

EIS Factsheet

Deepbridge Life Sciences EIS

Enterprise Investment Schemes (EIS) are suitable for:

- High net worth or sophisticated investors seeking high-risk, high-reward opportunities in early-stage companies, particularly in the technology sector
- Investors with a high tolerance for risk and a diversified investment portfolio who understand the potential for loss of capital
- Tax-efficient investors looking to benefit from 30% income tax relief, CGT deferral, and inheritance tax relief by investing in EIS-qualifying companies
- Long-term investors willing to commit their capital for a minimum of three years (to retain tax relief benefits), but ideally prepared for a holding period of up to ten years or more due to the illiquid nature of the investments

These investors benefit from significant tax reliefs while supporting potentially high-growth businesses, creating employment opportunities in the UK. Investors should have the financial capacity to bear potential losses.

IMPORTANT INFORMATION

This document aims to emphasise key aspects of the investment and should not be taken as a complete and comprehensive analysis of the risks of investing in the investment. It should be read alongside the Deepbridge Life Sciences EIS Information Memorandum, which you are advised to review thoroughly. In case of any discrepancies between this document and the Information Memorandum, the latter's provisions will prevail.

Principal Parties:

Investment Manager	Deepbridge Capital LLP
Investment Adviser	Deepbridge Capital LLP
Custodian	Kin Capital Partners LLP
Nominee	KCP Nominees Ltd

Investment Adviser: Deepbridge Capital LLP

Deepbridge Capital LLP brings together a team of proven experts from the technological innovation sector.

The Deepbridge Life Sciences EIS is managed by Deepbridge Capital LLP, led by experienced technology entrepreneur and commercialisation expert Ian Warwick. Deepbridge actively works with universities, technology incubators, accelerators, government agencies, and other partners to support innovation across the UK. The team combines strategic guidance with operational support to help companies achieve their commercial goals, with a focus on generating significant investor returns..

Key Details:	Deepbridge Life Sciences EIS
First Added to Titan Alternatives' Panel	2025
Product Launch Date	2017
Product AUM	£63m
USP	The Deepbridge Life Sciences EIS provides investors access to a portfolio of growth-focused and highly innovative life sciences companies across the UK, while benefiting from tax reliefs available under the Enterprise Investment Scheme. The fund focuses on life sciences businesses with robust intellectual property, significant market potential and a clear path to commercialisation. It targets companies engaged in biopharmaceuticals, biotechnology, medical technology, digital healthcare and healthcare technology.
Total Offer Size	Uncapped
Minimum Investment	£10,000
Maximum Annual Investment	£1,000,000 (eligible for tax relief)
Subscription Amounts Invested	100% of subscription amount is invested (excl. any Adviser charge facilitated by the Fund)
Level of Tax Relief Available	Income Tax Relief at 30% Capital Gains Deferral Loss Relief IHT Free after two years, provided no greater than £1m is held in EIS qualifying investments (or other unquoted investments)
Target Number of Portfolio Companies	4-12 (dependent on subscription amount)
Target Return	1.7x
Target Hold Period	Expected 4-7 years (minimum of 3 years)
Provisional Next Close Date	Monthly deployment of funds
Deployment Time frame	Monthly deployment of funds

Fees

Fee (Excluding VAT)	
Product Fee	Nil to investors (charged to investee companies)
Available Discounts	N/A
Advised Initial Fee	Can be facilitated by the Fund (reducing the subscription amount)
Annual Management Fee	2% (charged to the investee company)
Dealing Fee	0.65% On the purchase of shares (charged to the investee company)
Other Fees	Annual Custody Fee: 0.5% per annum (charged to the investee company)
Performance Fee	20% of returns over hurdle rate of £1.20 per £1 invested

Materials

Product Provider (Manufacturer) Materials

Information Memorandum

Factsheet

KID

Consumer Duty Assessment & other materials

Overview

Investment Strategy

The Deepbridge Life Sciences EIS focuses on investing in innovative life sciences and healthcare companies that demonstrate high growth potential. These companies seek to address identifiable market needs through groundbreaking medical technology, biotechnology, biopharmaceuticals and digital healthcare solutions. The fund targets businesses with robust intellectual property, a clear path to commercialisation, and strong leadership teams.

