Information Memorandum

SFC Angel Fund SEIS

2025/26

Important Notice.

Don't invest unless you're prepared to lose all the money you invest. This is a high risk investment and you are unlikely to be protected if something goes wrong.

If you are in any doubt about the content of this information memorandum ("Information Memorandum") and/or any action that you should take, you are strongly recommended to seek advice from an appropriately qualified independent financial adviser who is authorised under the Financial Services and Markets Act 2000 ("FSMA"). Nothing in this Information Memorandum constitutes investment, tax, legal or other advice by either SFC Capital Partners Ltd ("SFC CP" or the "Fund Manager") or SFC Capital Ltd ("SFC" or the "Fund Adviser").

This Information Memorandum dated 1st December 2025 constitutes a financial promotion pursuant to section 21 of the FSMA issued by SFC CP of 2 Maple Court, Davenport Street, Macclesfield, Cheshire, SK10 1JE. SFC CP is authorised and regulated in the United Kingdom ("UK") by the Financial Conduct Authority ("FCA") under firm reference number 736284. This document relates to the SFC Angel Fund SEIS, an unapproved SEIS fund (the "Fund"). The Fund will be managed by the Fund Manager who will be advised by the Fund Adviser.

This Information Memorandum is issued solely for the purposes of providing information relating to the Fund. An investment in the Fund is NOT suitable for all investors. Persons reading this Information Memorandum who are considering an investment in the Fund are recommended to seek advice from a financial intermediary authorised under FSMA.

This Information Memorandum is being distributed by SFC CP on a restricted basis to:

(1) Intermediaries such as independent financial advisers who are authorised and regulated by the FCA (each an "Intermediary" and collectively "Intermediaries").

If any Intermediary to whom this Information Memorandum is provided by SFC CP wishes to provide it, and in particular the Application Pack relating to the Fund, to its own clients who are retail clients then (a) those clients must each fall within one of the categories set out in (2) below and (b) the Intermediary is responsible for ensuring compliance with the requirements of COBS 4.12A.18 (Cooling off period) and COBS 4.12A.20 (Personalised risk warning) where these are applicable.

(2) Categories of recipient who are permitted to receive financial promotions for restricted mass market investments under the FCA rules being:

(A) Existing clients of Intermediaries for whom an Intermediary has or will confirm that the Fund is a suitable Investment for them in accordance with COBS rule 9;

(B) Persons who meet the requirements for being a professional client in accordance with COBS rule 3.5;

(C) Persons who are a certified high net worth investor in accordance with COBS rule 4.12A.22(1)(a)(i);

(D) Persons who are a certified sophisticated investor in accordance with COBS rule 4.12A.22(1)(a)(ii); and

(E) Persons who are a self-certified sophisticated investor in accordance with COBS rule 4.12A.22(1)(a)(iii).

Persons who are not in one of the above eligible categories who receive this Information Memorandum should disregard it and take no action and no persons other than those in the categories above for whom the necessary preliminary steps have been completed will be permitted to make an investment in the Fund.

In the case of persons falling within categories (C), (D) and (E) above, SFC CP will not make available any Application Form or other means of response to them until the requirements of COBS 4.12A.18 (Cooling off period) and COBS 4.12A.20 (Personalised risk warning) have been satisfied. Applications to invest in the Fund will also be subject to confirmation by an Intermediary, or by SFC CP itself, that an investment in the Fund is suitable or appropriate for the applicant investor (provided, in the latter case, that additional steps are followed as required by COBS 4.12A). Investors who do not have Intermediaries will only be able to participate in the Fund at SFC CP's discretion and subject to applicable regulations.

Important Notice.

The Fund is classified as a retail investment product but does not constitute an unregulated collective investment scheme under FSMA because it satisfies the conditions of paragraph 2 of the Schedule to the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001 and is therefore not subject to the additional restrictions in section 238 of FSMA or those in COBS 4.12B regarding the promotion of non-mass market investments. The Fund is an 'alternative Investment fund' ("AIF") for the purposes of the Alternative Investment Fund Managers Regulations 2013 and its "units" are non-readily realisable securities.

The Fund comprises investments by individual investors in a selection of Seed Enterprise Investment Scheme ("SEIS") qualifying companies and uninvested cash. Each Investor, for legal and tax purposes, will be the beneficial owner of a specific number of shares in each investee company. All shares and cash are managed on a collective basis in accordance with the investment objectives and restrictions set out in Schedule 1 of the Investor's Agreement.

Investors' attention is drawn to the Risk Factors section of this Information Memorandum on pages 28 to 31 which should be carefully considered. The value of an investment in the Fund could go down as well as up and should be considered a long-term investment. Investing in unquoted shares may expose you to a significant risk of losing all the money you invest. Furthermore, unquoted securities may be difficult to sell. Potential investors should consider carefully whether an investment in the Fund is suitable for them in light of their personal financial circumstances.

Tax reliefs are dependent on individual circumstances and any reference to tax laws or levels in this document is subject to change. Changes in legislation in respect of the SEIS tax reliefs in general, and qualifying investments and qualifying trades, in particular, may affect the ability of the Fund to meet its objectives and/or reduce the level of returns which would otherwise have been achievable. Past performance is not a guide to future performance and may not be repeated.

This document and the information contained in it does not constitute an offer or invitation to any person in any jurisdiction apart from the UK, and may not be used for the purposes of such an offer or invitation or published or distributed to persons outside of the UK. This promotion does not constitute a public offering in the UK.

SFC CP has taken all reasonable care to ensure that all the facts stated in this document are true and accurate in all material respects and that there are no other material facts or opinions which have been omitted where the omission of such would render this document misleading. All statements of opinion or belief contained in this document and all views expressed and statements made represent SFC CP's own assessment and interpretation of information available to it as at the date of this document. No representation is made, or assurance given, that any statements, views or forecasts are correct or that the objectives of the Fund will be achieved.

The information in this document was produced on 1st December 2025 and may not be current.

For further information on the terms on which investments will be managed, please refer to the Investor's Agreement.

SFC CP participates in the Financial Services Compensation Scheme (FSCS). The FSCS may pay compensation to qualifying investors in the event that investors have a qualifying claim against SFC CP, and SFC CP is unable to meet its obligations. The maximum sum of compensation payable under the FSCS is currently £85,000 per investor. It is important to note that the FSCS does not cover poor investment performance.

Your attention is drawn to the Risk Factors section of this Information Memorandum on pages 28 to 31. This Information Memorandum is dated 1st December 2025.

Risk Summary.

Estimated reading time: 2 min

Due to the potential for losses, the Financial Conduct Authority ("**FCA**") considers this investment to be high risk.

What are the key risks?

1. **You could lose all the money you invest.**
   - Investments made by the SFC Angel Fund SEIS (the "**Fund**") will be in shares in early-stage businesses. Investors in these shares often lose 100% of the money they invested, as many early-stage businesses fail.
2. **You are unlikely to be protected if something goes wrong.**
   - Protection from the Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover poor investment performance. Try the FSCS investment protection checker here: https://www.fscs.org.uk/check/investment-protection-checker/
   - Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA-regulated firm, FOS may be able to consider it. Learn more about FOS protection here: https://www.financial-ombudsman.org.uk/consumers/
3. **You won't get your money back quickly**
   - Even if the businesses the Fund invests your money in are successful, it may take several years to get your money back.
   - The most likely way to get your money back is if the businesses invested in by the Fund are bought by another business or list their shares on an exchange such as the London Stock Exchange. These events are not common.
4. **Don't put all your eggs in one basket**
   - Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
   - A good rule of thumb is not to invest more than 10% of your money in high-risk investments. https://www.fca.org.uk/investsmart/5-questions-ask-you-invest
5. **The value of your investment can be reduced**
   - The percentage of each investee company that the Fund owns will decrease if the business issues more shares. This could mean that the value of your investment in each investee company reduces, depending on how much the business grows. Most start-up businesses issue multiple rounds of shares.
   - These new shares could have additional rights that your shares don't have, such as the right to receive a fixed dividend, which could further reduce your chances of getting a return on your investment.
6. **S/EIS tax reliefs are not guaranteed**
   - Whilst it is the Fund's intention to invest mostly in companies qualifying under SEIS legislation, SFC cannot guarantee that all investments will qualify for S/EIS relief (or IHT relief) or, indeed, if they do initially, that they will continue to do so throughout the life of the investment. The tax advantages of investing through the Fund are therefore not guaranteed.

