Guinness AIM EIS

Tax-Advantaged Investments

EIS Review

MARCH 2019

Contents

Overview

Guinness Asset Management Ltd ("Guinness" or "the Manager") is seeking to raise up to £10 million for the sixth tranche of the Guinness AIM EIS ("the Fund") to be invested in the 2019/20 tax year. Investors should note that the Service is an HMRC-Approved investment fund for EIS purposes.

Offer: This offer aims to deliver a gross return target of in excess of 1.3x money-in (net of all fees) over a four- to five-year investment horizon. The offer is open to new and existing investors and launched in December 2018, with the next tranche closure scheduled for 6 April 2019.

Investment Details:

Score:	**85**
Offer Type	HMRC-Approved
EIS Strategy	Generalist
EIS AUM (Pre-Offer)	£158 Million
Manager AUM	£1.4 Billion
EIS Risk Level	Medium

Investment:

Minimum subscription	£20,000
Maximum qualifying subscription per tax year	£1 million
Early bird discount	None available

Closing Date:

06 April 2019

This document verifies that *Guinness AIM EIS* has successfully completed our independent due diligence process, having passed through all stages of the governance process in the run-up to the report's publication on the date listed below. It has therefore been awarded the MJ Hudson Cornerstone Trustmark.

Risk Warning for EIS Schemes

Individuals should always read and bear in mind the risk warning notices that are included within providers' investment offer literature / documentation, including prospectuses, information memorandums, securities notes, brochures and other related marketing literature. Whilst the following list is not exhaustive, some of the main risks to be aware of include:

- Investments are in small, AIM-listed or unquoted companies and should be considered as high risk;
- Investments are illiquid and need to be held for at least three years in order to retain the initial income tax relief;
- An EIS/Seed EIS investment should be viewed as a long-term investment;
- Legislation, along with the nature and level of tax reliefs is subject to change. There can be no certainty that investments will be eligible or remain eligible for EIS/Seed EIS Relief;
- Historic investment performance cannot be used as a guide to future performance, and the value of any given investment may rise or fall;
- Many EIS/Seed EIS Schemes involve investment in a single company or sector and therefore should only be considered as a small part of an overall portfolio;
- Investors may not have independent representation on the Boards of investee companies which can mean their interests are not adequately considered relative to the executive team;
- EIS/Seed EIS investments should only be considered by sophisticated investors who understand, and have given careful consideration to, the underlying investment strategy and associated risks. For help in determining potential investment suitability, professional advice should be sought;
- Often there will be no regulatory oversight and investors will usually not be eligible for compensation if things go wrong.

Executive Summary

MANAGER:

Guinness Asset Management Ltd ("Guinness" or "the Manager") is a UK-based, privately owned, investment management firm, established in 2003 by Tim Guinness. As at 31 December 2018, Guinness had total Assets Under Management ("AUM") of approximately £1.4 billion, spread across 9 Dublin-domiciled OEIC's, two Enterprise Investment Schemes ("EISs"), two Business Relief schemes ("BR") and eight SEC-registered U.S. mutual funds. We note that the U.S. mutual funds are managed under Guinness Atkinson Asset Management ("Guinness Atkinson", formerly Guinness Flight US), the Manager's U.S.-based sister company acquired from Investec in 2003. Guinness has been making EIS investments since 2010 and is relatively experienced in this space.

PRODUCT:

Guinness AIM EIS ("the EIS Fund" or "the Service") aims to expose investors to a portfolio of ten or more EIS-qualifying companies predominantly through shares that are listed/listing on the Alternative Investment Market ("AIM"). We note that the Manager will be investing in initial public offerings ("IPOs") in addition to primary issues from issuers already listed on AIM, and will hold each investment for a minimum of three years. Additionally, the Manager reserves the right to invest up to 20% of the Fund in companies listing/listed on the NEX exchange and in pre-IPO companies. The primary focus of the service is on capital growth, aiming to deliver a gross return target of 1.3x money-in (net of all fees) over a four to five-year investment horizon.

