

Purpose: This Document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Caution: You are about to purchase a product that is not simple and may be difficult to understand.

Product

Symvan Technology EIS Fund

Symvan Capital Limited

www.symvancapital.com | Call 020 3011 5095 for more information
 Authorised and regulated by the Financial Conduct Authority in the UK
 30th June 2024

What is this product?

Type

The product is an unapproved Alternative Investment Fund. The Fund is established as a discretionary portfolio service and will make investments into suitable target Enterprise Investment Scheme (EIS) qualifying companies. Symvan Capital Limited is the Manager.

Objectives

The primary objective is to provide a return to investors of £2.85 for every £1 invested over a period of 5 or more years. This is a high risk, high reward product that is uncorrelated to traditional asset classes and seeks to increase the return of an individual's overall investment portfolio. The Symvan Technology EIS Fund ("the Fund") invests in the ordinary shares of a number of unquoted companies operating in the technology sector with high growth potential that each qualify under the Enterprise Investment Scheme. The Fund has been structured to allow Investors to claim EIS tax reliefs in qualifying companies, wherever possible and practical up to the amount of their subscription, in the tax year in which the investment is made in those companies.

The aim of the Fund is to focus on investment in businesses which have established plans and management teams, have demonstrated growth potential with strong commercial opportunities and, are planning to exit in approximately five years. The Fund is focussed on 'post-seed' financing, where companies may already have raised early-stage funding - some possibly under the Seed Enterprise Investment Scheme - and having achieved milestone developments since then, will typically be seeking new equity funding for £0.25 million to over £2 million. Monies invested by the Fund into portfolio companies will be primarily used by these entities to invest in employees, sales and marketing activity, and working capital to grow revenues quickly. The Manager believes that technology businesses with established commercial operations, growing revenues, and which show potential to scale to a much higher level are likely to be attractive to both trade buyers and private equity fund buyers.

The Fund seeks to provide a return (by way of a capital gain) to the investor after an exit has been achieved in any of the portfolio companies. The Fund will not invest in any company without a clear expectation of the likely exit strategy. The Fund will look at the possibility of facilitating an exit from an Investment after it has been held for at least three years, thereby ensuring, wherever possible, that the Investment has met one of the key qualifying conditions necessary for Investors to obtain the relevant tax reliefs. However, there may be occasions where an earlier sale is a commercially sensible decision. Exits may include a sale or part sale of the portfolio company or an initial public offering. It is anticipated that exits will take place after they have been held for at least four years, with most after five to six years though some could take longer depending on market conditions and the nature of the portfolio companies.

Intended retail investor

The fund is targeted at, and may be suitable for: high net worth and sophisticated UK resident investors; investors who have sufficient income tax liability to reclaim income tax relief at 30% of the amount subscribed; investors who are seeking to shelter assets from inheritance tax; investors who have realised a capital gain within three years of the date of an investment into the portfolio company; investors who want to invest in technology companies with high growth potential; and, investors who will not need access to their capital for at least five years and are comfortable with unquoted private company investments.

Availability is restricted to retail clients who either confirm that they will receive advice on the investment from a financial adviser authorised and regulated by the FCA or those who can confirm that they are certified high net worth investors, certified sophisticated investors, self-certified sophisticated investors, or certified restricted investors.

Insurance benefits

Not applicable.

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to cash in early. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 6 out of 7, which is the second-highest risk class.

This rates the potential losses from future performance at a high level, and poor market conditions are very likely to impact the capacity of the Fund to pay you.

Any investment in the Fund should be regarded as medium to long term in nature. Investors' money subscribed to the Fund will be committed to investments which may be long term and illiquid in nature. The companies in which the Fund invests will not be quoted on any regulated market and accordingly there will not be an established or ready market for any such shares.

It may be difficult to obtain information regarding how much an investment is worth or how risky it is at any given time and the Manager may experience difficulty in realising the investments (for value or at all).

This product does not include any protection from future market performance so you could lose some or all of your investment.

If the Fund is not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Investment £10,000 Scenarios (Excludes any impact of EIS tax reliefs)		1 year	3 years	5 years Recommended holding period
Stress scenario	What you might get back after costs	£0	£0	£0
	Average return each year	-100%	-100%	-100%
Unfavourable scenario	What you might get back after costs	£0	£500	£5,200
	Average return each year	-100%	-63%	-12%
Moderate scenario	What you might get back after costs	£0	£2,200	£16,100
	Average return each year	-100%	-40%	10%
Favourable scenario	What you might get back after costs	£0	£4,200	£28,460
	Average return each year	-100%	-25%	23%

Note: all figures in the tables are for illustration purposes only.

This table shows the money you could get back over the next five years, under different scenarios, assuming that you invest £10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you will get will vary depending on how the market performs and how long you keep the investment.

The figures shown include all costs of the product itself but may not include all costs that you pay to your advisor or distributor.

