

The Deepbridge Life Sciences Seed Enterprise Investment Scheme

Information Memorandum

iINNOVATIVETM
INVESTING

Funding advances
in medical sciences

SEIS

If you are in any doubt about the action you should take in regard to this document and its contents and appendices (including the application form), you should contact an independent financial adviser or other professional adviser authorised under the Financial Services and Markets Act 2000. Reliance on this promotion for the purpose of engaging in any investment activity may expose an individual's investment to a number of significant risks. Nothing in this document constitutes investment, tax, financial or other advice. Not all investee companies may qualify for SEIS relief and therefore tax benefits are not guaranteed. Investors may lose all capital invested. Your attention is drawn to the section "Risk Factors".

IMPORTANT NOTICE

This document is approved by Enterprise Investment Partners LLP (the Investment Manager, or 'Enterprise') for the purposes of section 21 of the Financial Services and Markets Act 2000 relating to the communication of invitations or inducements to engage in investment activity. Deepbridge is an Appointed Representative of Enterprise Investment Partners LLP ("EIP" or the "Manager") which is authorised and regulated by the FCA. This document does not constitute a prospectus as defined by the Prospectus Regulations 2005 (the "Regulations").

This document is only intended for release in the United Kingdom and does not constitute an offer, or the solicitation of an offer, in relation to shares in any jurisdiction in which such offer or solicitation is unlawful. It is the responsibility of any person outside the United Kingdom wishing to make an application to invest in the Fund or subscribe for shares in Investee Companies to satisfy himself/herself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

This Investment Memorandum is provided for the purpose of providing certain information about investment in the Deepbridge Life Sciences SEIS (the "Fund" or the "Deepbridge Life Sciences SEIS"). The Fund is managed by Enterprise Investment Partners LLP who is advised by Deepbridge Advisers Limited (the "Investment Adviser" or "Deepbridge"). The individuals who carry out the day-to-day responsibilities of the Investment Manager are employees or otherwise associated with Deepbridge Advisers Limited and seconded to the Manager.

Investment in the Deepbridge Life Sciences SEIS is offered solely on the basis of the information contained in this Investment Memorandum. No person has been authorised to give any information or make any representations other than those contained in this Investment Memorandum, or in any written brochure, notice or report which accompanies this Investment Memorandum, in connection with the offer in the Deepbridge Life Sciences SEIS. Neither the Investment Adviser nor the Manager or any of its respective directors, officers, employees, and agents accept any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any information or opinions contained herein or in any other communication in connection with an investment in the Fund except where such liability arises under FSMA, regulations made under FSMA or the FCA Rules and which may not be excluded.

The Investment Adviser believes that the factual content hereof is accurate and that statements of opinion herein are reasonably held. Subject to the Investment Adviser's overriding duty under the FCA Rules to ensure that the content of the Information Memorandum is presented in a manner which is fair, clear and not misleading with respect to the persons to whom the Fund is promoted by it, the Investment Adviser and Manager accept no 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 the Investment Adviser's or Manager's opinion except to the extent required by law. Additionally, some material included in this document is derived from public or third party sources, and each of the Investment Adviser and the Manager disclaims all liability for any errors or misrepresentations which any such inclusions

may contain. This Information Memorandum contains certain information that constitutes "forward-looking statements" which can be recognised by use of terminology such as "may", "will", "should", "anticipate", "estimate", "intend", "continue", or "believe" or their respective negatives or other comparable terminology. Forward-looking statements are provided for illustrative purposes only. Due to various risks and uncertainties, actual events, results or performance may differ materially from those reflected or contemplated in such forward-looking statements.

In making an investment decision, investors must rely on their own independent assessment of the Fund and the terms of the offering contemplated hereby. There are significant risks associated with an investment in the Deepbridge Life Sciences SEIS. The investments of the Deepbridge Life Sciences SEIS in non-quoted equity will be long-term, of an illiquid nature and investors must be prepared to tie up their money for at least 5 years. The information contained in this Investment Memorandum is current at the date of publication. It is the responsibility of prospective investors relying on this Investment Memorandum to ensure that the information contained herein is up to date and that there have been no revisions, updates or corrections.

This Information Memorandum should not be considered as a recommendation by the Manager, the Investment Adviser or its subsidiaries or affiliates (or their respective directors, shareholders, partners, officers, affiliates, employees, agents or advisers) to invest and each potential investor must make his/her own independent assessment of the merits or otherwise of investing in the Deepbridge Life Sciences SEIS and should take his/her own professional advice. Neither the issue of the Information Memorandum nor any part of its contents is to be taken as any form of commitment on the part of the Manager, or the Investment Adviser or any of its subsidiaries or affiliates to proceed with an investment envisaged by the issue of the Information Memorandum and the Manager and Investment Adviser reserve the right to terminate the procedure and to terminate any discussions and negotiations with any prospective investor at any time and without giving any reason. In no circumstances will the Manager, or the Investment Adviser or its subsidiaries or affiliates be responsible for any costs or expenses incurred in connection with any appraisal or investigation of the Deepbridge Life Sciences SEIS or for any other costs or expenses incurred by prospective Investors in connection with such investment. Neither the Manager nor the Advisor are liable for information published in other public sources.

The information contained in this Information Memorandum makes reference to the current laws of the United Kingdom concerning Deepbridge Life Sciences SEIS Relief 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 herein are those currently available and are of summary nature only. The application and value of such tax reliefs depends 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.

For further information on the Deepbridge Life Sciences SEIS, please contact the Investor Relations team on 01244 746000 or at info@deepbridgecapital.com.

Contents

A. Welcome

A letter from the Managing Partner	3
------------------------------------	---

B. Executive summary

1. The opportunity	4
2. Investing in life sciences opportunities	4
3. The Seed Enterprise Investment Scheme	5

C. The Deepbridge Life Sciences SEIS

1. Key Features	6
2. Investment opportunity	7
3. Why investment in Life Sciences	7
4. Investment criteria	8
5. Structured investment process	8
6. Risk management and value building	8
7. Exit process	8
8. Portfolio construction	9

D. The Deepbridge team

1. The Executive Management Team	10
2. The Supervisory Investment Committee	13

E. Service, offer details and charges

1. Service	16
2. Investment amounts	16
3. Eligibility and suitability	16
4. Who is the Deepbridge Life Sciences SEIS suitable for?	16
5. Costs and fees	17
6. Reporting and valuations	17
7. Liquidity	17
8. Right to cancellation	17
9. Regulatory and compliance	18

F. Risk factors

1. Risks relating to returns	20
2. Risks relating to taxation	22
3. Risks relating to SEIS	22
4. Forward-looking statements	23
5. Risks relating to fund and investee company performance	23
6. Risk related to doing business internationally	23
7. Commercialisation and regulatory risk	23
8. Product liability risks	24
9. Intellectual property	24
10. Custody risk	24
11. Risks relating to performance of the Manager, the Advisor and Key Persons Risks	24

G. Taxation

1. Tax treatment	26
------------------	----

H. Operation of the Deepbridge EIS

1. Administration and custody	28
2. Conflicts policy	28
3. Frequently asked questions	29

I. Investor agreement

J. Glossary and definitions

K. Notes

**The global
life sciences
industry** is one
of the leading
sources of
innovation
available today.



A.

Welcome



Dear Investor

The global life sciences industry is one of the leading sources of innovation available today. During the 20th Century, life science research has resulted in scores of breakthrough therapies and new methods for the early detection of disease. Major trends, such as the worldwide increase in populations over the age of 60, will drive the future need for an increasing range of new, cost-effective health care products for decades to come.

We live in unprecedented times, with digitalisation and decoding of the human genome, combined with sufficient computational power, providing a fertile backdrop for medical innovation to solve the biggest health problems facing the world in this century. The global healthcare spend in 2010 was \$6.5trn with increasing population trends, ageing populations in developed nations, improving economic wealth and education levels of emerging markets driving future growth.

Here in the UK, 30% of the population suffers from a chronic condition and the World Health Organisation estimates some \$3.4bn is lost annually from the overall economy as a result of deaths from chronic conditions. The management of chronic disease has been estimated to account for 70-75% of all UK healthcare costs.

As Head of Life Sciences at Deepbridge, I believe our Seed Enterprise Investment Scheme offers investors the unrivalled expertise of the Deepbridge team and supervisory board, coupled with an opportunity to take advantage of the generous tax incentives offered through the current tax legislation. The opportunity to invest in a range of identified companies through the Deepbridge Life Sciences SEIS is both timely and compelling.

Yours faithfully,

Dr Savvas Neophytou

Partner, Head of Life Sciences

B.

Executive Summary

1. The opportunity

The Deepbridge Life Sciences SEIS is an opportunity to secure potentially attractive returns by investing in a diversified portfolio of early-stage life science companies, whilst taking advantage of the considerable income tax, capital gains tax, and inheritance tax benefits available under the Seed Enterprise Investment Scheme.

Providing seed investment to emerging companies operating in the life sciences sector, the Deepbridge Life Sciences SEIS seeks to fund companies with exciting new technologies that satisfy the needs of large and growing markets. The overarching focus of the Deepbridge Life Sciences SEIS is to offer investors a diversified exposure to up to ten companies engaged in the development of therapeutics for the following areas:

- Anti-viral drug discovery and development
- Antibiotic drug discovery and development
- Neurodegenerative disease therapeutics
- Cancer diagnostics and therapeutics
- Autoimmune and other metabolic disorders therapies.

Specifically, the investment strategy of the Deepbridge Life Sciences SEIS is to invest in a diversified portfolio of up to ten investee companies that participate in one of the following:

- Biopharmaceuticals
- Biotechnology
- Medical Technology.

It is envisaged that each subscription will be deployed across each portfolio company on a diversified basis, subject to investor inflows. The minimum deployment per subscription of £2,000 per investee company. The key investment attractions include the possibility to attract government grant and 'match' funding, to exploit low operational overheads, and the aggregate potential to generate significant tax-free returns. Each Investee Company will possess significant intellectual property, is scalable, and requires relatively modest capital infusion.

It is envisaged that subscriptions will be deployed in tranches of up to £1,500,000, at the Manager's discretion.

Key benefits:

- An engaged hands-on approach from an experienced commercialisation team
- Free of manager fees to the Investor, up to 100% allocation of investor funds ensuring maximum tax efficiency for the investor
- All SEIS tax advantages applicable, depending on personal circumstances
- Target return of 250p for every 100p invested, a target IRR of >30% over a minimum 5 years.
- Performance fee aligned to the investors interests.

The 100% Rule

The Deepbridge Life Sciences SEIS is a manager fee-free SEIS opportunity at the point of investment. Investors are therefore not charged any manager fees at the point of investment, if subscriptions are received via a financial adviser. Upfront and ongoing manager fees are paid by the Investee Companies: this structure allows investors to enjoy up to 100% of SEIS tax benefits and to have up to 100% of their investment actually put to work at the Investee Companies. In adherence to the Retail Distribution Review, an investor's financial advisory fees can be met by either a deduction from their subscription or by direct billing arrangement with their financial advisor.

The target return

The investment objective of the Deepbridge Life Sciences SEIS is to generate substantial tax-efficient mid-case capital growth of 250p for every 100p invested, a target IRR of >30% over a minimum 5 years, net of all fees.

Who is the Deepbridge Life Sciences SEIS intended for?

The Deepbridge Life Sciences SEIS is intended for those UK taxpaying individuals:

- Seeking a diversified exposure to an established and growing sector of the UK economy
- With income tax liability in the preceding or current tax years
- With large capital gains to defer
- Who will benefit from IHT relief.

The minimum individual investment in the Deepbridge Life Sciences SEIS is £10,000, and is subject to a minimum deployment per investee company of £2,000. The selection of investee companies and the subsequent allocation of a subscription to the investee companies is made at the discretion of the Investment Manager.

Key Risks:

- Investors should note that their investment comprises of shares in small unquoted companies
- Some companies may not have any significant income and the commercialisation of products may not materialise
- It is unlikely to have access to their capital for at least 5 years from the date of application
- Due to the nature of the investment, all capital invested is at risk
- Tax benefits and returns are not guaranteed and may vary.

Please refer to the risk factors section, for further information, and seek independent professional advice before investing.

