the need for robust legal protections, mature management teams, diversified portfolios, and consistent oversight and shareholder engagement throughout the investment cycle. Endeavour has specific experience in a range of sectors and across all stages of investment, and is well placed to operate under HMRC's "Risk to Capital" provisions. Our existing portfolio incorporates investments in enterprise software, cloud-related technologies, payment technologies, prop-tech, fin-tech platforms, and clean technology businesses among others.

The Risks

Investing in EIS, even at a follow-on stage, is high risk. Venture capital investments are not for everyone. They require investing for a longer time horizon, firstly to secure tax reliefs and secondly to secure the optimum value from the investment, which involves waiting for the company to be at the right stage and for the right exit opportunity to arise. You should read the detailed risks we have set out on pages 24–26 as you weigh up whether this investment is right for you.

Please note that in this document we refer to our track record but past performance should not be taken as a guarantee or reliable indicator that this Service

will perform as intended. Equally, you will find forward-looking statements that reflect our beliefs and opinions about how we expect the Service to perform (including 'expect', 'believe', 'may', 'will', 'should') which express our opinion at this point in time, but may be impacted by risks, events and circumstances that emerge.

Tax rules and regulations are subject to change. All the figures and information provided provided in this document are correct as at February 2026 (and in the case of the audited track record, at the end of February 2025).

- If it is available to you, Income tax relief and CGT exemption require each investment to be held for at least 3 years and inheritance tax relief requires at least 2 years' ownership.
- All the tax and other benefits listed are subject to numerous conditions.
- All tax reliefs and exemptions need to be claimed by the Investor – they are not automatic and we recommend you seek professional assistance to make the claims.
- There are situations where the interests of our Investors may conflict with other areas of our business and controls are in place to mitigate such issues should they arise.

Tax Benefits

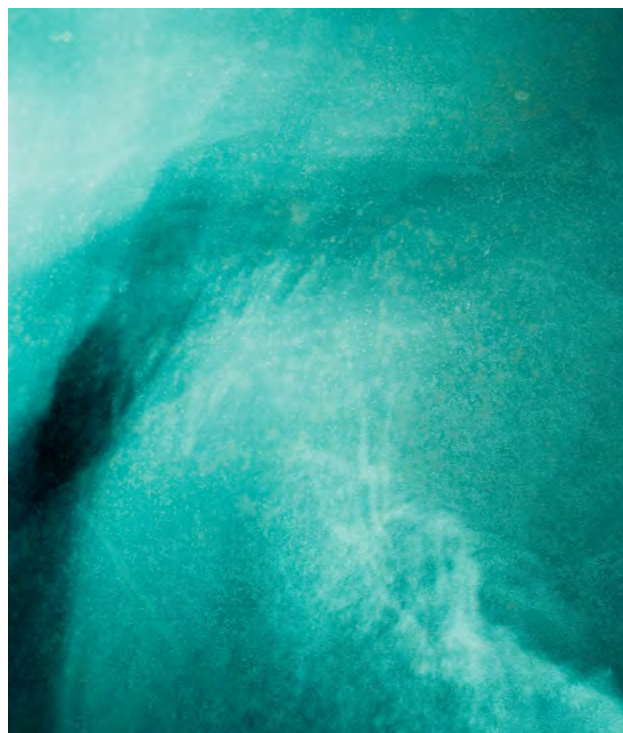
Family offices and HNW investors may benefit from investing through EIS in EIS-qualifying businesses in the following ways:

- 30% income tax relief on the value of their investment;
- Capital Gains Tax deferral;
- 0% Capital Gains Tax on the realisation of their investments;
- 100% Inheritance Tax relief after two years up to
- £1m of BPR relief; and
- Income tax relief on any holding that is sold (or crystallised) at a loss.
- 0% IHT on EIS holdings of up to £1m.

Why Endeavour?

Endeavour differentiates itself because we have:

- A proven track record.
- No direct fees to the investor until exit.
- A culture that understands entrepreneurs, the issues they face, and what they are looking for from their funding partners – in part because our original investor syndicate included several exited technology entrepreneurs.
- An energetic team who are in it for the long term and will invest personally alongside their clients.
- Robust systems, transparent management and efficient administration.
- Access to good deal flow with entrepreneurs and businesses we already know and like.
- A balanced approach to negotiation that makes sure we get a good deal for investors without losing the best quality entrepreneurs by demanding unrealistic or unfair terms.



Fees & Charges

This part of the document details the fees and charges applicable to Investee Companies and the Investor. We do not charge a management fee or entry fee to the Investor.

Summary table of fees

Initial fee	None.
Arrangement Fee	6% of the amount invested plus costs, payable by the Investee Company NOT BY THE INVESTOR. This fee may be reinvested by Endeavour Ventures in the investee company, which would be done on the same terms as the investor.
Investor Director Fee	A fee of £25,000 p.a. (or 1.5% of the funds invested, whichever is the greater) is payable by the Investee Company in return for having an Endeavour team member sit on its board NOT BY THE INVESTOR.
Performance Fee (Carry)	20% of the profit on exit after the Investor has received a 140% return on a company by company basis.
Portfolio Manager fee	The Portfolio Manager's fees are paid by Endeavour out of their fees, NOT BY THE INVESTOR.

Managed EIS Portfolio Service

How It Works

The Service offers investors the opportunity to build a managed portfolio of equity investments in UK-based SMEs that are seeking capital to fund their next phase of growth. The Managed EIS Portfolio Service is open for new investment all year round and will not close having raised a predetermined amount of investment.

The Portfolio Manager

The Portfolio Manager is Rivers Capital Management Limited which is authorised and regulated by the FCA (reference no. 801238).

The Portfolio Manager will accept or reject recommendations put forward by the Company Advisor's Investment Committee. As part of their role, the Portfolio Manager will approve the structure and pricing of an investment. It will also oversee that an appropriate balance of holdings is achieved within any individual portfolio. It will seek to ensure that all investments are EIS qualifying, that they fit within the investment criteria, and that no single holding, or early stage companies as a class of investment, is disproportionately large within any investor's portfolio. The Portfolio Manager will assess exit options, provided full value has been achieved. This process typically begins once the three year period has ended but as they will also be seeking to provide full value on your investment, it is likely to take longer.

The Company Advisor

The Portfolio Manager has appointed Endeavour Ventures EIS Managed Portfolio Service Limited as the Company Advisor to the Portfolio Service. Endeavour will source and manage the pipeline of potential investments and run the rigorous investment selection process. It will undertake all investment filtering and preparation services, due diligence of personnel, legal documentation, marketing and sales, accounting, public relations, technology and multiple other areas in which growth companies may need

input and assistance. Endeavour will negotiate, structure, and conduct due diligence for all investments. It will then make investment recommendations, and the decision to invest will remain at the sole discretion of the Portfolio Manager.

The Initial Process

When you become a signatory to the Investment Agreement with Rivers Capital Management (the Portfolio Manager), it will commit you to the Managed EIS Portfolio Service. It will outline the basis of your investments, and of our obligations and remuneration.