Through its investments, the Deepbridge Life Sciences EIS aims to deliver significant returns for investors while driving advancements in healthcare innovation. By actively supporting portfolio companies, Deepbridge accelerates the development of cutting-edge treatments, diagnostics, and technologies designed to improve or save lives

Sectors:

- Biopharmaceuticals
- Biotechnology
- Medical Technology
- Digital Healthcare
- Healthcare Technology

Notable Merits & Consideration Points

- **Focus on Life Sciences Innovation:** The fund prioritises companies developing innovative solutions in life sciences and healthcare, such as biopharmaceuticals, biotechnology, medical technology, and digital healthcare. Their success depends on effective execution in rapidly evolving markets.
- **Experienced Leadership:** Managed by a team with over 200 years of combined expertise in mentoring entrepreneurs and growing successful businesses in the life sciences sector.
- **Rigorous Investment Process:** Employs thorough due diligence and robust governance, ensuring high-quality investments aligned with market needs and growth potential.
- **Investor-Aligned Fee Structure:** No upfront fees for advised investors, ensuring up to 100% deployment of investor funds into qualifying investments.
- **Diverse Subsector Exposure:** Provides access to a portfolio spanning biopharmaceuticals, biotechnology, medical technology, digital healthcare, and healthcare technology
- **Long-Term Capital Growth Focus:** The Deepbridge Life Sciences EIS is structured as a long-term investment vehicle targeting capital growth. Consistent with early-stage life sciences investments, the focus is on growth rather than providing dividends in the initial years.
- **Concentration in High-Growth Life Sciences Sectors:** The fund invests in early-stage companies with:
 - Robust intellectual property with significant market potential.
 - Clear clinical or healthcare needs addressed through innovative technologies.
 - Scalable business models targeting large addressable markets.

Key Risks

- **Capital at Risk:** Investments in early-stage, unquoted companies are high-risk, and there is a chance that investors could lose all capital invested
- **No Guarantee of Returns:** Target returns are illustrative only, with no guarantee of achieving these returns due to the unpredictable nature of early-stage investments
- **Timing of Investment:** Delays in the deployment of funds may affect the timing of EIS tax reliefs. There is no guarantee that investments will be made within the targeted timeframe.
- **Illiquidity:** Shares in unquoted companies are illiquid, meaning that investors may face challenges in realising their investment early or may face delays beyond the anticipated holding period
- **Exit Challenges:** The ability to exit investments depends on finding suitable buyers, which may be difficult even if the company is successful.
- **Investment Concentration:** The fund may be concentrated in a limited number of companies, which could increase the overall risk if one or more companies underperform
- **Dependence on Key Personnel:** Many investee companies have small management teams. Their performance could be adversely impacted by the departure of key individuals
- **Regulatory and Tax Risks:** Changes in EIS regulations, tax laws, or economic conditions could affect the fund's performance and the availability of anticipated tax reliefs
- **Dilution Risk:** Subsequent rounds of financing for portfolio companies could result in dilution for existing shareholders, potentially affecting the value of investors' holdings if the new shares have preferential rights.

- **Sector and Market Risks:** The success of the fund's investments depends on economic conditions, healthcare sector dynamics, and regulatory landscapes. Volatility or adverse market trends could impact portfolio companies' growth and valuations

Please note that this is a summary of the key risks and potential investors should refer to pages 27 to 31 of the Prospectus for full details.