2. Investing in life sciences opportunities

The Investee Companies will focus on the development and commercialisation of intellectual property in the life sciences sector identified by the Deepbridge Life Sciences Team. Examples of such intellectual property could be in the form of initial therapeutic or diagnostic technology developed in a University research facility, or a tissue engineering study published by a research and development institute. All investee opportunities are initially appraised by Dr Savvas Neophytou, who has demonstrated substantial commercialisation experience, prior to their submission to the Deepbridge Supervisory Investment Committee.

3. The Seed Enterprise Investment Scheme

The Deepbridge Life Sciences SEIS is structured to provide individual qualifying investors, resident and ordinarily tax resident in the UK, with the opportunity to obtain significant tax advantages available under the Seed Enterprise Investment Scheme (SEIS) legislation.

SEIS relief is available to investors in respect of each investment in an Investee Company made by the Deepbridge Life Sciences SEIS, by reference to the date the investment is made. Under SEIS, the main tax advantages that may be claimed by a qualifying investor are as follows:

- 50% income tax relief up to a maximum investment in SEIS of £100,000 per tax year per individual
- Capital gains made that are reinvested in SEIS shares qualify for a 50% exemption from CGT
- Tax free gains. There is no capital gains tax liability on gains on the disposal of shares which have been held for 3 years in SEIS qualifying companies, on which SEIS income tax relief has been obtained
- 100% inheritance tax exemption after each individual investment has been held for at least 2 years.
- Income tax carry-back relief. Investors can claim income tax relief for the tax year in which they invest in the underlying companies, as well as the tax year immediately preceding the investment. This enables the investor to claim tax relief in the period(s) most advantageous to him/her
- Loss relief. A loss on any qualifying investment in the portfolio, irrespective of the overall performance of the portfolio, can be offset by individuals against income of the tax year of loss, or the previous year, or against capital gains of the tax year of the loss and future years.

Please note that tax benefits depend on personal circumstances, are not guaranteed and rely on UK tax legislation, which may change in the future.



The Deepbridge Life Sciences SEIS

1. Key features

Structure	Discretionary managed portfolio service
Maximum raise	Open-ended
Target tranche size	£1,500,000
Deployment threshold	£1,000,000
Minimum subscription	£10,000 per investor
Maximum subscription	£100,000 per investor
Minimum allocation per company	£2,000
Target return	250p per share, a gross equivalent return of >30% per annum (not guaranteed)
Fees and charges	100% manager fee-free at point of investment, if subscriptions are received via a financial adviser.
Focused investment strategy	<p>The Deepbridge Life Sciences SEIS seeks to offer investors a diversified exposure to up to ten investee companies each of which is engaged in (but not restricted to):</p> <ul style="list-style-type: none"> • Anti-viral drug discovery and development • Antibiotic drug discovery and development • Neurodegenerative disease therapeutics • Cancer diagnostics and therapeutics • Autoimmune and other metabolic disorders therapies
Recycling of capital	The Manager must hold the assets for a minimum three years to secure the full tax advantages available under SEIS. On exit of Investee Companies, you may give us notice in writing at any time that you do not want future proceeds to be redeployed: in this case, any funds from realised investments will be distributed to you.

2. The investment opportunity

The Deepbridge Life Sciences SEIS is a discretionary managed portfolio service. It is advised by the Deepbridge Life Sciences Team, led by industry renowned Dr Savvas Neophytou, and brings together proven experts from the life sciences and business sectors.

The investment strategy of the Deepbridge Life Sciences SEIS is for subscriptions to be invested in a diversified portfolio of up to ten investee companies (subject to minimum allocation per investee company) that participate in (but are not restricted to) one of the following:

Biopharmaceuticals

- Drug development
- Drug delivery systems
- Drug discovery enabling technologies
- New screening technologies.

Biotechnology

- Genomics and Proteomics
- Bioinformatics
- Tissue engineering.

Medical Technology

- Medical Instrumentation
- Implantable devices
- Disposable component-based devices
- Other technologies that offer significant clinical benefits and major enhancement on existing technologies.

Deepbridge will also seek non-dilutive matched funding from regional development funds, as well as research grant funding, both provided on an unsecured basis.

Deepbridge will add further value to Investee Companies by taking a seat on the Board of Directors and using an extensive industry network to access advice and commercial support to the business. Deepbridge may also co-invest alongside investors.

3. Why invest in Life Sciences?

For over 40 years, the UK life sciences industry has been one of the most successful in a global basis. In 2012, the UK Government published the Strategy for UK Life Sciences, acknowledging the changing nature of the health life sciences sector, with a growing number of SMEs playing a leading role in driving growth. The report states that the medical technology and medical biotechnology sectors represent over 4,100 companies employing over 96,000 people with an annual turnover of around £20bn. The range of activities of these companies is broad: in addition to life science manufacturing (e.g. production of medicines and medical devices), the sector also includes companies whose main activity is research and development ('R&D'), and others offering services and expertise to assist manufacturing and R&D-focused companies to bring products to market and commercialise their research.

Since the Strategy paper was launched, the overall picture is of an industry developing well to capitalise on strong UK geographic bioscience clusters, the shift to more specialist service companies and new models of R&D collaboration. The introduction of the new funding initiative in the 2011/12 tax year, namely the Seed Enterprise Investment Scheme, seeks to enhance and bolster the increasing strength of the life sciences industry.

The Deepbridge Life Sciences SEIS intends to participate in this changing business environment, securing compelling investment opportunities derived from a long-lasting legacy of scientific research and innovation in the United Kingdom.

4. Investment criteria

The Deepbridge Life Sciences Team seeks to invest in a portfolio of Investee Companies that possess some or all of the following attributes:

- A dominant focus on life sciences, specifically biotech/medical technology/biopharmaceuticals
- Possess a novel product or platform technology, eligible for funding via the Seed Enterprise Investment Scheme
- At start up/early growth stage, or with initial proof of concept secured (preclinical data or prototype design)
- Based in UK with global potential
- With patent protection in place or anticipated
- Founders must have common understanding of value creation with the Deepbridge team
- Must possess potential to leverage further research funding

Please note that not all attributes may be achievable in each investment.

5. Structured investment process

The Deepbridge Life Sciences Team possesses an established network of academic and industrial research agencies, with links to universities, medical schools, research institutions, as well as other incubators. Deepbridge expects access to many investment opportunities in this attractive space: Deepbridge intends to source opportunities that can already show proof of concept for their technology or product.

A robust due diligence process is applied to each investee opportunity and, where appropriate, Deepbridge (as Investment Adviser) engages professional counterparties to assist with specific due diligence reviews on a prospective investment: for instance, patent evaluation of a nascent medical technology.

This is combined with detailed analysis carried out by the Deepbridge Life Sciences Team and set out in an investment proposal. Final investment decisions are taken by the Investment Supervisory Committee of Deepbridge which includes non-executive members and draws upon extensive sector and business experience. If approved, the investment proposal will be put to the Manager who will make the investment decision.

Investments are structured to secure investor protections and Deepbridge will appoint a board member in order to be actively involved in the Investee Company's development and to monitor progress.

6. Risk management and value building

The Deepbridge Life Sciences Team will monitor the activities and performance of the Investee Companies on behalf of the Manager. In particular, the Deepbridge Life Sciences SEIS seeks to invest in investee opportunities which propose to follow a business plan that is in line with the Deepbridge EIS objectives. In this context, the Investment Adviser intends to appoint one or more of the employees of the Deepbridge team to the board of each of the Investee Companies, once the decision to deploy investor funds in each such company has been made.

Any decisions or actions required in relation to the rights and interests of Investors in the Investee Companies will be taken by the Manager, acting in its sole discretion. The Deepbridge Life Sciences Team will provide monitoring services to each Investee Company, including appointing a director to the board to assist the Investee Company in delivering and monitoring compliance with its business plan.

The performance of Investee Companies is measured against milestones to monitor progress. Deviations are promptly identified and addressed with the management team. Effective support of these companies, the essence of enhancing value, requires more than reviewing the monthly operating report and attending board meetings, as required. Deepbridge actively engages and interacts with the Investee Companies during their development, maintaining their focus, assisting with strategic, operational and commercial issues and providing hands-on support when required.

7. Exit process

We believe that most exits in the Life Science sector will take place in the M&A space, and so we aim to execute business models suitable for this exit route. To appear on potential acquirers' radars, we seek to invest in opportunities that have the potential of becoming either a threat or a complement to existing products on the market.

8. Portfolio construction

The Deepbridge Life Sciences SEIS seeks to offer investors a diversified exposure to companies, initially targeted to be up to ten Investee Companies each of which is engaged in the development of novel and potentially high-growth therapeutics as outlined section 2 above.

It is envisaged that each subscription will be deployed across each portfolio company on a diversified basis, subject to a minimum allocation of £2,000 per investee company. The Deepbridge Life Sciences Team places great emphasis on portfolio construction, with the objective to reduce risk and optimise returns. This ensures that the portfolio of Investee Companies is balanced and can better withstand changes in markets and the global economy. Investor subscriptions will be deployed across a portfolio of up to ten companies, the proportion of which, and selection of investee companies, will be determined at the discretion of the Deepbridge team. It is expected each Investee Company will own the identified technology and will develop the technology from post-concept toward commercialisation.

All investment opportunities are reviewed by the Investment Supervisory Committee, in which they will define the Investment Proposal prepared by the Deepbridge Life Sciences Team. The Investment Proposal will examine the investment opportunity in detail and pay particular attention to the potential risks in the commercialisation plan and how they can be mitigated.

The Deepbridge Life Sciences Team possesses an established network of academic and industrial research agencies, with links to universities, medical schools, research institutions, as well as other incubators.

D.

The Executive Management Team

Deepbridge is an investment and corporate advisory business that brings together a unique team of highly experienced business professionals, with proven operational, financial and management credentials.

The Deepbridge Executive Team possesses a depth of knowledge and expertise across a range of investment opportunities, including medical technologies, disruptive growth technologies, specialist software sectors, and renewable energy. With a combined cross-sector commercial experience of over 200 years, the Deepbridge Life Sciences Team at Deepbridge will be responsible for selecting, establishing, and managing the investee opportunities of the Deepbridge Life Sciences SEIS.



Ian Warwick **Managing Partner**

Ian is a successful entrepreneur and CEO with a complete set of business skills earned over more than 20 years working with and for private and public companies. He spent the last 10 years leading publicly listed (OTCBB) technology businesses in the UK and USA, focusing on business structure, capital investment, transformation and growth. Immediately prior to establishing Deepbridge Advisers Ltd and Deepbridge Capital LLP, Ian spent 5 years as Chairman and CEO of Aftersoft Group Inc. (now MAM Software Group Inc. OTCBB: MAMS), supplying Enterprise Resources Planning software solutions to the automotive aftermarket in the US, Canada and the UK. Ian successfully led the turnaround, re-capitalization and listing of the business (OTCBB: MAMS), returning it to profit. He currently holds personal investments in a number of technology companies whose new products are in the proof of concept stage. He holds a Business Education Diploma from the University of Newcastle, and a Licentiateship (LCGI) (NVQ Level 4) from the Royal Navy.



Dr Savvas Neophytou **Head of Life Sciences**

Savvas is the Head of Life Sciences at Deepbridge. Prior to joining Deepbridge, Savvas enjoyed a 15 year career in the City, working as an investment banker at JP Morgan, Bear Stearns, Shore Capital, Cantor Fitzgerald, and Panmure Gordon. Savvas was also CEO of telemedicine business Now Healthcare Group. As a highly acclaimed analyst, Savvas has won multiple awards, most recently in 2015 when Savvas was ranked 2nd overall in the prestigious Reuters Starmine survey, a position he also held in 2014. In the same year, Savvas was also runner-up in the CityAM Analyst of the Year awards. Savvas holds a PhD in psychopharmacology from Nottingham University and a BSc (Hons) degree in pharmacology from Manchester University.