Once we have received your initial investment it will be held by the Nominee of the Service, to be deployed within agreed time limits – typically fully deployed within 12 months, and more rapidly by arrangement. To diversify more meaningfully, you are encouraged to make further investments in future years. But it is not a requirement to do so. The investee companies will be unquoted private companies or companies quoted on the Alternative Investment Market “AIM”, the market for smaller companies provided by the London Stock Exchange. The Managed EIS Portfolio Service will invest in more established companies seeking capital growth. Endeavour manages the pipeline, identifies suitable investment opportunities and runs all phases of the investment preparation process up to the point where they are put forward to the Portfolio Manager for approval.

Managed EIS Portfolio Service

How we find Investments

Deal Flow

The Portfolio Service will source later-stage deals in high-quality, UK based companies that have proven themselves, are ready to scale and remain EIS qualifying. These will be from a combination of our own portfolio and those of other EIS managers with whom we work closely. We calculate this to be a pool of 400 or so potential investments. Endeavour's direct investment portfolio has a regular in-flow of new companies in a range of software and technology-enabled subsectors. This core deal flow has been developed over the many years we have been operating and growing our network of contacts in UK growth ventures. Post-investment, these portfolio companies are curated and managed, usually over a number of years, and will only be considered for investment by the Portfolio Service once they have largely proven their products and markets, their competitive strategies, but require more capital for accelerating their growth than can typically be provided by angel investors. Therefore they launch institutional or corporate rounds.

Endeavour's direct deal flow originates from:

- Our network of accountants, lawyers and other professionals;
- Existing investors, their own networks and portfolios; Chairman's Network
- Exited technology entrepreneurs;
- Non-exec director and advisor networks;
- Business School Syndicates and established corporate and public sector technology accelerators;
- EISA, BBAA, and other professional organisations;
- EIS managers and syndicates seeking co-investment; and
- AI driven searches for the best prospects.

Investment Criteria

The application of strict investment criteria and extensive screening combined with detailed due diligence processes is designed to ensure that only those investment opportunities that Endeavour considers to be the most compelling are put forward for investment by the Portfolio Service.

Key Investment Criteria

- Strong proven management
- Growth markets
- Innovation or Regulatory drivers
- Convincing routes to market
- Increasing sales and typically at or beyond break even
- Defensible competitive positioning
- Scalability
- An identified path to exit
- A competitive entry price
- The ability to deliver attractive returns

We will have been monitoring the candidates for the Follow-On Service for some years. Only those which have sorted the early stage problems – issues with the team, the market, unrealistic perceptions of pricing, investment timing, regulatory issues or the financial model and its perceived level of risk – are progressed.

In respect of the selected opportunities that we are interested in, we proceed as follows:

- Detailed data rooms are created and made available to the Investment Team and the Investment Committee with full documentation.
- When a third party proposes acceptable investment terms with a company already in the Endeavour Ventures direct investment portfolio, we will seek to invest up to 50% of the round. When the company originates from a third party portfolio, the Investment Committee may set the pricing and terms, and lead the round.
- Appropriate levels of due diligence undertaken on market, technology, legal, management and competition.
- An investment paper is written and circulated.
- Any specialist due diligence reports are commissioned.
- Legal documentation is prepared with appropriate investor protections included.

Data-driven venture capital and AI

Data driven search

We know that relying solely upon human-led search for our investment pipeline can lead to inefficiency, bias-confirmation and missing out on the outlier opportunities that have to be at the heart of any decent portfolio. It is indisputable that a data-centric approach will greatly help in the search for the best quality prospects. So the question is not “Shall I use an AI-enabled data-driven model to scout for investment?”, but “Which data inputs and AI tools should we most usefully deploy?”

We use a mix of external tools and in-house expertise to identify the most interesting fast growth prospects within the sectors we focus on. We also use Beauhurst, Techcrunch, Companies House APIs, and various other aggregators.

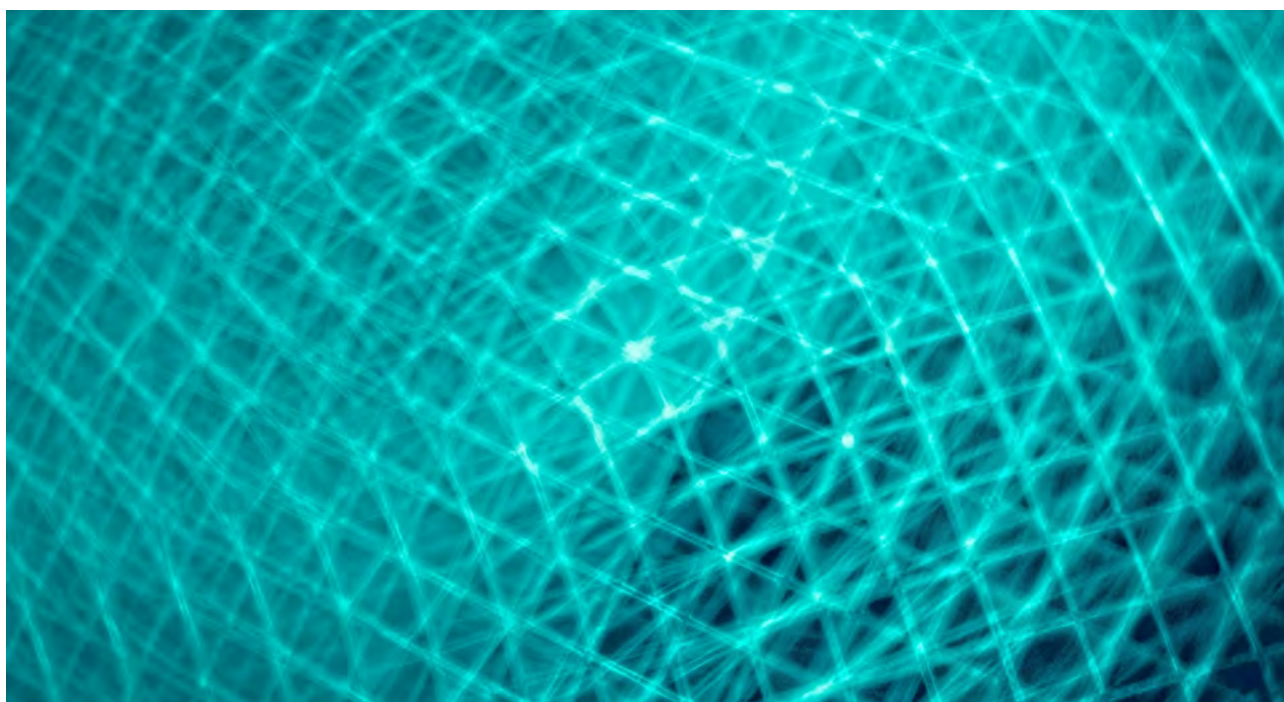
A general note on AI

To what degree do we look for AI-enabled business models to invest in? The world will almost certainly change greatly as a result of AI. But, a single AI use-case does not generally constitute a business opportunity. Ask, as it were, not what you can do for a technology, but what a technology can do for you. We most commonly seek to back appropriate use of AI within existing businesses. Some using it to reduce developer headcount, others to create efficiencies and are adjusting their business models accordingly. Neither the utopian nor the dystopian futures laid out when a ground-breaking technology first rears its head tend to come to pass.

