



CENTAUR EIS Evergreen Fund

INFORMATION MEMORANDUM

Notice to Investors

This Information Memorandum is dated 1st October 2017

Certain terms used in this Notice are defined elsewhere in this Information Memorandum.

If you are in any doubt about the action you should take in regard to this document and the contents of the Information Memorandum and the Application Pack, you should contact an Independent Financial Advisor or other professional advisor authorised under the Financial Services and Markets Act 2000 (FSMA), who specialises in advising on investments of this type. Reliance on this promotion for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. Your attention is drawn to 'Part Ten: Risk Factors'. Nothing in this document constitutes investment, tax, financial, or other advice.

This Information Memorandum is issued and approved as a financial promotion for the purposes of Section 21 Financial Services and Markets Act 2000 ("FSMA") by the manager of CENTAUR EIS Evergreen Fund (the "Fund"), Larpent Newton & Co Limited (the "Manager"), which is authorised and regulated by the Financial Conduct Authority (the "FCA"), reference 141275. Ascension Ventures Limited ("Ascension Ventures") is an Appointed Representative of Larpent Newton & Co Limited for the purposes of section 39 FSMA, reference 568418.

This Information Memorandum is only intended for release in the United Kingdom and does not constitute an offer, or solicitation, 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 to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith.

This Information Memorandum will be distributed to fewer than 150 persons other than qualified investors per EEA state and is an exempt offer to the public under section 85 FSMA. Accordingly, this Information Memorandum does not constitute an approved prospectus.

The Fund is a non-readily realisable security and, as a direct offer financial promotion, this Information Memorandum can therefore only be communicated to the following category of persons:

- An existing client of a financial adviser regulated by the FCA which has advised that the Fund is a suitable investment for them in accordance with FCA Conduct of Business ("COBS") rule 9;
- A person who meets the requirements for being a professional client in accordance with COBS rule 3.5;
- A person who qualifies as a certified high net worth individual in accordance with COBS rule 4.7.9;
- A person who qualifies as a certified sophisticated investor in accordance with COBS rule 4.7.9;
- A person who qualifies as a self-certified sophisticated investor in accordance with COBS rule 4.7.9; or
- A person certified as a restricted investor within the meaning of COBS rule 4.7.10.

Other regulatory disclaimers

Prospective Investors should not regard the contents of this Information Memorandum as constituting advice relating to legal, taxation, or investment matters, and are advised to consult their own professional advisors before contemplating any investment or transaction.

Investors' money subscribed to the Fund will be committed to investments, which may be of a long term and illiquid nature. The companies in which the Fund invests are highly unlikely to be quoted on any regulated market at the time of initial investment and, accordingly, there will not be an established or ready market for any such shares and the Manager may experience difficulty in realising them (for value or at all).

The 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. Due to various risks and uncertainties, actual events, results or performance may differ materially from those reflected or contemplated in such forward-looking statements.

No responsibility or liability is accepted for any loss or damage howsoever arising that you may suffer as a result of this Information Memorandum and any, and all, responsibility and liability is expressly disclaimed by the Manager, the Investment Team, Ascension Ventures (Holdings), Ascension Ventures, and its subsidiaries, directors, shareholders, partners, officers, affiliates, employees, advisors or agents.

Enterprise Investment Scheme ("EIS") funds, such as these Funds, which are structured as discretionary portfolio management services, fall within the FCA's expanded definition of the "Retail Investment Products" and Financial Advisors should consider this before giving advice.

The Manager reserves the right to update this Information Memorandum from time to time.

Prospective investors should note that the Fund is an 'alternative investment fund' (or "AIF") for the purposes of the Alternative Investment Fund Managers Directive (2011/61/EU) ("AIFMD"). It is not a collective investment scheme within the meaning of section 235 of the Financial Services and Markets Act 2000 nor a non-mainstream pooled Investment. The Fund will, however, constitute a collective investment undertaking within the meaning of the Markets in Financial Instruments Directive ("MiFID") and, by virtue of the exemption for collective investment undertakings and their managers in Article 2.1(h) of MiFID, the Fund (and the management by the Manager thereof) falls outside the remit of MiFID.

The Manager is an alternative investment fund manager ("AIFM") for the purposes of AIFMD. Prospective investors' attention is drawn to the fact that the Manager is exempted from the AIFMD pursuant to article 3(2)(a) of the AIFMD (the so-called "de minimis exemption"). Therefore, the prospective investors shall not benefit from any rights from the AIFMD, nor will the Manager comply with any obligation thereunder, except to the extent provided under article 3(2) of the AIFMD. Notwithstanding the foregoing, the Manager may in the future be required (or elect) to comply with AIFMD, in which case the information regarding the Manager's (as applicable) compliance with AIFMD will be made available to investors. Nothing herein should be construed as an offer or solicitation or as marketing of any AIF in the EEA save in circumstances where such an AIF is permitted to be marketed in accordance with AIFMD (and the laws and regulations implementing AIFMD in any EEA member state).

Taxation disclaimers

The information contained in this Information Memorandum makes reference to the current laws concerning EIS Income Tax Relief and Share Loss Relief (together, the "EIS Reliefs"), Capital Gains Tax Reinvestment Relief and the Capital Gains Tax Exemption (together, the "CGT Reliefs"), and Inheritance Tax Relief ("IHT Relief"). These levels and bases of relief may be subject to change. The tax reliefs referred to in this Information Memorandum are those currently available and their value depends on individual circumstances.

It is intended that the Fund will invest in companies, which are "qualifying companies" for the purposes of the EIS regime set out in the Income Tax Act 2007 (ITA). Following each qualifying investment which the Fund makes, it is envisaged that the appropriate EIS Compliance Certificates will be issued to investors which will enable them to claim EIS Income Tax Relief and/or CGT Reinvestment Relief in respect of that qualifying investment. There is no guarantee however that EIS Reliefs or CGT Reliefs will be available on any investments made by the Fund or that if it is initially available it will not be subsequently withdrawn. Any reference to tax laws or rates in this Information Memorandum is based on current legislation, all of which is subject to change and provided as a guide only. Tax treatment depends on each individual's personal circumstances and may be subject to change in the future. Prospective Investors are advised to take their own taxation advice and should consult their own professional advisors on the implications of investing in the Fund.

Previous Investments and Recommendations

Past specific investment recommendations have been selected for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations. Investment examples are used throughout this Information Memorandum to highlight the Investment Team's process. The investments have been selected based on their relevance and not based on performance. There is no guarantee future Investments will be successful.

Fund Advisors:

Investment Advisors:

Ascension Ventures Limited, 20 Air Street, 4th Floor, London, W1B 5AN

Manager:

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Fiscability UK Limited, Swallowfield, Moat Lane, Prestwood, Buckinghamshire, HP16 9DF

Regulatory Advisers:

Harper James Solicitors, The Innovation Centre, 217 Portobello, Sheffield, South Yorkshire, S1 4DP

Administrator and Custodian:

Reyker Securities plc, 17 Moorgate, London, EC2R 6AR

Nominee:

Reyker Nominees Limited, 17 Moorgate, London, EC2R 6AR

Contents

1) Introduction to Ascension Ventures	6
2) Key Terms & Fund Structure Overview	8
3) EIS Tax Reliefs	10
4) Investment Thesis	12
5) About Ascension Ventures & Team	16
6) Fund Infrastructure	21
7) Track Record (as of October 2017)	25
8) Timetable and How to Apply	29
9) Fee Structure	30
10) Risk Factors	31
11) Definitions	35



1) Introduction to Ascension Ventures

Ascension Ventures (“Ascension”) backs entrepreneurs with big visions by providing capital, access to its network, and expert mentors to grow scalable businesses.

Since 2013, it has invested, across 6 distinct funds, in over 50 early stage tech and digital media companies, including 4 SEIS Funds (the ASCEND SEIS I, II, III & IV) and 1 EIS Fund (the CENTAUR EIS Fund I).

Ascension launched the country’s first SEIS Fund in 2012 and has since invested between £25,000 and £270,000 into 50+ SEIS & EIS qualifying businesses, as part of investment rounds ranging from £90,000 to £1.8m. Due to its co-investment philosophy, where it can lead or follow rounds with a Seed to pre-Series A focus, Ascension’s funds have participated in the seed rounds of some of the UK’s strongest tech and digital media companies - alongside some of the country’s best known angels, VCs and corporates.