The Service is an HMRC-approved investment fund for EIS purposes. Therefore, for Income Tax Relief purposes, all the Investments will be deemed to have been made on the Closing Date provided 90% of the Subscriptions have been invested by the first anniversary of the Closing Date.

SUMMARY OPINION:

Guinness have an established track record of investing in EIS-qualifying companies and have successfully deployed over £15 million in AIM-listed, EIS-qualifying companies over the five-year period since this strategy was adopted. The first tranche of the fund (2014/15) has now almost fully exited, with the exception of a single company still invested. Performance has been impressive, with investors attaining an excess return of almost 40%. In addition to this the 2015/16 tranche has made 15 exits, with an excess return of over 16%. These numbers are indeed encouraging, although it should equally be noted that these returns were generated during a period of significant growth on the AIM market generally, and the unrealised returns of the remaining portfolios are less impressive. Going forward, we note that the success of the strategy will be largely dependent on the quality of companies raising money on the AIM market over the targeted 12-month investment period. Additionally, as the Manager is a price taker in the AIM market, there is risk of inflated entry prices on underlying investments; offerings from the best performing companies could potentially be highly contested. Investors should consider the advantages and disadvantages presented by an exposure to AIM-quoted companies in assessing the attractiveness of this investment proposal; there are very few other EIS offerings predominantly focused on the AIM market. We expect the portfolio created for investors in the Fund to be relatively well diversified with a good balance of companies with varying levels of risk, although this will largely depend on which companies are seeking an AIM listing for their shares. This EIS offering is worth consideration from individuals who would benefit from the advantages provided by an AIM-focused EIS offer and are comfortable with the risks presented by the offer particularly those who are attracted by the high probability of achieving an exit within four to five years. We note that fees are somewhat high relative to a number of AIM related products (including VCT and AIM IHT). However, the fee structure is competitive in relation to EIS-focused products, and for those preferring an EIS product rather than VCT the Service is worth consideration because of the relative certainty over the timing of tax reliefs and exit.

Positives

AT THE MANAGER LEVEL:

- Guinness is a relatively large investment manager and would comfortably sit within the top quartile of investment firms with a tax-advantaged product offering ranked by total assets under management;
- The Manager has been making EIS investments since 2010 and is relatively experienced in this space. However, the Manager's institutional-focused non-tax product offering remains the fundamental driver of AUM growth;
- Fundraising for its EIS products has increased significantly in the past two years, with levels just short of £50 million through the end of 2018;
- The Manager's approach to client servicing is robust, transparent, and fit for purpose. Investor communications are thorough, supported by a sizeable investor relations team, with regular updates offered to investors;
- Guinness offers a relatively diversified product offering and we understand that recurring income accounts for greater than 90% of the Manager's total income stream. Consequently, we consider the Manager's revenue base to be relatively stable;
- We note that the Manager's tax-advantaged product offering accounts for approximately 20% of the Manager's turnover and 50% of if its pre-tax profits in 2018. Consequently, the Manager is less susceptible to legislative changes in the tax-efficient space than others might be.
- Guinness managed to significantly increase both revenues and profits for the 2017 financial year at over £12 million and £600,000 respectively, with similar levels in 2018. Further to this it has a solid capital base with no debt on its balance sheet and a good liquidity position;
- The Manager's corporate governance standards are suitable for the size of the business and there is appropriate policy documentation in place (i.e. compliance, allocations policy, conflicts of interest).