Exits

Investments will be realised in a number of ways including:

1. AIM Initial Public Offerings;
2. Sale to other trade buyers;
3. Management buy-out; and
4. Sale to Fund Manager.



Managed EIS Portfolio Service

Tax Reliefs

Using EIS

We are EIS specialists, and favour this method of investment for the upside and downside for UK taxpayers. Family Offices can invest in the names of the individuals in that family, and will benefit from co-investment opportunities. The principal tax benefits of EIS investments are set out below. If you are not a UK taxpayer, or some of the individuals in the family office are not UK taxpayers, EIS does not apply to your holdings, but you may still invest in the individual companies being invested in by the Portfolio Service.

Please Note: The availability of EIS tax reliefs is subject to an Investor being a Qualifying Person for the purposes of the EIS rules, tax status and personal circumstance.

Relief	EIS
Income tax relief	30% of the amount invested in each Investee Company.
Capital gains tax relief	No CGT is payable on disposal.
Capital gains deferral	Gains can be deferred up to the amount of Subscription (reactivated on disposal).
Inheritance tax relief	Once held for two years, shares qualify for 100% business property relief from IHT, capped at £1m per estate.
Loss relief	Holdings realised at a loss can be set off against your taxable income.

Example – Income Tax Relief

Initial Investment	£100,000.00
Less EIS tax relief at 30%	(£30,000.00)
Net cost of investment	£70,000.00

Example – Capital Gains Tax Deferral

Initial Investment	£100,000.00
Less EIS tax relief at 30%	(£30,000.00)
CGT deferral (20% on £100,000)	(£20,000.00)
Net cost of investment	£50,000.00

Example – Loss Relief

Initial Investment	£100,000.00
Less EIS tax relief at 30%	(£30,000.00)
Net Investment for loss purposes	£70,000.00
Loss Relief (45% on £70,000)	(£31,500.00)
Net cost of investment (post EIS Relief and Loss Relief)	£38,500.00

About Endeavour Ventures

Endeavour Ventures

Track Record

Endeavour was established in 2005, and its previously experienced team began making EIS investments that year. By February 2024, it had introduced investors to 57 companies for which either advanced assurance for qualification under EIS had been obtained from HMRC, or HMRC had issued forms EIS 2 and EIS 3 to the companies (“EIS qualifying companies”).

Portfolio returns

1. If a client put the round sum of £10,000 into each of the 57 companies when first circulated, (a total gross investment of £570,000), the gross value of the investment proceeds received, assuming a liquidation at 29 February 2024 of investments still held at that date at their carrying value, would be £1,899,164. The quarterly compounded IRR to end 29 February 2024, before any tax reliefs or charges is 16.91%
2. Including the effects of tax, including EIS relief, the quarterly compounded IRR for the same period is 20.2%.

Note on portfolio returns

The returns cited in (2) above are on the basis that all EIS qualifying companies have maintained their qualifying status throughout the necessary 3-year period. One member of the portfolio was refused qualifying status by HMRC after advanced assurance had previously been obtained, due to a technical temporary breach concerning its ownership.

If that entity is excluded from the portfolio altogether, the annual returns net of EIS relief cited in (2) above are amended to 14.4%. If the entity is included, but the gains are shown net of capital gains tax that would be payable if the investment were taxed at its realised value, the quarterly compounded IRR to 29 February 2024, after allowing for tax reliefs for other investments, is amended to 19.0%.

Commentary on returns

Most EIS track records, when they are disclosed, revalue stocks on an ongoing basis including when a round has been issued at a higher price. We hold stocks at cost. If we audited on the basis that others do, with unrealised valuations set at the price of the last round, the “return” would be 26% IRR.

The sum invested of £570,000 pre-tax relief has delivered cash out of £1,899,164 to end of February 2024.

Amount Invested	£570,000
Gross proceeds (in normal circumstances no tax would apply)	£1,899,164
Multiple on gross investment	3.3
Multiple on net investment	4.5
Gross proceeds if ALL non-exits fail	£1,713,164
Total investments	57
Failed (35%)	14
Exited (21%)	12
Remaining (44%)	31

This equates to a multiple of 3.3 excluding EIS relief and tax generally and 4.5x with (3.9x if tax on the gain of the member of the portfolio that no longer has qualifying status is taken into account)

These returns are positively influenced by two out-performing investments. AIM-listed Blue Prism Group PLC, where the price per share on 31 January 2020 was £17.44. Santander bank announced its partial purchase of Ebury Partners on 4 October 2019 for £272.22 per share, and another purchase on 30 April 2022 at £323.22 per share. These represent RoI of 160x and 38x respectively.

We believe there to be considerable further value to be realised in the portfolio which has not been taken into account. We consider it highly unlikely that ALL remaining portfolio investments will fail, but were that to have happened at 29 February 2024, the returns would be adjusted to 4.0x.

This track record has been established over a diversified portfolio of mainly technology related growth EIS companies over 18 years.

Independent Assessment Report

A letter from accountants Beavis Morgan outlining the basis for their independent limited assurance conclusions on the track record is on page 22.

Track Record Methodology

In computing its track record for EIS investments, Endeavour has employed the following methodology:

1. Returns are calculated by reference to quarterly compounding;
2. Returns are calculated for the period 1 October 2005 to 29 February 2024;
3. It is assumed that an investment of £10,000 is made into each EIS qualifying company in the first investment round arranged by Endeavour, gross of tax relief provided to individual investors under the EIS scheme by HMRC; it is assumed that no further funds are invested in subsequent funding rounds;
4. It is assumed that tax relief of 30% (20% for investments made up to 5 April 2011) on the amount subscribed is received. It is assumed that tax relief is received in the quarter following subscription;
5. Where the investee company has failed, it is assumed that loss relief of 40% of the amount subscribed net of tax relief is given by HMRC in the quarter of the end of the tax year in which the loss occurs;
6. Where shares in EIS qualifying companies are sold before the expiry of the EIS three-year qualifying period, it is assumed that capital gains tax is paid at the prevailing rate on the gain and income tax relief is clawed back. It is assumed that tax is paid and income tax relief is clawed back in the quarter of the end of the tax year in which the disposal occurs;
7. Where investments in EIS qualifying companies have been held for less than three years at 29 February 2024 it is assumed that those shares will be held and the company will continue to qualify for the requisite period such that there will be no clawback of income tax relief claimed and capital gains tax relief will remain available on the subsequent disposal.
8. Where the shares of EIS qualifying companies are quoted or listed on an investment exchange, the value of the holding at 29 February 2024 is calculated by reference to the closing bid price at 29 February 2024;
9. Otherwise, investments are valued at 29 February 2024 based on the share price ruling at the date of the latest funding round, or at cost in the absence of further share issues.
10. Where investors have a choice on when to exit, it is assumed that investors will remain invested until such time as exit is effectively mandatory (because of company law provisions or requirements of the investee articles).