Kieran O’Gorman
Technical Partner

Kieran has acquired a wealth of experience in financial services, including institutional fund management within the Lloyd’s of London insurance community, HNW private client stockbroking at Popes Stockbrokers (now Brewin Dolphin), as well as roles in institutional client relationship management and fund structuring within the alternative assets space. With an in-depth knowledge of the private capital markets, Kieran’s role involves identifying new sources of investment capital, ensuring consistent high standards of investor communication, as well as co-ordinating fund-raising efforts on behalf of the Deepbridge team, particularly with respect to the IHT Service and the managed EIS portfolio service. Kieran has been a Fellow of the Chartered Institute of Securities and Investments since 2001.



Gareth Groome
Chief Finance Officer

As Chief Finance Officer at Deepbridge, Gareth manages and oversees the financial and investment accounting function for the Deepbridge propositions. A full member of the Institute of Chartered Accountants in England and Wales, coupled with a solid commercial background as a Chartered Accountant and Chief Finance Officer, Gareth has a proven depth of understanding of the efficient management of complex fund and investment structures, including the production of NAV and asset performance data. His wide breadth of experience includes directorships in a number of financial services companies, as well as regulatory, legislative and risk management expertise. Prior to his recent role as CFO at a major alternative asset manager, with over £900m funds under management, Gareth was employed at Saffery Champness Chartered Accountants in Cheshire.

The Supervisory Investment Committee

The Life Sciences Team at Deepbridge is monitored and reviewed by the Supervisory Investment Committee. The core discipline of the Committee is advisory corporate finance and regulatory compliance, and the Committee is responsible for reviewing every aspect of an Investee Company, and reviewing the investment and operational strategy as appropriate. The Committee members, in addition to Deepbridge, have specific technological, operational, and financial management experience in emerging companies from early stage to exit and therefore can conduct due diligence on each investment to a high level of granularity and detail. The Supervisory Investment Committee may deploy sound quality advice from tax professionals teamed with its own management, who understand the need to monitor the investee company's growth. This is intended to considerably reduce the risk of inadvertent breach of SEIS status, unless otherwise advantageous to Investors.

In summary, the Supervisory Investment Committee provides distinctly separate oversight on all matters relating to the investments made by the Deepbridge Life Sciences Team, thus ensuring compliance as to its duties in the execution of the investment mandate of the products and services it manages on behalf of investors. The Committee comprises the independent members plus Deepbridge's Technical Partner, representing the executive management of Deepbridge.



Professor Chris Wood **Senior Medical Adviser**

Chris has over 20 years of experience in the biotechnology sector, having founded, managed and successfully exited two biotechnology companies, Bioenvision Inc. (NASDAQ:BIV, which grew to a market capitalisation of \$345 million, and was acquired by Genzyme Corporation in October 2007), and Medirace Limited (later Medeva PLC, traded on both the London Stock Exchange and the New York Stock Exchange, and subsequently acquired by Celltech Group PLC, now UCB, for £554 million). Chris is currently involved in several biotech projects with outstanding prospects for growth. He is an Honorary Professor at Imperial College London, holds an M.D. from the University of Wales School of Medicine, and is a Fellow of the Royal College of Surgeons of Edinburgh.



Professor Nagy Habib **Supervisory Investment Committee Member**

Nagy Habib is Professor of Hepatobiliary Surgery, at the Department of Cancer Surgery, at Imperial College London. With principal research activities focusing on the improvement of surgical technologies, Nagy has also been instrumental in the development of remediation and/or cure of diseases of the liver as either a complement or replacement to surgery with particular focus on gene therapy, the use of stem cells and immunotherapy. Nagy has also pioneered novel clinical trials for the treatment of liver cancer. Nagy has extensively published on a wide range of related topics, and is the inventor of, and co-author of the first publication about the use for, radiofrequency in devices used in liver surgery. Awarded by the Advisory Committee for Clinical Excellence, which is given in recognition of exceptional contributions from NHS consultants, Nagy has been named as one of Britain's top surgeons by the Saturday Times Magazine in 2011.



Professor Raj Chopra **Supervisory Investment Committee Member**

Professor Raj Chopra is Director of the Cancer Research UK Cancer Therapeutics Unit and Head of the Division of Cancer Therapeutics. He is currently a member of the Cancer Research UK Drug Discovery Committee and of the Scientific Board of the California Institute of Regenerative Medicine (CIRM). Raj received his M.D. at the University College and Middlesex School of Medicine, London and his Ph.D. from the University of London. Raj was previously part of the leadership team for the largest Oncology group in AstraZeneca, and established Translational Medicine for AstraZeneca in Boston, Massachusetts, US. He was also a leader within the Executive R&D Team and Corporate Vice President of Translational and Early Drug Development at Celgene Corporation. In addition, he has been a Non-Executive Director for e-Therapeutics (Oxford, UK) and has been on the Board of Agios (Boston, Massachusetts, US).



Dr Geoff Davison **Supervisory Investment Committee Member**

Geoff is the Chief Executive of Bionow, the life sciences membership organisation for the North of England. Having founded the business in 2011, Bionow has 15 University members and 300 industry members across the North of England and North Wales. Geoff is regularly invited to advise and comment on industry requirements and represent the Bionow membership both regionally and nationally. Previously, Geoff founded 2 biotech companies, Biorite Ltd and Advanced Biomedical Ltd, both spin-out companies from the University of Manchester focused on developing point of care diagnostic technologies. Geoff has a degree in Biochemistry and a PhD from the School of Pharmacy, University of Manchester. Geoff is also a Board Member and Treasurer of the Academy of Pharmaceutical Sciences, a member of the Liverpool LEP Health and Life Sciences Advisory Board, member of Health Innovation Manchester Exec group and member of Northeast LEP Health and Life Sciences Advisory Board.



Dr Gary O'Hare **Supervisory Investment Committee Member**

Gary graduated from Trinity College, Dublin with MB BCH BAO, in 1997. Subsequently he undertook training in various medical specialities prior to being awarded AFRC SI from Royal College of Surgeons, Ireland in 2001. Subsequently he undertook general practice training in the Mersey Deanery and was awarded Merit in the MRCPG examinations 2006. Further he studied at Manchester University to obtain Certificate of Occupational Health. Gary has been a GP Principal and Partner in an 8000 patient practice in Cheshire. This experience gives him an understanding of front-line medical services and a distinct insight into the needs of patients and clinicians. Gary is also clinical lead for Primary Care, a Governing Body member at Halton CCG and has been selected to study on the Nye Bevan program at the NHS leadership Academy.



Lloyd Price

Supervisory Investment Committee Member

Lloyd co-founded, launched and scaled Zesty from an idea in July 2012 into one of the UK's leading Digital Health companies, winning multiple awards and raising in excess of \$10M in funding.

Zesty was selected as "1 of the UK's 30 Finest Early Stage Technology Businesses" by TechCityUK for the Upscale program in 2015 and subsequently Lloyd was voted "1 of the 100 most influential people in HealthTech globally" in 2016 by HotTopics magazine.

Prior to his 5 years in Healthcare, Lloyd had 15 years' experience building Digital Businesses within 6 Industries - Retail, Travel, Finance, Advertising, Dating and Social Networking. Lloyd studied Business Administration at Coventry University and Corporate Finance at London Business School.



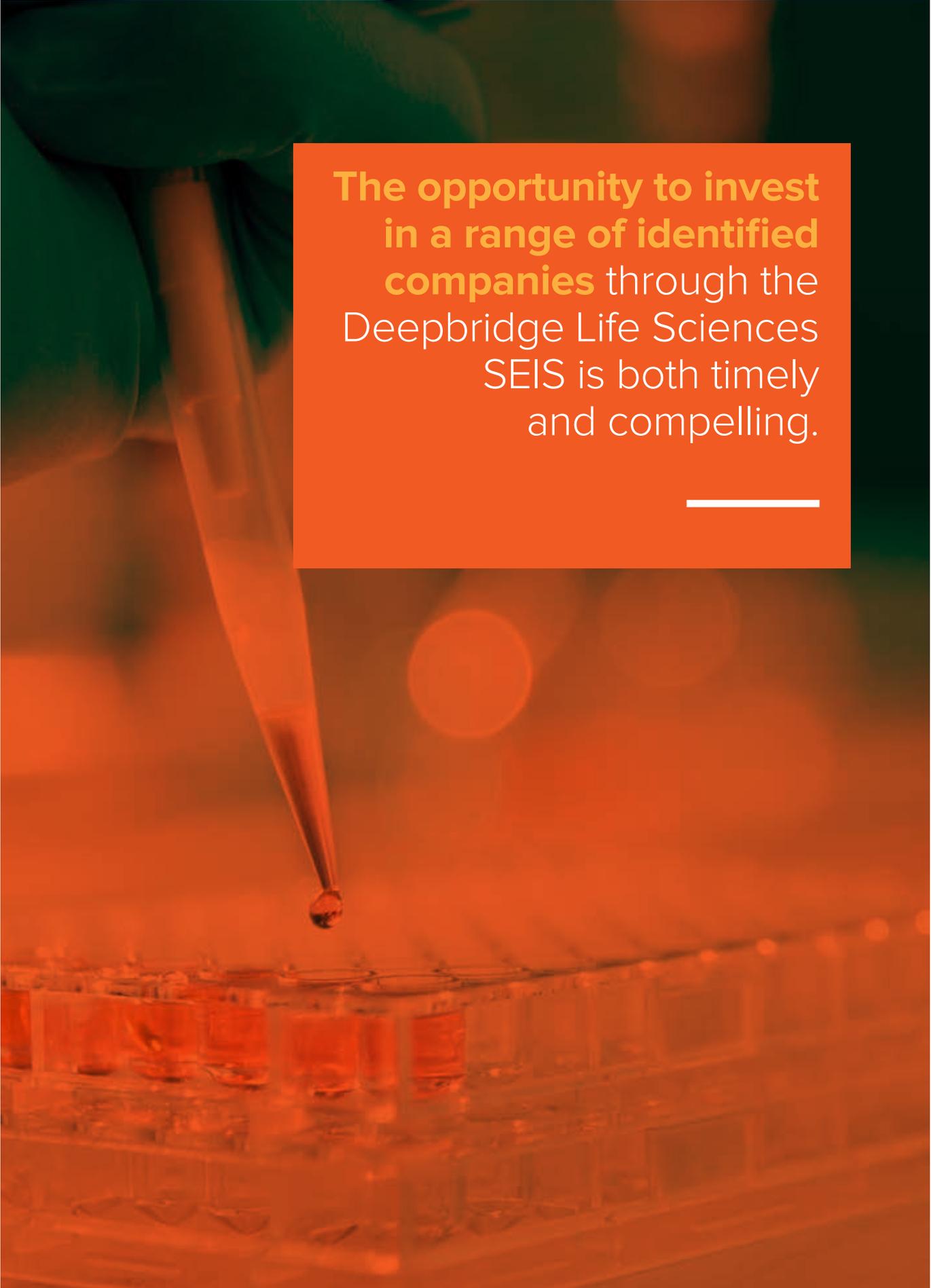
Miss Rebecca Roberts

Supervisory Investment Committee Member

Rebecca is a paediatric surgeon at the Bristol Royal Hospital for Children. A member of the Royal College of Surgeons (England) and the British Association of Paediatric Surgeons, she has experience in surgical and medical settings in India, Tanzania, South Africa and Cambodia. Graduating from The University of Sheffield Medical School, Rebecca also holds a Masters' in Health Research from the University of Lancaster and the Diploma in Tropical Medicine & Hygiene from the London School of Hygiene & Tropical Medicine. She is an Advanced Paediatric Life Support Instructor and has presented her research at many national and international surgical conferences.

The Supervisory Investment Committee

provides independent oversight on all matters relating to the investments made by the Deepbridge team.



**The opportunity to invest
in a range of identified
companies** through the
Deepbridge Life Sciences
SEIS is both timely
and compelling.



Service, offer details, and charges

1. Service

The arrangements described in this Information Memorandum relate to the Deepbridge Life Sciences SEIS, a managed portfolio service conducted on a discretionary basis. This service will be conducted subject to the terms of the Investor Agreement.

By agreeing to subscribe to the Deepbridge Life Sciences SEIS, the investors appoint the Manager to invest their subscriptions on a discretionary basis into opportunities selected by Deepbridge, the Investment Adviser. The minimum subscription from an investor is £10,000 and there is no maximum subject to the annual subscription limit per investor of £100,000 as stipulated by the HMRC.