If you are interested in learning more about how to protect yourself, visit the FCA's website here: https://www.fca.org.uk/investsmart/

Contents.

Issue Date of this Information Memorandum
1st December 2025

British innovation. Global impact.

The UK is building transformational companies in future-economy sectors and many of its best founders are raising their first equity investment from SFC Capital. Now in our 13th year, the SFC Angel Fund SEIS continues our mission to identify and back the best of the UK's early-stage innovation.

SFC has delivered consistently accelerating returns for our investors, driven by exceptional access to top early-stage talent. We invite you to join the next chapter of SFC's journey with the SFC Angel Fund SEIS.

Stephen Page
CEO & Founder | SFC Capital

Note: Investment in early-stage companies involves risks such as illiquidity, lack of dividends, loss of investment and dilution. Investment in SEIS and EIS funds should be considered as part of a diversified portfolio.

Offer Details.

Fund

Minimum Investment	£10,000
Maximum Investment*	£200,000
Minimum Fund Size	£500,000
Maximum Fund Size	£5,000,000
Portfolio Size	20 companies on average (min. 10)
Expected Exit	8 years
Target Return**	£3 per £1 invested, net of fees (25% IRR excluding tax relief***)

Closing dates

The Fund typically operates an average of five tranches per year. Each tranche is opened immediately following the closure of the preceding tranche, ensuring that subscription opportunities remain continuously available. As a result, there are no predetermined fixed closing dates.

Further information

If you have any further questions about the SFC Angel Fund SEIS, please contact investors@sfccapital.com.

* The £200,000 figure reflects the statutory annual SEIS investment limit per investor for the 2025/26 tax year (subject to HMRC rules).
** Past performance is not indicative of future results. The value of investments can go down as well as up.
*** Tax relief depends on individual circumstances and may be subject to change.
**** Employees/Directors of SFC CP and SFC who invest in the fund are not subject to Fund Fees or other associated charges.

Fees and charges to fund investors

Performance Incentive Fee	25% (plus VAT), after 100% of your original subscription amount returned
Non-Advised Initial Fee****	2.5% (exempt VAT), an initial charge covering administration setting up a non- advised direct investor
Advised Initial Fee	No initial charge.
Initial Adviser Charge	Facilitated, subject to agreement between Investor and Financial Intermediary
SEIS Tax Relief on Investor's Gross Subscription	The Manager will not deduct any of its fees or charges from Advised Investor's Subscriptions, so that Investors receive SEIS tax reliefs on 100% of their gross Subscription. Where the investor has agreed with their Adviser to deduct an Adviser Charge from their Subscription for the advice they have received, then this will be deducted from their Subscription and will therefore reduce the amount of tax relief available. For direct investors, the Non-Advised initial fee, will be deducted from their gross Subscription, which will reduce the level of tax reliefs received by the Investor.

Fees and charges to investee companies

Initial Charge	6% plus VAT if applicable, covering all initial costs of establishing the Fund.
Annual Management Fee	1% per annum (capped at 4% for life of the Fund) plus VAT, if applicable.

SEIS explained.

The Seed Enterprise Investment Scheme (SEIS) may enable investors to unlock significant tax relief benefits when investing in the Fund*:

- **Up to 50% Income Tax Relief**
  on the amount you invest in the Fund.
- **Up to 50% Capital Gains Reinvestment Relief**
  on gains made elsewhere.
- **Inheritance Tax Exemption****
  on shares held for at least 2 years.
- **100% Capital Gains Tax Exemption**
  on profit made when selling your SEIS shares if they are held for a period of 3+ years.
- **Loss relief at Your Marginal Tax Rate**
  on the remaining 50% of the investment not originally claimed for.
- **Carry-Back**
  your tax relief to the previous tax year.

For more information, please see pages 25 to 26.

* Tax relief depends on individual circumstances and may be subject to change.
** From 6th April 2026 100% IHT relief on S/EIS private companies will be limited to the first £1 million of qualifying assets (including private companies and agricultural property), with the remainder eligible for 50% IHT relief.

We've been a key part of the UK's decade of SEIS and startup success.

SFC's foundation was built on the success of incubating Onfido in 2013, which recently marked the UK's largest tech sale in the past two years. The same core principles that drove Onfido's growth continue to guide our approach today.

We don't just understand SEIS investing, we pioneered the standards others seek to emulate today.

SFC since inception:

- 500+ investments
- 1,000+ SFC fund investors
- 2x investment multiple*
- £165m AUM
- > £2bn portfolio enterprise value
- Most Active VC in UK (PitchBook, 2024)

* (Current total value of the SFC's SEIS portfolio, inclusive of tax relief) / Investment Cost. Current total value = Unrealised Value and Realised Value. SEIS tax relief is available at a rate of 50% of the qualifying investment cost.

Note: Return on investment realised by members of the SFC Angel Network introduced to the company by SFC. Onfido did not receive an investment from the SFC Fund as the investment round was completed prior to the launch of the first SFC Fund in 2014. Investment period: 2014-2024

100x RETURN: ONFIDO CASE STUDY

In 2012, SFC incubated and provided the first £120k investment to Onfido, a startup founded by Oxford students Husayn Kassai, Eamon Jubbawy, and Ruhul Amin. Onfido has since grown into a global leader in identity verification, raising $200m+ in funding and preventing over $6 billion in fraud. Recently acquired by US payments giant Entrust, Onfido's exit is one of the most significant tech exits of the decade and second only to Deliveroo's IPO as the largest reported exit under SEIS.

Onfido's founding team in SFC Capital's offices.

SFC collecting the 'Exit of the Year 2024' award on behalf of Onfido.

We've been on a consistently accelerating growth trajectory ever since.

Building on the success of Onfido's incubation and investment, our CEO, Stephen Page, launched one of the UK's first SEIS funds. Since then, SFC Capital has grown to become the UK's most active investor in early- stage innovation, managing the UK's leading SEIS Fund alongside our award-winning EIS follow-on fund. For over a decade, these funds have been at the forefront of driving the next wave of breakthrough startups

2012
- SFC Angel Network founded

2014
- First SFC SEIS Fund

2017
- SFC reaches 100 investments
- Official partner of the London Co-Investment Fund

2018
- First All-Star EIS Fund
- First portfolio exit (Bean)

2020
- SFC wins Best SEIS Investment Manager (Growth Investor Awards)
- SFC receives £10m from British Business Bank
- SFC reaches 200 investments

2021
- SFC wins Best SEIS Investment Manager (EISA)

2022
- SFC receives a further £5m from British Business Bank
- SFC successfully campaigns for the extension of SEIS
- SFC wins Best SEIS Investment Manager (EISA)

2023
- SFC becomes an official investor partner of Innovate UK
- SFC wins the EISA Impact Award (EISA)
- SFC wins Best SEIS Investment Manager (EISA)

2024
- SFC receives a further £10m from British Business Bank
- SFC reaches its 500th investment
- SFC named SEIS Fund of the Year (SeedLegals)

2025
- SFC wins Best SEIS Investment Manager (EISA)
- SFC wins Best SEIS Investment Manager (GIA)

Our strong connections with the UK's leading institutions position SFC to support early-stage innovation across the country.

Innovation Hubs

We continue to develop our long- standing relationships with leading universities, accelerators, incubators, and super angels to secure first mover advantage across the entire country.

Institutional Partners

We are an official investor partner of Innovate UK, the UK's innovation agency, as part of their £80m Future Economy Programme, focusing on areas like Health, Energy, Agriculture, and Climate.

Government Backed

We received £25m co-investment commitment from British Business Bank through its Regional Angels Programme to extend our impact on early-stage innovation.

Working with British Business Bank

Innovate UK EDGE

Map: Investment locations for SFC Regional Fund (also referred to as British Business Bank).

We're first-cheque investors in many of the UK's most exciting startups.

SFC was the first investor in some of the UK's most exciting innovators.

