

The British Design Fund 2

Investment Objective

The focus of the Fund is to invest in UK based early-stage companies that seek to lead the market in provision of innovative product design and manufacturing. The Fund seeks to invest at least £100,000 in each Investee Company in return for circa 15% to 30% equity, across at least five companies.

The Investment Manager (with the research assistance of the Company Mentor) will seek to identify potential Investee Companies, which it believes will have the following key criteria:

A defined pragmatic business plan with sales, profit and loss, and cash flow forecasts

- > A well-designed product that solves a clearly defined problem;
- > A working prototype and indication of interest from key target client(s);

- > Defensible intellectual property;
- > Revenue flow or a qualified sales pipeline;
- > Winning chemistry within the founding team; and
- > Deep understanding of the relevant marketplace and a clear competitive difference

Each Investee Company will be required to enter into a mentoring agreement with Twenty20 Mentoring Limited. Via the Company Mentor, the British Design Fund team members will work with the Investee Companies, looking to provide a comprehensive range of Mentoring Services to support the growth of the Investee Companies. It is noted that some of the mentor personnel noted below may also invest into the Fund as Investors.

Exit Strategy

The duration of each investment will be managed by focusing on companies where the Company Mentor can affect the rate of business development and the resulting cash flow growth. This aims to ensure best use of capital to enable growth and prepare each Investee Company for acquisition or a potential listing.

The expected holding period of most investments will be between the minimum three years for tax conditions and a targeted maximum of six years. However, it is noted that Investee Companies may be held for longer or shorter periods.

Exist History

Not applicable; no investments exited yet.

Fund Manager

Sapphire Capital Partners LLP

The Sapphire Capital Partners LLP team have extensive experience within the alternative investment sphere and act as Investment Manager to several EIS Funds. They have also won several awards within the industry including: Winner, Best Individual - rising star in EIS and SEIS (Boyd Carson, 2016 & Vasiliki Carson, 2017), Highly Commended, Best EIS/SEIS Tax Adviser (Sapphire Capital Partners LLP, 2017) and Winner, Best Company - innovation, newcomer or rising star in EIS and SEIS (Sapphire Capital Partners LLP, 2017).

For more information please visit www.sapphirecapitalpartners.co.uk

Fund at a glance

Scheme Categorisation

Alternative Investment Fund

Target Return

£3 for every £1 invested (total return of £4.80 per £1 required due to performance fee dilution).

Scheme Strategy

Equity SEIS

Investment Sector

Product design and manufacturing

Target Diversification

Minimum five companies

Nominee & Custody Arrangements

Woodside Corporate Services Limited provides both custodian and nominee services.

Investment Provider

Twenty20 Mentoring Limited

The British Design Fund is supported by a team with strong retail, product and investment experience which gives it access to valuable sector specific expertise in order to research, identify, invest in and help to accelerate early stage UK based companies in the product design and manufacturing sector.

The team consists of:

Damon Bonser: Damon is a serial entrepreneur with over 14 years' experience of building and running product design and manufacturing businesses.

John Mathers: Former CEO of the Design Council with forty years' experience in the brand and design industry, across retail, FMCG, and consultancy.

David Kremer: David has over 25 years' experience running Seven Towns, a multi-million toy and game business, and is the co-founder of Rubik's Brand Limited.

David Motum: Over 30 years David has built up two businesses within the financial publishing and media sector, namely; MSM International Ltd, and MSM Media.

For more information please visit www.britishdesignfund.co.uk

For further information please do not hesitate to

contact us on:

+44 (0) 20 7952 6685

info@kuber.uk.com

www.kuberventures.co.uk

Fees

Initial Costs (charged to Investee Company)

5% of the amounts invested into each investee company

Annual Management Fee (charged to the Investee Company)

Between 2-4% of the amounts invested in each investee company

Performance Fees (charged to the Investor, paid from investment proceeds)

On any increase in value on an individual investment in an Investee Company up to £5 above a hurdle rate of £1.05 (for every £1 invested) a performance fee will be charged of 20% (it is noted that the 20% will be split 5% to the Investment Manager and 15% to the Company Mentor) on the amount of the increase over and above £1.05 up to £5, and;

On any increase in value on an individual investment in an Investee Company over £5 (for every £1 invested) a performance fee will be charged of 25% (it is noted that the 25% will be split 6.25% to the Investment Manager and 18.75% to the Company Mentor) on the amount of the increase over and above £5.

It is noted that no performance fee will be charged on any amounts below the hurdle rate of 5% (being £1.05 for every £1 invested).

To the extent that the performance fee is not paid by the Investee Companies, Investors shall be liable for their share of such fee and the Custodian may be instructed by the Investment Manager to transfer cash in an Investor's portfolio to the Investment Manager and Company Mentor to satisfy any outstanding performance fee.

Other Costs (charged to Investee Company)

Any reasonable arm's length expenses and/or transaction fees incurred by the Investment Manager in managing the Fund and/or by the Company Mentor in assisting the Investment Manager or Investee Companies shall be reimbursed by Investee Companies.

VAT

The fees and charges described above are exclusive of VAT which will be added where applicable

Kuber Special arrangements

N/A

Important Notice

Please read the following information carefully as a professional adviser. The information contained in this document is for discussion purposes only for professional advisers and their clients, it is not for Retail Clients. EIS Portfolios are not suitable for all investors as the underlying investments are often illiquid and therefore high risk. Advice should always be sought from a professional adviser prior to investing. By proceeding through this document and accompanying Platform Guide you are agreeing to the terms and conditions. For purposes of compliance with the UK Financial Services and Markets ACT 2000 (FSMA), this material is communicated by Kuber Ventures; and the contents of this financial promotion have been approved for the purposes of section 21 of the FSMA by Sturgeon Ventures LLP which is authorised and regulated by the Financial Conduct Authority (FCA) and it has its trading office at Linstead House, 9 Disraeli Road, London SW15 2DR. Kuber Ventures Limited advisors are all regulated by the Financial Conduct Authority and can be found on www.fca.gov.uk/fcaregister Kuber Ventures Limited FRN 574987 is an Appointed Representative of Sturgeon Ventures LLP which are Authorised and Regulated by the Financial Conduct Authority. Kuber Ventures Limited, North West House, 119 Marylebone Road, Marylebone, London, NW1 5PU Registered number: 8693809, VAT: 175 9290 69.