Investor subscriptions will be deployed across a portfolio of companies initially targeted to be ten, the proportion of which will be determined at the discretion of the Deepbridge team. The minimum deployment per investee company is £2,000, and the selection of investee companies for deployment will be at the discretion of the Manager. Each company is to own identified technology which will be developed from post-concept toward commercialisation.

The Manager, with direction by the Investment Adviser, will exercise its discretion with respect to all investments made on behalf of investors, and Investors will be notified when their account is fully invested, and may be invited to re-subscribe in order to extend their investment programme.

2. Investment amounts

The minimum investment is £10,000, with follow-on investments of £5,000. Lesser amounts may be accepted by the Manager at their discretion. The maximum investment per annum in SEIS is £100,000.

All subscriptions will be subject to a minimum deployment of £2,000 per investee company. The selection of investee companies will be made at the full discretion of the Investment Manager.

3. Eligibility and suitability

The Deepbridge Life Sciences SEIS is permitted to accept investment from retail clients. However, the investor should consider an investment in the Deepbridge Life Sciences SEIS as a longer term investment, and Investments made by the Deepbridge Life Sciences SEIS are likely to be illiquid. It may be that individual circumstances make the Deepbridge Life Sciences SEIS unsuitable for an investor. We therefore recommend that any investor seek advice from their financial adviser before making any investment decision.

4. Who is the Deepbridge Life Sciences SEIS suitable for?

This opportunity would be suitable for UK tax-paying investors who want direct access to the fast growing life sciences sector, have a higher tolerance of risk, are looking for a longer term investment and whose personal circumstances allow them to take advantage of the Deepbridge EIS Reliefs, such that they are able to benefit from the income tax relief and/or defer capital gains, for example:

- An investor who has sufficient income tax liability to claim the 50% income tax relief under the Deepbridge EIS;
- An investor wishing to defer a taxable capital gain;
- An investor wishing to defer a capital gain, but who also has sufficient income tax liability to claim the 50% income tax relief under the Deepbridge EIS.

The minimum individual investment in the Deepbridge Life Sciences SEIS is £10,000. Investors should note that the assets to be held by the Deepbridge EIS will be shares in small unquoted companies (with accompanying high risk) and that they are unlikely to have access to their capital for at least 5 years from the date of application.

Please note that investors need to be able to make their own investment decisions and should seek professional independent advice prior to investing in the fund. Neither the Manager nor the Investment Advisor can provide advice on the suitability of the opportunity presented.

5. Costs and fees

The goal of the Deepbridge Life Sciences SEIS is to maximise the allocation of shares in each company the Investor invests in and in turn the Investor will receive full tax relief on the investment. To this end, fees will be charged to the Investee Company post the investment and not prior to investment.

a) Facilitation of financial adviser remuneration

For intermediary sales, the Investor will ordinarily meet the costs of any payments due to their Financial Adviser, in accordance with the Retail Distribution Review.

For advised sales made via an FCA authorised financial adviser, Adviser remuneration can be met by an Adviser Facilitation Charge paid to that Adviser by Deepbridge, subject to a maximum 3% fee of the subscription amount, upon express permission received by the Investment Manager from the Investor. Please note that this Adviser Facilitation Charge will be deducted from the subscription, and therefore Deepbridge will deploy the net subscription after the Adviser Facilitation Charge is deducted.

For non-advised sales made via an FCA authorised financial adviser, where no advice is given, Adviser remuneration may be met by an Intermediary Facilitation Charge subject to a maximum 2% fee of the subscription amount, upon express permission received by the Investment Manager from the Investor. Please note that this Intermediary Facilitation Charge will be deducted from the subscription, and therefore Deepbridge will deploy the net subscription after the Intermediary Facilitation Charge is deducted.

b) Corporate advisory and arrangement costs

The Investment Adviser will charge the Investee Companies a corporate advisory and arrangement fee of up to 2.5% of funds invested in that Investee Company. For direct investors (i.e. those that subscribe without a financial adviser involved), an additional charge of 2.5% including VAT will be deducted from your subscription to cover the Manager's costs associated with verifying the suitability and appropriateness of the Deepbridge EIS application. This fee will be deducted from the subscription and therefore 97.5% of the subscription will be invested in the underlying companies.

c) Annual maintenance fee

An annual maintenance fee of 2% of the funds invested in an Investee Company will be paid to the Investment Adviser by each Investee Company on an annual basis. From this fee,

the Investment Adviser will pay certain operating costs of the Investee Company including the ongoing monitoring of each Investee Company.

d) Dealing and custody fees

The Investment Adviser will charge each Investee Company a dealing fee of 0.65% on the sale and purchase of shares, and a Custody Administration fee of 0.50% p.a. for the provision of custody services.

e) Performance incentive fee

The Manager will receive an incentive fee of 20% of the amount of cumulative total cash returned to the Deepbridge Life Sciences SEIS by the Investee Companies in excess of the amount of the funds invested in the Investee Companies. For clarification, once the Investor has received in cash the first 150 pence per 100 pence invested (ignoring any tax relief and representing a 50% hurdle on funds invested), any additional distributable cash will be paid as to 80% to the Investor and 20% to the Manager. This is intended to align the interests of the Investment Manager with those of the Investors and the incentive fee will therefore only become payable if the total cash returned to Investors exceeds the amount of initial capital invested by 50% or more.

f) Investor marketing and other fees

The Manager reserves the right to levy additional fees to the Investee Company to meet any costs relating to investor marketing, additional fundraising and administration, custody and dealing services provided.

g) Shares, options and warrants

In certain instances, the Manager may also seek to take shares, options or warrants in the Investee Companies either in lieu of any of the above charges or fees in addition and in line with standard industry practice.

All fees, costs and expenses levied on the investee companies are stated excluding any VAT which will also be charged where applicable.

6. Reporting and valuations

Deepbridge will send each Investor a half-yearly statement, as at 31st March and 30th September in each year. These statements will contain details of all investments in the Investors participation in the Deepbridge Life Sciences SEIS, together with a commentary on the progress of each of the investee Companies.

7. Liquidity

In order to benefit from the tax advantages available under the Seed Enterprise Investment Scheme, the Investor must hold the qualifying shares for a minimum period of three years (for IHT purposes, BPR-qualifying assets for two years at time of death). Therefore, any amounts realised from the Deepbridge EIS-qualifying assets during the three year period will not be eligible for full relief and may be subject to taxation.

8. Right to cancellation

An Investor may exercise a right to cancel his or her Subscription and terminate the Investor Agreement by notification in writing to the Manager at 134 Buckingham Palace Road, London SW1W 9SJ within 14 days of the Manager's acceptance of the Investor's Application Form.

On exercise of the Investor's right to cancel, the Manager will refund any monies paid to the Deepbridge EIS by the Investor, less any charges the Manager has already incurred for any services undertaken in accordance with the Investor Agreement and less any fees paid by Investee Companies that will be required to be refunded to those Companies (if applicable and as appropriate).

Monies will only be returned to the Investor after satisfactory completion of checks by the Manager under the Money Laundering Regulations 2007 (as amended). The Investor will not be entitled to interest on monies refunded following cancellation for the period between receipt in the Custodian's client bank account and the day upon which the monies are refunded.

9. Regulatory and compliance

The Fund is not a distinct legal entity and is not a collective investment scheme as defined in section 235 of the Financial Services and Markets Act 2000.

For legal and tax purposes (and as typical with such funds) the Investor will be the beneficial owner of the shares in the Investee Company. The Nominee will be the registered holder of all investments in the Fund.

The Fund is structured as an HMRC unapproved fund.

The Fund is treated as an alternative investment fund in accordance with the EU Alternative Investment Fund Managers Directive. The Manager has been authorised to act as manager of alternative investment funds.

The Fund will be the professional client of the Fund Manager for the purposes of determining which provisions of COBS will regulate the obligations owed by the Manager to Investors in common, who accordingly, will not be treated, on an individual basis, as clients of the Manager for regulatory purposes.

Applications may be made by Investors directly to the Fund by completing the Application Form (Private Investor) provided such applicant fulfils the COBS rules suitability requirements in respect of the investment as assessed by the Manager.

Applications may be made through financial advisers providing advice who, as required by the COBS rules, will comply with the COBS suitability rules in respect of the investment. Such financial advisers will complete the Application Form (Financial Intermediary).

Applications may be made by execution-only intermediaries by completing the Application Form (Financial Intermediaries). Such intermediaries may distribute this document to their professional clients (COBS rule 3.5) and subject to compliance with the COBS appropriateness rules (COBS rule 10) to high net worth individuals (COBS rule 4.7.7(2)(a), certified and self-certified sophisticated investors (COBS rule 4.7.7(2)(b) and (c) and restricted investors (investing only 10% of their assets in non-readily realisable securities: COBS rule 4.7.7(2)(d).



The UK's life science sector generates over £60 billion and 220,000 jobs for the UK economy each year, providing products which the NHS and UK patients rely on every day.

(Source: UK Govt, Statement from Life Science Minister)



Risk factors

You should only invest in the Deepbridge Life Sciences SEIS if you have financial security independent of any investment made. The value of shares purchased in the Investee Companies, and any income derived, may fall as well as rise and investors may lose all capital invested. Past performance is not a guide to the future. Investing in SEIS companies is considered to be very HIGH risk.

Potential investors should be aware that tax rules are subject to change at any time and the current tax reliefs described in this document may not be available in the future. The Investment Adviser will undertake regular due diligence, as far as practical, on the Investee Companies and take reasonable steps to ascertain if Investee Companies are SEIS qualifying. However, the Investment Adviser does not guarantee that all investments made will qualify or continue to qualify for SEIS. The Investment Adviser also does not guarantee the timescale for fully investing portfolios, or that Subscriptions will be fully invested at all times in the future. Please note that the risks described in this section “Risk Factors” are non-exhaustive.

Additional risks and uncertainties relating to the Investee Companies that are not currently known to the Manager, or that the Manager currently deems immaterial, may also have an adverse effect on the Investee Companies’ businesses, financial condition, operating results or share price. List of risk factors below are based upon their determination of what may be most significant to a prospective investor. However there may be risks which are currently not known or in the opinion of the Manager and Advisor considered to be immaterial. Such risks may materialise at a later stage and may significantly impact the performance of the Fund.

Investing in life sciences companies carries a number of key risks which may negatively impact the performance of the Investee Companies and the Fund overall. Such risks are commercial risks (failure to commercialize products), licensing risk, competition, loss of key customers, reputational risks, limited resources, regulatory risks, patent risk, intellectual property risk, product liability risk, failure to reach sufficient market acceptance, lack of operating history. In addition life sciences companies highly depend on the success of their investments in research and development and the commercialization of their products. Any product may fail to offer material commercial

advantages over other products, third party risk, distribution, solvency risk or pricing risk. Third parties may fail to provide the Investee Companies with sufficient quantities of product or fail to do so at acceptable quality levels or prices or fails to maintain or achieve satisfactory regulatory compliance. Small companies usually depend on the success of single products and formulas and therefore any revenue stream will be concentrated. Changes in economic and political conditions including, for example, interest rates, rates of inflation, industry conditions, tax laws and other factors can substantially and adversely affect equity investments in general and the Investee Companies’ prospects in particular. Intellectual property rights do not necessarily address all potential threats to the Investee Companies’ competitive advantage.

Any new product, formula or technology carries very high risk of failure in the market.

1. Risks relating to returns

- Assumptions, projections, intentions, illustrations or targets included within this Memorandum cannot and do not constitute a definitive forecast of how the investments will perform but have been prepared upon assumptions which the Investment Adviser considers reasonable.
- The Deepbridge EIS qualifying status of investments made by the Manager is dependent on the Manager being able to identify appropriate SEIS-qualifying Investee Companies which carry on, and continue to carry on, a permitted activity for SEIS purposes. There is no guarantee that the Investee Companies will perform as anticipated.
- The value of Investee Companies shares may go up or down. An Investor may lose some or all of their investment. The past performance of the Manager is not a guide to the future performance of the investments made through the Deepbridge EIS.
- Within the Deepbridge EIS, the Manager intends to invest in SEIS-qualifying companies deploying capital across a range of opportunities. This approach is intended to help mitigate the performance risk exposure for the Investors on an individual project or counterparty and



Investment opportunities
derived from a long-lasting
legacy of **scientific research
and innovation** in the UK.

to increase the chances of the Investee Companies generating growth for Investors. If the availability of suitable deployment opportunities for Investee Companies to deploy their capital is limited, the opportunities for diversification may be reduced. A total financial failure of an Investee Company may lead to a substantial or total loss of the capital invested in the Investee Company. Intellectual property rights are a key component for the commercialization of any product and the protection of such intellectual property rights is complex and difficult to achieve internationally. The Investee Companies may not have the financial resources to defend their intellectual property rights against other companies who have breached such rights.