SOFTWARE

cognism	Valuation increase: 49x
LUNIO	Valuation increase: 11x
MEVITAE	Valuation increase: 4.8x

LIFE SCIENCES

4D MEDICINE	Valuation increase: 5.4x
Immune Algorithmics	Valuation increase: 5.8x
NIQS	Valuation increase: 2.7x

GREEN TECH

HALOCYCLE	Valuation increase: 4.3x
TranscendPackaging	Valuation increase: 8x
Vector HOMES	Valuation increase: 3x

CONSUMER PRODUCTS

HUNTER & GATHER	Valuation increase: 38x
OLLY'S	Valuation increase: 18.9x
fussy.	Valuation increase: 12.5x

FINTECH

ryft.	Valuation increase: 6.2x
winefi	Valuation increase: 3x
FilmChain GROUP	Valuation increase: 8x

VR/AR

EMPERIA	Valuation increase: 10x
CONDENSE	Valuation increase: 7x
strolll	Valuation increase: 2.8x

Source: SFC Capital internal performance data, Q1 2025.
Note: Tax relief depends on individual circumstances and may be subject to change.

* Past performance is not indicative of future results. The value of investments can go down as well as up. Data is specific to SFC Angel Fund SEIS / advised SEIS funds and does not include investments realised by members of the SFC Angel Network.

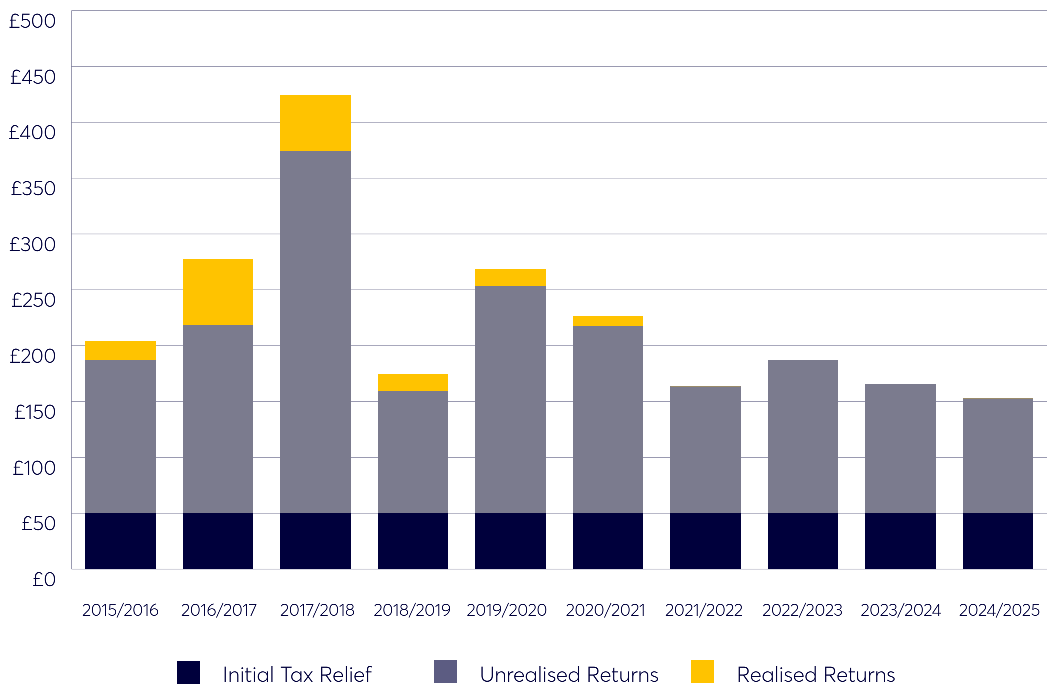
We have a track record of delivering for our investors.

The SFC Angel Fund SEIS has delivered a market-leading 16 exits to-date at an average return multiple of 7x.*

OUR EXITED INVESTMENTS

aibuild
cognism
BLOOM MAGIC
LUNIO
ember
ORB SPORT
ryft.
peopleforce
OLLY'S
Greendeck
bean
Vortex part of Marston Holdings
TranscendPackaging
veremark.
MYFUTURENOW
Settld.

PERFORMANCE PER £100 INVESTED IN EACH TAX YEAR



Source: SFC Capital internal performance data, Q1 2025.
Note: Tax relief depends on individual circumstances and may be subject to change.
* Past performance is not indicative of future results. The value of investments can go down as well as up. Data is specific to SFC Angel Fund SEIS / advised SEIS funds and does not include investments realised by members of the SFC Angel Network.

Our SEIS fund has dominated industry awards in recent years.

GROWTH INVESTOR 2025 | AWARDS — Winner Best SEIS Investment Manager

EISA Awards 2025 eisa — WINNER | BEST SEIS INVESTMENT MANAGER

SeedLegals Startup Awards — WINNER 2024

eisa enterprise investment scheme association EISA AWARDS 2023 — WINNER | BEST SEIS INVESTMENT MANAGER

eisa enterprise investment scheme association EISA AWARDS 2022 — WINNER | BEST SEIS INVESTMENT MANAGER

eisa enterprise investment scheme association EISA AWARDS 2021 — WINNER | BEST SEIS INVESTMENT MANAGER

GROWTH INVESTOR 2020 | AWARDS — WINNER BEST SEIS INVESTMENT MANAGER

eisa enterprise investment scheme association EISA AWARDS 2020 — HIGHLY COMMENDED | BEST SEIS INVESTMENT MANAGER

GROWTH INVESTOR 2019 | AWARDS — RUNNER-UP BEST SEIS INVESTMENT MANAGER

GROWTH INVESTOR 2017 | AWARDS — FINALIST BEST SEIS INVESTMENT MANAGER

GROWTH INVESTOR 2017 | AWARDS — WINNER BEST ANGEL SYNDICATE

ANGEL INVESTMENT AWARDS 2024 WINNER

UK Business Angels Association — AWARD WINNER 2016

ANGEL INVESTMENT AWARDS 2023 WINNER

eisa enterprise investment scheme association EISA AWARDS 2023 — WINNER | EISA IMPACT AWARD

UKBAA ANGEL INVESTMENT AWARDS 2021 WINNER

2017 eisa enterprise investment scheme association — BEST INNOVATION, NEWCOMER OR RISING STAR IN EIS/SEIS – COMPANY — WINNER

Behind these achievements is an experienced and dedicated team.

Stephen Page
Founder & CEO

A veteran of the software industry, Stephen founded and exited several companies, including DataEase and Sapphire, Inc. After becoming a highly successful angel investor, he established SFC Capital in 2012 to extend his experience and influence to more highly innovative, early-stage startups. Stephen oversees SFC's company direction and investment strategy, and provides strategic advice to portfolio companies.