For example, for its ASCEND SEIS Fund II (invested between July 2015 – March 2016), Ascension led the investment rounds in 11 of the 16 deals from that portfolio and represented an average of 28% of the initial seed round. Ascension also facilitated the follow-on investment in the Seed+ round of some of its portfolio companies, via its CENTAUR EIS Fund & Syndicate Club investment vehicles, alongside co-investors such as [Amadeus Capital](#), [Mangrove Capital](#), [500 Startups](#), [Livingbridge](#), [Fuel Ventures](#), the [Guardian Media Group](#), [Finance Birmingham](#), and multiple high-profile angels and high net worth individuals. As of October 2017, the ASCEND SEIS Fund II was valued internally at +42% (at ‘Fair Value’ in accordance with the International Private Equity and Venture Capital Valuation Guidelines (“Guidelines”)) with all companies in its portfolio still trading.

For its ASCEND SEIS Fund III (invested between July 2016 – March 2017), Ascension led the investment in 8 of the 14 deals from that portfolio and represented an average of 30% of the initial seed round, alongside co-investors such as [LocalGlobe](#), [Digital Currency Group](#), [Entrepreneur First](#), [Founders Factory](#) and multiple high-profile angels. As of October 2017, the ASCEND SEIS Fund III was valued internally at +34% (at ‘Fair Value’ in accordance with the Guidelines) with all companies in its portfolio still trading.

Based on experience, Ascension believes that the investment case for the UK's digital and tech industries are compelling, even without the attractive tax incentives offered by the UK Government through the EIS tax wrapper, which is why it has a key focus on the following areas:

- Online Video & Content
- Virtual Reality ("VR")/Augmented Reality ("AR") & Mobile Games
- Music & Sports/eSports
- EdTech
- AdTech & Publishing
- Software as a Service ("SaaS") & eCommerce

Having spent the majority of their careers investing in and managing digital media and tech businesses, the Ascension Ventures team ("Ascension Team") believe that they, in collaboration with its Mentors, are uniquely positioned to capitalise on the UK early stage ecosystem.

The CENTAUR Evergreen EIS Fund will be setting out to bridge the equity gap between Seed (SEIS rounds) and Series A (£1.5m+ rounds) for digital media/tech companies, where Ascension believes there is a distinct lack of venture capital funding. The identified equity gap mainly consists of seed+/scale-up companies looking for funding of £500k-£1.2m, which is currently largely shouldered by the angel community (individuals/syndicates). However, the Ascension Team has observed that the majority of these investors are not working in the technology sector on a day-to-day basis and often do not have the infrastructure to give value-added strategic, business development, or follow-on funding expertise.



2) Key Terms & Fund Structure Overview

Fund Name:

CENTAUR EIS Evergreen Fund (“Fund”).

Investment Focus:

The Fund will focus on high-growth potential businesses operating in the digital media and tech sectors.

Fund Structure:

The Fund is operated as a discretionary managed portfolio service. It is managed by Larpent Newton & Co Ltd, which is independently authorised and regulated by the FCA.

Minimum Fund Size:

First Close of £500,000 – or such other figure as determined by the Manager’s in its discretion.

Evergreen Fund:

The Fund will operate an Evergreen Fund model and the intention is that it will have no final termination date. The Fund will update the Fund Documents annually, starting on 4th October 2018.

Closing Dates:

The Fund will accept Subscriptions every quarter on an ongoing basis, with the Fund raising tranches that close on the 4th January, 4th April, 4th July and 4th October each year, starting in January 2018 with a minimum fund size of £500,000, or such other amount as determined by the Manager.

Portfolio:

It is intended that Investors will receive a diversified portfolio of approximately 8 companies within 12 months of each Close (although it should be noted that the number of companies is an estimate and may increase or decrease). Funds raised in each Close will be invested alongside those funds subscribed in prior Closes and in subsequent Closes with individual shareholdings being calculated pro rata to the size of the Subscription of each individual shareholder.

Minimum Subscription:

The Minimum Subscription by an Investor in the Fund is £25,000 and in multiples of £1,000 thereafter.

Maximum Subscription:

No maximum, although an individual's maximum investment for the purposes of EIS Income Tax Relief is capped at £1,000,000 per tax year (with the possibility of carry back to the previous tax year if that year's EIS investments were less than the maximum). There is no maximum to the amount of CGT that can be deferred under EIS.

Fund Administrator & Custodian:

The shares in each Investee Company will be registered in the name of Reyker Nominees Ltd (or such other nominee the Administrator and Custodian may appoint from time to time to be the registered legal holder of Investments on behalf of the Investors), but the beneficial ownership in such shares will, at all time, belong to the individual investors who will receive the EIS Certificates, on a company-by-company basis, to enable them to claim the appropriate tax reliefs.

Investment Fee:

No Initial Fee – 100% of an Investor's subscription qualifies for EIS Tax Relief.

1% Annual Management Fee – deferred until any distribution is made to the Investors.

Performance Fee:

Ascension will be entitled to a Performance Fee equal to an aggregate of:

- 20% of any returns to Investors above £1.05 per £1 of Subscriptions in the Fund; and
- 10% of any returns to Investors above £1 per £1 of any Subscriptions made by Investors in any Investee Company on completion of any follow-on funding round, subject to such subsequent investment being made by the Investor through the Manager using the same structure as the Fund ("AV Syndicate Club").

Target Returns:

A portfolio of Investee Companies will be chosen on the basis of a target fund IRR of 20% or more per annum (not taking into account any tax reliefs), within 5-8 years.

EIS3 Certificates:

EIS3 Certificates will be issued for each individual investment, typically within 8 weeks of the investment being made, depending on HMRC's turnaround time.



3) EIS Tax Reliefs

The Fund's objective is to deliver tax-free capital growth from Enterprise Investment Scheme investments (EIS).

Benefits of EIS

EIS comprises a variety of tax benefits available to UK tax paying individuals, subject to investments complying with the relevant conditions and requirements. Reliefs available include:

- 30% EIS Income Tax relief up to maximum investment of £1,000,000 in any tax year
- Deferral of capital gains tax on the disposal of other assets in the period of 3 years prior to and 12 months after the qualifying EIS investment for the life of the EIS investment
- No income or capital gains tax on realisations of EIS investments (provided the investments have been held or at least 3 years without breach of the EIS rules)
- Income tax relief from investment losses, reducing the potential loss on a £100,000 investment to £38,500 for a 45% rate tax-payer
- 100% Inheritance Tax relief (provided the investments have been held for at least 2 years at time of death)

The availability of any tax relief depends on the individual circumstances of each Investor and of the company concerned. This may be subject to change in the future. If you are in any doubt about the availability and applicability of any tax relief, or the tax status of your investment, you should obtain independent tax advice before proceeding with your investment.

Illustrative Examples

Example 1: an investor subscribes £50,000 for shares in the 2017/18-tax year. In the 2016/17-tax year he/she had realised a capital gain of £50,000 on selling a second home, which was taxable at 28%. The investor pays income tax at a rate of 45%. In the 2021/22-tax year, the investor sells his/her shares for £150,000.

The outcome is as follows, depending upon whether the investor is able to claim EIS relief, or no relief at all.

	EIS	No relief
Subscription price	£50,000	£50,000
Income Tax Relief	(£15,000)	-
CGT Deferral	(£14,000)	-
Net cost of shares	(£21,000)	(£50,000)
Sale proceeds	£150,000	£150,000
CGT Deferral Clawback	(£10,000)	
CGT on sale	-	(£20,000)
Net gain	£119,000	£80,000

Example 2: the facts are as in the previous example, except that the investment unfortunately fails completely and is wound up in 2022, with the investor receiving no money back.

	EIS	No relief
Subscription price	£50,000	£50,000
Income Tax Relief	(£15,000)	-
CGT Deferral	(£14,000)	-
Net cost of shares	(£21,000)	(£50,000)
CGT Deferral Clawback	(£10,000)	
Income tax relief on loss	£15,750	£22,500
Net loss	(£15,250)	(£27,500)

These illustrations (Examples 1 & 2) are just examples and not an indication of the future performance of the investee companies in which the Fund will invest.



4) Investment Thesis

Ascension believes that certain subsectors and investment themes within the UK's digital media and tech sectors represent excellent opportunities for value creation and commercial growth. The UK's investment ecosystem is now one of the most active in the world, in part down to the Government's introduction of SEIS & EIS, which has enabled entrepreneurs with big ideas and viable products to raise adequate seed rounds to get them to the next stage of their development.

However, experience has taught the Ascension Team that investing in early-stage and/or growth businesses is not enough and often successful investment requires more than just money. They have seen that typically early-stage or growth capital funds used to create an infrastructure provide one of the best environments for Investee Companies to grow and flourish. We believe the Fund, due to our differentiated investment approach and seed/early stage expertise represents an attractive opportunity for investors seeking exposure to this sector.