- Each Investor should note that it is possible that other taxes or costs may be suffered by the Investor in connection with his or her investments that are not paid via, or imposed by, the Manager.
- Where there is insufficient liquidity within Investee Companies or limited opportunities for the transfer of shares, the process for providing liquidity to Investors could take several months. Investor's access to investment amounts will be according to the Manager's policy on acceptable payment requests and will vary depending on the level of requests received.
- Investors may be the holders of minority interests in the Investee Companies and may, therefore, have little or no influence upon how the business is conducted. In any event, the Manager may exercise the shareholder rights of each Investor pursuant to the Investor Agreement. The Manager will not exercise more than 50% of the votes which may be cast at general meetings.
- To the extent that the Deepbridge EIS may only have a few Investors, there will be less opportunity to diversify investments in Investee Company shares, which may adversely impair returns.
- The Investee Companies are exposed to a number of risk factors that may impact their financial performance. These factors include but are not limited to commercial risk, counterparty credit risk, project risk and interest rate risk.

2. Risks relating to taxation

- This Memorandum is prepared in accordance with the Manager's interpretation of current legislation, rules and practice. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any such changes, and in particular any changes to the bases of taxation, tax reliefs, rates of tax or the Investor's tax position, may affect the return Investors receive from the Deepbridge Life Sciences SEIS.
- The tax benefits described and their value to an Investor are dependent on the Investor's personal circumstances. Therefore, these tax benefits may not be available to all Investors and/or may be lost by Investors in certain circumstances.
- Tax relief may be withdrawn in certain circumstances and the Manager does not accept any liability for any loss or damage suffered by any Investor or other person in consequence of such relief being withdrawn or reduced. Tax law is complex and Investors should seek independent tax advice.

3. Risks relating to SEIS

- If an Investee Company ceases to carry on an appropriate activity for SEIS purposes, the qualifying status of the Investee Company shares may be adversely affected. While the Manager will require various safeguards to be provided against this risk, the Manager cannot guarantee that all shares in Investee Companies will continue to qualify for SEIS throughout the life of the investment.
- It cannot be guaranteed that SEIS will be available or will continue to be available, in respect of each investment made by the Manager nor whether each Investee Company will meet the qualifying provisions in advance of any investment being made by the Manager.
- If an Investee Company fails to meet the Deepbridge EIS qualification requirements, a liability to tax may arise on the subsequent transfer of the relevant shares. Not all companies may qualify under HMRC for SEIS relief and circumstances may change.
- The Manager may decide to invest in Investee Companies which have not received yet advance assurance from HMRC to secure an investment in the company. SEIS benefits may

not be available to investors if such approval by HMRC is NOT granted at a later stage.

- If a sale of SEIS shares takes place or the Investee Company fails to meet the Deepbridge EIS qualification requirements at any time during the period commencing when shares are issued to SEIS Investors and ending three years from the date of issue or three years from commencement of trading, if later, some or all of the Deepbridge EIS tax reliefs may be withdrawn.

4. Forward-looking statements

This Memorandum includes statements that are (or may be deemed to be) “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology including the terms ‘seeks’, ‘expects’, ‘intends’, ‘may’, ‘will’, ‘would’ or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this Memorandum based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Subject to any requirement under applicable laws and regulations, the Manager undertakes to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

5. Risk relating to fund and investee company performance

The performance of the Fund is dependent on the ability of the Manager as advised by the Investment Advisor to identify appropriate Investee Companies which qualify and will continue to qualify for SEIS Relief and on the ability of the Investee Companies and their management teams to perform in line with their respective business plans. The ability of the Investment Advisor to identify suitable investment opportunities will depend upon the services of its key personnel and accordingly the loss of the services of these key persons could have a material adverse effect on the performance of the Fund’s investments. There is no mechanism to remove or change the Investment Advisor and Manager of the Fund other than by way of termination of the Investor’s Agreement. The Fund should therefore be considered a captive investment and an Investor should assume that any investment in the Fund will

be managed by the Manager until realised.

Investee Companies may fail, and investments in Investee Companies may be realised for substantially less than the acquisition cost or may be impossible to realise at all. Investee Companies may accept other equity or debt capital which ranks higher than the Fund’s investment potentially diluting the shareholdings of the Fund.

6. Risk related to doing business internationally

The Investee Companies may provide services and products to customers in foreign countries. As a result the Investee Companies businesses are subject to certain risks inherent in international business, many of which are beyond their control. These risks include changes in local regulatory requirements, changes in the laws and policies affecting trade, currencies, investment and taxes, differing degrees of protection for intellectual property, instability of foreign economies and governments. Any of these factors could have a material effect on the Investee Companies.

7. Commercialisation and regulatory risk

The success of the Investee Companies depends heavily on the successful development, regulatory approval and commercialization of any lead product, formula or technology. Obtaining regulatory approval for marketing of any product or formula or technology in one country does not ensure the Investee Company will be able to obtain regulatory approval in other countries, while a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in other countries. Failure to obtain regulatory approval will negatively impact any investment. Investee Companies may fail to obtain sufficient funding to re-apply for approval or to change their products.

Any regulatory approval may be limited to a certain functionality or application and may be withdrawn by a regulator or governmental institution. Legal costs may be much higher than originally planned. Furthermore, even if companies obtain regulatory approval, commercial success will depend on how successfully they are able to address a number of challenges, including the following:

- development of the commercial organization and establishment of commercial collaborations with strategic partners;

- establishment of commercially viable pricing and obtaining approval for adequate reimbursement from third-party and government payors;
- the ability of third-party manufacturers to manufacture quantities using commercially viable processes at a scale sufficient to meet anticipated demand and that are compliant with applicable regulations;

Many of these factors are beyond the Investee Companies control.

8. Product liability risks

Product liability lawsuits against any Investee Company could cause any investment to incur substantial liabilities and to limit commercialization of any products that are developed. If Investee Companies cannot successfully defend themselves against claims that product candidates or products caused injuries, the Investee Companies will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in decreased demand for any product candidates or products or technologies, injury to reputation and significant negative media attention, significant costs to defend the related litigation, substantial monetary awards to patients, or loss of revenue.

9. Intellectual property

The Investee Companies may have inadequate funds to fully protect their intellectual property whether by registrations throughout the world or by bringing actions against third parties to defend and protect their rights. Third parties could claim Investee Company's technologies or products infringe or misappropriate their proprietary rights. Investee Companies may not have the resources to resist such claims notwithstanding the contrary being the position due to the costs and complexity of the litigation.

10. Custody risk

Your cash and assets deposited with, and held by the Custodian, the Manager and Investment Advisor shall be held at Investors' risk and neither the Manager, the Custodian nor the Investment Advisor (including their respective directors, shareholders, partners, officers, employees, agents or advisers), will be liable to any Investor in the event of insolvency of the bank in which your cash and assets are held, nor in the event of any restriction on the Custodian and Manager's ability to withdraw funds from such bank for reasons beyond their reasonable control.

11. Risks relating to performance of the Manager, the Advisor and Key Persons Risks

The performance of the Fund is dependent on the ability of the Investment Advisor to source suitable life sciences businesses. The viability of these businesses will also to a large degree depend on the skills and experience of the Investment Advisor and the relationships it has forged with prospective management teams and intermediaries.

As such, were a key partner, consultant or employee of the Investment Advisor to leave, this might reduce the pipeline of possible opportunities in which the Fund can invest and also the smooth-running of the Investee Companies businesses in which the Fund has already invested.

The development of small companies depends on a small number of key people who have key personal relationships and business critical expertise. It is not guaranteed that such key people will stay with the Investee Companies during the period of investment. Their departure may have a significant impact on the future development of the Investee Company. An adequate replacement may not be found. A departure of one or more of the key members of the Manager or the Investment Advisor may have a significant impact on the ability of the Manager and Investment Advisor to respectively manage and advise the Fund. It may not be possible to replace such an individual either with a suitably qualified replacement, or at all.

Accessing **significant tax reliefs** available under the Seed Enterprise Investment Scheme.



G.

Taxation

1. Tax treatment

The tax treatment and regulatory environment for the Deepbridge Life Sciences SEIS, and SEIS/EIS investments in general, may change from time to time depending on governmental and regulatory priorities and circumstances. There is no guarantee that the expected SEIS reliefs will always be available in the form expected. It is possible that some or all of the expected reliefs are withdrawn by the Government, potentially retrospectively. In particular, the Government and HM Revenue & Customs have been taking steps recently to tighten the regulations in relation to SEIS and EIS investments which seek to provide capital protection and to remove SEIS and EIS benefits from some such investments.

There are circumstances in which an Investor could cease to qualify for the taxation advantages offered by the Deepbridge EIS. For example (and without prejudice to the generality) Capital Gains Deferral relief could be lost if an Investor ceases to be resident or ordinarily resident in the United Kingdom during the three year minimum holding period. In addition, an Investor could cease to qualify for SEIS income tax relief if he receives value from one of the investee companies during the period beginning one year before the shares in the Investee Companies are issued and ending on the conclusion of the three year minimum holding period. Payment of a dividend, however, would not typically be regarded as a receipt of value as long as the dividend is derived from commercially-originated distributable earnings.

If an Investee Company ceases to carry on business of the type prescribed for SEIS Qualifying Companies during the three year period, this could prejudice its qualifying status under the Deepbridge EIS. If an Investee Company does not comply with the rules in relation to utilisation of the invested funds with the applicable time limits then this again could prejudice its qualifying status under SEIS.

The consequences of either the Investor or the Investee Company ceasing to qualify for SEIS purposes could include withdrawal of any tax reliefs already received by an Investor (including repayment for example of any income tax relief to HMRC) and the loss of any future SEIS reliefs.

The primary tax advantages available to investors are SEIS tax reliefs, whereby fund returns can be substantially enhanced subject to the personal circumstances of each Investor.

The main SEIS tax advantages are:

50% income tax relief

50% income tax relief may be claimed against income tax paid of up to £100,000 per Investor. Alternatively an Investor can opt to treat an investment as having been made in the previous tax year, in whole or in part, such that 50% tax relief is available against income tax paid or payable for that year.

Capital gains tax exemption

Gains on sales of other assets that are realised and invested in SEIS shares in the same tax year will qualify for a 50% tax exemption.

Tax free capital gains

There is no capital gains tax liability on gains on the disposal of shares which have been held for at least three years in SEIS qualifying companies.

100% inheritance tax exemption

Through the availability of BPR, there may be 100% inheritance tax exemption on the death of the investor (or on certain lifetime transfers) for each individual investment that has been held for at least two years.

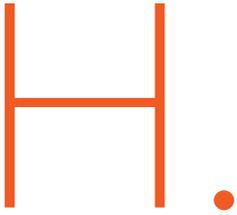
Loss relief

A loss on any qualifying investment in the portfolio, irrespective of the overall performance of the portfolio, can be offset by individuals against income of the tax year of the loss, or of the previous year, or against capital gains of the tax year of the loss and future years.

In 2014, the total value of UK health and life science goods exports was approximately £27bn, 10% of all UK manufactured product exports.

Underpinning this success is strong and consistent investment in R&D.





Operation of the Deepbridge EIS

1. Administration and custody

The function of the Custodian will be to perform administrative and custodian services, which are conferred upon it by the terms of the Custodian Agreement. The Custodian will also provide that the Nominee will perform the nominee services.