AT THE PRODUCT LEVEL:

- The first tranche of the Fund (2014/15) is now almost fully exited, along with over half of the 2015/16 fund, generating significant returns for investors. However, unrealised performance on the remaining tranches is less impressive, and perhaps indicative of AIM volatility;
- The investment strategy provides investors with a somewhat diversified portfolio of typically high-growth companies and consequently provides the potential for attractive returns for investors albeit not without its risks;
- There has been a good spread in the risk profile of the underlying companies in the Fund to date: a mix of pre-revenue and post-revenue businesses with varying cash flow profiles (albeit with a focus on the healthcare and technology sectors);
- The AIM-focused strategy has several advantages for investors over non-AIM-focused equivalent strategies including: i) enhanced transparency on Investee Company performance, ii) improved liquidity, and iii) price validation provided by the actively traded AIM market;

- At the end of the investment holding period the Manager offers investors an option to retain their Business Relief with a transfer of proceeds into the Guinness' AIM BR product;
- The Team has a track record of investing in AIM-listed, EIS-qualifying investments through the Service: The Service has invested over £15 million in AIM-listed, EIS-qualifying companies over the last three years. We understand that the Team has invested in aggregate approximately £0.7 million of personal funds in the Service and hence are firmly aligned with investor interest;
- The Team has worked together for over five years, and its composition has, to date, been largely stable with low employee turnover, although it has added an additional member to the team in January 2018;
- Guinness is well known to the London NOMAD (nominated adviser for the AIM) community. Consequently, the Team benefits from frequent invitations to participate in new share offers on AIM which should ensure funds are invested quickly enough to retain tax reliefs;
- We consider the due diligence undertaking by the Team to be broadly appropriate for the nature of the strategy. However, we note that with a relatively small investment team managing multiple products there is a potential need to leverage on external resources to support parts of the due diligence process;
- For direct Investments, all initial and annual management charge are deferred to allow 100% of investors' subscriptions to be invested which facilitates enhanced returns;
- As an HMRC-Approved Fund, investors will receive a single EIS5 form, as oppose to individual EIS3 forms as and when a company is invested, providing for a more manageable tax planning scenario and ensuring tax reliefs are available immediately on subscription.
- Most if not all of the investments will be listed and therefore an exit at the end of the minimum holding period should be readily achievable except in extreme market conditions. This will give investors the potential to roll over their tax reliefs by reinvesting.

Issues to consider

AT THE MANAGER LEVEL:

- The concentrated ownership structure, with Tim Guinness owning 60% of the business, presents key man risk, however the Manager states that there is an operational board in place that meets every month and is responsible for key business decisions.
- The profile of the Manager in the tax-advantaged space has largely been due to its association with asset-backed investment strategies, however we understand that Guinness has now raised more EIS money into Growth strategies than renewable energy, where it was originally focused;
- The Manager's EIS funds were, up until 2016, predominantly focused on the energy/energy generation sector and, since early 2016, has had to reposition its EIS strategy because of legislative changes.
- With 50% of the Manager's profits coming from the tax-advantaged space (in particular EIS), it is exposed to legislative changes, however this level of exposure is below many providers operating in this space;
- Although the growth EIS space is more crowded with competing products than the asset-backed area had been, the Manager has demonstrated its proficiency in fundraising by raising and investing over £33 million in its growth EIS in the current tax year;

AT THE PRODUCT LEVEL:

- The AIM-focused strategy has several disadvantages for investors over non-AIM-focused equivalent strategies including: i) vulnerability to market sentiment and volatility, ii) the lack of influence on the boards of the underlying businesses (iii) a limited choice of qualifying investments and iv) the lack of influence on the entry price on underlying investments;
- The success of the strategy will be largely dependent on the quality of companies raising money on AIM over the next 12 months. Given the limited time available to invest, the Manager may be forced to invest in unattractive offerings in order to retain the tax status of the EIS Fund;
- The Manager's £1 million maximum investment in each company will likely be a very small fraction of the average funds being raised per issue (meaning that it will have will have very little influence on management decisions);
- Given the size of the core investment team, there is some key man risk in the Service due to the importance of Andrew Martin Smith as the lead fund manager;
- The size of the Team puts some limitations on the range of sector expertise: the Fund focuses only on established sectors where the Team feel the business has a coherent and tested strategy. We note that where the Team may not have expertise in a specific sector, they can leverage on the knowledge of the wider Guinness investment team of 18 investment professionals who cover the breadth of the Managers product offering;
- The recent expansion of the Fund's core investment team to four will help to mitigate the key person risk (due the importance of Andrew Martin Smith's role) highlighted in previous years, however, it should also be noted that not all of these individuals have as many years of experience;
- Fees are high relative to many other AIM focused products both in terms of the management fee and a performance fee with no hurdle (although competitive to other EIS products).