After the successful launch of its first EIS fund in July 2017, this new Fund's strategy will be continuing to focus on developing a portfolio (per investor) of approximately 8 companies operating in the tech and digital media sectors, targeting post-seed, pre-Series A businesses raising between £600,000 - £1.2m. This particular stage of funding (Seed+) is where Ascension has identified an 'equity gap', which exists for companies that have raised an initial seed round (where Ascension's SEIS funds operate) but are too early for Series A VCs.

Ascension has been backing seed/early-stage tech and digital media companies since 2012, and now has 50+ companies in its portfolio (across 6 distinct funds). Ascension has increasingly been supporting its portfolio businesses to raise their Seed+ round (£500,000-£1.5m follow on rounds) by introducing them to its extensive network of VCs and angels. Although some of Ascension's portfolio companies have been at the top end of the Seed+ rounds, raising £1.3m+ (Vidsy, Moteefe, and WeGift as recent examples), a number of its portfolio companies (e.g. Concured, GetAgent and others) have also been performing well but have needed an additional round of funding prior to raising Series A funding, where (from Ascension's experience), VCs typically like to see over £100,000 in monthly recurring revenues (MRR).

This is where Ascension believes it has identified a clear equity gap in the UK funding ecosystem. Using data from Ascension's last 30 investments from its ASCEND SEIS Fund II and III, the initial seed round for these companies is approximately £300,000, giving them a minimum of 12 months runway assuming 0 revenues (a general pre-condition of Ascension SEIS Funds' investment). However, although there have been a number of SEIS funds set up over the past few years, through the Ascension Team's day-to-day activities, they have noticed that the number of EIS funds

in the market, specifically focused on tech and digital media, is still minimal in comparison, which has meant the gap between post-seed and pre-series A (where the institutions begin operating) is still largely dependent on the UK angel community.¹ This can make it difficult for companies to raise a round: 1) quickly with one or two funds (instead of onboarding 10-20 angels) and, 2) even if they are achieving promising revenue metrics (for example, generating £30k+ in increasing MRR, and negotiating/signing contracts with a variety of clients). This is where Ascension identified a gap in the market when launching its first EIS fund at the start of 2017, and where this Fund intends to continue to maximise the opportunity to support some of what we believe are the UK's best tech and digital media businesses on their way to Series A investment – but at a more attractive valuation than the Series A round.

Why Tech & Digital Media

In 2016, London tech firms attracted more investment than any other major European City, and the VC focus on the UK's capital is growing - from £1.36bn in 2015 to £1.43bn in 2016². Even as the UK's start-up community awaits the result of Brexit negotiations, the tech scene hasn't halted its progress, with the last 18 months having seen billion-dollar valuations for UK companies such as Transferwise, Deliveroo, Funding Circle and Improbable^{3,4}, showing talent and innovation is still prominent in the UK. Along with this, the UK leads the way for investors looking to deploy capital in Europe and is a key destination for entrepreneurs and businesses, especially in the tech industry.⁵ For example, Snapchat recently announced the set-up of its International HQ in London, citing it 'believes in the UK creative industries, it's where our advertising clients are'⁶. Ascension also believes, through its experience with its own portfolio and co-investors, that UK universities have some great pools of talent in leading fields such as Big Data, Artificial Intelligence and Financial Technologies. This talent increasingly sees entrepreneurship as the most attractive route to building a career, rather than joining a more established business offering big pay packets but restricting genuine creative freedom.

Ascension believes that the opportunities in the UK digital media and tech sectors are significant and manifold. Ascension's practical operating and investment experience has led it to focus on six areas where it has seen profitable returns:

- Online Video & Content
- Virtual Reality ("VR")/Augmented Reality ("AR") & Mobile Games
- Music & Sports/eSports
- EdTech
- AdTech & Publishing
- SaaS & eCommerce

These areas are where the Ascension Team, through its experience, believes scalable intellectual property assets and value can be created quickly with moderate funding; with mainly Business-to-Business (B2B) and Business-to-Business-to-Consumer (B2B2C) revenue models. The majority of the portfolio companies that the Fund will look to invest in will have a strong mobile and leveraged marketing/distribution strategies built into the proposition.

1 <https://realbusiness.co.uk/funding/2015/01/27/europes-pre-series-a-funding-gap-is-good-news-for-both-investors-and-entrepreneurs/>

2 <http://uk.businessinsider.com/vc-uk-tech-firms-down-londonandpartners-pitchbook-80-million-2016-2017-1>

3 <http://elitebusinessmagazine.co.uk/finance/item/uk-tops-the-european-ranking-of-most-tech-unicorns-but-other-countries-are-catching-up>

4 <http://uk.businessinsider.com/fintech-unicorns-ranked-by-value-2016-7/#t20-gusto-online-payroll-tools-for-small-businesses-8>

5 <http://www.londonandpartners.com/media-centre/press-releases/2017/20170112-uk-tech-sector-leads-european-investment-in-2016>

6 <http://www.independent.co.uk/news/business/news/snapchat-set-up-international-hq-london-post-brexit-britain-los-angeles-tech-company-app-a7518746.html>

Deal Flow & Co-Investment

From Ascension's experience, they have seen that in order for many early stage businesses to grow and flourish it is critical that they have the appropriate support and infrastructure. This is where Ascension believes that it, along with its investors, co-investors, and Mentors can add significant value. The Fund will embrace a co-investment philosophy, collaborating with the angel community and seed stage VCs. This should increase deal-flow opportunities and see that the portfolio companies are well capitalised on their journey to Series A and beyond. It will be a pre-requisite that each investee business has a minimum of 12 months runway, assuming conservative revenue growth (from current position at time of investment). Along with this, Ascension, through its experience, has found that a funding round made up of angels and/or additional institutional investors add more support and 'heads around the table' which can accelerate growth.

Ascension has already co-invested with firms like LocalGlobe, Entrepreneur First, Fuel Ventures, Seedcamp, Mangrove, The Guardian Media Group, Delin Capital, and more. The Fund can lead investment rounds, which it will look to do the majority of the time, negotiating good valuations, consent rights and other corporate governance aspects. As a note, across 30 of its investments from the ASCEND II and III, Ascension has led 65% of the investment rounds, in which it also makes up approximately 35% of the total round size. Angels and other co-investors are often looking for a lead investor to take control of closing an investment round; Ascension is happy to take up that role, both at the Seed and Seed+ stages.

Increasingly, Ascension is seeing a majority of its deal-flow coming from its existing portfolio companies and co-investors from past deals. This is because the portfolio companies are working in a particular sector and can identify like-minded individuals who show the same commitment, drive, ambition and market knowledge. They are at industry events, ecosystem gatherings and constantly hustling to line-up future funding, find clients, learn from industry experts, and grow their business.

This kind of commitment and energy is recognised by other start-up founders, and networks of the best founders begin to form, which is good for Ascension as its portfolio companies recommend Ascension to them if they're seeking funding. Along with this, through its co-investment philosophy, Ascension has seen an increase in co-investors, from the angel and VC community, for each deal that it completes on. Ascension's reputation for leading rounds quickly and efficiently, and the business development and strategic advice it gives its portfolio, resonates well with other co-investors as well as founders. The co-investors are then investing in other companies and will introduce the opportunities to Ascension to facilitate completing the rest of a funding round. This has enabled Ascension to invest in some of the 'hottest' early-stage tech and digital media deals: Curiscope, WeGift, and Moteefe are a few examples of this. In fact, two of Ascension's portfolio, Vidsy & Anon AI, won the top prizes at UKTN's (formerly Tech City News) 'Elevator Pitch Awards 2017' in October 2017; Anon AI won the 'Cybersecurity Award' and Vidsy won the 'AdTech/MarTech Award' and 'Standout Success Award' (the main prize of the evening)⁷.

Ascension also counts its network and connection to Accelerators/Incubators, the UK's leading MBA tech clubs (INSEAD, LBS, Cranfield), and media/tech industry contacts as additional sources of deal flow. Ascension believes it has an extensive presence in the UK tech and digital ecosystem, from both its Investment Team and Mentors' activities.

⁷ <https://www.uktech.news/elevator-pitch/elevator-pitch-awards-2017-announcing-the-winners-20171007>

Not only does the breadth of Ascension's contact base reach into almost every business in the sector, but also, they have been at the forefront of major deals that they believe have shaped areas of the industry over the past 20 years. Ascension has a substantial network for sourcing deals and managing investments and thus believes it has a significant advantage when it comes to gaining a 'first look' at innovative tech businesses looking for funding. The Ascension Team sees over 2,000 Seed and Seed+ investment opportunities a year.