Angelika Burawska
Chief Operating Officer

Joseph Zipfel
Chief Investment Officer

Jason Druker
Chief Commercial Officer

Marguerite Crossfield
Chief Compliance Officer

Ed Prior
Head of Investor Services

Edward Stevenson
Principal

Yuriy Yurchuk
Head of Due Diligence

Adam Beveridge
Principal

Ricardo Berruti
Investor Services Manager

Yosra El Hadri
Compliance Executive

Michael Theodosiou
Portfolio Executive

Alex Batlle Bosch
Brand Manager

Niklas Föltz
Marketing Manager

Steve Lindsay
Business Analyst & Mentor

Mark Tayler
Director

Marika Svardstrom
Strategic Advisor

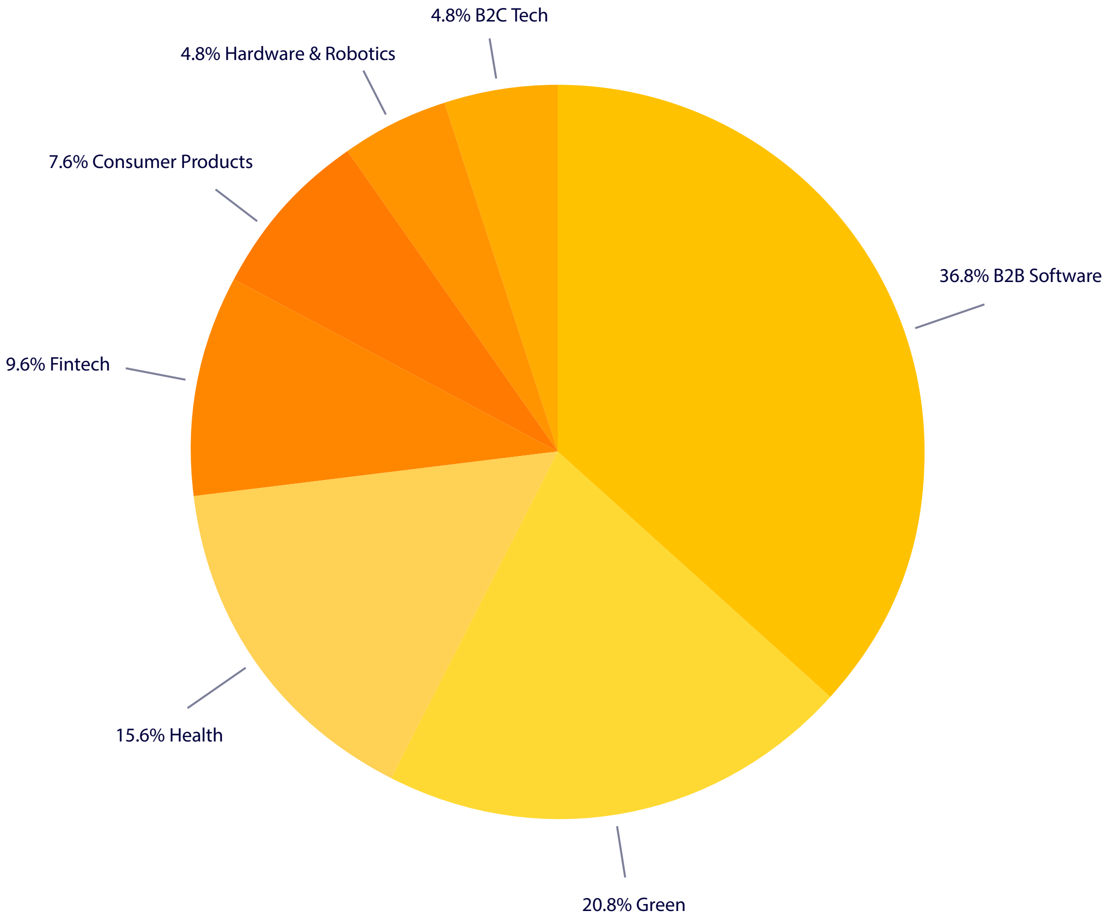
We build diverse portfolios that capture multiple growth-market opportunities.

Diversification anchors SFC's investment approach. By investing across a broad spectrum of high-growth sectors, we significantly boost our odds of uncovering several key winners in each portfolio.

SFC Angel Fund SEIS 10+ startups across a broad range of sectors at the forefront of the innovation economy, particularly focusing on areas like ClimateTech, HealthTech, DeepTech, and B2B Software for their high-value potential.

In addition to sector diversity, our extensive deal flow networks enable SFC to identify opportunities across the entire country, which brings often-hidden gems into our portfolio that would otherwise not be found.

Our goal is to identify and support companies with high growth potential, while building diversified portfolios for our investors.



Source: Sector breakdown of all SFC Angel Fund SEIS cohort investments between 2022–2025 as of Q1 2025.

Importantly, 35% of SFC Angel Fund SEIS investments during the same period were made in companies where Artificial Intelligence serves as either the primary business driver or a dedicated product focus.

Our core deal flow pillars ensure our connection to early-stage innovation.

SFC has partnered with leading organisations across the UK to source the most innovative early-stage ventures.

Strategic partnerships with leading universities, accelerator programmes, super angels, and Innovate UK form the foundations of our unique deal flow pipeline and ensures our exposure to the most promising innovation from across the UK.

This expansive network attracts 2,000+ investment opportunities each year, spanning a diverse array of innovative, future-economy, growth sectors.

Each company is chosen according to our strict investment criteria.

SFC invests in startups with the potential to deliver strong returns for our investors. Our proprietary scoring system enables us to identify the most promising opportunities from the 2,000+ businesses that apply each year. After submitting an application, startups undergo initial screening by our SEIS Fund Investment Team. Selected businesses are invited for an interview and evaluated against 30 data categories. Those meeting the pass mark proceed to the Investment Committee, where our CEO, Chief Investment Officer, Chief Operating Officer, Chief Commercial Officer, and Investment Executives discuss and debate each candidate.

INVESTMENT CRITERIA

- Exceptional Talent
- Superior Innovation
- Acute Market Need
- Compelling Traction
- Other Funding
- Pre-Valuation
- Exit Potential
- Diversity and Inclusivity

Investors benefit from consistent reporting, hands-on care, and a bespoke investor portal.

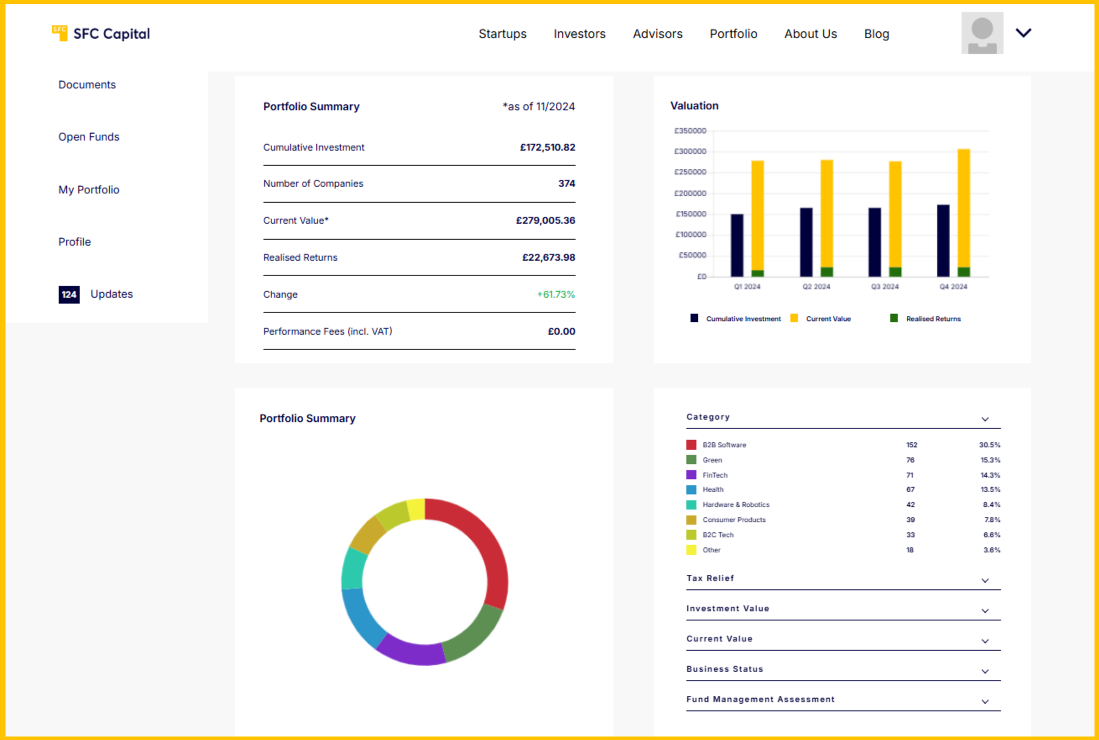
Investors' monies will be invested in a portfolio of 10+ companies.

- Each investor will receive the appropriate tax certificates issued by HMRC with respect to each underlying investment in order to claim their tax relief.
- Investors will have access to SFC's bespoke online portal and can monitor the performance of their portfolio in real time.
- Investor reports detailing the progress of portfolio companies will be provided on a bi-annual basis.

MEET YOUR INVESTOR SERVICES TEAM

Ed Prior
Head of Investor Services
edp@sfccapital.com

Ricardo Berruti
Investor Services Manager
ricardo@sfccapital.com



Source: For Illustrative Purposes only.

Our approach to portfolio management delivers value for our companies at scale.

Managing a portfolio of over 500 companies under the Seed Enterprise Investment Scheme (SEIS) and Enterprise Investment Scheme (EIS) requires a mix of strategic, operational, and interpersonal skills. Our Portfolio Management team has built the infrastructure needed to deliver value for our portfolio companies and investors.