Manager Quality

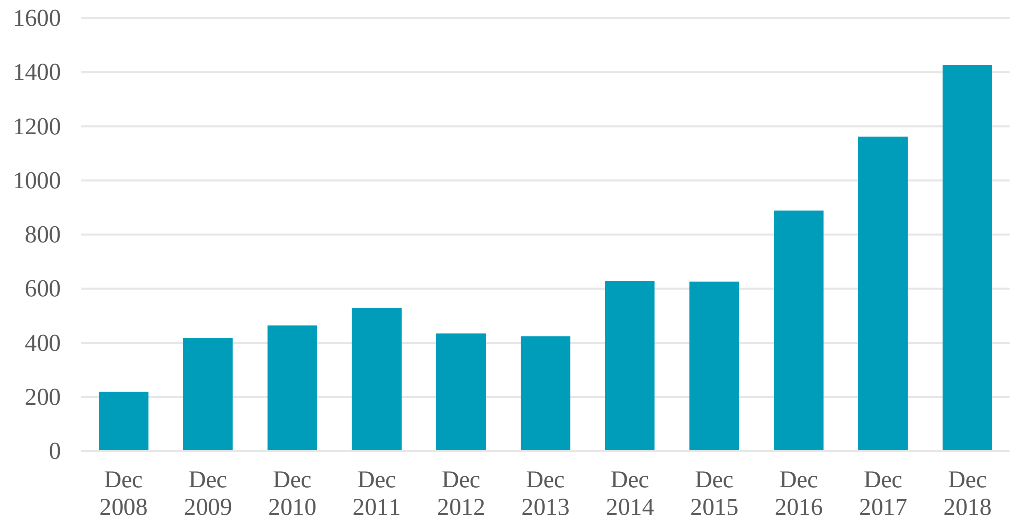
Manager Profile

Guinness Asset Management Ltd ("Guinness" or "the Manager") is a UK-based, privately owned, investment management firm, established in 2003 by Tim Guinness following his departure as chairman of Investec Asset Management. Tim had previously been chairman of Guinness Flight Global Asset Management ("Guinness Flight"), a business he co-founded with Lord Howard Flight and sold to Investec in 1998.

Prior to 2008, Guinness principally acted as a sub-advisor to the Investec Global Energy Funds, however this relationship ended in February 2008 resulting in reduction in the Manager's AUM from approximately £1.1 billion in December 2007 to £220 million by December 2008. Since 2008, the Manager has launched a number of its own funds, predominantly open-ended investment companies ("OEIC's") and over the past five years has grown AUM at an approximate constant annual growth rate ("CAGR") of 17% to £1.4 billion as at 31 December 2018, approximately $300 million of which relates to Guinness Atkinson Asset Management ("Guinness Atkinson" formerly Guinness Flight US), the Manager's U.S.-based sister company acquired from Investec in 2003.

The chart below presents the evolution of AUM since December 2008.

CHART 1: FIRM AUM AS AT 31 DECEMBER 2018 (£ MILLIONS)



Source: Guinness; AdvantageIQ

The Manager's AUM comprise of four different segments as follows:

1. Dublin OEIC's: a group of 8 Dublin-domiciled, growth, income, and specialist OEICs predominantly focused on investments in companies active in the energy industry. The funds have a combined AUM of £1.25 billion (at 31 December 2018) with the key funds being:

    a. The Global Energy Fund: a growth-focused equity fund targeting companies in the energy sector with an AUM of £222.5 million;

b. The Global Equity Income Fund: a dividend-focused global, long-only equity strategy with large exposure to the U.S. and Europe (AUM of £547.5 million).