Approach and Criteria

The Fund does have the benefit of understanding how existing Ascension investee businesses are performing, due to the Ascension team's day-to-day relationship with the founders, and may well get the opportunity to subscribe to rounds that other investors would not get access to. For example, if a company is raising £1m and has a lead investor committed for the full amount, the Fund could decrease, through its relationship with the portfolio business, the lead investor's subscription to accommodate the Fund.

Ascension's intention will be to invest no more than 50% of the Fund's capital (i.e. 3-4 out of the expected 8 portfolio companies) into its existing portfolio businesses. This existing Ascension portfolio business will also have to match certain criteria, which includes raising at least £600,000 and securing at least 60% of its round from external investment, including a lead investor.

The Fund's most important requirements when engaging with an investment opportunity are team, product and distribution. They will have compelling business models capable of rolling out globally, strong creative/tech talent and management, with at least two co-founders with complementary skills sets: CEO ('front of house') and CTO ('back of house').



5) About Ascension Ventures & Team

Having spent the majority of their careers investing in and managing digital media and tech businesses, the Ascension Investment Team, in collaboration with its Mentors, are uniquely positioned to capitalise on the UK early stage digital ecosystem. The Ascension Investment Team's goal with the Fund is to identify, support and accelerate the success of the next generation of UK businesses in the digital media and tech sectors. Ascension will offer these businesses access to mentoring resources and portfolio cross-pollination seeking to enhance investee company performance. With this support, we believe that these businesses can achieve sustainable growth with limited initial capital investment, which has been demonstrated through high-growth companies in Ascension's previous funds.

The Ascension Investment Team will advise the Manager on investments in early stage venture capital opportunities, seeking opportunities where relatively small investments can create scalable, intellectual property owning and exploiting businesses.

The Investment Team

[Arthur Sherry](#)

Chairman, Ascension Ventures

Fund Investment Committee

Arthur, with his extensive background in Leveraged Finance and Private Equity, has over 40 years of experience supporting a large number of entrepreneurial management teams to realise their aspirations. He started his career with Bank of Scotland and was involved in dozens of MBOs across a variety of sectors and range of sizes. As the recent former Managing Director of Lloyds Banking Group Family Office business, he also had principal relationship responsibility for the diverse business activities of some of the UK's largest and best-known self-made entrepreneurs, with businesses interests with typically well in excess of £1bn turnover. He is passionate about supporting the next generation of entrepreneurs.

[Jean de Fougerolles](#)

CEO, Ascension Ventures

Jean has over 20 years' experience working in media and technology businesses. After obtaining his MBA from INSEAD, he became Head of Distribution for MTV Europe out of its London office. Jean then started working at Two Way Media, a pioneer in cross-platform digital technology, games and content, where he became CEO and structured partnership deals with many leading content owners (Big Brother, Who Wants to be a Millionaire, X-Factor, Deal or No Deal, Test the Nation), broadcasters (BBC, ITV, C4, C5, Sky Sports, Flextech, Cartoon Network) and platforms (Sky, Virgin, UPC, BT). He then led the sale of Two Way Media to Virgin Media and a leading private equity group. Jean was also an early angel investor in Atom Shockwave, later sold to Viacom for US\$200 million.

[Kieran Hill](#)

COO, Ascension Ventures

Kieran has over 7 years' experience as both an entrepreneur and investor, joining Ascension as its first employee in 2013. He heads up the investment team analysing new business opportunities and working with the portfolio businesses. Before joining Ascension, Kieran worked as a derivatives trader, was the Head of Business Development at an online video start-up, and a freelance journalist for the Guardian newspaper. He graduated from Westminster University with a first-class honours degree in Journalism.

[Sam Miller](#)

Investment Director, Ascension Ventures

Sam has a diverse background of 12 years in banking/venture capital and treasury management. He has worked on funding start-up businesses through to working as part of a team that delivered transactions with enterprise values of £40m plus. Sam is responsible for managing a number of partnerships and JVs with a particular focus on raising new funds through both institutional and private investors. He also originates, transacts and completes SME opportunities that require debt and equity investments. Sam runs Ascension's Birmingham office and regional investments.

[Chrissy Hince](#)

Portfolio Executive, Ascension Ventures

Chrissy is an award-winning business graduate with over fifteen years experience working in a range of business support roles. In 2014 she achieved a first-class honours degree in Business and Management from Oxford Brookes University, whilst also working full-time in Business Development and Marketing for Arup, an international Civil Engineering Consultant. She has worked with tech start-ups as part of husband and wife team, Bossanova Design, a UI Design micro-agency specialising in MVPs.

She currently supports Ascension with a number of business support functions including Finance, Marketing and PR.

[Charles Breese](#)

Managing Director, Larpent Newton

Fund Investment Committee

Charles has over 30 years' experience investing in start-up, early stage and quoted smaller companies' harnessing technology to derive competitive advantage. He worked for KPMG from 1969 until 1982 and joined Larpent Newton in 1982 and was appointed Managing Director in 1986. Larpent Newton provides the resources required to assist technology-based companies wanting to develop from being unquoted through to an AIM listing and ultimately to achieving a trade sale. Charles is also a director of Hygea VCT (which focuses on Medtech), and represents Larpent Newton as manager of the London Business Angels SEIS/EIS Fund.

[Remy Minute](#)

Entrepreneur, Angel Investor

Fund Investment Committee

Remy was the founder and CEO at CSC Media Group Ltd, which, when sold to Sony Pictures Television in 2014 for approximately £107m, operated 16 ad-supported television channels and associated websites/VOD channels. Remy has worked in broadcast and interactive media for nearly 20 years. Previous to CSC Media, Remy served as the Commercial Director of YooMedia plc., where his focus was on building and managing their successful and profitable gaming business. Before YooMedia, Remy served as Head of Strategy at Telewest Broadband where he was responsible for implementing Telewest's broadband content strategy. Remy is an investor in a number of Ascension's portfolio companies, including Blokur, Rotor, Localistico and others.

[Ken Harrell](#)

Co-Founder & Managing Director, Pharus Advisors

Fund Investment Committee

Ken has extensive experience in mergers and acquisitions, restructurings, refinancings, and principal investments.

He leads Pharus Advisors, a New York based M&A firm, in areas including EdTech, digital media, and broadcast technology, and also has relevant experience across multiple sectors, BPO, enterprise software, industrial technology, consumer products, energy and aerospace/defence.

Prior to founding Pharus, Ken assisted in starting Conway, Del Genio, Gries & Co. LLC, a restructuring and M&A advisory firm. Previously, Ken was a Managing Director and founding member of The Chart Group, L.P., an international merchant banking advisory and private equity firm. He began his career in Ernst & Young's M&A and restructuring advisory practice and helped build Ernst & Young's practice in Eastern Europe.

Ken graduated with a BS from The Wharton School of Business at the University of Pennsylvania and earned an M.A. in Comparative European Studies from the University of Sussex. He is also an active Angel Investor.

Ascension Mentors (“Mentors”)

Ascension has assembled an experienced group of Mentors and advisors, including seasoned entrepreneurs and professionals who provide insight and access to their networks, which will be harnessed for the benefit of Investee Companies in the Fund, as well as providing access to investment opportunities before they reach the wider market.

The Mentors will contribute their expertise in building digital media and technology businesses, ranging in size, from start-ups to global companies and operating within the digital media and tech sectors on which the Fund will focus its investment activity. When Ascension is considering investing into a business, it can call upon a relevant Mentor from the initial stages, sending them the business plan, inviting them to join the interview and due diligence process, and working with them to identify whether the proposition has a genuine chance of establishing valuable distribution channels.

As our Mentors are linked into some of the biggest brands and agencies in the UK (see below), they offer a valuable insight into whether the proposition being presented is something that a brand/agency/corporate within their networks may want or need.

Ascension currently has a network of approximately 25 Mentors and the list continues to expand (often an angel co-investor with deep sector knowledge becomes the mentor/NxD on a specific deal) as we seek to involve the best Mentor on any given investment. Here is a small selection of current Ascension Mentors, with a wider selection available on the Ascension website:

[Mark Wood](#) was Editor-in-Chief and Head of Media at Reuters and subsequently worked as Chairman/CEO of ITN, the TV news organisation, and CEO of Future plc., the UK-US publishing group. He developed digital businesses at Reuters and ITN and was also a co-founder of digital video business Diagonal View.

Currently Mentoring: [Percent](#) & [Tailored](#)

[Howard Litton](#) was the Managing Director of Nickelodeon UK until 2010. Since then he has been the Content & Creative Exec for Hopster and an Advisor/Consultant to a range of companies in the Kids/Television space. Howard has deep experience and knowledge of the global children’s TV market.

