

SEIS Factsheet

Fuel Ventures SEIS Fund

Seed Enterprise Investment Schemes (SEIS) are suitable for:

- High net worth or sophisticated investors who understand the risks of investing in unlisted investments, typically a UK higher-rate taxpayer, over 18 years of age, normally advised by an FCA-authorised adviser or a retail client that is a high net worth or sophisticated client.
- Investors with a high tolerance for risk who understand the high-risk nature of very early-stage investments. The Fuel Ventures SEIS Fund targets start-up companies within the technology sector that qualify for Seed Enterprise Investment Scheme (SEIS) tax relief.
- Tax-efficient investors looking to leverage SEIS tax reliefs, including 50% income tax relief, 50% capital gains tax exemption for chargeable gains reinvested, tax-free capital gains, inheritance tax relief (using business relief), and potential loss relief against income or capital gains.
- Long-term investors willing to hold investments for a minimum of three years (to benefit from SEIS reliefs), with an expected holding period of up to 10 years, due to the illiquidity of the investments and the focus on achieving long-term capital growth.

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 Fuel Ventures SEIS Fund 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	Sapphire Capital Partners LLP
Investment Adviser	Fuel Ventures Limited
Custodian	Apex Unitas Limited
Nominee	MNL Nominees Limited
Tax Adviser	Philip Hare & Associates LLP

Investment Adviser: Fuel Ventures Limited

Fuel Ventures was founded in 2013 by Mark Pearson, an experienced entrepreneur with a track record of scaling successful technology companies.

Fuel Ventures focuses on investing in high-growth, early-stage technology businesses, specifically within the sectors of marketplaces, software (SaaS) and platforms. Since its inception, Fuel Ventures has invested in over 160 companies, leveraging its extensive network and expertise to support ambitious founders in building scalable, market-leading enterprises. The firm's strategy is centred on identifying high-potential start-ups that qualify for SEIS tax relief, providing both capital and mentorship. By partnering closely with these businesses, Fuel Ventures aims to deliver exceptional returns while contributing to the growth of the UK's dynamic technology ecosystem.

Key Details:	Fuel Ventures SEIS Fund
First Added to Titan Alternatives' Panel	2019
Product Launch Date	2021
Product AUM	£20m
USP	Fuel Ventures focuses on high-growth technology investments, targeting early-stage companies in sectors such as marketplaces, software (SaaS) and platform-based businesses. With its unique blend of capital, mentorship, and access to a robust network, Fuel Ventures identifies ambitious entrepreneurs and supports them in scaling market-leading companies. By investing in businesses that qualify for SEIS tax relief, the fund provides investors with the potential for significant financial returns while benefiting from attractive tax incentives.
Total Offer Size	£10m
Minimum Investment	£20,000
Maximum Annual Investment	£200,000 (eligible for tax relief)
Subscription Amounts Invested	95% deployed for tax relief (5% charged to investors & taken from subscription monies)
Level of Tax Relief Available	Income Tax Relief at 50% Capital Gains Exemption (50% exemption for chargeable gains reinvested) Loss Relief against income and/or capital Business Investment Relief for Estate Planning Inheritance Tax (IHT) Relief – 100% after two years provided no greater than £1m is held in unquoted investments including any SEIS qualifying investments)
Target Number of Portfolio Companies	10-25
Target Return	5x
Target Hold Period	Expected 10 years (minimum of 3 years)
Provisional Next Close Date	28th November 2025

Deployment Time frame	Within the 2025/26 tax year (not Guaranteed).
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Fees

Fee (Excluding VAT)	
Product Fee	5% Initial Fee (charged to investors)
Available Discounts	N/A
Advised Initial Fee	Maximum adviser fee facilitated by Fuel is 4.5% of subscription monies (in addition to product fees) *Please note, ongoing fees are not facilitated by the Fund
Annual Management Fee	1% (charged to investee company for 5 years taken at outset from investee company)
Dealing Fee	Nil
Other Fees	Nil
Performance Fee	30% 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 Fuel Ventures SEIS Fund invests in pre-seed and seed-stage technology companies, focusing on high-growth sectors such as marketplaces, software (SaaS) and platform-based businesses. The fund aims to identify start-ups with scalable business models and strong founding teams, leveraging its extensive network and mentorship support. By providing early-stage capital, the SEIS Fund helps these companies validate their products, accelerate growth, and build market-leading positions. The investment strategy targets substantial financial returns by selecting companies with the potential for significant expansion and follow-on funding opportunities. The focus is on businesses that qualify for SEIS tax relief, providing investors with attractive tax incentives while investing in innovative and disruptive technology ventures.