By completing the Application Form, prospective Investors will, inter alia, be deemed to have irrevocably agreed to the Manager having appointed the Custodian on behalf of Investors, to exercise the powers, and to carry out duties, on behalf of the Investors in accordance with the provisions of the Custodian Agreement, certain provisions of which are summarised below.

Investors should note that the following does not summarise all the provisions of the Custodian Agreement. Investors may request a copy of the agreement from the Manager.

SEIS shares will be issued in the name of the Nominee and will be treated as if they were subscribed for and issued to the Investors who will retain beneficial ownership over them. All documents of title will be held by the Nominee.

Under the terms of the Custodian Agreement, the Custodian will:

- hold funds arising from Investor Subscriptions in a designated bank account pending investment in SEIS Shares
- deploy funds on the instructions of the Manager acting in accordance with the Investor Agreement
- appoint the Nominee to acquire SEIS Shares and hold the corresponding shares and share certificates in its name, and
- act on the instructions of the Manager to realise investments for Investors.

The Custodian will be authorised to:

- buy, sell, retain, convert, exchange or otherwise deal in the Investor's SEIS Shares upon the instructions of the Manager;
- exercise voting and other shareholder rights in relation to the Investor's SEIS Shares upon the Instructions of the Manager; and

- carry out such other acts and deeds which are in its reasonable opinion necessary or reasonably incidental to its appointment as an Custodian, acting in compliance with ITA, IHTA, FSMA and the FCA Rules as applicable.

2. Conflicts policy

Deepbridge Advisers Ltd, as Investment Adviser, may approve an investment in an SEIS/EIS-qualifying company in which members of the Deepbridge team may have a commercial interest. The Manager shall take steps necessary to ensure that such decisions are taken fairly and without reference to that commercial interest.

The Manager acts and will continue to act as the investment manager, operator, agent and/or investment adviser to various other new and existing clients which are involved in the financing or management of opportunities in the technology, life sciences and renewable energy sectors. Projects may therefore arise that are suitable for the Investee Companies, or one or more other clients of the Manager (both current and future).

The Manager will seek in its absolute discretion to ensure that any suitable projects are allocated fairly between such other clients of the Manager in accordance with the conflicts policies of the Manager from time to time and without prejudice to the Manager's obligations to the Investors. A summary of the Manager's policy for managing conflicts of interest is available on request.

There may be circumstances in the future, where the Manager might enter (or propose to enter) into contracts, transactions, arrangements or investments in connection with Investee Companies invested in by the Manager or may otherwise be directly or indirectly interested in contracts, transactions, arrangements with, or investments by, the same. Such circumstances (if they occur) will be managed in accordance with any requirements under applicable laws and regulations.

3. Frequently asked questions

Who should invest in the Deepbridge Life Sciences SEIS?

The Deepbridge Life Sciences SEIS would be suitable for UK tax-paying investors who want direct access to the fast-growing UK life sciences sector, have a higher tolerance of risk, are looking for a longer term investment and whose personal circumstances allow them to take advantage of the Deepbridge EIS Reliefs, such that they are able to benefit from the income tax relief and/or defer capital gains.

Who owns the investments I make via the Deepbridge Life Sciences SEIS?

In order for your investment in the Deepbridge Life Sciences SEIS to qualify for SEIS Reliefs, it is a requirement of HM Revenue and Customs that individual investors are the beneficial owners of the shares. However, to enable efficient administration and prompt settlement of transactions, we recommend that the shares that you beneficially own be registered in the name of the custodian or its nominee company which will hold them on your behalf.

How do I check on the progress of my investment in the Deepbridge Life Sciences SEIS?

You will be sent contract notes, by post, every time we buy or sell any investments on your behalf in the Deepbridge Life Sciences SEIS. In addition, you will be sent a formal portfolio valuation and portfolio review twice per year, or more regularly if you wish. You will also be sent a consolidated tax voucher at the end of each tax year.

What is the minimum amount I can invest?

The minimum investment in the Deepbridge Life Sciences SEIS is £10,000. The maximum investment in SEIS per annum is £100,000.

How long do I have to wait before I am eligible for SEIS reliefs?

Shares that are eligible for SEIS reliefs must be held for a minimum of three years in order to be eligible for the full tax advantages available under the Seed Enterprise Investment Scheme. After this period, the portfolio may continue to benefit from the IHT exemption.

When will I receive the SEIS3 certificates for my investment?

Deepbridge will co-ordinate with the investee companies for the delivery of the SEIS3 certificates. Before the investee company can issue the SEIS3, it must submit the Deepbridge EIS Compliance Statement to the HMRC which will then, upon confirmation of the investee company's SEIS eligibility, issue the SEIS2 to the company. The investee company is only permitted to submit the Deepbridge EIS Compliance Statement to the HMRC after it has either spent 70% of the total SEIS monies raised or after a period of four months of trading has elapsed. The Deepbridge EIS Compliance Statement, commonly referred to as the 'SEIS 1 Form' is required to be submitted to HMRC under Section 257ED of the Income Tax Act 2007. The HMRC process takes approximately 8-12 weeks to complete, based on our recent experience. So, in short, we expect to be in a position to deliver the SEIS3 forms approximately 4-6 months post-deployment.

What happens to my investment after I die?

Provided the Deepbridge Life Sciences SEIS has been invested in Investee Companies that are eligible for Business Property Relief for at least two years, the prevailing market value of these holdings will be exempt from IHT. Normally a claim will be made by your executor(s) after your death to confirm eligibility for Business Property Relief. On the instruction of your executor(s) we will, if requested, realise your investment as soon as possible, or continue to manage some or your entire investment on behalf of your beneficiaries. If the qualifying company shares are transferred to a surviving spouse or civil partner, your period of ownership will pass to them, thereby preserving the Business Property Relief if the portfolio is retained. Should the investor die within two years of investment, the portfolio can be transferred to a surviving spouse/civil partner without restarting the qualifying period. If this is not possible, the investment will not benefit from IHT relief.

Will I have to pay the initial fee or the annual management fee?

Investors who subscribe via a financial adviser will not be charged any manager fees. However, if you subscribe directly, 2.5% will be levied as a processing fee by Deepbridge.

How do I apply?

You should first review this Information Memorandum and in particular the section on suitability and risks. You also need to review the Investment Agreement and the Application Form. If in doubt about the suitability of this product, you should consult your IFA, tax or other professional adviser. You should then complete the Application Form and Client Suitability Form and send it, with your subscription cheque, to:

Deepbridge Advisers Ltd,
Deepbridge House,
Honeycomb East,
Chester Business Park,
Chester,
CH4 9QN.

What happens to my money when it is waiting to be invested?

During this time your money is held in a client trust account maintained by the appointed custodian.

Can the Manager facilitate the payment of advice fees to my financial adviser?

The Manager is able to facilitate the payment of any initial adviser charge arising in connection with this investment where the Investor has directed the Manager to do so on the Application Form.

When do I get my SEIS income tax and CGT tax advantages?

Tax advantages can be claimed when investments are made into underlying portfolio companies, rather than when you make an initial subscription to the Deepbridge Life Sciences SEIS.

How do I claim my SEIS tax advantages?

If you are eligible for SEIS tax advantages we will issue you with an SEIS3 certificate following each investment into a portfolio company. This certificate can be used to claim your income tax, capital gains tax and inheritance tax reliefs. If you prefer, we can arrange for these certificates to be sent directly to your accountant or adviser for ease of administration.

If you have any further questions please call us on +44 (0)1244 746000.

The development of small companies depends on a small number of key people who have key personal relationships and business critical expertise.



The investor agreement

This Investor Agreement (the “Agreement”) sets out the terms and conditions for the Deepbridge Life Sciences SEIS, acceptance of an Investor’s Application Form by the Manager will constitute a binding agreement between such Investor and the Manager.

1. Definitions

- 1.1. This Agreement employs the same defined terms as are found in the definitions section of this document.
- 1.2. Words and expressions defined in the FCA Rules which are not otherwise defined in or for the purposes of this Agreement shall, unless the context otherwise requires, have the same meaning in this Agreement.
- 1.3. Any reference to a statute, statutory instrument or to rules or regulations shall be references to such statute, statutory instrument or rules and regulations as from time to time amended, re-enacted or replaced and to any codification, consolidation, re-enactment or substitution thereof as from time to time in force.
- 1.4. References to the singular only shall include the plural and vice versa.
- 1.5. Unless otherwise indicated, references to Clauses shall be to Clauses in this Agreement.
- 1.6. Headings to Clauses are for convenience only and shall not affect the interpretation of this Agreement.

2. Investing in the Deepbridge Life Sciences Seed Enterprise Investment Scheme

- 2.1. By signing the declaration contained in the Application Form, the Investor agrees to be bound by the terms and conditions of this Agreement.
- 2.2. The Investor hereby appoints the Manager to manage the Investment for the Investor on the terms set out in this Agreement. The Manager agrees to accept its appointment and obligations on the terms set out in this Agreement.

2.3. The Manager is authorised and regulated by the Financial Conduct Authority with references number 550103 and has its offices at 134 Buckingham Palace Road, London, SW1W 9SH.

2.4. The Investor has the right to cancel this Agreement for a period of up to 14 days from the day on which the Manager accepts the Application Form. If the Investor wishes to cancel this agreement, he must submit a cancellation request to the Manager, in writing. In the event of cancellation:

- 2.4.1. the Investor will receive back from the Manager or the Custodian his Subscription, net of the Custodian’s reasonable processing costs, within 28 days thereafter; and
- 2.4.2. all further provisions of this Agreement shall cease thereupon to apply.

3. Subscriptions

- 3.1. In respect of the Deepbridge Life Sciences SEIS:
 - 3.1.1. The Investor shall make a Subscription of not less than £10,000 at the same time as submitting his Application Form to invest in the Fund. The maximum Subscription is £100,000 and SEIS Income Tax Relief is limited to £100,000 in the current tax year, although this may be carried back to a previous tax year to the extent of unused SEIS Income Tax Relief in those years.
 - 3.1.2. Investor subscriptions will be allocated to the portfolio of investee companies subject to a minimum allocation of £2,000 per investee company, and the selection of investee companies will be subject to the full discretion of the Investment Manager.
- 3.2. The Investor may only terminate the Agreement pursuant to Clause 15 below.
- 3.3. The Custodian shall deposit Subscriptions received in an interest bearing client account pursuant to Clause 7 pending their investment.

- 3.4.** The Manager reserves the right not to proceed with the Fund in the event that the Manager considered inadequate amounts have been raised to make the Fund viable, in which event the Manager will return Subscriptions without interest to Investors.

4. Services

- 4.1.** The Manager will manage the Fund on the terms set out in this Agreement. The Manager and the Investment Adviser will exercise all discretionary powers in relation to the selection of, or exercising rights relating to, Investments on the terms set out in this Agreement.
- 4.2.** The Manager as agent for the Investor will engage the Custodian to provide administrator and safe custody services in relation to the investments in Investee Companies and the cash and to provide nominee services.
- 4.3.** The Investor here authorizes the Manager (and grants to the Manager a power of attorney) to act on its behalf and in the name of the Investor or its nominee to negotiate, agree and do all such acts, transactions, agreements and deeds as the Manager may deem necessary or desirable for the purposes of making, managing and realizing Investments and managing cash funds and any other investments on behalf of the Investor and this authority (and power of attorney) shall be irrevocable and shall survive, and shall not be affected by, the subsequent death, disability, incapacity, incompetence, termination, bankruptcy, insolvency or dissolution of the Investor. This authority (and power of attorney) will terminate upon the complete withdrawal of the Investor from the Fund.
- 4.4.** The Manager shall not, however, except as expressly provided in this Agreement or unless otherwise authorised, have any authority to act on behalf of, or in respect of, the Investor or to act as the agent of the Investor.

5. Investment objectives and restrictions

- 5.1.** In performing their respective roles and services, the Investment Adviser and Manager shall at all times have regard to:
- 5.1.1.** the need for the Investments to attract SEIS Income Tax Relief and/or CGT Deferral Relief, and

- 5.1.2.** all Applicable Laws.

- 5.2.** Generally, the Manager reserves the right to return uninvested cash if it concludes that it cannot be properly invested for the Investor and it considers it to be in the best interests of the Investor having regard to availability of SEIS Relief and CGT Deferral Relief for the Investor.