Currently Mentoring: [Night Zookeeper](#)

[Gregor Angus](#) is a Marketing Management Consultant with 25 years of entrepreneurial and creative experience, enabling the creation, management and commercialisation of exciting young businesses. Gregor was previously the Executive Vice-President of Cossette, a marketing and advertising agency, and Commercial Consultant at Magine, an online video platform.

Currently Mentoring: [CampaignDeus](#)

[Shweta Sharma](#) is the ex-Director of Entertainment for Xbox at Microsoft. She established the Xbox Entertainment business for Europe, Middle East and Africa during 2012-2014, adding strategic planning and business management skills to front the launch of Xbox 360 and Xbox One App portfolios. She was responsible for driving growth through new product development, marketing and customer propositions.

Currently evaluating investment opportunities in gaming and eSports

[Peter Cowley](#) was the MD of Digital Media for Endemol UK and global head of original digital programming at Endemol International. Peter has spent his working career in content, Internet portals and access, marketing and advertising. Peter is the founder and current CEO of Spirit Digital Media, a dynamic multi-platform content producer.

Currently Mentoring: [Formatzone](#) & [Highbrow](#)

The Ascension Investment Team and Mentors are subject to change and a full and up-to-date list can be found at: <http://www.ascensionventures.com/about/mentors/>



6) Fund Infrastructure

The CENTAUR EIS Evergreen Fund is structured as a HMRC unapproved EIS Fund.

It is not a distinct legal entity and is not considered to be a collective investment scheme as defined in section 235 of the Financial Services and Markets Act 2000.

The Fund will deliver one EIS portfolio for each Investor, and will comprise a number of discretionary managed portfolios, making investments as detailed in 'Part Four: Investment Thesis'. For legal and tax purposes (and as is typical with such funds) the Investor will be the beneficial owner of the shares in the relevant portfolio company.

Larpen Newton & Co Ltd (“the Manager”)

The Fund is a collaboration between Ascension Ventures Ltd and Larpen Newton & Co Ltd (“The Manager”). The Manager will work with Ascension to develop a portfolio of Investments with the aim of creating an exit for each of the Investments within three to eight years (being mindful that EIS-qualifying investments need to be held for at least three years). Investment returns, net of fees and charges, will be returned directly to the Investor and will not be re-invested.

Larpen Newton & Co Ltd is a long established, FCA-regulated UK Alternative Investment Fund Manager (AIFM) that has been investing clients' funds in early stage and emerging companies for over 25 years.

Reyker Securities plc. (“the Administrator and Custodian”)

Reyker Securities plc. is the Administrator and Custodian, providing safe custody, administration and certain other services to the Fund. Reyker Securities plc. is authorised and regulated by the Financial Conduct Authority under number 115308.

The Administrator and Custodian will deposit and hold Investors' cash in one or more client bank accounts, in which Investor funds may be aggregated, with a banking institution that is regulated by the FCA, and will be deposited in a segregated client money account in accordance with the rules and guidance in CASS 7 of the FCA Handbook, as may be supplemented, varied or amended from time to time (the “Client Money Regulations”). In accordance with CASS 6, Shares will be held with a separate Nominee, segregated from the assets of the Investment Advisor, Manager and the Administrator and Custodian. The Administrator and

Custodian will provide bi-annual statements as at the 5 April and 5 October to the Investors in the Fund.

The agreement with the Administrator and Custodian may be terminated by either the Manager or the Investment Advisor, or the Administrator and Custodian upon 180 days' prior written notice although in certain circumstances (e.g. the insolvency of either party or an unremedied breach after notice) the Agreement may be terminated at any time.

Ascension has worked with Reyker Securities plc. on all of its SEIS & EIS Funds, since launching its ASCEND SEIS Fund I in 2012.

Investor Updates & Events

Ascension will provide a bi-annual report to Investors on the progress of the Investee Companies. Investors will also be invited to events organised by Ascension, where there will be a chance to meet members of the team and some of the Investee Companies. Ascension holds at least 6 of these events each year at its Piccadilly Circus office, which will showcase 4-5 of Ascension's portfolio companies, which could include investments from the Fund.

Investors wishing to get more information or who are interested in meeting more regularly are encouraged to inform Kieran Hill (kieran@ascensionventures.com).

We are keen to find a balance between Investors wanting to be more passive with those wanting to more actively follow the progress of their portfolio, so please communicate with us if you fall into the latter camp.

EIS Certificates & Ascension Portal

Following the issue of the EIS Qualifying Shares, the Investee Company will need to apply to HMRC for authorisation to issue tax relief certificates (EIS3 Form) to Investors. These certificates will enable Investors to claim the EIS Reliefs to which they are entitled. Although the time taken by HMRC to grant authorisation cannot be controlled by the Company, every effort will be made by the Directors to expedite the process and, as soon as authorisation is given, EIS3 Forms will be distributed to Shareholders. Any person who is in doubt as to his/her taxation position, or is subject to taxation in a jurisdiction other than the UK, should consult an appropriately qualified professional adviser without delay.

Along with distributing the EIS3 Forms to an Investor, in respect of each Company, Ascension will also provide each Investor with their own Ascension Cloud Folder where they will be able to access digital scans of their EIS3 Certificates. This portal will also contain the latest Investor Updates.

AV Syndicate Club

Ascension has created an infrastructure, through Reyker Nominees or such other nominee the Administrator and Custodian may appoint from time to time to be the registered legal holder of Investments on behalf of the Investors, to facilitate co-investing/follow-on funding from investors within Ascension's SEIS & EIS Funds. All investors within the Fund will have pre-emption rights and therefore have the right, but not obligation, to maintain their shareholding in each Investee Company in which they have a beneficial shareholding, to avoid dilution, as they go through their funding rounds.

The AV Syndicate Club structure enables Ascension to continue overseeing the execution and management process on an investor's behalf, along with keeping each portfolio business' cap table 'clean'.

It is important to note that nearly all portfolio companies are forecast to need additional monies to accelerate their growth and will need to raise further rounds of funding – often from institutional sources such as the more traditional venture capital funds - to continue their growth. By doing so, the Fund's shareholding in these companies will be diluted. However, these further rounds of funding are often welcome as the dilution effect is usually offset by having cash in reserve and, on occasions, a significant increase in the valuation of these companies.

Investors Eligible to Participate

The CENTAUR EIS Evergreen Fund is open for participation by prospective investors who can be categorized by Larpent Newton & Co Ltd as a retail client under the rules of the FCA, subject to meeting certain regulatory requirements. Further information explaining how this categorisation can be effected, what it means, and the consequences thereof, is set out in the Investment Management Agreement.

Note to Independent Financial Intermediaries

Pursuant to Article 3 of Markets in Financial Instruments Directive ("MiFiD"), non-MiFiD independent financial advisers ("IFAs") are allowed to transmit orders for units in collective investment undertakings where those units can be marketed to members of the public.

Whilst the Fund is a collective investment undertaking for MiFiD purposes, it is not a collective investment scheme within the meaning of section 235 of the Financial Services and Markets Act 2000 for the purposes of UK legislation. It is a complying fund within the meaning of Article 2 of the Schedule to the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001 because, in particular, pursuant to the Investment Management Agreement, Investors are entitled to the withdrawal rights prescribed by that Article.

Accordingly, participation in the Fund can be promoted to members of the public generally as this Information Memorandum has been issued and approved by Larpent Newton & Co Ltd, which is an authorised person within the meaning of the Financial Services and Markets Act 2000. IFAs are accordingly entitled to transmit orders by submitting Online Application Forms on behalf of their clients to the Administrator and Custodian, providing they have the required permission from the FCA to be able to do so.

Life of the Fund

In order to retain EIS Income Tax Relief and qualify for CGT Exemption, Investors must normally hold the Qualifying Shares acquired by the Manager for at least a three-year period, and no partial withdrawals are permitted within this time. It is intended that the Manager, as advised by the Investment Advisor, will consider options for realising the Qualifying Shares in the interests of the Investors after the expiry of the Three-Year Period. Having regard to the Three-Year Period and the feasibility of obtaining a realisation thereafter, the Fund has a target life of between three to eight years but there can be no guarantee that all Qualifying Shares will be realised within this period. However, the Manager may, at its absolute discretion, have regard to any requests made to it by an Investor to liquidate any individual shareholdings in the Fund (but such termination may result in a loss of EIS Income Tax Relief and crystallisation of CGT in respect of capital gains on which CGT Reinvestment Relief had been claimed).