- **Monitoring and Reporting:** We've developed robust systems to track how each investment is performing. This includes keeping an eye on financial health, key milestones, and spotting potential risks and opportunities. We provide portfolio-level analysis and reports to our investors, while also gaining valuable internal insights.
- **Value Creation:** We find ways to add value to startups, whether through strategic guidance, connecting them across our portfolio, or facilitating partnerships and warm introductions.
- **Sector Knowledge:** Our team brings deep expertise in the startup and scaleup ecosystem, from pre-seed to Series B and beyond.
- **Board Observer:** We aim to have the right to a board seat in investee companies to stay on top of their performance, strategy, and governance.
- **Tax and Legal Knowledge:** Together with our trusted advisory partners, we ensure ongoing compliance with SEIS/EIS regulations, especially when navigating the legal frameworks around investments and exits.
- **Investor Consents:** Certain actions require approval from the investors before portfolio companies can proceed. We carefully weigh these decisions to ensure the interests of both our investors and the companies are aligned.
- **Exit Planning:** We're experienced in developing and executing exit strategies that maximise returns, whether through acquisitions, secondary sales, or listings.
- **Events:** We host multiple events every year, both in-person and online, where founders can connect, learn from our experts, and pitch to warm investors.

bennettbrooks smb HubSpot aws Home Grown Microsoft DELL Technologies Notion

We're supporting the future of the UK's early-stage ecosystem through our award-winning SEIS Fund, EIS Fund, and Angel Network.

SFC Angel Fund SEIS

The SFC Angel Fund SEIS allows you to invest in some of the most innovative young companies in the UK, receive full SEIS tax benefits on your investment*, and mitigate your risk through portfolio diversification.

SFC All-Star Fund EIS

The SFC All-Star EIS Fund targets the top 10% performers of SFC's existing SEIS portfolio. The fund invests in companies with exceptional founding teams, proven commercial traction and strong growth potential.

SFC Angel Network

The SFC Angel Network invites members to invest alongside SFC's Funds. Recently recognised as one of Europe's most active angel networks (Sifted, 2025), the group can access many of our best and brightest portfolio companies.

* Subject to individual circumstances. Subject to changes. SFC Capital's funds are also open to investors who do not wish to claim any tax relief on their investments.

Administration and Operation of the Fund.

The Minimum Investment for an individual Investor in the Fund is £10,000. There is no maximum investment that may be made by an individual Investor although the maximum amount on which an Investor can obtain SEIS tax relief is limited to £200,000 for any tax year, including carry back claims. Each spouse has their own limit and they are not aggregated. This limit applies to all SEIS investments made within a given tax year. This limit does not apply to Business Relief which is unlimited.

The Fund will seek to raise up to a maximum of £5 million. The Manager intends to make a number of Investments over a twelve-month period following the closing dates. The Manager intends to invest in a minimum of ten Investee Companies, however the number of investments depends on when an Investor subscribes to the Fund during the period the Fund is open for investment, the amount of Subscriptions at the disposal of the Fund, and the existing opportunities available to the Fund. SFC estimates that the average number of investments per investor is likely to be around 20 companies. Investors should note that they may be invested in fewer Investee Companies (or substantially more) and that it may take longer than twelve months for their Subscription to be fully invested.

The combined Minimum Subscription required from Investors for the Fund to proceed is £500,000. Both the Minimum and Maximum Fund Size may be altered at the discretion of the Manager, subject to the availability of attractive investment opportunities.

Timing of Exit

In order to retain SEIS tax reliefs, Investors must hold Shares for at least three years. Although the proposed life of the Fund is five to eight years, realisation of the Fund's Investments may take longer than this. Consequently, an Investor should not invest if they require access to their capital before the end of the three year period.

Investors should be aware that there is no market for secondary Shares and they are not readily realisable. In the event of a request to exit early, the Manager has no obligations to provide liquidity but will facilitate reasonable requests to transfer shares where an Investor has made third party arrangements. Investors may have to accept a significant discount on their Shares in order to realise their Investment early via a third party sale. Note that Shares must be held for at least three years to retain SEIS Relief.

It is rare to see exits within the first few years. Thereafter it is likely exits, whether cash generative or not, will begin to materialise. It is anticipated these will be through a trade or private equity sale, or listing on AIM. Investors should note that the Exits of Investee Companies may be long delayed and none of the Exit options above may materialise on favourable terms. It is not abnormal to see company failures before successful exits.

Withdrawals

Partial withdrawals from the Fund are not permitted. However, Investors may terminate their Investor Agreement and make an early withdrawal by transferring their shareholdings in the Investee Companies into their own names. An Investor is otherwise entitled to make withdrawals of their SEIS Shares only after the end of the period of seven years beginning with the date on which the relevant SEIS Shares were acquired, or earlier as permitted under Section 2 of the Schedule to the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001. The Manager will have a lien on all assets and Investments being withdrawn or distributed from the Fund and shall be entitled to dispose of some or all of such assets and apply the proceeds in discharging any liability (including for accrued or unpaid fees or performance incentives) owed by the Investor to the Manager, Fund Administrator, or SFC. The balance of any sale proceeds and title or control of any remaining Investments will then be passed to the Investor. In the event that Shares are sold or transferred to a third party before the end of the three-year EIS/SEIS qualifying period, Investors may be required to repay any initial income tax or reinvestment relief claimed. This Agreement shall terminate upon completion of the withdrawal of all cash and Investments to which the Investor is entitled.

Administration and Operation of the Fund.

Client Account

A client account with trust status and in the name of the Fund Administrator will hold all Investors' Subscriptions prior to investment and all proceeds from realisation of the Investments before being distributed to the Investors. No interest will be payable to Investors on this account. All documents of title will be held by the Nominee and will be registered in the name of the Nominee.

Allocations

The Manager will maintain accounts for each Investee Company, which will be open to inspection by each Investor, showing the amount contributed by that Investor and the amounts invested or to be invested on that Investor's behalf.

The number of shares in each Investee Company allocated to a particular Investor shall, where possible, be calculated by reference to the proportion which the Investor's Subscription bears to the total Subscriptions by all Investors in the Fund at the time the investment is made. However, this may not always be possible where investments are made from funds received from early Investors. It is intended that monies received from each Investor will be invested on a pro-rata basis to his or her Subscription through the Fund, as investment opportunities arise. Variations to this standard procedure will occur to avoid issuing fractions of shares, or if an Investor is subject to professional rules preventing him or her making an investment in a particular SEIS Company.

Timing of Investment

The Manager intends to invest Subscriptions over a twelve-month period following each closing date. There is, however, no guarantee that this timetable will be achieved, and the investment of Subscriptions may take longer.

In the event that an Investor dies **before** their Subscription has been fully invested, all uninvested sums subscribed by them will be repaid by the Manager to the Investor's personal representatives upon receipt of formal notice and satisfactory evidence of authority.

If an Investor dies **after** their Subscription has been fully or partially deployed, the Investor's Shares in the Investee Companies will form part of their estate and may be transferred to the Investor's beneficiaries or personal representatives, subject to the completion of all required probate procedures and the provision of appropriate documentation to the Manager and Fund Administrator. The transfer will be effected in accordance with the requirements of the Companies Act 2006, the Fund's constitutional documents, and any applicable HMRC EIS/SEIS rules.

Where the Investor's Subscription has been **partially invested**, the personal representatives of the deceased Investor may elect either to continue the investment of the remaining uninvested sums in accordance with the Fund's mandate or to withdraw such uninvested balance. Any share certificates and records of ownership will remain in the name of the deceased Investor until the transfer to the entitled beneficiary has been duly registered.

Investment in selected Investee Companies

When the Investment Committee has selected a suitable Investee Company and appropriate terms and conditions have been negotiated, it will subscribe for new Ordinary Shares in the Investee Company on behalf of Investors.

Share certificates will be issued in the name of the Nominee for each Investor. Any dividends received by the Manager or the Nominee from Investee Companies will be forwarded directly to Investors, subject to a retention to cover any accrued but unpaid fees or expenses. The Manager does not, however, anticipate any dividends being paid by the SEIS Companies.

Administration and Operation of the Fund.