This product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before the recommended holding period. You will either be unable to cash in early, you may have high costs or make a large loss if you do so.

The figures do not take into account your personal tax situation, and therefore exclude any potential positive impact of EIS income tax and loss reliefs, which may also affect how much you get back. For example, if you pay income tax at the 40% marginal rate and are able to claim all income tax and loss reliefs available under EIS, for the same investment under both the Unfavourable and Moderate scenarios above, after 5 years the equivalent average return each year would be 5% and 25% respectively instead of -12% and 10%.

What happens if Symvan Capital Limited is unable to pay out?

In the event of default by the Manager such that it is unable to carry out its obligations, the Manager shall endeavour to make appropriate arrangements to transfer the Fund to another fund manager. In the event of default by any of the Manager's appointed agents such as the Custodian (Woodside Corporate Services Limited), the Manager shall endeavour to appoint an alternative custodian.

Should you face a financial loss due to the Manager not being able to carry out its obligations, you may be able to claim compensation. The Manager participates in the Financial Services Compensation Scheme, established under the Financial Services and Markets Act 2000, which provides compensation to eligible investors in the event of a firm being unable to meet its customer liabilities. Payments under the protected investment business scheme are limited to a maximum of £85,000. Further information is available from the Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. These figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Costs over time

Investment £10,000	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years (recommended)
Total costs	£0	£300	£2,900
Impact on return (RIY) per year	0%	2.6%	3.7%

The table shows what impact the different types of costs have on what you get back at the recommended holding period and under the Moderate scenario and what the different cost categories mean.

Composition of costs

The table below shows a) The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period, and (b) What the different cost categories mean.

One-off costs	Entry costs	0%	The impact of the costs you pay when entering your investment.
	Exit costs	0%	The impact of the costs of exiting your investment when it matures.
Recurring costs	Portfolio transaction costs per year	0%	The impact of the costs of us buying and selling underlying investments for the product.
	Insurance costs	0%	Not applicable.
	Other ongoing costs	0%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	3.7%	The impact of the performance fee. We take these when realisations from a company investment exceed the total amount invested, that amount being 20% of the differential.
	Carried interests	0%	The impact of carried interests.

How long should I hold it and can I take my money out early?

Recommended holding period: 5 years or longer

The Fund will not invest in any company without a clear expectation of the likely exit strategy. The Fund will take a long-term view on the Portfolio Companies and will look at the possibility of facilitating an exit from an Investment after it has been held for at least three years, thereby ensuring, wherever possible, that the Investment has met one of the key conditions necessary for Investors to obtain the relevant tax reliefs. However, there may be occasions where an earlier sale is a commercially sensible decision.

It is anticipated that exits from investments in Portfolio Companies will take place after they have been held for at least four years though some could take longer (five to six years) depending on market conditions and the nature of the commercial development of each of the Portfolio Companies. Therefore, the recommended holding period for the Product is five years or longer.

The EIS rules do not permit investments to be withdrawn during the Three Year Period, as to do so would invalidate any claim for tax relief and would lead to relief needing to be repaid. Where an Investor wishes to withdraw their investment, under exceptional circumstances, such as the death of the Investor or proven severe financial hardship or proven health difficulties of the Investor, and without any guarantee of success, the Manager will try to match withdrawals with other shareholders and interested parties. However, it may not be practicable for the shares to be sold, in which case there will be a delay in completing the withdrawal and no guarantee can be given that any proposed matching will be successful or at what price it might be achieved. If a sale is made within the Three Year Period an Investor will lose their tax relief and could incur a loss on an investment.

Any completed withdrawals for a company investment that are realisations that exceed the total amount invested will incur a Performance Fee which will be deducted from the proceeds due to the Investor.

How can I complain?

Should you have a complaint about the Product or the conduct of the Manager or the person advising on the Product, you should contact the Manager. If the Manager cannot resolve the complaint to your satisfaction, you may be entitled to refer the complaint to the Financial Ombudsman Service.

Further details of the complaints procedure can be found at <https://www.symvancapital.com/complaints-procedure>.

Complaints may be submitted either by post or email to the following addresses:

Symvan Capital Limited
2 London Wall Place, 6th Floor
London EC2Y 5AU

info@symvancapital.com

Other relevant information

Full details about the Product are available in the Memorandum which is available from the Manager or can be requested at <https://www.symvancapital.com/apply-now>.

If you are in any doubt about the action you should take in regard to the contents of this Key Information Document or the Memorandum you should contact an independent financial adviser or other professional adviser authorised under the Financial Services and Markets Act 2000 (FSMA) who specialises in advising on investments of this type. Reliance on this document or the Memorandum for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. Your attention is drawn to the "Risk Factors" section of the Memorandum. Nothing in this document constitutes investment, tax, financial, regulatory or other advice by Symvan Capital Limited.