Proven Track Record

IRR over 19 years 20.2% with EIS relief and 19.0% without.



Nominee 2020
EISA Best Exit Award
Ebury Partners sold to
Banco Santander S.A.
"FX Platform" 38x money



Winners 2017
EISA Best Exit Award
AIM Listed Blue Prism Group Plc
"Robotic Process Automation"
150x money



Finalist 2025
Workflow Management
t/a/ Re-Flow
13x money

Endeavour Ventures

Theoretical Follow-On Performance: 96% IRR over 11 years

If Endeavour had been running a managed portfolio service focused on later-stage or "follow-on" investments historically, the chart below shows the performance it would have achieved since 2014 – the date at which it would first have become possible to invest in a pre-IPO, Series A or B round from our own portfolio. It includes all rounds where the price was set by third parties, and the timing indicated is that of the third party round in which we were either not able to participate, or prevented from doing so because of historically lower EIS limits. Please note that the prices are all set by third parties, and the cohort naturally excludes any early stage portfolio failures that never make it to Series A, or indeed the less successful companies that have not failed, but still do not merit a Series A. Otherwise, it includes all companies that had an institution-led late-stage round.

The following table shows the performance of an equal amount of £1m invested in each company, and shows the value by year, with uplifts and down rounds taken into account, whether or not the holding was liquid at the time. During the next 18 months, we anticipate being able to deploy up to £40m in Series A and B in the Endeavour Ventures direct investment portfolio, in 6-9 companies.

The reason why we think we will be able to invest in more companies than we would have historically is because the direct portfolio has been incubating for a long time, and because we have been monitoring many companies in the portfolios of the other EIS managers we have worked closely with that we think may merit later-stage investment.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	in '000										
Blue Prism Ltd	£1,000	£1,371	£4,243	£18,602	£18,602	£18,602	£18,602	£18,602	£18,602	£18,602	£18,602
Sales-i	£1,000	£1,000	£1,000	£1,000	£1,250	£1,250	£1,250	£1,250	£1,250	£1,250	£4,312
Ebury Partners Ltd		£1,000	£1,000	£1,000	£1,000	£3,487	£3,487	£4,140	£4,554	£5,010	£5,511
Boku				£1,000	£1,000	£3,960	£3,960	£3,960	£3,960	£3,960	£3,960
Numecent						£1,000	£1,000	£1,000	£1,000	£1,000	£3,000
Freemarket FX							£1,000	£1,000	£1,000	£4,678	£4,678
Airnow								£1,000	£1,000	£146	£146
Traydstream									£1,000	£1,000	£1,248
CURRENT VALUE	£2,000	£3,371	£6,243	£21,602	£21,852	£28,299	£29,299	£30,952	£32,366	£35,646	£41,457

Assumptions

- The two flotations so far are shown with 100% of the holding sold six months after listing.
- Blue Prism @ £14.51. The range in the following 5 years is £11.25–£23.47
- Boku @ £99. The range in the following 6 years is £58.50–£222
- Freemarket had an optional exit in 2023, which was taken by some.
- Numecent has a 3x preference.

Notes

- If the performance of Blue Prism is stripped out, the returns are 29% IRR.
- These figures have been checked and confirmed by Endeavour principals and advisors, but not audited by Beavis Morgan.
- The above listed returns are all realised with the exception of Airnow and Traydstream. Ebury has been partially realised, with shareholders still holding 45% of their holding.

Endeavour Ventures

Case Studies

To illustrate the thinking behind the “follow-on” thesis, here are examples of two companies we invested in and how the price changed over time. The initial investors invested in Blue Prism and Ebury Partners at an early stage, and made great returns, of 150x and 38x respectively. But they took some considerable risk, and had to wait a long time – 12 years and 7 years respectively, and with a full payout still to come on Ebury after 13 years. But investors wanting

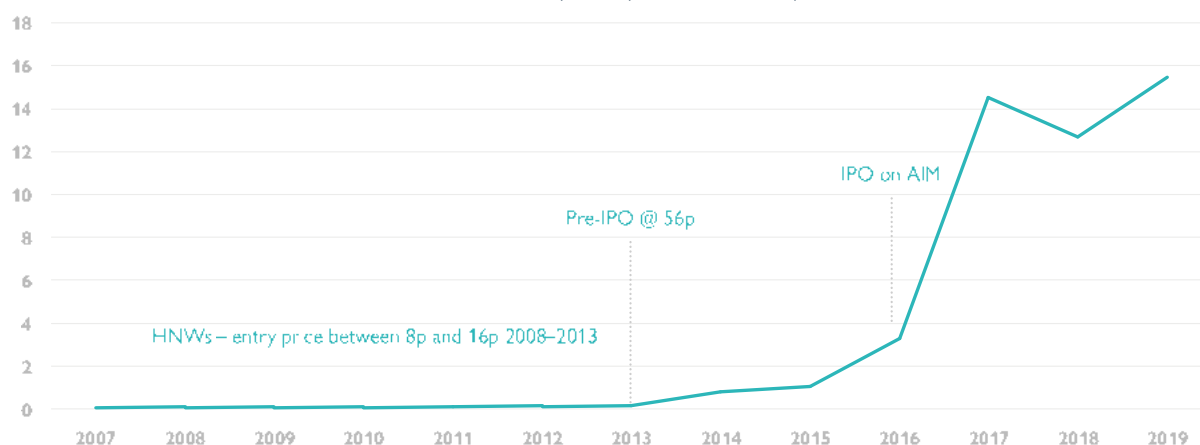
to take less risk, just pre-IPO in 2014 in the case of Blue Prism, and when Private Equity put in £80m in 2015 into Ebury Partners, would still have made good returns, at less risk and in better time. Blue Prism would have been 18x in 3 years; Ebury Partners 3.5x in 3 years.