2. Tax-advantaged Funds: includes two Enterprise Investment Schemes ("EISs") and two Business Relief vehicles ("BR") with a combined AUM of £158 million (at 28 February 2019) broken down as follows:

a. Guinness EIS: initially launched as an asset-backed capital preservation strategy which historically focused on sustainable energy generation projects, but now adopts a generalist approach into younger companies. The product was launched in 2010 and has a current AUM of £141 million;

b. Guinness AIM EIS: established to make EIS-qualifying investments in AIM-listed companies across a broad range of sectors. The product was launched in 2013 and has AUM of £12 million;

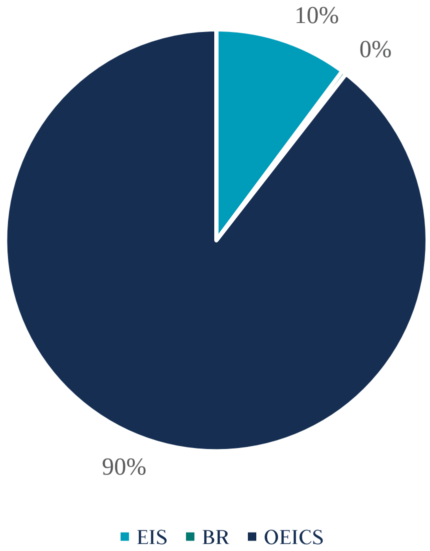
c. Sustainable Infrastructure IHT: which invests in unquoted sustainable energy companies that qualify for BR, and has AUM of £5 million.

d. Guinness Best of AIM: a new product, launched in 2018, will invest in AIM-listed companies which are expected to provide investors with Business Relief, and currently has an AUM of just over £350,000.

3. Segregated Mandates: includes a UK Equity Income Fund and an exploration and production fund in the oil and gas industry, with a total AUM of £17.3 million.

4. Guinness Atkinson Funds: a group of eight SEC-registered, growth, income, and specialist U.S. mutual funds focusing on long-only equity investments in Asia, and across the energy sector. The funds have a combined AUM of approximately $300 million.

CHART 2: ASSETS UNDER MANAGEMENT BREAKDOWN AS AT DECEMBER 2018



Note: Guinness; AdvantageIQ

Guinness is a large investment manager and would comfortably sit within the top quartile of investment firms with a tax-advantaged product offering, ranked by total assets under management and the second quartile ranked by EIS assets under management.

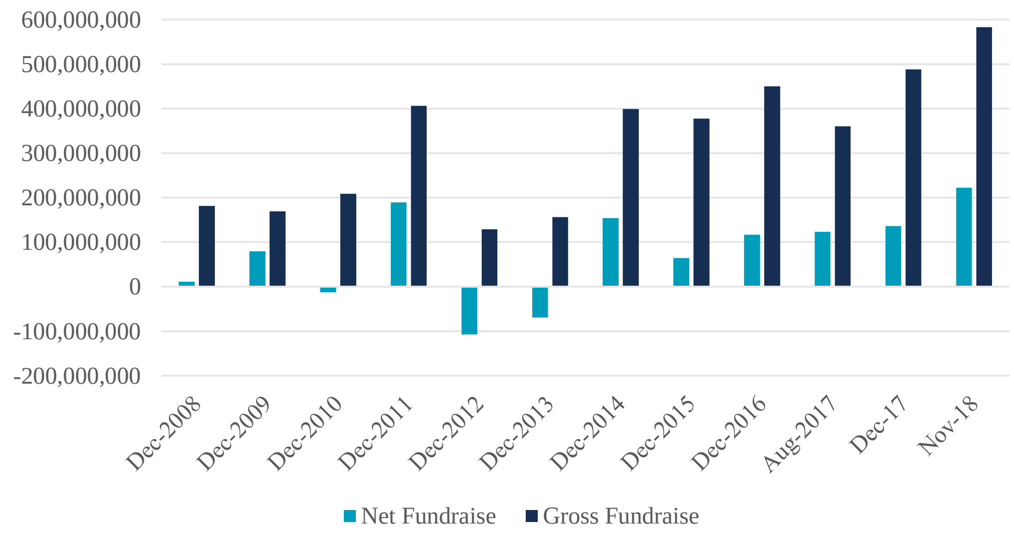
We note that the Manager has been making EIS investments since 2010 and so is relatively experienced in this space albeit its focus until recently was on capital preservation strategies that are no longer eligible for EIS relief. The Manager's institutional-focused, non-tax product offering still remains the fundamental driver of AUM growth, and currently accounts for almost 90% of total assets. We note that the Manager has developed a specialism within the energy/sustainable energy generation sector and runs several bottom-up, long-only strategies in this space. With regards to its EIS experience, in addition to the Guinness EIS AIM offering, the Manager has launched nine previous tranches of its Guinness EIS. Until 2016 these were focused on leveraging its in-house expertise in the sustainable energy generation sector. Since 2010, the Manager has invested over £150 million in over 100 EIS-qualifying companies, of which approximately 30% have been energy-related opportunities. We however note that following EIS legislative changes, it has been forced to reposition its EIS strategy. Firstly in 2015 when renewable energy-generating assets were deemed to no longer qualify for EIS relief, and again in November 2017 as a result of the Patient Capital Review ("PCR") (we elaborate more on this in the strategy section of the report).