The Investment Advisor will advise the Manager with regard to the maximisation of value in considering the strategy for, and timing of, the realisation of the Qualifying Shares.

It would be prudent to view an investment in the Fund as medium to long term. An investment should only be made in the Fund on the basis that it will remain invested for at least three to seven years.

Following the realisation of the Qualifying Shares in each Investee Company, the realisation proceeds will be paid to Investors, on a company-by-company basis. Consequently, it is probable that Investors will receive distributions from the Fund over time.

7) Track Record (as of October 2017)

The ASCEND SEIS Fund I was the first SEIS Fund to launch after the Government introduced the scheme in April 2012. The Fund made its first investment in December 2012 and then went on to make 14 investments over a 16-month period, with an average investment size of £110,000 into each portfolio business. Since the ASCEND SEIS I, Ascension has launched an additional 4 SEIS/EIS Funds, and invested in an additional 50+ companies.

Past performance is no guarantee of future results. The companies mentioned below have been selected based on their significance and are shown for illustrative purposes only. They are not recommendations. For more details on the other Ascension portfolio businesses, please visit www.ascensionventures.com





Night Zookeeper

Fund: ASCEND I & CENTAUR I

Investment Date: April 2013

Sector focus: EdTech, Gaming, Publishing, Online Video

An online children's brand and digital writing tool, creating interactive lessons for primary school students.

- The ASCEND SEIS I led a £150,000 seed round in April 2013
- Night Zookeeper ('NZK') has closed an additional 2 follow-on rounds, with the most recent (£600,000+) in October 2017, led by the London Business Angels. The CENTAUR EIS Fund I and AV Syndicate Club also participated in this round of funding
- [Nominated for a BAFTA](#) in the Children's 'Primary' category in 2015
- Licensing deal with Oxford University Press for NZK books, with publishing expected to begin in January 2018
- Pre-production deal with a major UK broadcaster, for 10 NZK episodes
- Partnerships with Edinburgh Zoo and Active Gaming Media (Japan)
- Sold its Night Zookeeper software to over 200 schools globally, reached 270,000 downloads of its award-winning Night Zookeeper Mobile Apps⁸
- Measured +103% revenue growth in the past 7 months

Moteefe

Fund: ASCEND II

Investment Date: January 2016

Sector focus: eCommerce

Moteefe

A social commerce platform providing a solution for users to sell customised products through social media.

- The ASCEND SEIS Fund II co-invested alongside Fuel Ventures as part of a £350,000 round in January 2016
- Moteefe raised a £1.7m Series A round in February 2017, with participation from the AV Syndicate Club, Livingbridge, Dhow Capital and a variety of angel investors
- Generating approximately £500,000 a month in gross revenues, which to date have been increasing month-on-month
- Closed partnerships with over 10 agencies who manage social media influencers, and have committed to work with Moteefe over the next 12 months, to onboard their social talent to monetize their audiences

⁸ <https://hundred.org/en/innovations/night-zookeeper>



Vidsy

Fund: ASCEND II

Investment Date: August 2015

Sector focus: Online Video

Crowd-sources the production of micro-video content for brands, enabling them to develop a direct connection with a millennial audience and drive engagement online.

- The ASCEND SEIS Fund II participated in a £270,000 seed round in September 2015
- Vidsy [closed a £1.3m Seed+ round](#) in February 2017, including participation from the Guardian Media Group, AV Syndicate Club, Founders Factory and Delin Capital
- Generated over £550,000 in sales in Q3 2017, with clients including M&S, King.com, Unilever, Asda, Lloyds Bank and more
- [Announced as an official 'Snapchat Partner'](#); 1 of 21 official partners globally
- [Won Facebook's Innovation Spotlight award](#) for 'Creativity around Video' and became an official Facebook marketing partner



Mutt Motorcycles

Fund: ASCEND II

Investment Date: February 2016

Sector focus: eCommerce

Designed to bring an exciting and fresh attitude to the small CC motorbike market at an affordable price.

- The ASCEND SEIS Fund II led a £350,000 seed round alongside Finance Birmingham and 2 angel investors
- Became profitable in its first year of trading (selling over 600 'Mutt Mongrel' bikes)
- [Opened its bike warehouse and commercial premises](#) in the summer of 2017, attended by over 1,000 motorcycle enthusiasts and big motorcycle brands
- Achieved its highest quarter of sale (Q3 2017) with its premium dealers



WeGift

Fund: ASCEND III

Investment Date: October 2016

Sector focus: eCommerce

Enabling businesses to pay out money instantly, with no extra effort – by building a platform where digital gift cards can be delivered as open value codes.

- Raised a £1.2m Seed+ round 6 months after the ASCEND III's initial investment, which included participation from the AV Syndicate Club
- 97 brands live on the platform with 9 customers currently paying for the product; these include Tradedoubler, VoucherCodes, Perkbox, Tango Card and more
- 3 products live to market with revenue being generated across 11 markets



Curiscope

Fund: ASCEND III

Investment Date: March 2017

Sector focus: VR/AR, Online Video, EdTech, Publishing

Creating inspirational adventures in Virtual Reality & Augmented Reality that bring your imagination to life.

- A co-investment alongside LocalGlobe and a group of angel investors as part of a \$1m Seed Round
- Its Augmented Reality product, 'Virtuali-Tee' has been featured in [Wired](#), [Forbes](#), [The Huffington Post](#) and [Techcrunch](#) and achieved over \$200,000 in sales
- Its Virtual Reality experience, 'Great White Sharks', has achieved [over 24m views on YouTube](#)
- Ed Barton, Curiscope's CEO, was included in [Forbes '30 under 30'](#) list in 2017
- Curiscope has commercial partnerships with Dorling Kindersley & HTC
- Launched 'shARK by Curiscope' on the App Store in September 2017



ZigZag

Fund: CENTAUR I

Investment Date: July 2017

Sector focus: eCommerce

A SaaS platform that manages eCommerce returns through its [award-winning](#) returns portal. ZigZag grades retailers returned products and can consolidate, refurbish, locally redistribute, recycle, destroy and resell stock internationally on a revenue share basis.

- Raised £805,000 to-date, including participation from the CENTAUR EIS Fund I, CrowdCube and a group of high-profile angel investors
- Achieving £50,000 in monthly recurring revenues (up from £0, 6 months ago)
- Partnered with DHL, UPS, FedEx and Wincanton
- Clients include Arcadia Group, Selfridges, Soletrader and more
- 50 couriers, 220 warehouses across 130 countries

Human



Fund: ASCEND IV

Investment Date: October 2017

Sector focus: Publishing, AdTech, Online Video

A human cognition machine learning tech company, humanising technology to decipher subliminal facial expressions into emotion and characteristic traits, live, predicting human behaviour in professional sports, recruitment, transportation security and recruitment.

- A co-investment, as part of a £250,000 seed round, alongside an AI Fund and a group of angel investors in May 2017
- Contracts and LOI's signed with the Pittsburgh Pirates (Baseball), BNP Paribas, Telefonica, Tazio, Workable, Montage and more
- Accuracy of 91.2% for emotion and 72.3% for characteristics, higher than human level performance
- Raising a £1m Seed+ round in Q1 2018

8) Timetable and How to Apply

For Private Investors

If you wish to make a Subscription, please read the Information Memorandum, in particular 'Part Ten: Risk Factors', the Investment Management Agreement, and the Administrator and Custodian's Terms of Business (the Application Pack) and then visit the Online Application Form by clicking below:

[CENTAUR EIS Evergreen Fund Online Application Form](#)

Please complete the Online Application (including AML checks and payment) to subscribe to the Fund. If your application is advised, your financial advisor will be required to log into the online portal to confirm your application once it has been submitted. They will be notified of this via an automated email.

For Financial Advisors

If your client wishes to make a Subscription, please confirm he or she has read the Information Memorandum, in particular 'Part Ten: Risk Factors', the Investment Management Agreement, and the Administrator and Custodian's Terms of Business (the Application Pack) and then visit:

[CENTAUR EIS Evergreen Fund Online Application Form](#)

If you have not already registered with Reyker, you can use this link to sign up and create an online account in a few easy steps, which will allow your clients to select you as their advisor. The client can also use this link to register with Reyker.

Once the client has registered, they can complete the application form online and subscribe to the fund (including AML checks and payment). You will be notified of their submission with an automated email and be able to review and confirm their application.

Alternatively, once the client has registered with Reyker you can complete the application form on their behalf; the client will then be able to login to their account to confirm the application.

* Payment – you must make your payment for the amount via the Reyker online portal. You will be provided with guidance during the process.