Investee Company Monitoring & Reporting

Each Investee Company will normally be required to provide a regular board pack including financial management accounts to the Directors. The Manager will have the right to appoint a non- executive Director to the board of each Investee Company in order to ensure such information is provided in a suitable form and on a timely basis.

Until an Exit is achieved, the Manager will seek to ensure that Investee Companies comply with the SEIS Rules and are appraised of the consequences should the relief be withdrawn. Tax relief may be withdrawn in certain circumstances and the Manager does not accept any liability for any loss or damage suffered by any Investor or other person in consequence of such relief being withdrawn or reduced. In this regard, Investors are strongly advised to read the Risk Factors set out in this document on pages 28 to 31.

Investor Communication

Each Investor will receive an investment confirmation from the Manager once investments are fully deployed.

The Manager will also send each Investor reports biannually, this will include commentary on the progress of the Companies, to accompany the valuation.

Following the receipt of HMRC clearance for each Investee Company, Investors will be provided with an SEIS 3 form, which may be used to claim tax reliefs, subject to each Investor's personal circumstances.

The Fund Administrator and Nominee

By completing the Application Form contained in the Application Pack, prospective Investors will, subject to right of cancellation, be deemed to have irrevocably agreed to the Manager appointing a Fund Administrator and Nominee to exercise the powers, and to carry out duties, on behalf of the Investors in accordance with the provision of the Investor Agreement.

Qualifying Criteria for SEIS Companies

In order to qualify under SEIS, at the time of issue of the shares by each SEIS Company, that company must comply with the following criteria in order to qualify under the SEIS:

- Have been trading for fewer than 3 years;
- Have not raised any money from EIS or VCT investors;
- Have less than 25 full-time employees;
- Gross assets must not exceed £350,000 immediately prior to the issuance;
- Carry on a genuine new trade;
- Have a permanent establishment in the UK;
- Not be listed on a recognised stock exchange or no arrangements must be in place to become listed; and
- It must not be a subsidiary of, or controlled by, another company or no arrangements must be in place for the SEIS Company to become a subsidiary or controlled by another company.

The qualifying business activity for which the money is raised by the share subscription must be a trade carried on by the SEIS Company or its subsidiaries and must also meet the "Risk to Capital" condition. That is, the SEIS company must be exposed to significant risk and the trade must be conducted on a commercial basis and with a view to the realisation of growth and profit over the long term.

The maximum fund raising per SEIS Company is restricted to £250,000 and the monies raised by the issue must be utilised for the qualifying trade within two years of the share issue.

Structure and Tax Status.

The Fund will comprise of Shares in a selection of SEIS Qualifying Companies. For legal and tax purposes, each Investor will be the beneficial owner of a specific number of Shares in each Investee Company. All Shares and cash within the Fund will be managed together on behalf of all Investors and in accordance with the Investor Agreement. The Fund is not an unregulated collective investment scheme.

The Fund is an Alternative Investment Fund (AIF) and, under the required FCA Rules, the Manager will be the AIFM and will treat each Investor as its client for regulatory purposes. The Fund will be managed by SFC Capital Partners Ltd, currently a Small Authorised AIFM, who will exercise its discretion in selecting and allocating investments in accordance with the Investor Agreement. In the event that the Investment Adviser is unable to fully deploy subscriptions in accordance with the mandate, uninvested will be returned to the Investor. The Manager will arrange for the provision of administration services in relation to the Fund by a suitable authorised person, as required. SFC Capital Partners Ltd , which is authorised and regulated by the FCA (FRN: 736284), the Manager, will appoint (on behalf of itself and each of the Investors) SFC Nominees Limited (which is a subsidiary of SFC Capital Partners Ltd) to provide nominee services. The Manager will appoint Kin Capital Partners LLP as initial Fund Administrator of client applications and monies via the set up a client bank account, and provide administration services to the Fund. Copies of the Fund Administrator Agreement will be provided to Investors on receipt of their Application Form via hard or soft copy, if requested.

Once an SEIS Company has been trading for four months and clearance has been obtained from HMRC, SEIS 3 forms will be applied for with the assistance of the Manager, each setting out that Investor's entitlement to any SEIS tax relief.

The Manager intends to make a number of Investments over a twelve-month period following the closing dates, but all subscriptions made within a single Subscription Period shall be regarded as part of the same portfolio. The Manager intends to invest in at least ten Investee Companies, however the number of investments depends on when an Investor subscribes to the Fund at least during the period the Fund is open for investment, the amount of Subscriptions at the disposal of the Fund, and the existing opportunities available to the Fund. Investors should note that they may be invested in fewer Investee Companies and that it may take longer than twelve months for their Subscription to be fully invested.

The Minimum Subscription is £10,000, which is paid up on application to invest in the Fund. Capital is returned to Investors as realisations from Investee Companies are made.

The Manager will not deduct any of its fees or charges from an Advised Investor's Subscription, so that those investors receive SEIS tax reliefs on 100% of their gross Subscription.. Where the investor has agreed with their Adviser to deduct an Adviser Charge from their Subscription for the advice they have received, then this will be deducted from their Subscription and will therefore reduce the amount of tax relief available. For direct investors, the Non-Advised Initial fee, will be deducted from their gross Subscription, which will reduce the level of tax reliefs received by the Investor.

Where an Investor has agreed to pay a Financial Intermediary (including any "execution only" broker) an Initial Adviser Charge in respect of a Subscription to the Fund, such payment will be facilitated. Any such charges will be deducted directly from Subscriptions if the investor does not increase their Subscription by the amount of the Adviser Charge, and this will, therefore, reduce the amount of tax reliefs an Investor can claim on their Subscription. The value of the Adviser Charge is a matter for the Investor and their Financial Intermediary.

All fees and charges stated in the Information Memorandum are net of any VAT which will be added if applicable. Further details of Fund administration fees and charges are set out in the Investor Agreement.

Tax Benefits.

The summary below gives a brief outline of the Tax Advantages. It does not set out all of the rules that must be met and is intended only as a general guide. This summary should not be construed as constituting advice which Investors should obtain from their own professional tax or Financial Intermediary before investing in the Fund. The taxation levels, bases and reliefs described in the Information Memorandum are based on an understanding of existing laws and current HMRC practice, but this may be subject to change in the future and may adversely affect the return to the Investor.

The "Risk-to-Capital" Condition – Finance (No.2) Bill 2017-19

The Government and HMRC introduced a new "Principles-based" test in November 2017, to ensure SEIS companies are exposed to significant risk and have the objectives to grow and develop over the long term. This is also known as the "Risk-to-Capital" condition which applies to investments made on and after 15th March 2018, the date of Royal Assent of the Finance (No. 2) Bill 2017-19. Although the Manager believes that the Investee Companies the Fund will invest in will meet the "Risk-to-Capital" condition and will always require that SEIS Advance Assurance is sought for any Investee Company prior to making an investment, you should only invest if you accept that there is no guarantee that the formal SEIS claims will be agreed and you accept that agreement could be subsequently withdrawn by HMRC. In those circumstances, Subscription monies will not be returned to Investors. If an Investee Company fails to obtain SEIS Qualifying Company status, or if it is subsequently withdrawn, SEIS income tax and reinvestment reliefs and any other SEIS tax benefits would not be available to Investors or could be withdrawn.

Claiming Tax Relief.

The Investor may obtain SEIS Relief in the tax year in which Investment into each of the SEIS Qualifying Companies is made by the Investor. To claim the relief, the Investor will need to submit a SEIS 3 form to HMRC. SEIS 3 forms can be applied for by SEIS Qualifying Companies following four months of trade. Some of the Investee Companies may already have carried out four or more months of trade and will apply to HMRC for SEIS 3 forms immediately following the issuance of Shares. Other Investee Companies may not carry out a trade for some time after the issue of shares which may result in a delay in the issuance of SEIS 3 forms for investors. Once issued, all SEIS 3 forms will be sent directly to Investors.

Tax Advantages.

The Tax Advantages for Investors making SEIS investments into the Fund include the following:

Income Tax Relief

Individuals can obtain SEIS Relief at up to 50% on amounts of up to £200,000, or such amount which reduces their income tax liability to nil (if smaller) in any tax year the Manager subscribes on their behalf for eligible shares in SEIS Qualifying Companies through the Fund.