We understand that the Manager had set an AUM target of £1.5 billion by the end of 2018 (and only marginally missed that target) and is hoping to raise up to £50 million per annum through its two EIS offerings (£40 million per annum through the Guinness EIS and £10 million per annum through the AIM strategy). Since our last review of the Guinness EIS, it has launched the Best of AIM IHT service in December 2017, in order to leverage its experience within this space (but managed a raise of just £90,000 in its first year of operation). Although we understand that there are not further plans to launch of any new tax-advantaged products, it does have a number of new OEICs in the pipeline, including a fund focused on opportunities within China.

We note that the Manager's average net inflows, over the last three years, have been approximately £160.5 million per annum, and for the year ending November 2018, Guinness achieved record net inflows of over £220 million across all of its funds. Overall, despite some variability in fundraising between 2008 and 2013, the company has averaged a gross fundraise of almost £450 million between 2014 and 2018, which is impressive and far more than most managers operating within the tax-advantaged space.

The chart below presents a summary of The Manager's overall fundraising performance since 2008.

CHART 3: GUINNESS FUNDRAISING TRACK RECORD (£)



Source: Guinness; AdvantageIQ

With regards to its tax-advantaged fundraising track record, we note that shortly after it relaunched its flagship EIS service as an evergreen strategy, Guinness managed to significantly increase fundraising. More specifically EIS fundraising in 2017 was almost four times the amount in 2016. It is apparent that the recruitment of a dedicated EIS Business Development manager in late 2016 has enabled Guinness to achieve its goal of an annual fundraise of £40 to 50 million. However, that individual left the business toward the end of 2018, and has only recently been replaced. Interest in the AIM EIS has similarly increased in each year since 2016, and the Best of AIM BR service, launched in 2018 in order to leverage the AIM team's experience, but managed to raise an initial amount of just £90,000 in its maiden year of operation. Conversely however, fundraising for the Guinness Sustainable Infrastructure IHT Service is still small , with a raise of just over £1 million in 2018.

TABLE 1: GUINNESS TAX-ADVANTAGED FUNDRAISING RECORD

	AIM EIS	GUINNESS EIS	GUINNESS SUSTAINABLE INFRASTRUCTURE SERVICE	BEST OF AIM	TOTAL
2013	-	£9,432,685	-	-	£9,432,685
2014	£2,252,107	£15,442,183	-	-	£17,694,290
2015	£2,720,890	£14,560,990	£426,400	-	£17,281,880
2016	£2,472,786	£11,532,808	£1,743,266	-	£14,253,698
2017	£4,055,652	£41,071,058	£1,517,460	-	£45,126,710
2018	£4,528,729	£47,374,536	£1,039,350	£90,000	£51,903,265
Total	**£16,030,163**	**£139,414,261**	**£4,726,476**	**£90,000**	**£160,260,900**