Tax Relief

- **Income Tax Relief:** Investors can claim up to 30% income tax relief on the amount subscribed, with a maximum of £1 million per tax year. This can increase to £2 million if at least £1 million is invested in knowledge-intensive companies. The relief can be applied in the tax year of the investment or carried back to the previous year.
- **Capital Gains Tax Deferral:** Investors can defer capital gains tax (CGT) on gains from the disposal of other assets by investing in EIS shares. The gain remains deferred until a chargeable event, such as the disposal of EIS shares.
- **Capital Gains Tax Exemption:** Gains realised on EIS shares are exempt from CGT if the shares are held for at least three years and the investor has claimed and retained income tax relief.
- **Loss Relief:** Investors can claim relief on losses made from EIS shares, which can be set against their income or capital gains, reducing their tax liabilities.
- **Inheritance Tax (IHT) Relief:** After holding EIS shares for at least two years, they are generally exempt from IHT, providing up to 100% relief provided no greater than £1m is held in EIS qualifying investments (or other unquoted investments).
- **Carry-Back Provision:** Investors may carry back their EIS investments to the previous tax year, provided they haven't exceeded the annual limit for that year, allowing them to claim tax relief over two years.
- **Tax Legislation:** All tax benefits depend on the continued qualifying status of investee companies and the investor's individual circumstances. Changes in tax laws may affect the availability of these reliefs.

Client Suitability

- **High-Risk Tolerance:** The Fund is suitable for investors who understand the high-risk nature of early-stage investments, particularly in the technology sector, and are willing to accept the potential for loss of capital.
- **Tax Mitigation and Growth-Oriented Investors:** It is ideal for individuals looking to mitigate income tax through EIS reliefs or those seeking the potential for tax-free growth and gains if the shares are held for the required period.
- **Long-Term Commitment:** The Fund is best suited for investors who can commit their capital for a minimum of three years to qualify for tax relief, although a holding period of 5-7 years or more is recommended due to the illiquid nature of the investments.
- **Sophisticated and Experienced Investors:** This EIS is suitable for individuals who have a sufficient understanding of high-risk investments, usually advised by FCA-authorized financial advisers, or those who qualify as high net worth or sophisticated investors.
- **Exposure to High-Growth, Innovative Life Sciences Opportunities:** Provides access to pioneering life sciences and healthcare companies offering significant potential returns, focusing on medical technology, biotechnology, and digital healthcare sectors on a high risk reward basis.

Consumer Duty

Advisers should review relevant consumer duty materials and ensure that investors align with the intended target market as outlined in the provided documentation.

Conclusion

Deepbridge are an established and trusted counterparty in the tax advantaged investment arena.

To date, they have raised and deployed over £250m of investment in more than 130 early-stage portfolio companies with a current valuation of over £280m. The highly experienced team now comprises 30 FTEs, including five Executive Partners.

Deepbridge have notably secured an investment partner in British Business Investments (the investment arm of the British Business Bank), which has led to securing a £15m co-investment mandate from the BBI's Regional Angels Programme. This type of funding partner illustrates the level of professionalism and reputation that can unlock other capital and benefit to the underlying companies in which they back.

Having launched the Life Sciences EIS in January 2017, and from our conversation with the Management team, a number of the companies within their pool have matured enough to offer the potential of exit opportunities in the short to medium term. They indicated to us that there were over 10 companies identified which have some form of exit or partial exit potential in the next 24 months.

Their current average holding period is 4.1 years, and they have a clear and transparent list of existing companies that are currently approved to receive funding prior to the end of the 2024/25 tax year.

That said, investors should be aware of the longer-term hold expected with companies that are in the Life Science sector in comparison to other sectors such as tech focussed EIS.

In addition to their existing portfolio, Deepbridge will look to add to their portfolio assessing new potential companies sourced from their wide network including 17 Universities, and accelerators/incubators within large companies and institutions.

Ultimately, Deepbridge will select companies which offer the opportunity to expand internationally, utilising many of the strengths, contacts and experience that their team possess in order to accelerate the growth of the business.

Titan Alternatives have acknowledged that Deepbridge have a wider and more geographically varied source of deal flow, capital and support than many other EIS Managers. Their spread covers many different regions in the UK, and is a good diversification from those investment houses that typically focus on London and South East companies.

The fee basis for investors is attractive in that there is no initial or annual fee levied on the investor except that of a reasonably market standard performance fee of 20% over a 120p return.

Each underlying company is targeted to produce a minimum of 4x over a 5 year period, allowing for the portfolio to have a smoothed target return of 1.7x ROI.

We believe that the Deepbridge Life Sciences EIS offers diversification to the numerous pure Tech EIS company focussed portfolios, along with a geographical mix of the portfolio companies' origination and activity.

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