Blue Prism Group plc Robotics Automation

- 2007: Endeavour Led HNW round @ £0.08
- 2014: Pre-IPO round @ £0.56
- 2016: IPO on AIM @ £1.07
- 2019: Reached a high of £25, but stabilised before de-listing in 2022 on sale to SS&C Technologies @ £11.25
- Best EISA Exit Award 2017

Blue Prism (share price over time)

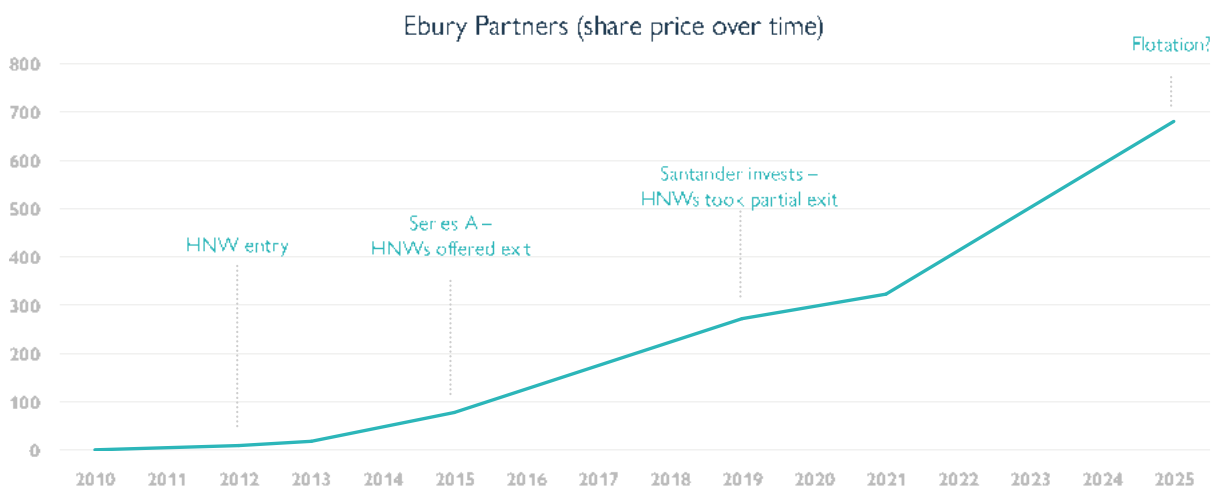


Case Studies (continued)

Ebury [®] What borders?

Ebury Partners SME FX platform






- 2012: Endeavour Led £2.5m HNW round @ £8.19
- 2015: Vitruvian and Greylock raised \$80m @ £78.05
- Partial exit in 2018 @ £272.22
- 2025: Flotation proposed at e.£1.75bn–£2bn valuation (e.£500.00–£680.55)
- Best Exit 2018 nominee at 33x lost to an exit with an 8x multiple



Endeavour Ventures

Illustrative Portfolio

Endeavour has made investments into the following companies.
Direct investments in the future will be of similar kinds and in similar sectors.

<p>Blue Prism Group plc Robotic process automation software <i>Liverpool</i> www.blueprism.com</p>	 <p>EXITED 150x</p>
<p>Ebury Partners Ltd. Corporate FX platform <i>Manchester plus 40</i> www.ebury.com</p>	 <p>EXITED 38x</p>
<p>Gazeal Ltd. Property Tech platform <i>London</i> www.gazeal.com</p>	
<p>Numecent Holdings Ltd. Cloud based software delivery <i>California and UK</i> www.numecent.com</p>	 <p>numecent CLOUDPAGING DELIVERS</p>
<p>Sales-i Ltd. Cloud-based sales performance software <i>Solihull and USA</i> www.sales-i.com</p>	 <p>EXITED 11x</p>

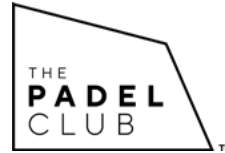
ShieldPay Ltd.

Secure payments platform
London
www.shieldpay.com



The Padel Club Ltd.

Multi-site sports facilities
Wilmslow, Cheshire
www.thepadelclub.co.uk



Workflow Management Ltd.

Remote workforce management software
Exeter (t/a Re-Flow)
www.re-flow.co.uk



EXITED
13x

Intuety Ltd.

Health and Safety risk management platform
Port Talbot
www.intuety.io



Virtual Signature Ltd.

ID, KYC and AMI, platform
London
www.virtualsignature.com



Ikue Ltd.

Martech SaaS for mobile phone operators
UK
www.ikue.io



Traydstream

Trade finance fintech solutions
UK, India and Pakistan
www.traydstream.com



LivingLens Ltd.

Video content analytics
Liverpool
www.livinglens.tv



EXITED
2.5x

Arkivum

Data archiving software for med and biotech
Reading
www.arkivum.com



Mobile Pay Systems Ltd. t/a Swoopos

Point of Sale Systems for large venues
Wolverhampton www.swoopos.com



FreemarketFX Limited

Peer-to-peer commercial spot FX
London
www.wearefreemarket.com



EXITED
4.5x

Endeavour Ventures

Investment Team



Bill Cunningham

Chief Executive

Bill has worked in tax efficient investing since 1999 initially managing VCTs and subsequently exclusively focusing on using the EIS tax breaks. As a co-Founder of Endeavour Ventures, and now CEO, he has raised and placed over £200 million directly into quoted and unquoted EIS Qualifying growth companies, which has resulted in its successful 20-year track record. Alongside selecting and structuring deals, Bill is also an active portfolio company

director holding non-executive board positions on several portfolio companies. Successful past investments include the www.JustGiving.com platform, Sit-Up TV (sold to Telewest), Blue Prism Group Plc, Ebury Partners and Workflow Management (t/a Re-flow). He graduated from Edinburgh University with an MA (Hons), is FCA Registered, and has completed BVCA and LBS training courses. Bill is a CF30 for Rivers Capital Management.



Magnus Macintyre

Chairman

Magnus is a serial entrepreneur and a serial investor in fast-growing companies. He has a broad and deep knowledge of business, having run a publishing company, an early dotcom, *New Statesman* magazine, a film and TV company and a renewable energy business. He founded and ran a marketing and strategy consultancy. He brings an entrepreneurial perspective to the

Endeavour team and draws on his experience of operations, marketing and team-building to aid our investment process. He has invested through Endeavour Ventures since 2008, before gradually taking a more active role in the company. He is FCA registered, has a degree in Modern History from Jesus College, Cambridge, and is a published novelist.



Phill Sly

Portfolio Director

An exited software company founder, Phill is a cross-industry investor with extensive hands-on operator experience. He specialises in building and supporting resilient, market-driven teams. He emphasizes capital efficiency, ensuring businesses secure and allocate funding strategically to achieve sustainable growth and meaningful

market impact. With a proven track record, Phill excels in navigating complex commercial challenges, identifying market opportunities, recruiting and developing high-performing teams, and scaling operations to drive revenue and long-term success.



Peter Kirby

Compliance and Finance Director

Peter began his career in insurance in the City. He acts as Endeavour's finance controller and compliance officer and handles many of the portfolio companies' administrative matters, including securing and distributing EIS

certificates. Peter additionally acts as Company Secretary for several of the portfolio companies.



Russell Duckworth

Non-Executive Chair, Investment Committee

Russell has over 30 years experience in finance. He holds a BSc in Economics from City University and is qualified as a Chartered Accountant with PwC. After PwC, Russell worked in S.G. Warburg's Corporate Finance division in 1987, and spent five years advising companies in the UK, Europe and the US. Russell joined Deutsche Bank and

started in 1995 as an Equity Analyst in the European markets. In 1997 he was promoted to Head of European Research and then Head of Global Equity Research in 2000. In 2006 he founded Hawkwood Capital, which is authorised by the FCA in the UK. He has spent the last decade investing in and advising small companies in the UK.