Sectors:

- Marketplaces
- Software (SaaS)
- Platforms
- Transactional Businesses
- Technology Start-ups

Notable Merits & Consideration Points

- **High-Growth Technology Focus:** The Fuel Ventures SEIS Fund targets early-stage companies within potentially high-growth technology sectors such as marketplaces, software (SaaS) and platform-based businesses, chosen for their potential to achieve rapid scalability and significant market impact. The success of these companies relies on their ability to innovate and scale rapidly within competitive markets.
- **Experienced Leadership and Advisory Team:** Led by Mark Pearson, a seasoned entrepreneur with a proven track record of scaling and exiting technology companies, the fund benefits from strong sector expertise and operational insights, supporting the growth and success of portfolio companies.
- **Structured Investment Process:** The fund employs a rigorous screening process, leveraging its extensive network and due diligence capabilities to identify and invest in start-ups with scalable business models and strong founding teams.
- **Access to Follow-On Capital:** The fund's unique structure allows for continued support and access to additional growth capital through follow-on investments, providing portfolio companies with the financial resources needed for sustained growth and development.

Key Risks

- **High Risk and Volatility:** Investments in early-stage, unquoted companies are inherently high-risk and can result in total loss of capital. Shares in these companies are highly volatile, and there is no guarantee of returns.
- **No Guarantee of Returns:** The target returns are illustrative and not guaranteed. The performance of the fund may vary, and past performance is not a reliable indicator of future results.
- **Timing of Investment:** Delays in the deployment of funds may affect the timing of SEIS tax reliefs. There is no guarantee that investments will be made within the targeted timeframe.
- **Illiquidity:** Shares in unquoted companies are illiquid and not readily realisable. Exits may take longer than expected, and investors should be prepared for a holding period of at least 5-7 years.
- **Exit Challenges:** The ability to exit investments depends on finding suitable buyers, which may be difficult even if the company is successful.
- **Concentration Risk:** The fund may invest in a concentrated portfolio of high-growth technology start-ups. While this strategy seeks substantial returns, it may also increase exposure to individual company risks, potentially impacting overall fund performance.
- **Dependence on Management:** The success of investee companies often depends on a small group of key executives. Any loss of these individuals may adversely affect company performance.
- **Tax Relief and Legislation Changes:** SEIS tax reliefs depend on the investee companies maintaining their qualifying status. Changes to legislation or a company's circumstances may result in the loss of these benefits.
- **Minority Shareholder Risk:** If a minority investor, the Fund may not have significant influence over the strategic direction or policies of investee companies.
- **Dependence on Market Dynamics:** The performance of the fund's investments is influenced by broader market conditions, technological advancements, and economic trends. Any downturns or changes in the technology sector could affect the valuation and success of portfolio companies.
- **Force Majeure:** External factors such as economic downturns, pandemics, or geopolitical events can

impact the fund's performance and the success of investee companies.

- **Cessation of Manager or Adviser:** If the Investment Manager or Adviser ceases their involvement, it may negatively affect the fund's performance and result in additional costs or disruptions to the investment strategy
- **Sector Specific Risks:** Investments in technology-enabled businesses carry risks associated with the rapid pace of technological change, competition, and market demand uncertainty. Products and technologies developed by investee companies may not achieve commercial or technical success, leading to potential losses. The digital economy enables new start-ups to challenge incumbents, creating opportunities but also introducing high volatility.

Please note that this is a summary of the key risks and potential investors should refer to pages 32 to 35 of the Prospectus for full details.