SEIS Relief is given for the tax year in which the Investor makes an investment in an SEIS Qualifying Company. If the Investor has an income tax liability in the preceding year they can claim relief against that liability through Carry Back Relief; any carry back to the preceding tax year will attract relief at 50% on amounts up to £200,000.

The certificate stating and confirming the SEIS Relief obtainable by an Investor is Form SEIS 3, issued by the Qualifying Company following an investment by an Investor. An Investor cannot obtain SEIS Relief without Form SEIS 3. The latest date on which an Investor can claim SEIS Relief is five years after 31st January, following the tax year to which the claim relates. SEIS Relief will be withdrawn if an Investment is not held for three years from the date of Investment (or from the date of commencement of the Qualifying Company's trade if later), or if the Investor is connected with any Qualifying Company in which an Investment is made either within two years before or three years after the date of Investment in the Qualifying Company.

Husbands and wives (and civil partners) can each make investments up to £200,000 in any tax year provided this would not take their total shareholdings, with those of any associated parties, in any one company to over 30% if they wish to claim SEIS income tax relief.

The SEIS Relief is currently given at the rate of 50% and is given against (but cannot exceed) the individual's income tax liability for the tax year the Investment is made into an Investee Company.

Exemption from Capital Gains Tax

No Capital Gains Tax (CGT) is payable on capital gains realised on the disposal of the Investments provided that the shares are held for at least three years from the date of Investment (or from the date of commencement of the SEIS Qualifying Company's trade if later) and the issuing company has maintained its SEIS qualifying status.

SEIS Reinvestment Relief

Reinvestment relief enables an individual who has disposed of an asset – that would give rise to a chargeable gain – to treat a maximum of 50% of the gain as exempt from Capital Gains Tax, where they have reinvested all or part of the amount of the gain in qualifying SEIS shares

SEIS Loss Relief

Any capital losses realised in respect of an Investment made in the Investee Companies (net of SEIS Relief attributable to the Investment) qualify for loss relief so that the capital loss can be set against capital gains of that tax year or a later tax year or against income of that tax year or income of the preceding tax year.

Inheritance Tax Relief*

Investments in the Fund should qualify for 100% relief from IHT in the event of the death of an Investor as long as the Investment into each Investee Company has been held for at least two years from the date of Investment and is held at the time of death.

* From 6th April 2026 100% IHT relief on S/EIS private companies will be limited to the first £1 million of qualifying assets (including private companies and agricultural property), with the remainder eligible for 50% IHT relief.

Business Investment Relief.

Business Investment Relief (BIR) was introduced in the Finance Act 2012 to allow non-UK-domiciled individuals to bring foreign income and gains into the UK without triggering a remittance tax charge, provided the funds are invested in a qualifying UK business. Under the current transitional rules – following the replacement of the remittance basis with the new Foreign Income and Gains (FIG) regime from 6th April 2025 – BIR continues to apply only to foreign income and gains arising before 6th April 2025. New BIR investments may be made up to 5th April 2028, after which the scheme will close to new investments and reinvestments.

To qualify for BIR, the investment must be made within 45 days of the funds being brought to the UK. If an intended investment is aborted, no UK tax charge arises provided the funds are taken offshore within 45 days of arrival in the UK. Upon disposal of a qualifying investment, the investor has 45 days from disposal either to take the proceeds offshore or to reinvest them into another BIR-qualifying investment. Special rules apply where the disposal proceeds are less than cost – in such cases the full amount of the proceeds must be removed from the UK within 45 days unless reinvested.

BIR may apply to investments in SEIS-qualifying companies, provided all statutory conditions are met. However, BIR only applies to the amount invested in the qualifying shares themselves. Any fees, adviser charges, or amounts not subscribed directly for shares do not qualify for BIR and will generally be treated as taxable remittances if paid using offshore funds.

A key condition of the BIR regime is that neither the investor nor any connected person may receive a non-arm's-length benefit from the investment (the "extraction of value" rule). Compliance with this condition is within the control of the investor; the fund manager or investee company cannot ensure it on the investor's behalf.

With the closure of BIR to new investments from 6th April 2028, investors intending to use pre-6th April 2025 foreign income or gains under BIR must complete new subscriptions or reinvestments before that date. After 6th April 2028, existing BIR investments will continue to require monitoring for potentially chargeable events, and any proceeds will need to be taken offshore to avoid a remittance tax charge.

Risk Factors.

Investors should be aware that investing in unquoted companies is high risk and, consequently, an investment in the Fund may not be suitable. If an Investor is unsure, they should not subscribe for this Fund. **In any event, it is recommended that an Investor seeks specialist independent tax and financial advice prior to subscribing.**

Below is what the Manager believes to be the key risks associated with participating in the Fund. Please note, the risks shown are not exhaustive, and there may be additional risks and uncertainties, not presently known to the Manager, or which the Manager currently deems immaterial, which may also have an adverse effect on the Fund and on its investments.

1. Fund Risks

1.1. Capital at Risk. The Fund will target early-stage, unquoted companies. Such companies, by their nature, pose a greater investment risk than other more established companies. Investors may not get back the full amount subscribed, and could lose all invested capital. Investments within the Fund may fall as well as rise in value. It is possible that some or even all investments may lose all of their value.

1.2. Target Returns and No Guarantee of Return. Any stated target returns are for illustrative purposes only and no forecast (guaranteed or otherwise) is implied or should be inferred.

1.3. Investment Concentration. An Investor's Subscription may be concentrated in significantly fewer Investee Companies than targeted thereby increasing the risk profile of the Fund and substantially impacting on the amount returned to Investors.

1.4. Investment Timing. The Manager intends to fully invest Subscriptions to the Fund over a twelve-month period following the first Closing Date. However, it may take longer and even not be possible to fully invest all Subscriptions to the Fund. Also, it is possible no Subscriptions will be invested if there are no suitable investment opportunities. This will impact on Investors' potential return and timing of SEIS tax reliefs which may be available.

1.5. Illiquidity. There is no market in the Investee Companies' shares, which means that the Investments within the Fund will not be readily realisable. The realisation of such Investee Companies may take longer than the proposed fund term and may not happen at all. Investors should consider an Investment into the Fund to be a long-term investment.

1.6. Exit. Smaller companies can grow in value, but as an investor you will not be able to realise the value from that growth until it is possible for SFC CP to sell the shares held for you in your portfolio. It can sometimes be difficult to find a buyer for a smaller company, even if it has been successful in its chosen market. Furthermore, the Fund holdings will almost always be a minority shareholding, meaning that SFC CP and SFC will lack the ability to direct an exit or other Investee Company behaviours.

1.7. Cessation of Manager. The Manager reserves the right to cease to manage the Fund in certain circumstances as set out in the Investor Agreement, in which event it will try to transfer the Investments to another fund manager or terminate the Fund in an expeditious way. If it does so, there is a possibility that the Tax Advantages may be lost.

1.8. Cessation of Investment Adviser. The Manager contracts the Investment Adviser under a separate agreement to provide advice throughout the life of the Fund. This advice includes: deal sourcing and assessment; supporting, monitoring and reporting on Investee Companies; and exit considerations. By their nature, investment advisers do not tend to be directly regulated, have no direct obligations to Investors and can be financially less resilient. Should SFC cease to perform its role as Investment Adviser, the Manager will take appropriate steps either to procure the services of another Investment Adviser or will have to make alternative arrangements. These changes and the loss of the team closest to the investments could incur additional costs and could have a negative effect on the Fund's performance.

1.9. Minimum Fund Raising. If the Minimum Fund Size is not reached by the first Closing Date, the Fund will not proceed (subject to the discretion of the Manager) and Investors' monies will be returned without interest.

1.10. Legal and Regulatory. There may be changes to the legal framework and regulatory status surrounding the Fund which may adversely affect the Fund and/or its Investors.

Risk Factors.

2. Investee Company Risks

2.1. Smaller Company Risk. The Fund carries all the risks of investment in smaller companies. Investee companies can experience significant and sudden increases or decreases in value. They often serve small, niche markets or face the challenge of gaining a foothold in a larger, well-established market. Smaller companies can be less resilient to economic shocks and have higher dependency on key personnel. They can also be vulnerable to sudden changes in the nature of their industry sectors, or competition from bigger companies and new market entrants.