Alastair Buchanan

Marketing Director

Alastair has marketed investment and tax-efficient financial products to family offices, investors and advisors for over 30 years. He was Director of Sales for Quilter Cheviot, for which and afterwards he set up several successful structures including UCITS funds and Bonds. He is an active investor in smaller companies, and is co-founder and di-

rector of Haymarket Capital Ltd which created and successfully launched two UCITS funds.

His consultancy Seaforth International Ltd has worked with many family offices, hedge funds, wealth managers and renewables operations.



Tessa Laws

EIS & Legal Advisor

Tessa provides hands on commercial legal advice and guidance to Endeavour Ventures.

An advisor since our inception, Tessa is a qualified lawyer, with 17 years' City legal experience, working on flotations, investments and mergers around the world.

Tessa's more recent area of focus is around renewable energy and media, advising management teams on share sales and acquisitions; public companies on their mergers; investment vehicles on their investments; and individuals on their business structure.

Risks, Conflicts & FAQs

Risk Factors

Even investing at a later stage, EIS investments are high risk. You should not invest in the Portfolio Service unless you have thought carefully about whether you can afford it, and whether it is right for you. Here we have set out some of the key risks of the Service. **Potential investors are recommended to seek independent financial and tax advice before investing.** Endeavour Ventures is not able to provide you with advice about whether you should invest.

Endeavour Ventures has taken all reasonable care to ensure that this document is fair, clear and not misleading, but statements of opinion or belief about future events constitute our own assessment at the date of issue of this document and we make no representation that the objectives of the Portfolio Service will be achieved. Also, some information contained in this document has been obtained from published sources prepared by other parties and no responsibility is assumed for the accuracy or completeness of such information. Accordingly, all prospective investors must determine for themselves what reliance should place on such statements and information and no responsibility is accepted by Endeavour.

Tax Risk

The information contained in this Information Memorandum makes reference to the current EIS Relief rules and associated tax benefits as at the date of the Information Memorandum. The levels and bases of relief may be subject to change. The Tax Reliefs referred to are those currently available and are of summary nature only. The application and value of such Tax Reliefs depend upon the individual circumstances of each Investor. Accordingly, the Tax Reliefs may or may not apply to any specific individual depending on their circumstances, and may change or be withdrawn by the government or the taxation authorities. If you are in any doubt as to your position, you are strongly advised to consult your professional advisor before making an investment.

Rates of tax, tax benefits and allowances described in this document are based on current legislation and HMRC practice and depend on personal circumstances. These may change from time to time and are not guaranteed. Endeavour Ventures does not provide advice and potential Investors are recommended to seek specialist independent tax and financial advice

before investing. The investments are offered to our clients with UK resident taxpayers in mind. If you are not resident or ordinarily resident in the UK for tax purposes, it is generally not appropriate or advantageous for you to invest. EIS relief can, however, be used to offset Remittance Tax.

Investee Company Risks

The Investee companies have the normal commercial risks – bad debts, bad marketplace, etc. – as other trading companies. Endeavour Ventures will attempt to ensure that the Investee Companies in which the Service invests have robust procedures in place, but there will always be a residual risk of commercial failure or other business interruption.

Additional risks and uncertainties relating to the Investee Companies may also have an adverse effect on the Investee Companies' businesses, financial condition, operating results or share price. The value of investments could be substantially reduced as a result of any of these risks and Investors may lose all or part of their investment in the Investee Companies. Past performance is not necessarily a guide to the future.

Risk To Capital

Prospective Investors should consider carefully whether these investments are suitable for them in the light of the information in this document and the financial resources available to them.

Prospective Investors should be aware that the value of shares in each Investee Company can fluctuate. In addition, there is no guarantee that the valuation of shares will fully reflect the underlying net asset value of the Investee Companies. You should consider these investments to be a four- to seven-year investment, but every growth company journey is different and this period could be longer or shorter. Investments in unquoted companies are likely to be more volatile and present a higher degree of risk to your capital than those on the London Stock Exchange official list. You should not invest unless you have thought carefully about whether you can afford it. Investee Companies may fail, as may the assets they own or operate, and investments in Investee Companies may be realised for substantially less than the acquisition cost or may be impossible to realise at all.

Liquidity Risk

Investment in smaller, unquoted companies, by its nature, involves a high degree of risk and even more so the case with EIS companies which must meet a “risk to capital” test requiring that there be a significant risk that capital will be lost. Proper information for determining such companies’ value or the risks to which they are exposed may also not be available.

Investments in unquoted companies are less liquid than those traded on the main stock exchanges. It is not intended that any income or capital will be returned to Investors during the three-year period. After holding the shares in the Investee Companies for the initial three-year period, it may still be difficult to realise the shares or obtain reliable information about their value. Consequently while we will always attempt to redeem your investment upon receipt of a withdrawal request, this may not always be possible. You should be prepared to leave your investment intact for the medium term, and at least for the minimum three-year period for EIS. There can be no guarantee that any appreciation in the value of any of the Investee Companies will occur or that the commercial objectives of the Investee Companies will be achieved.

Sector Risk

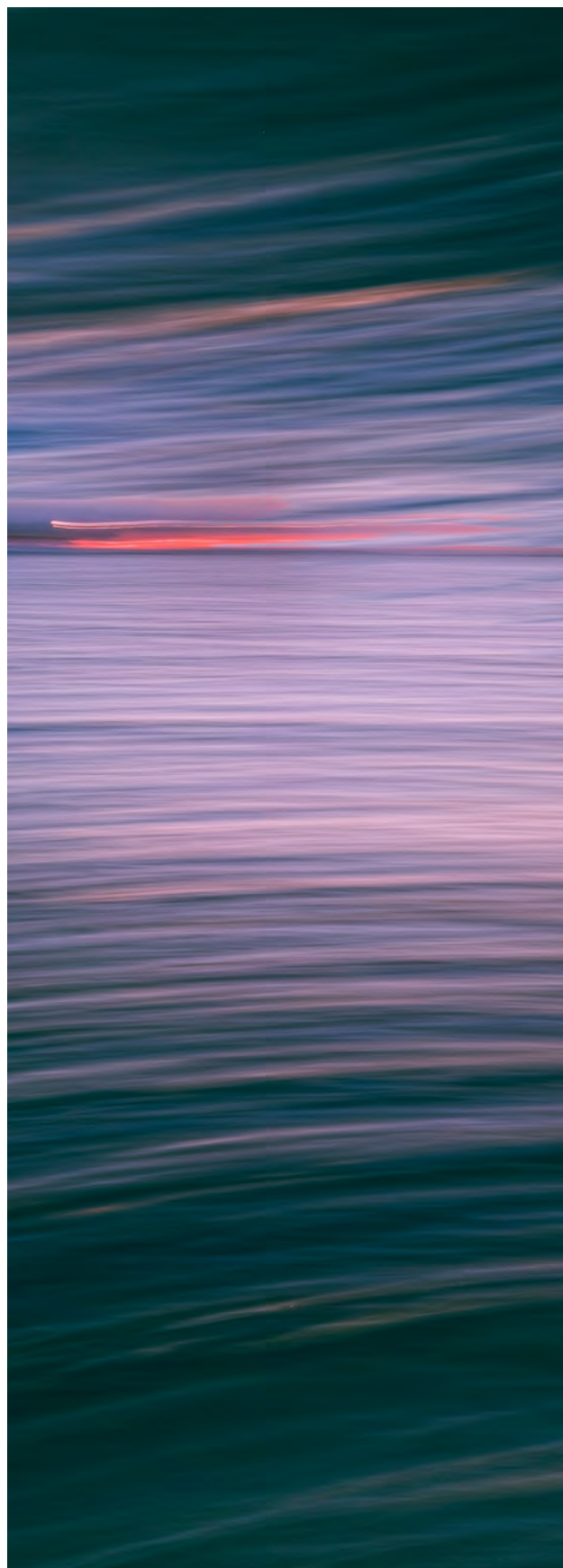
Individual investee companies will still be subject to the risks associated with the sector that they trade in and therefore the value and salability of their shares will be affected by events that affect their whole sector.