Tax Relief

- **Income Tax Relief:** Investors can claim up to 50% income tax relief on investments in SEIS-qualifying companies, investing a maximum of £20,000 per tax year. This relief can be applied in the year of investment or carried back to the previous tax year, providing flexibility for investors.
- **Capital Gains Tax (CGT) Exemption:** Gains realised on SEIS 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.
- **Capital Gains Reinvestment Relief:** Investors can claim up to 50% exemption on capital gains realised from disposals of other assets which are reinvested into SEIS shares, effectively reducing CGT liabilities by half (subject to amount of capital gain and amount invested into SEIS).
- **Loss Relief:** Should an investment fail, investors can claim loss relief on SEIS shares, which can be set against either their income or capital gains, thereby reducing their tax liabilities. Depending on the investor's tax rate, the effective loss may be significantly mitigated.
- **Inheritance Tax (IHT) Relief:** After holding SEIS shares for a minimum of two years, the investment generally qualifies for 100% relief from IHT, provided the shares are still held at the time of the investor's death and further provided that no greater than £1m is held in unquoted investments including any SEIS qualifying investments.
- **Carry-Back Provision:** Investors can carry back their SEIS investment to the previous tax year, provided they have not exceeded the annual investment limit, enabling them to claim tax relief for the earlier year.
- **Tax Legislation:** The availability of SEIS tax benefits depends on the continued qualifying status of the investee companies and the individual circumstances of the investor. Changes in tax legislation may affect the extent and availability of these reliefs.

Client Suitability

- **High-Risk Tolerance:** The SEIS Fund is designed for investors who understand the high-risk nature of very early-stage investments in technology sectors and are prepared for the possibility of losing the entire invested capital.
- **Tax Mitigation and High-Growth Focus:** This fund is well-suited for investors looking to benefit from SEIS tax reliefs, including 50% income tax relief, 50% capital gains tax exemption for chargeable gains reinvested, capital gains exemptions, and inheritance tax relief, while seeking opportunities for significant growth in early-stage technology start-ups.
- **Long-Term Capital Commitment:** Due to the illiquid nature of SEIS investments, the fund is most appropriate for investors who can commit their capital for a minimum of three years to retain SEIS tax relief benefits, with an expected holding period of up to ten years for potential growth and exit opportunities.

- **Sophisticated and Experienced Investors:** The SEIS Fund is intended for high net worth or sophisticated investors, typically those with experience in high-risk investments or advised by FCA-authorised financial advisers. These investors should have the financial capability and understanding required to manage the risks associated with early-stage venture capital.
- **Exposure to High-Growth Technology Ventures:** The fund is suitable for investors seeking exposure to innovative, high-growth companies in the technology sector. It appeals to those looking to support early-stage ventures in marketplaces, SaaS, and platform businesses, while acknowledging the high volatility and risk profile of these investments 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

Fuel Ventures are an early and growth stage investor who identify the most ambitious entrepreneurs with an aim of building globally scalable technology and digital businesses covering marketplaces, platforms and software (SaaS). Mark Pearson has been successfully investing in such sectors over the past 15 years and has built a team (now 24 strong) at Fuel Ventures that share his passion for identifying companies whom have the potential to provide returns of between 10-100x. We have worked closely with Fuel Ventures for over 6 years and have first-hand experience and knowledge of the growing teams ability to source, deploy and execute which have delivered positive outcomes for investors to date.

SEIS investments provide seed and pre seed capital for small young companies. As the failure rate of these companies will be higher compared to more established companies the additional resource and value add provided to them by Fuel Ventures is a key consideration. As well as the tax reliefs gained from investment into SEIS qualifying companies, Fuel Ventures provides an "ecosystem" which enables their portfolio companies to benefit from mentoring and monitoring as well as providing guidance on professional services such as trusted Lawyers, Accountants and Marketing/PR. This can give the companies involved a competitive advantage over other young companies, avoiding obvious pitfalls and potential overspend, allowing the focus to be on business growth.

In addition to this with their EIS and VCT funds, Fuel Ventures are able to continue providing investment capital for those SEIS companies that are able to demonstrate a tangible path to growth and profitability (and meet the investment criteria for either EIS or VCT funding). A number of the Fuel Ventures SEIS portfolio companies have gone onto receive additional funding and be included in an EIS fund, demonstrating the Fuel Ventures funding journey for their portfolio companies.

Although the nature of an investment into a SEIS portfolio is considered inherently riskier and longer term; the generous tax incentives coupled with the Fuel Ventures deal flow and firm growth together with their approach, sector specialization and resources makes in our opinion the Fuel Ventures SEIS worth considering as part of an overall diversified portfolio.

Fuel Ventures were the recipients of best SEIS product at the Growth Investor Awards 2023.

It is noted that Directors of TAL are existing investors in Fuel Ventures products on standard terms.

The cost of TAL's services are not paid directly by financial advisers or their clients, but facilitated out of the overall product charges levied by the provider.

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