- 5.3.** In the event of a gradual realisation of Investment prior to termination of the Deepbridge Life Sciences SEIS under Clause 15.1, the cash proceeds of the realised SEIS Investment may either be returned to the investor or be placed on deposit or invested in government securities or in other investments of a similar risk profile.

6. Terms applicable to dealing

- 6.1.** In effecting transactions for the Fund, the Manager will act in accordance with the FCA Rules and will ensure that best execution is sought at all times and deals are made on such markets and exchanges and with such counterparties as the Manager thinks fit. The Manager maintains a written execution policy with respect to these matters and will provide the Investor with a copy upon written request.
- 6.2.** Subject to the FCA Rules, transactions for the Fund may be aggregated with those of other clients of the Manager and/or Investment Adviser (including other Investors), and of the Investment Adviser's/Manager's employees and associates and their employees. Investments made pursuant to such transactions will be allocated on a fair and reasonable basis in accordance with the FCA Rules and endeavours will be made to ensure that the aggregation will work to the advantage of each of the Investors, including the Investor, but the Investor acknowledges that the effect of aggregation may work on some occasions to the Investor's disadvantage.
- 6.3.** Where deals are aggregated with those for other Investors, the Manager shall have absolute discretion as to the number of shares in the Deepbridge EIS Company held as an Investment allocated to the Investor, provided that Investors shall not have fractions of shares. Minor rounding up or down may be allowed to prevent Investors being deemed to be interested in fractions of shares and the aggregate of fraction entitlements may be held by the Custodian for the Manager but the investor is always the beneficial owner of the shares held for him/her.

- 6.4.** Certain categories of professional persons are required to be excluded from any Investments to which they or their employer are connected, for the purposes of prevailing SEIS legislation.
- 6.5.** The Manager will act in good faith and with due diligence in its choice and use of counterparties but, subject to this obligation, shall have no responsibility for the performance by any counterparty of its obligations in respect of transactions effected under this Agreement; and
- 6.5.1.** if purchasing Investments, be entitled to Investments actually delivered by the relevant counterparty and thereafter to a cash sum from the client settlement bank account equal to the whole or relevant part of the sum debited to the account in respect of the relevant Investments; and
- 6.5.2.** if selling Investments, be entitled to cash actually paid to such relevant counterparty and thereafter to Investments held by the Custodian in the nominal value of the bargain made for the Investor.
- 7. Custody and administration arrangements**
- 7.1.** The Manager will act as agent for the Investor to engage the Custodian and Nominee to provide a custody, safe-keeping and administration service for Investors and the SEIS.
- 7.2.** Investments will be registered in the name of the Nominee on behalf of the Investor, and will therefore be beneficially owned by the Investor at all times, but the Nominee will be the legal owner of the Investments in the Deepbridge EIS.
- 7.3.** The Custodian or Nominee will hold any title documents or documents evidencing title to the Investments.
- 7.4.** Investments or title documents may not be lent to a third party and nor may there be any borrowing against the security of the Investments or such documents.
- 7.5.** An Investment may be realised in order to discharge an obligation of the Investor under this Agreement, for example in relation to payment of fees, costs and expenses.
- 7.6.** The Custodian will arrange for the Investor to receive details of any meetings of shareholders in the Deepbridge EIS and any other information issued to shareholders in the Deepbridge EIS if the Investor at any time in writing requests such details and information (either specifically in relation to a particular Investment or generally in respect of all Investments). The Investor shall be entitled, as a matter of right, to require the Nominee to appoint the Investor as his proxy to vote as the Investor may see fit at any meeting of shareholders in a company in which an Investment is held for the Investor in respect of such Investor's beneficial shareholding. In the case of an Investor who is not validly appointed as the Nominee's proxy for the purposes of a meeting of the shareholders of a company in which an Investment is held for that Investor, the Nominee may appoint the Manager as its proxy to vote at that meeting to the extent that the voting and other rights exercisable by the Manager shall not exceed 50% of the aggregate rights relating to any Investment. In the case of variations in the share capital, receipts of a notice of conversion or proposal to wind up, amalgamate or takeover a company in which an Investment is held for the Investor:
- (a)** a bonus or capitalisation issue will be automatically credited to an Investor's beneficial holding;
- (b)** otherwise (where appropriate) the Manager will be sent a summary of the proposal and the required action to be taken (if any);
- (c)** if, on a rights issue, no instruction is received from the Manager, the Nominee will allow the rights to lapse. Lapsed proceeds in excess of £5 will be credited to the Investor. Sums less than this will be retained for the benefit of the Custodian. However, if nil paid rights in a secondary market are acquired for the Investor, such rights will be taken up, unless the Manager provides contrary instructions;
- (d)** all offers will be accepted upon going unconditional whether or not any instructions have been received; and
- (e)** entitlement to shares will be to the nearest whole share rounded down and the aggregate of fractional entitlements may be held by the Nominee for the Custodian. If partly paid shares are held for the Investor and are subject of a call for any due balance and no instruction is received, the Custodian may sell sufficient of the Investments to meet the call.

7.7. The Custodian will hold cash subscribed by the Investor in accordance with the Client Money Rules of the FCA. Such cash balance will be deposited with an authorised credit institution in the name of the Custodian. The Custodian may debit or credit the Investor's account for all sums payable by or to the Investor (including dividends receivable in cash and fees and other amounts payable by the Investor).

7.8. Interest will not be payable on credit balances by the Custodian.

8. Reports and information

8.1. The Manager shall send the Investor a report every six months, in compliance with the FCA Rules. Reporting will commence following the end of the current tax year. Reports will include a measure of performance once valuations are available for the Investment.

8.2. Details of dividends, if any, which are received in respect of the Investments will be provided in respect of each tax year ending 5 April and appropriate statements sent to the Investor.

8.3. Contract notes will be provided for each transaction for the Investor's participation.

8.4. The Manager shall supply (or arrange for the Custodian to supply) such further information which is in its possession or under its control as the Investor may reasonably request as soon as reasonably practicable after receipt of such request.

8.5. Any statements, reports or information provided under Clause 8.4 to the Investor will state the basis of any valuations of Investments provided.

9. Fees and expenses

9.1. The Custodian shall receive fees for their respective services, payable by the Manager, upon presentation of invoice to the Manager or Investment Adviser.

9.2. Investors' subscriptions made via a financial adviser shall be free of manager fees, thus ensuring potential for 100% allocation of investors capital delivering maximum tax efficiency for the investor. Subscriptions made directly, not via a financial adviser, will be levied 2.5% as a processing fee by Deepbridge.

10. Management and administration obligations

10.1. The Manager and the Custodian shall devote such time and attention and have all necessary competent personnel and equipment as may be required to enable them to provide their respective services properly, efficiently and in compliance with the FCA Rules.

10.2. Except as disclosed in the Information Memorandum and as otherwise provided in this Agreement (for example on early termination), neither the Manager nor the Custodian will take any action which may prejudice the tax position of the Investor insofar as they are aware of the relevant circumstances, and in particular which may prejudice obtaining the Deepbridge EIS Relief and/or CGT Deferral Relief for the Investments.

11. Obligations of the investor

11.1. The Investor's participation in the Fund shall be on the basis of the declaration made by the Investor in his Application Form which includes statements by the Investor in relation to the following matters, namely:

11.1.1. whether or not the Investor wishes to claim SEIS Income Tax Relief and/or CGT Deferral Relief for the Investment;

11.1.2. that he agrees to notify the Manager if the Investment with which the Investor is connected within section 163 and sections 166 to 171 of the Income Tax Act 2007, (in which case 6.5 of this Agreement will apply at once);

11.1.3. that he agrees to notify the Investment Adviser if, within three years of the date of issue of shares in an Investee Company within three years of commencement of its trade if later, the Investor becomes connected with the company or receives value from such company (in which case clause 6.5 will apply at that time); and

11.1.4. the Investor's tax district, tax reference number and National Insurance number. The Investor confirms that the information stated in the Application Form in these (and all other) respects is true and accurate as at the date of this Agreement.

11.2. The Investor agrees immediately to inform the Investment Adviser in writing of any change of tax status, other material change in circumstance and any change in the information provided in the Application Form to which Clause 11.1 above refers.

- 11.3.** In addition, the Investor agrees to provide the Investment Adviser with any information which it reasonably requests for the purposes of managing the Fund pursuant to the terms of this Agreement.
- 11.4.** If the Investor has requested in the Application Form that the Manager should facilitate the payment of Financial Intermediary Fees which the Investor's Financial Intermediary has agreed relate to the advice that the investor received to invest in the Fund or to the arrangement of the Investor's Subscription to the Fund, the Investor shall ensure that the details of such Financial Intermediary Fees are clearly specified, and shall further undertake to inform the Manager forthwith if the Investor terminates his relationship with the Financial Intermediary in question, such that further Financial Intermediary Fees for continuing services to the Investor are not applicable and should not therefore become payable in any or all of the three years following Closing.

12. Delegation and assignment

The Manager may, where reasonable, employ agents, including associates, to perform any administrative, custodial or ancillary services to assist the Manager in performing its services, in which case it will act in good faith and with due diligence in the selection, use and monitoring of agents. Any such employment of agents shall not affect the liability of the Manager under the terms of this Agreement.

13. Potential conflicts of interest and disclosure

The Manager may provide similar services or any other services whatsoever to any other client and shall not in any circumstance be required to account to the Investor for any profits earned in connection therewith. So far as is deemed practicable it will use all reasonable endeavours to ensure fair treatment as between the Investor and other clients in compliance with the FCA Rules. The Manager has in place a conflict of interest policy (the "Conflicts Policy") pursuant to the FCA Rules which sets out how it identifies and manages conflicts of interest. Under the Conflicts Policy, the Manager is required to take all reasonable steps to identify conflicts of interest between:

- (1)** the Manager, including its employees and contracted consultants, or any person directly or indirectly linked to them by control, and a client of the Manager; or
- (2)** one client of the Manager and another client. The Manager believes that it should identify any conflicts that may arise in other situations including between the Manager and any of its shareholders. Where the 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.

14. Liability of the manager

- 14.1.** The Manager will at all times act in good faith and with reasonable care and due diligence. Nothing in this paragraph 14 shall exclude any duty or liability owed to the Investor by the Manager under the FCA Rules.
- 14.2.** The Manager shall not be liable for any loss to the Investor arising from any investment decision made in accordance with the Investment Objective and the Investment Restrictions or for other action in accordance with this Agreement howsoever arising except to the extent that such loss is directly due to the negligence or willful default or fraud of the Manager or of its Associates or any of their respective employees.
- 14.3.** The Manager shall not be liable for any defaults of any counterparty, agent, banker, nominee or other person or entity which holds money, investments or documents of title for the Fund, other than such party which is its Associate.
- 14.4.** In the event of any failure, interruption or delay in the performance of the Manager's obligations resulting from acts, events or circumstances not reasonably within its control including but not limited to acts or regulations of any governmental or supranational bodies or authorities and breakdown, failure or malfunction of any telecommunications or computer service or systems, the Manager shall not be liable or have any responsibility of any kind to any loss or damage thereby incurred or suffered by the Investor.

14.5. The Manager does not give any representations or warranty as to the performance of the Fund. The Investor acknowledges that Investments are high risk Investments, being non-readily realisable investments. There is a restricted market for such Investments and it may therefore be difficult to sell the Investments or to obtain reliable information about their value. The Investor undertakes that he has considered the suitability of investment in SEIS Qualifying Companies carefully and has noted the risk warnings set out in the Information Memorandum.

15. Termination

15.1. The Manager shall reserve the right to terminate the Deepbridge Life Sciences SEIS. On termination of the Deepbridge EIS, all shares held in the Deepbridge EIS Investee Company/ies will either be sold and cash transferred to the Investor and/or the shares will be transferred into the Investor's name or as the Investor may otherwise direct.

15.2. The Investor is only entitled to withdraw his investments to the extent those investments comprise:

15.2.1. Relevant Shares which are admitted to official listing in an EEA state or to dealings on a recognized investment exchange, at any time after the fifth anniversary of the date the Relevant Shares were issued;

15.2.2. other Relevant Shares, at any time after the fifth anniversary of the date of the Relevant Shares were issued;

15.2.3. shares other than Relevant Shares, at any time after the end of the period of 6 months beginning with the date those Relevant Shares ceased to be Relevant Shares;

15.2.4. cash, at any time.