Pandemic Risk

All portfolio companies are at risk from the effects of the CoViD-19 coronavirus, or new pandemics, and the effects of government actions around the world to combat their spread and effects.

EIS Approval

Endeavour Ventures offers investments in companies which we reasonably believe to be Qualifying Companies at the time of investment, but please be aware that there is no guarantee that such companies will remain Qualifying Companies at all times thereafter, or that EIS tax reliefs will be available to Investors. If a Qualifying Company ceases to carry on a Qualifying Trade during the three-year period, this could prejudice its qualifying status under the EIS. In addition, if a Qualifying Company does not employ the funds



made available to it within the deadlines set out in the EIS rules, it would be in breach of those rules and the tax advantages would be withdrawn. The situation will be closely monitored with a view to preserving each Qualifying Company's EIS status, but this cannot be guaranteed. A failure of a Qualifying Company to meet the ongoing qualifying requirements for EIS post investment, or a change in the individual's tax status could result in:

- Investors being required to repay the 30% Income Tax relief received on subscription plus interest on the same;
- a liability to CGT on a disposal of shares; and
- any deferred gain crystallising.

Early Exit

In certain circumstances, an investee company that has been held for less than three years may recommend or require disposal or exit of the Investor's shares. Endeavour will resist a sale prior to the three-year holding period, unless it deems that the benefits of selling significantly outweigh the tax liability that would arise thereby, or the risks of not selling are greater than the tax liability. In such circumstances, the tax reliefs and tax benefits of EIS investment applicable to the shares sold will be lost. This may impact on an investor's own tax position and therefore the impact of this risk should be carefully considered by an investor prior to investing in the Service.

Portfolio Risk

Investors in the Service will have different portfolios based on when they join the service and other factors such as level of investment and personal circum-

stances. The Portfolio Manager is responsible for these decisions and it may mean different groups of investors have different outcomes to each other.

Team Risk

The success of the Portfolio Service will depend in substantial part upon the skill and expertise of the investment professionals employed by the Portfolio Manager and the Company Advisor, and there can be no assurance that such individuals will continue to be employed by the by the Portfolio Manager or the Company Advisor.

Diversification risk

If the Service provides follow-on funding to a company a user of the Service is already invested in, the Portfolio Manager may decide that the investor's circumstances can tolerate "overweighting". Endeavour's expertise and experience is heavily in software and some other areas of technology, and the intention is to continue largely in these areas. The Service does not guarantee to produce diversification outside these sectors of the economy although it reserves the right to do so.

Performance Risk

The track record of Endeavour, which is audited only for EIS investments made directly over its 20-year history, cannot be a guarantee of success in the future. While we hope it will, similar performance won't necessarily be repeated for later-stage investment scenarios or at all. Even if the Service's exacting criteria for investment are met, there is still no guarantee of great performance. Even companies invested in at these later stages can still fail.

Conflicts of Interest

Prioritising the interests of investors is central to the core values, and the identification, management and mitigation of any conflicts are central to our philosophy. An actual or potential conflict may arise when our interests and those of our investors are directly or indirectly in competition. We undertake to handle any conflicts in accordance with the FCA rules and our own policies and procedures. While it is not possible to list all potential conflicts, we have included some of the conflicts that can arise and details of our approach.

Follow-On Finance

Follow-On and later stage finance has an inherent conflict. When selecting an investment from the existing Endeavour Ventures portfolio, investors benefit from the knowledge gathered and support provided to date, but it may also mean that the team is incentivised to seek additional funding. The reputation of Endeavour Ventures, the proximity to the Investee Company's team and interests owed to existing and exiting investors can all contribute to a conflict of interest that Endeavour Ventures need to manage under the guidance of the Portfolio Manager.

Conflicts may arise from differential pricing of equity rounds where several tranches of investment are made over a period of years. The Managed Portfolio Service will typically take up to 50% of an externally priced institutional round if the prospect comes from within Endeavour's own portfolio to mitigate against this. Should the investee be sourced from another EIS portfolio that we are familiar with, and we have no prior investment, Endeavour Ventures may price the round. If the Portfolio Manager perceives any conflict from a round that affects certain groupings of investors, it may be deemed appropriate in the circumstances to write to individual investors and request their approval for a particular course of action considered to be in their best interests.

Existing Interests In the Company

Any Member of the Company Advisor's team or the Company Advisor itself may hold shares or warrants in a proposed investment. They will be declared in writing as part of the investment process, and the Portfolio Manager will consider this when making the investment decision.



Both Endeavour Ventures and The Portfolio Manager have in place conflict of interest policies pursuant to the FCA rules which set out how they identify and manage conflicts of interest. Under the Conflicts Policy, the Portfolio Manager is required to take all reasonable steps to identify conflicts of interest between: (1) the Portfolio Manager, including its employees and contracted consultants, or any person directly or indirectly linked to them by control, and a client of the Portfolio Manager; or (2) one client of the Portfolio Manager and another client. The Portfolio Manager believes that it should identify any conflicts that may arise in other situations including between the Portfolio Manager and any of its shareholders. Where the Portfolio Manager owes a duty to such clients, it must maintain and operate arrangements to prevent any conflict from giving rise to a material risk of damage to the interests of its clients. A copy of the Conflicts Policy is available upon request.

Conflicts with co-investors

When investing with other EIS managers or other institutions, the interests of each party will inevitably differ, including but not limited to conflicts on valuation, the form and interpretation of shareholders' agreements, governance and management of the company. Endeavour Ventures has long experience of dealing with these conflicts, and will have the guidance of the Portfolio Manager to rely on when it is itself conflicted. We have deliberately tried to align our fee structure to minimise these conflicts in regard to being in conflict with the investors we have brought in through the Service. But no guarantee is given that these or other conflicts will

always be easily resolved or entirely to the satisfaction of each shareholder. Endeavour Ventures' responsibility is to the Portfolio Service investors as a whole before its responsibility to each individual investor.