Contact

If you have any questions about these documents or require any help filling out the Application Pack then please contact your Financial Advisor. Alternatively, please do not hesitate to contact: kieran@ascensionventures.com.

The Fund will operate an Evergreen model, and will accept Subscriptions every quarter on an ongoing basis, with the Fund-raising tranches that close on the **4th January, 4th April, 4th July and 4th October each year**, starting in January 2018.

9) Fee Structure

Initial Charge (charged to Investee Company)

An initial charge is payable to the Investment Advisor equal to 5% of the Fund's Subscription in the Investee Company. This Initial Charge will be charged to the Investee Company and cover:

- Any agreed payments to facilitate advisor charges by an Investor's financial intermediary (if relevant) up to a maximum of 3%
- Deal execution fees
- Custodian & Administration Costs, including a 0.2% Dealing Charge on initial investment into each Investee Company
- Larpent Newton's Manager Fees
- Establishment and on-going costs of the Fund

Annual Management Fee (charged to the Investor)

There is an Annual Management Fee of 1% of any Subscription payable to the Investment Advisor, which covers access to the AV Syndicate Club, reporting to investors and administration and accounting. This Annual Management Fee will cover:

- Custodian & Administration Costs – 0.3% Annual Fee
- Legal and Administration costs – follow-on funding rounds
- Larpent Newton Manager Fee's

As 100% of an Investor's Subscription is invested in the underlying portfolio, the Annual Management Fee is deferred until cash is received into the Investor's Account through one or more realisations. There will be no liability for the Investor if there are no realisations from the Fund.

Performance Fee (charged to the Investor)

The Investment Advisor will be entitled to a Performance Fee equal to an aggregate of the following:

- 20% of any returns to Investors above £1.05 per £1 of Subscriptions in the Fund; and
- 10% of any returns to Investors above £1 per £1 of any subscriptions made by Investors in any Investee Company via the Ascension Syndicate Club

The 20% Performance Fee only arises when the amount of cumulative cash returned to the Fund reaches the 105% hurdle rate. For clarification, once the Investor has received the first £1.05 per £1 invested (gross of any tax relief) in the Fund, any additional distributable cash will be paid as to 80% to the Investor and 20% to the Investment Advisor.

10) Risk Factors

This investment may not be suitable for all Investors. Investors should be aware that investing in unquoted and AIM companies (including Qualifying Companies) carries with it a high degree of inherent risk. This section contains the material risk factors that the Manager believes to be associated with an investment in the Fund, but does not necessarily include all the risks associated with such an investment.

Investment Risks

The Fund will invest in venture capital opportunities with a strong focus on tech and digital media sectors. By definition, these are high-risk situations, which, if unsuccessful, may result in a total loss of the investment.

The Fund will invest in unquoted companies, the securities of which may not be freely marketable and this may restrict the Fund's ability and any Investor's ability to exit any Investment it makes.

Investment in a fund such as the CENTAUR EIS Evergreen Fund should not be considered a short-term investment. Any withdrawals within the Three-Year Period will result in the loss of EIS tax reliefs in relation to those companies. The Manager is likely to seek an exit after at least three years. However, if this timing is not appropriate it is possible that Investments may be held for a much longer period. It may take considerable time to realise any of the Fund's Investments.

One or more Investee Companies may fail, and their securities may be sold for substantially less than their acquisition cost or those securities may have no value at all. Accordingly, an Investor may potentially lose the total amount of an Investment in any Investee Company.

The value of shares can go down as well as up and this could result in an Investor incurring a total loss of their Subscription. If you cannot afford to lose all of your Subscription, you should not invest in the Fund.

There is no guarantee that the investment objective of the Fund will be achieved.

The past performance of investments managed by the Manager or advised by the Investment Team should not be regarded as an indication of the performance of future Investments made by the Manager on behalf of Investors through the Fund.

It may be difficult to obtain accurate information to determine at any given time the value of the Fund's Investments.

Products developed by an Investee Company may not be commercially or technically successful.

Market makers may not be prepared to deal in the Fund's Investments, even if these achieve an AIM listing.

Many unquoted companies have small management teams and are highly dependent on the skill and commitment of a small number of individuals. The performance of Investee Companies may, therefore, be adversely affected by the departure or unavailability of certain key personnel.

Smaller unquoted companies requiring venture capital commonly experience significant changes and carry a higher risk than would an investment in larger or longer established businesses. Project development or technology related risks may be greater in such companies.

Force majeure events, which are events beyond the control of a party, including fire, flood, earthquake and other acts of God, terrorist attacks and war may affect a party's ability to perform its contractual obligations or may lead to the underperformance of an Investee Company.

Risks Relating to the EIS Scheme

It is possible that an Investor could cease to be entitled to certain tax benefits available under the EIS Scheme. For example, EIS Reliefs and CGT Reliefs may be lost if an Investor receives value from the Investee Company (other than a normal dividend), in the period from one year before the issue of Qualifying Shares to the expiry of the EIS Three Year Period.

There is no guarantee as to the timing of the availability of EIS Compliance Certificates (EIS3 Forms) that are needed in order to claim EIS Reliefs, as this is determined by HMRC.

If the amount of an Investor's Subscription is such that its pro-rata beneficial interest in any Investee Company in the Fund exceeds 30% of the capital or voting rights (taking into account the interests of his "associates" as defined under the legislation, to mean certain relatives (but excluding siblings), trustees and business partners) the Investor will be treated as being "connected" to the Investee Company and will not be entitled to EIS Income Tax Relief or CGT Exemption in respect of an Investment in that Investee Company. An investor will also be treated as connected to an Investee Company, and so not entitled to EIS Income Tax Relief or CGT Exemption in respect of an Investment in that Investee Company, if he or an associate is employed by the Investee Company (with some exceptions for individuals who are employed as directors).

Other Risks Relating to Taxation

Whilst it is the intention of the Manager to invest in companies qualifying under the EIS legislation, the Manager cannot guarantee that all Investments will qualify for EIS Reliefs, CGT Reliefs or IHT Relief. Equally, following an Investment in a Qualifying Company, the Manager cannot guarantee the continued availability of EIS Reliefs, CGT Reliefs or IHT Relief relating thereto because this depends on the continuing compliance with the requirements of the EIS and IHT legislation by the Investee Company.

Where an Investor or an Investee Company ceases to maintain EIS status in relation to any individual Investment, it could result in the loss of some or all of the available reliefs (together with a possible charge to interest thereon).

Following the admission of an Investee Company to the Official List of the UK Listing Authority and to trading on the London Stock Exchange plc's market for listed securities (but not a quotation on AIM), Business Property Relief for IHT purposes will cease.

The levels and bases of reliefs from taxation may change or such reliefs may be withdrawn. The tax reliefs referred to in this Information Memorandum are based on legislation currently in force. The ultimate value of any tax relief available depends on the individual circumstances of Investors at the point of investment and subsequently. The tax rules described in this Memorandum are a summary only.

The tax reliefs referred to in this Information Memorandum may not apply throughout the life of the Investment.

The tax year for which EIS Income Tax Relief is available may be later than originally envisaged if the timing of Investments is delayed.

The dates on which EIS Income Tax Relief, CGT Reinvestment Relief, and IHT relief are available will be determined by the timing of the Fund's Investments and will not be known in full until the Fund has completed its Investments.

The Manager shall not be liable for any loss incurred by an Investor in relation to the value received by any person from any Investee Company at any time within the applicable period, or as a result of a change in circumstances of an Investee Company at any time within the relevant period.

The Manager retains complete discretion to realise an Investment in a Qualifying Company at any time (including within the EIS Three Year Period from the date of an Investment) that it considers appropriate. If an Investment is realised within the EIS Three Year Period, some or all of the tax advantages relating to that particular Investment will be lost. In exercising its discretion to make such a disposal, the Manager is not obliged to take into account the tax position of Investors (individually or generally).

The taxation treatment depends on the individual circumstances of that Investor and may change in the future.

Summary of Potential Conflicts Arising from the Operation of the Fund

The Manager and Investment Advisor recognise a number of potential conflicts arising from the operation of the Fund. This section summarises some of these conflicts.

Essentially, the Manager and Investment Advisor consider that potential conflicts of interest are most likely to arise under one or more of the headings below:

Conflicts arising from follow-on investment into existing Investee Companies or into companies who have received investment from other funds managed by the Manager or advised by the Investment Advisor:

Were the Fund to provide additional capital for such an existing investment, the interests of existing investors into such companies and those of this Fund's Investors may differ (i.e. with regard to valuation and speed of exit).