2.2. Investment Return. Investors should be aware that investment returns are dependent upon the performance of individual Investee Companies, the income they generate and whether they perform in accordance with their initial business plans. Outside factors such as the economic climate, market conditions and a change in regulatory environment may all adversely impact on a company's performance. In addition, Investors' returns may be impacted if the Investee Companies have to raise additional equity capital or issue equity at a lower share price than the financial business plans envisage at the outset.

2.3. Valuation. Investing in smaller, unquoted companies is, by its nature, high risk. Information regarding the value or the risks that these companies face may not always be available. In addition, there is no guarantee that the valuation of Shares will fully reflect their underlying net asset value, or that the Shares can be sold at that valuation.

2.4. Macroeconomic. Adverse macroeconomic events (e.g., inflation, recession, cost-of-capital increases, supply chain disruptions) may negatively impact the company's ability to operate, raise funding, or commercialise products.

3. Manager Risks

3.1. Deal Flow. Investors should be aware that there is a risk that the Manager may be unable to find a sufficient number of investment opportunities to meet the Fund's investment criteria. It may, therefore, be the case that the Fund is not fully invested. The level of returns from investments may be less than expected if there is such a delay insofar as all or part of the Fund is held in cash or near cash investments for longer than expected, or if the returns obtained on investments are less than planned, or if investments cannot be realised at the expected time and values. There can be no guarantee that suitable investment opportunities will be identified in order to meet the Fund's objectives. Furthermore, an insufficient number of investments may lead to Investors' Subscriptions not being invested in the 2025/26 tax year and therefore SEIS tax relief being deferred to later tax years or not materialising altogether.

3.2. Past Performance. The past performance of investments made by the Manager, the Fund, and Investment Adviser, SFC, must not be regarded as an indication of future performance and there is no guarantee that the Fund's financial targets will be achieved. Although the Manager and Investment Adviser may have been successful in identifying investments in the past, it may be unable to find a sufficient number of attractive opportunities to meet its investment objectives, including achievement of its target IRR, or fully invest the Fund's capital without significant delay. The value of investments and the income derived from them may go down as well as up and Investors may not get back the full amount invested.

3.3. Personnel. The performance of the Fund will depend in part upon the skill and expertise of the members of the Investment Adviser and the Investment Manager. The departure of any individuals from these organisations could have a significant effect on the performance of the Fund.

3.4. Forex Risk. The Manager may invest in business with companies which have overseas operations. If a liability of the Fund in one currency is to be matched by an asset in a different currency, or if the services to be provided to the Manager for the Fund may relate to an investment denominated in a currency other than the currency in which the investments of the Fund are valued, a movement of exchange rates may have a separate effect, which may be either favourable or unfavourable, on the gain or loss otherwise made on the investments of the Fund.

Risk Factors.

4. Tax Risk Factors

4.1. Rates. Rates of tax, tax benefits and allowances described in this Information Memorandum are based on current legislation and HMRC practice. These may change from time to time, are not guaranteed and depend on the individual's circumstances.

4.2. Domicile. The Fund has been designed with UK resident taxpayers in mind. It may not be advantageous for persons not resident or ordinarily resident in the UK to invest in the Fund.

4.3. Filing. Income tax relief available to Investors is subject to Investors making the proper filing of returns with HMRC within the required timeframe and reliefs may be lost if the necessary steps are not taken.

4.4. Investor Status. There are circumstances in which an Investor could cease to qualify for the taxation advantages offered by the SEIS. For example, if an Investor receives value from the Fund or one of the Investee Companies during the period beginning one year before the Shares in the Investee Companies are issued and ending on the conclusion of the Three Year Period. Payment of a normal dividend would not typically be regarded as a receipt of value.

4.5. Company Status. Whilst it is the intention of the Manager to invest in companies that qualify for SEIS tax relief, the Manager cannot guarantee that all Investments will qualify and, if they do so initially, that their status will be maintained. A failure to meet the qualifying criteria could result in adverse tax consequences for Investors.

4.6. Advance Assurance. Although Advance Assurance will be sought from HMRC that the Investee Companies are expected to be SEIS Qualifying Companies and their activities should qualify under the SEIS prior to making an Investment, there is no guarantee that the formal SEIS claims will be agreed or that such agreement will not be subsequently withdrawn. In those circumstances, Subscription monies will not be returned to Investors.

If an Investee Company fails to obtain SEIS Qualifying Company status, or if it is subsequently withdrawn, SEIS income tax and reinvestment reliefs and any other SEIS tax benefits would not be available to Investors or could be withdrawn.

4.7. Relief Continuity. Following an investment in an SEIS Qualifying Company, the continued availability of SEIS reliefs to the Investor relating to any individual investment depends on compliance with the requirements of the SEIS legislation by both the Investor and Investee Company.

4.8. Relief Timing. The dates on which initial income tax relief, reinvestment relief, Business Relief and any other SEIS tax benefit relating to investment in SEIS Qualifying Companies are available will vary depending on the date on which the Fund makes qualifying investments.

4.9. Investment Timing. The Manager intends to invest Subscriptions over a twelve-month period following a closing date. As already noted above in "Fund Risks", under 1.4 "Investment Timing", and "Manager Risks", under point 3.1 "Deal Flow", there can be no guarantee that suitable investment opportunities will be identified by the Manager, which may lead to Investors' Subscriptions not being invested in any particular tax year and therefore SEIS tax relief being deferred to later tax years or not at all.

4.10. Relief Repayment. Where an Investor or an SEIS Qualifying Company ceases to maintain SEIS status in relation to any individual Investment, this could result in Investors being required to repay the income tax relief received on the Investment and interest on the same, a liability to tax on capital gains on a disposal of the Investment and any reinvestment relief withdrawn.

4.11. Early Sale. A sale of Shares in the Investee Companies within the Three Year Period will result in some or all of the 50% income tax relief available upon Subscription for those Shares becoming repayable to HMRC and any capital gains on such Shares and any gain subject to reinvestment relief being subject to CGT. It is possible for Investors to lose their SEIS relief and/or reinvestment relief and/or Business Relief by taking or not taking certain steps. Investors are advised to take appropriate independent professional advice on the tax aspects of their investment.

4.12. Relief Levels. The levels and bases of reliefs from taxation may change or such reliefs may be withdrawn. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of Investors.

4.13. Risk-to-Capital" Condition in Finance (No. 2) Bill 2017-19. The Government and HMRC

Risk Factors.

have introduced a "Principles-based" test, to ensure SEIS companies are exposed to significant risk and have the objectives to grow and develop over the long term. This is also known as the "Risk-to-Capital" condition and applies to investments made on and after 15th March 2018, the date of Royal Assent of the Finance (No. 2) Bill 2017-19. Although the Manager believes that the Investee Companies the Fund will invest in will meet the "Risk- to-Capital" condition and will always require that SEIS Advance Assurance is sought for any Investee Company prior to making an investment, potential investors should only invest if they accept that there is no guarantee that the formal SEIS claims will be agreed, and they accept that such agreement could be subsequently withdrawn by HMRC. In those circumstances, Subscription monies will not be returned to Investors. If an Investee Company fails to obtain SEIS Qualifying Company status, or if it is subsequently withdrawn by HMRC, SEIS income tax and reinvestment reliefs and any other SEIS tax benefits would not be available to Investors or could be withdrawn.

4.14. Full Listing. Following the admission of an Investee Company to the main market of the London Stock Exchange, (but not to trading on the AIM) or certain overseas stock markets, Business Relief for Inheritance Tax purposes will cease.

4.15. Share Buybacks. Where an exit is facilitated through a share buyback by the Investee Company, this may be treated as a taxable income distribution unless certain criteria are met, including that the investor is UK resident and has held the shares for a minimum five year period.

Further Information

If any further information related to the Fund is required, please contact the Fund Manager.

Fund Manager

SFC Capital Partners Limited
C/O Bennett Brooks
2 Maple Court
Davenport Street
Macclesfield
Cheshire
SK10 1JE

info@sfccapitalpartners.com

Fund Adviser

SFC Capital Limited
C/O Bennett Brooks
St Georges Court
Winnington Avenue
Northwich
CW8 4EE

www.sfccapital.com
invest@sfccapital.com
@sfccapital