Fee arrangement conflict

Endeavour takes a directors' fee from the companies, whereas the Portfolio Manager takes a fee from Endeavour. This should mean that the Portfolio Manager can be independent in any conflict regarding shareholding conflicts, but it does make the Portfolio Manager's interests different to Endeavour Ventures, and in some circumstances that could be a conflict in itself.

Fiduciary Duty Conflicts

Endeavour Ventures takes a director role on the board of the companies the Service invests in, which could in certain circumstances mean that those individual directors have a conflict in their statutory duties to the company versus their duties to the Portfolio Manager, investors, or Endeavour itself. We are used to dealing with such conflicts or potential conflicts, and the procedures are laid out in the Conflicts of Interest Policy.

Independent limited assurance report of Beavis Morgan Audit Ltd. to the directors of Endeavour Ventures Ltd. (“Endeavour”)

We were engaged by Endeavour to report on the Endeavour Ventures Limited Track Record (‘the track record’) on page 12 of this Memorandum (‘the Information Memorandum’) in the form of a limited assurance conclusion about the proper preparation of the track record, in all material respects, in accordance with Endeavour’s own methodology (‘the Methodology’). This independent assurance report is made solely to Endeavour in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Endeavour those matters that we have been engaged to state in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Endeavour for our work, for this independent assurance report, or for the conclusions we have reached.

Responsibilities of the directors

The directors of Endeavour are responsible for the fair presentation of the track record, in accordance with the Methodology.

The directors are responsible for developing the Methodology. The directors have summarised the Methodology on page 9 of the Investment Memorandum. That summary provides further information on: specific definitions; how data has been selected; and the calculation methodology.

It is the directors’ responsibility to develop, operate and maintain internal systems and processes relevant to the proper preparation of the track record that are free from material misstatement, whether due to fraud or error.

Responsibilities of Beavis Morgan Audit Ltd.

Our responsibility is to express an independent limited assurance conclusion to Endeavour, based on the procedures performed and evidence obtained, as to the proper preparation of the track record, in all material respects, in accordance with the Methodology. We conducted our work in accordance with International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. That Standard requires that we obtain sufficient, appropriate evidence on which to base our conclusion. We comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and we apply International Standard on Quality Control (UK and Ireland) 1 Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Accordingly, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements and professional standards (including independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour) as well as applicable legal and regulatory requirements.

Scope of work

A limited assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to give a meaningful level of assurance over the track record as a basis for our limited assurance conclusion. The procedures selected depend on our judgement, on our understanding of the track record and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. The primary focus of our work was on the track record for the period ended 29 February 2024. The procedures performed included:

- examination of the basis of valuation of all extant members of the investee portfolio at 29 February 2024;
- reviewing the basis of the calculations of return and consistency with the Methodology;
- testing the arithmetic accuracy of the calculations of the track record; and
- reading the disclosure of the track record and a review of consistency of that disclosure with the work carried out above.

We have examined the Methodology and understood the key assumptions and inherent limitations therein. We have not examined, and we do not express a conclusion on, whether forms EIS2 were issued to the companies concerned or whether the extant members of the investee portfolio have continued to satisfy the requirements for eligibility under the Enterprise Investment Scheme from the date of issue of forms EIS2.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Emphasis of Matter

We draw attention to the paragraph entitled “Note on portfolio returns” included in the track record above concerning the continued qualifying EIS status of the investee entities. Our opinion is not modified in this respect.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the track record in the Memorandum is not properly prepared, in all material respects, in accordance with the Methodology.

Richard Thacker

For and on behalf of Beavis Morgan

BeavisMorgan.

Who will legally own the shares in the Investee Companies?

Individual Investors will be the beneficial owners of such shares, through the nominee, and held in the name of the Nominee.

Will you facilitate my financial advisor charges?

We can pay your financial advisors charges if you ask us to do so, but these amounts will not count towards your subscription to the Service.

How long will the shares in the Investee Companies be held?

In order to qualify for EIS relief, shares must be held for at least three years. However the nature of these investments is such that it may take longer to realise them and an investment should be considered medium to long-term. There may also be occasions where the shares in the Investee Companies are sold prior to three years for commercial reasons and in such an event EIS relief will be lost.

Who will choose which Investee Companies to invest in?

The initial selection is made by Endeavour Ventures and presented to Rivers Capital, the Portfolio Manager, who makes the decision as to which investments to make generally and which investors' portfolios to include them in.

Can I/We withdraw our investment having invested?

You may give notice to withdraw money at any time by writing to us at 41 Devonshire Street, London, W1G 7AJ. However, investments in unquoted companies are often illiquid, the timing of any sale cannot be predicted, and the terms of an early exit may be unattractive. Those who exit early may also be bound by the terms of a shareholders' agreement they have not had a hand in formulating. As such, you should be prepared to retain these investments until an appropriate exit is achieved.

If any investments are exited before the three year period, you will be exposed to potential tax consequences such as the repayment of any EIS Income Tax Relief, payment of any previously deferred CGT and payment of CGT on any gain you make on the realisation of investments. In addition, if the exit is achieved via a company purchase of shares within five years of the investment, you will be taxed on any profit made at the same rate as would apply to dividends.

Will I be able to follow-on my investment in any of the Investee Companies?

The Portfolio Service may make additional investments in the same round, or in further rounds, in the same company, at the discretion of the Portfolio Manager.

What's the minimum and maximum I can invest in the Follow-On Service?

The minimum investment is £25,000 in one tax year. Funds will be deployed within 12 months. While there is no maximum investment limit, except that which an individual investee company may set, the maximum amount any individual can claim EIS income tax relief in any tax year is £1,000,000 (unless "Knowledge Intensive", in which case £2,000,000).

If an investor wishes to invest more than £10m per year, we can discuss how that might be deployed. No guarantee is made by Endeavour Ventures or the Portfolio Manager that all funds will be deployed within a 12 month period.

What is the lock-in period?

There is a minimum lock-in period of three years from the time the funds are deployed in each company, but it is likely to be longer until exit.

Can I invest jointly with my spouse?

No, each spouse must apply separately.

What happens if I die during the life of the Portfolio?

We will then act on the instructions of your executor to transfer the legal and beneficial ownership of your Portfolio to your beneficiaries less any fees which may be due. There are no fees other than the fees listed in this document.

Why is Rivers Capital the Portfolio Manager, and not Endeavour Ventures?

We believe the arrangement will work well for investors as the Portfolio Manager can provide additional oversight in this first phase of the Portfolio Service. In addition, there will be an individual from Endeavour Ventures seconded to Rivers to provide additional insight and day-to-day management of the arrangement. In time, Endeavour may look to secure discretionary permissions from the FCA but we believe this arrangement will work well for investors and portfolio companies until such a time.

Next Steps

Apply online at endven.com, or to speak to a member of the investment team.

Call: +44 (0) 207 637 4102

or

Email: enquiries@endven.com

Endeavour Ventures Limited, 41 Devonshire Street, London W1G 7AJ.

It is highly recommended that you seek independent financial, legal and taxation advice before making an investment.



ENDEAVOUR VENTURES