Conflicts arising between the Investment Advisor and/or its related parties:

The Investment Advisor and/or its related parties may provide and charge fees for services to the companies in which the Manager invests based on advice from the Investment Advisor. There is a potential conflict of interest between the Investment Advisor and/or their related parties, and the interests of the Investors in the Fund with regard to the scope of such services and the remuneration for the provision of such services.

Conflicts arising from the Fund's fee structure:

The interest of the Investors and the Manager and/or Investment Advisor may diverge with regard to the desired timing of exits or create an incentive for the Manager to make speculative investments on behalf of the Fund.

Conflicts between the Fund and third-party co-investors:

If there are third party investors in a company other than Investors who have subscribed through this Fund, there may be differing objectives of the Fund and the third party or parties may differ. This would also apply if there were providers of debt capital alongside equity provided through the Fund.

Investment Conflicts Committee:

The Manager and Investment Advisor propose to deal with these or any other unanticipated conflicts by tabling any such conflicts or potential conflicts at the meetings of the Investment Conflicts Committee, to be resolved in accordance with the Manager's and Investment Advisor's Conflicts Policy in relation to the Fund, with the Manager's or Investment Advisor's (as the case may be) own proposals as to how such conflicts should be addressed or mitigated. Ultimately, the Manager will exercise its judgment so as to balance the interests of all its clients.

Reference to the Investment Conflicts Committee will be made in the form of a written memorandum from the Manager or Investment Advisor, which explains the background to the matter, the nature of the conflict or potential conflict and the Manager's or Investment Advisor's provisional proposals for conflict resolution. This will be made available to Investors on request.

The Investment Conflicts Committee will comprise of the same individuals as the Investment Team described in 'Part Five' of this Information Memorandum. If necessary, the composition of the Investment Conflicts Committee may be adjusted to ensure that two of its members will at all times be able to deliberate without being required to excuse themselves on grounds of taint by the conflict in question.



11) Definitions

Reference	Description
Administrator and Custodian	Reyker Securities plc., a provider of safe custody, administration services and certain other services in relation to the Fund. Reyker Securities plc. is authorised and regulated by the Financial Conduct Authority under number 115308
Administrator and Custodian's Terms of Business	The terms of business to be entered into by each Investor under which the Administrator and Custodian provide safeguarding and administration services, as set out in the Application Pack and available at www.reyker.com
Advised Retail Client	Any retail client as defined in the FCA's Conduct of Business Sourcebook which does not receive any investment advice prior to investment in the Fund
Advised Professional Client	An investor in the Fund who has been categorised as a professional client by its advisor for the purposes of its investment in the Fund, as defined by the FCA's Conduct of Business Sourcebook
Annual Management Fee	The annual management fee payable to Ascension Ventures as described in 'Part Nine' of this Information Memorandum
Applicable Laws	Relevant UK laws and regulations, including the FCA Rules
Application Pack	An Application Pack, which must be read and then completed by the prospective Investor (and Financial Advisor if applicable) in order to subscribe to the Fund. The Application Pack includes: <ul style="list-style-type: none"> • Online Application Form (Investor Details, Advisor Details, Suitability Questionnaire and Appendices) • Investor Management Agreement • Administrator and Custodians terms of business
Appointed Representative	As defined in the FCA Rules

Reference	Description
Ascension Ventures	Ascension Ventures Limited, an Appointed Representative of the authorised Manager. Ascension Ventures' firm reference number is 568418
Associate	Any person or entity that controls or is controlled by the Manager. "Control" refers to the ability to exercise significant influence over the operating or financial policies of any person or entity
Business Property Relief or IHT Relief	Relief from IHT pursuant to sections 103-114 of IHTA
CAGR	The compound annual growth rate. This means the average year on year cumulative growth rate
CGT	Capital Gains Tax
CGT Exemption	Exemption from CGT on realised capital gains on disposal of Qualifying Shares (Sections 150A-B of TCGA)
CGT Reinvestment Relief & Deferral	Relief by way of deferral of CGT claimed through reinvestment of a capital gain in Qualifying Shares in an EIS Qualifying Company (Section 150C and Schedule 5B of TCGA)
CGT Reliefs	The CGT Exemption and CGT Reinvestment Relief
Closing Dates	The final date on which an application to the Fund will be accepted in an Investment Period. The Closing Dates are 4th January, 4th April, 4th July & 4th October
EIS	The Enterprise Investment Scheme set out in Sections 156-257 of ITA and Sections 150A - 150C of TCGA
EIS Compliance Certificate	Compliance Certificates (otherwise known as EIS3 Forms) issued by an Investee Company following authorisation from HMRC permitting the Investee Company to issue them to Investors in order for Investors to claim EIS income Tax Relief and CGT Reinvestment Relief
EIS Income Tax Relief	Relief from income tax available under the EIS pursuant to sections 157-158 of ITA
EIS Loss Relief	Relief in respect of income tax for allowable losses pursuant to Section 131 of ITA
EIS Reliefs	EIS Income Tax Relief and EIS Loss Relief
EIS Three Year Period	The period beginning on the later of the date that the Qualifying Shares are issued by the Investee Company and the date that the Investee Company commences trade, and ending three years after that date

Reference	Description
Evergreen Fund	The Fund has no definitive closing date. The Fund will have multiple Closing Dates, initially, 4th January 2018 and on the successive 4th April, 4th July, 4th October and 4th January thereafter until the Manager provides the Investor no less than three years notice that the Fund is to terminate
Financial Advisor	A firm authorised by the Financial Conduct Authority to provide advice to investors and potential investors
FPO	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended)
FCA	Financial Conduct Authority
FCA Rules	The FCA rules made under powers given to the FCA by the Financial Services and Markets Act 2000
Fund	CENTAUR EIS Evergreen Fund, a discretionary investment management service managed by the Manager
FSMA	Financial Services and Markets Act 2000
HMRC	HM Revenue & Customs
IHT	Inheritance Tax
IHTA	Inheritance Tax Act 1984
Income Tax Act or ITA	Income Tax Act 2007
Information Memorandum	This information memorandum issued in relation to the Fund and dated 1st October, 2017
Intermediary	A person/company who promotes and markets the Fund to his/its clients and arranges the investment for the Investor
Investor	A person who is accepted by the Manager and so enters into an Investment Management Agreement and invests through the Fund
Investee Company	A Company in which the Fund invests
Investment	A subscription in one or more Investee Companies
Investment Advisor	Ascension Ventures Limited
Investment Team	The team described in 'Part Five' of this Information Memorandum
Investment Conflicts Committee	The committee described in 'Part Ten' of this Information Memorandum

Reference	Description
Investment Management Agreement	The agreement to be entered into between Investors, the Manager and the Investment Advisor
Investment Period	The period during which an Investor's Subscription is deemed to have been received
IRR	Internal rate of return, a metric used in capital budgeting measuring the profitability of potential investments.
Larpent Newton & Co Ltd	Larpent Newton & Co Limited, an entity which is authorised and regulated by the FCA under number 465415
Manager	The manager of the Fund from time to time, which at the date of this Information Memorandum is Larpent Newton & Co Limited
Minimum Fund Size	Aggregate Subscriptions of £500,000 for each Closing Date unless increased or decreased at the absolute discretion of the Manager, as advised by the Investment Advisor
Minimum Subscription Amount	The minimum Subscription per Investor of £25,000
Nominee	Reyker Nominees Limited or such other nominee the Administrator and Custodian may appoint from time to time to be the registered legal holder of Investments on behalf of the Investors
Performance Fee	The performance fee payable to the Investment Advisor as described in 'Part Nine' of this Information Memorandum
Portfolio	In respect of an Investor, the Subscriptions made through the Fund which are allocated to him or her in consideration for his or her investment (together with any un-invested cash from time to time constituting a part of that investment) and which shall at all material times be registered in the name of the Nominee on his or her behalf
Qualifying Company	A company that meets the requirements for EIS as set out in Section 257D of ITA
Qualifying Investors	UK taxpayers eligible to claim EIS Reliefs
Qualifying Investment	An Investment by a Qualifying Investor in a Qualifying Company which satisfies all the conditions for EIS Reliefs
Qualifying Shares	Shares in an Investee Company, subscribed for by the Fund on behalf of Investors, that qualify for EIS Reliefs
Reyker Securities plc.	Reyker Securities plc. is authorised and regulated by the FCA under the reference number 115308

Reference	Description
Subscription	A subscription to the Fund by an Investor on the terms of this Information Memorandum, the Investment Management Agreement, the Administrator and Custodian's Terms of Business and the Application Pack
TCGA	Taxation of Chargeable Gains Act 1992