15.3. If:

15.3.1. the Manager gives to the Investor not less than three months' written notice of its intention to terminate its role as Manager under this Agreement;

15.3.2. the Manager ceases to be appropriately authorised by the FCA or becomes insolvent; or

15.3.3. the Manager is no longer able to categorise the Investor as a professional client under the FCA Rules;

the Manager shall endeavor to make arrangements to transfer the Investments to another fund manager in which case that fund manager shall assume the role of the Manager under this Agreement, failing which the Agreement shall terminate forthwith and, subject to Clause 17, the Investments held for the account of the Investor shall be transferred into the Investor's name or as the Investor may otherwise direct.

15.3.4. the Manager has a lien on all assets being withdrawn from the Deepbridge EIS Company and shall be entitled to dispose of some or all of the Deepbridge EIS Company in order to discharge any liability of the Investor to the Manager. The balance of proceeds will then be passed to the Investor.

15.4. If the Manager gives to the Investor not less than three months' written notice of its intention to terminate its role as Manager under this Agreement or the Manager ceases to be appropriately authorised by the FCA or becomes insolvent, then the Manager shall endeavour to make arrangements to transfer the Deepbridge EIS to another appropriately constituted and authorised fund manager in which case that fund manager shall assume the role of the Manager under this Agreement, failing which this Agreement shall terminate forthwith and, subject to Clause 16, the Investments in the Investee Companies shall be transferred into the Investor's name or as the Investor may otherwise direct.

15.5. Without prejudice to paragraph 15.1, an Investor wishing to sell his or her interest in one or more Investee Companies may give notice to the Manager of the investment he or she wishes to sell and indicating a reserve price, if any. The Manager at its discretion may invite bids from such other Investors as it deems appropriate. To ensure transparency, the selling Investor will be provided with information (excluding names of under bidders) on all bids received. The Manager may charge a fee for this service. Any sales or transfers will be subject to provisions of articles of association of Investee Companies and shareholder agreements which the Manager may have entered into on behalf of the Investor in respect of his shares.

16. Consequences of termination

- 16.1. On termination of this Agreement pursuant to Clause 15, the Manager will use reasonable endeavours to complete all transactions in progress at termination expeditiously on the basis set out in this Agreement.
- 16.2. Termination will not affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payments save for the cost of fees, expenses and costs properly incurred by the Manager or the Custodian up to and including the date of termination and payable under the terms of this Agreement.
- 16.3. On termination, the Manager may retain and/or realise such Investments as may be required to settle transactions already initiated and to pay the Investor's outstanding liabilities, including fees, costs and expenses payable under Clause 9 of this Agreement, the details of which are set out in Schedule 2 to this Agreement.

17. Confidential information

- 17.1. Neither the Manager nor the Investor shall disclose to third parties information the disclosure of which by it would be or might be a breach of duty or confidence to any other person.
- 17.2. The Manager shall not be required to take into consideration for the purposes of this Agreement information which comes to the notice of an employee, officer or agent of the Manager or of any Associate but does not come to the actual notice of the individual employees, officer or agent of the Manager providing services under this Agreement to the Investor.
- 17.3. The Manager will at all times keep confidential all information acquired in consequence of this Agreement, except for information which
 - 17.3.1. is public knowledge; or
 - 17.3.2. which may be entitled or bound to be disclosed under compulsion of law; or
 - 17.3.3. required to be disclosed by regulatory agencies; or

- 17.3.4. is given to its professional advisers where reasonably necessary for the performance of their professional services;
- 17.3.5. needs to be shared with the Custodian, Investment Adviser or other party for the proper performance of this Agreement; or
- 17.3.6. is authorised to be disclosed by the other party and shall use all reasonable endeavours to prevent any breach of this sub-clause.
- 17.4. The Investor undertakes to provide all information the Manager, Nominee and/or Custodian shall require or be obliged to obtain for the purposes of the Foreign Account Tax Compliance Act or any other similar disclosure or reporting regime and the Manager is authorized to make any such disclosure or report.
- 17.4. The Custodian may verify the Investor's identity and assess the Investor's financial standing. In doing so, a credit or mutual reference agency may be consulted which will record a search.

18. Complaints and compensation

- 18.1. The Manager has established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available on request. Should an Investor have a complaint, he should contact the Manager. If the Manager cannot resolve the complaint to the satisfaction of the Investor, the Investor may be entitled to refer it to the Financial Ombudsman Service.
- 18.2. Where the Investor is categorized by the Manager as a retail client, if for any reason the Investor is dissatisfied with the Manager's final response, the Investor is entitled to refer its complaint to the Financial Ombudsman Service. A leaflet detailing the procedure involved will be provided in the Manager's final response.

18.3. The Manager is covered by the Financial Services Compensation Scheme. The Investor may be entitled to compensation from the scheme if the Manager cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum of £50,000. Further information about compensation arrangements is available on request from the Manager or from www.fscs.org.uk

19. Notices, instructions and communications

19.1. Notices of instructions to the Manager should be in writing and signed by the Investor, except as otherwise specifically indicated.

19.2. The Manager may rely and act on any instruction or communication which purports to have been given by persons authorised to give instructions by the Investor under the Application Form or subsequently notified by the Investor from time to time and, unless that relevant party receives written notice to the contrary, whether or not the authority of such person shall have been terminated.

20. Unsolicited real time financial promotion

The Manager and Investment Adviser may communicate an unsolicited real time financial promotion (i.e. interactive communications such as a telephone call promoting investments) to the Investor.

21. Amendments

The Manager may amend this Agreement by giving the Investor not less than ten business days' written notice. The Manager may also amend these terms by giving the Investor written notice with immediate effect if such is necessary in order to comply with HMRC requirements in order to maintain the Deepbridge EIS Relief and CGT Deferral Relief or in order to comply with the FCA Rules, and the Investor shall be bound thereby.

22. Data protection

All data which the Investor provides to the Manager and Investment Adviser is held by the Manager and Investment Adviser subject to the Data Protection Act 1998. The Investor agrees that the Manager may pass personal data to other parties insofar as is necessary in order for it to provide services as set in this Agreement and to the FCA and any regulatory authority which regulates it and in accordance with all other Applicable Laws.

23. Entire agreement

23.1. This Agreement, together with the Application Form, comprises the entire agreement of the Manager with the Investor relating to the provision of its services in relation to the Fund and supersedes all earlier meetings, any correspondences, or discussions that may have taken place preceding the signing of the Application Form.

23.2. Clause 23.1 is without prejudice to the Custodian's agreement.

24. Rights of third parties

Aside from the Custodian, who may enforce provisions of this Agreement which refer to it by name and to its rights and obligations in relation to the Investor, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this does not affect any right or remedy of such third party which exists or is available apart from that Act.

25. Severability

If any term, condition or provision of this Agreement shall be held to be invalid, unlawful or unenforceable to any extent, such term, condition or provision shall not affect the validity, legality or enforceability of the remainder of this Agreement.

26. Governing law

This Agreement and all matters relating thereto shall be governed by and construed in accordance with English Law and the parties submit to the exclusive jurisdiction of the English Courts.



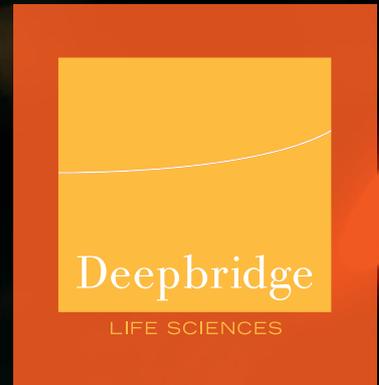
Glossary and definitions

The following defined terms are used throughout this document

Administration	Reyker Securities PLC.
Application Form	An application form to invest in the Deepbridge Life Sciences SEIS completed by the prospective Investor.
Associate	Any person, company or other entity which by direct or indirect means exerts control over, or is itself controlled by, Deepbridge where “control” shall include the ability to exercise significant influence over the operating or financial policies of the relevant person or entity.
Client Suitability Form	The questionnaire that evidences the investor circumstance and level of understanding, in the context of investing in the Deepbridge Life Sciences SEIS.
Custodian	Reyker Securities PLC (a company authorised and regulated by the FCA) or such other company(ies) as may be appointed as administrator and/or custodian and to provide nominee services by the Manager on behalf of the Investors from time to time.
Custodian Agreement	The Agreement between the Custodian and the Manager on behalf of the Investors, which governs the appointment of the Custodian.
Deepbridge Team	The team of investment professionals of the Investment Adviser.
Deepbridge Life Sciences SEIS	The Deepbridge Life Sciences SEIS as described in this Information Memorandum.
Deepbridge	Deepbridge Advisers Limited, the Investment Adviser, a private limited company by shares registered in England and Wales under registration number 08614835 and with its registered office at Deepbridge House, Honeycomb East, Chester Business Park, Chester CH4 9QN.
SEIS Qualifying Company	A company that meets the requirements for a qualifying investor to be eligible for income tax relief and capital gains tax deferral under the rules of the Seed Enterprise Investment Scheme.

SEIS	Seed Enterprise Investment Scheme.
FCA Rules	The rules and guidance contained within the FCA Handbook.
FCA	The Financial Conduct Authority, and any successor.
Financial Intermediary Fee	The fee payable by the Manager to the appointed financial intermediary of the Investor, at the express direction of the Investor.
Fund	The Deepbridge Life Sciences Seed Enterprise Investment Scheme.
HMRC	Her Majesty's Revenue and Customs.
IHT	Inheritance Tax.
Information Memorandum	This information memorandum issued in relation to the Deepbridge Life Sciences SEIS.
Investee Company	A company in which an Investment is made under the Deepbridge Life Sciences SEIS.
Investment	An investment made in the Deepbridge Life Sciences SEIS.
Investment Objective	The aggregate amount subscribed by an Investor in the Deepbridge Life Sciences SEIS.
Investor Agreement	The agreement to be entered into by each Investor in the terms set out in this Information Memorandum.

Investor Subscription	The aggregate amount subscribed by an Investor in the Deepbridge Life Sciences SEIS.
Investor	A person who completes an Application Form and who is accepted by the Custodian and the Manager as an investor in the Deepbridge Life Sciences SEIS.
Manager	Enterprise Investment Partners LLP, the Manager of the Deepbridge Life Sciences Enterprise Investment Scheme which is advised by Deepbridge; a limited liability partnership registered in England and Wales with its registered office at Hyde Park House, 5 Manfred Road, London, SW15 2RS.
Nominee	Reyker Nominees plc, 17 Moorgate, London EC2R 6AR.
Outcome Driven Methodology	The proprietary methodology developed by the Investment Adviser.
Qualifying Shares	Ordinary shares of a company that meets the requirements for a qualifying investor to be eligible for income tax relief and capital gains tax deferral under the rules of the Seed Enterprise Investment Scheme.
Subscription	The aggregate amount invested by an investor under the terms of the Investor Agreement.
Supervisory Investment Committee	The independent oversight committee that provides an oversight function to the Investment Adviser.
Three Year Period	The period beginning on the date on which the shares in the Company are issued and ending three years after that date.



iNNOVATIVETM **INVESTING**

Funding advances
in medical sciences

K.

Notes

A large, empty rectangular box with a thin black border, occupying the majority of the page below the title. It is intended for the user to write their notes.

Deepbridge Advisers Limited
Deepbridge House
Honeycomb East
Chester Business Park
Chester
CH4 9QN

Tel: +44 (0) 1244 746000
Email: info@deepbridgecapital.com
www.deepbridgecapital.com

Deepbridge Advisers Limited is registered in England & Wales, Company No. 08614835. Registered Office: Deepbridge House, Honeycomb East, Chester Business Park, Chester CH4 9QN. Deepbridge Advisers Limited is an appointed representative of Enterprise Investment Partners LLP which is authorised and regulated by the Financial Conduct Authority. Deepbridge Advisers Limited is a subsidiary of Deepbridge Capital LLP, a limited liability partnership registered in England & Wales, No. OC356449.