Source: Guinness; AdvantageIQ

Guinness has a dedicated six-person investor relations team which carries out ongoing reporting to investors; four employees focus on the quoted funds and two on the tax-advantaged products. Additionally, we note that The Share Centre provides custodian and administration services to clients on behalf of the Manager. Guinness has procedures in place that set the standards for client communication for each of its product lines. We note that the reporting frequency for EIS investors is bi-annual, in April and October. Additionally, Guinness will provide clients and their advisers with up to date valuations of their portfolios when requested. It is worth mentioning that the Manager's previous Business Development Manager left the business in September 2018, and has been replaced by Tyrone Long, who joined in January of this year.

We note that the Manager follows the FCA rules for handling complaints, and maintains a complaint register. We understand that there have not been any investor complaints over the last 12 months.

Financial & Business Stability

Recurring income (which includes annual management charges across all product offerings) accounts for greater than 90% of total income. According to the latest set of financial accounts for the year ended 2018, 75% of total income was generated from its institutional funds, and 25% from EIS. Consequently, we consider the Manager's revenue base to be relatively stable. However, as with any other pure investment management firm, revenue growth will be vulnerable to AUM outflows and hence AUM should be monitored closely. We note that the Manager's AUM has historically been concentrated in the energy sector, however following a removal of this as a qualifying trade for EIS purposes, the level of these assets has decreased. It has, however, increased the size of its income funds, in particular its flagship fund, the Global Equity Income Fund, which now accounts for 39% of total AUM, compared to 26% in 2015.

We consider the variety of products offered by the Manager to be a positive contributor to the stability of the business as there is less reliance on individual product offerings. We note that approximately 75% of the Manager's revenue base is derived from its long-only institutional funds and, in particular, its Global Energy Fund and Global Equity Income Fund. It is interesting to note that that while EIS products account for just 10% of total AUM, they generated one quarter of total revenue and approximately 50% of its pre-tax profits in 2018. According to the Manager, this is mainly a function of attributing central costs across the business, and consequently, it does not feel that its profitability is overly susceptible to legislative changes on tax-advantaged products. Nevertheless, with 50% of pre-tax profits coming from its non-tax advantaged offering, it is still reliant on these product offerings to some extent, although less so than many other providers within this space.

TABLE 2: KEY FINANCIAL METRICS SUMMARY OF GPI

(£'000)	2013	2014	2015	2016	2017	2018[1]	2019F[2]
Revenue	2,880	3,972	5,029	7,683	12,173	*12,000*	*14,000*
Fee income	-	-	3,782	6,145	9,682	-	-
EIS income	-	-	1,246	1,538	2,490	*3,000*	*3,600*
Operating Profit	108.4	98.2	384.1	531.1	852.3	-	-
Net income	78.9	60.8	308.7	374.7	686.5	-	-
Margin	2.7%	1.5%	6.1%	4.9%	5.6%	-	-
Net Balance Sheet Assets	1,805	1,866	2,175	2,550	3,236	-	-

Source: Guinness

[1]Unaudited accounts

[2]Forecasts

Guinness has managed to consistently increase its revenues over the past five years from £2.9 million in 2013 to £12.2 million in 2017 at a CAGR of over 33%. Growth on the bottom line has been even more impressive, with Net Income growing at a CAGR of almost 55% over the same period. This has helped to improve margins from levels of between 1.5% and 2.7% in 2013 and 2014, to a range of 4.9% to 6.1% in the latter years. Guinness has provided the unaudited financials for 2018, indicating revenues of £12 million (of which EIS will account for £3 million) and profits before tax of £1.6 million (of which EIS will account £800,000), roughly in line with 2017. Looking further ahead, however, Guinness expects revenues to increase to approximately £14 million in 2019 (with EIS revenues of £3.6 million], and profit before tax of £2.1 million (with EIS profits expected to tip £1 million for the first time).

In addition to the promising progression at both the top and bottom line, we note that the Manager is largely equity funded and has a solid capital and liquidity position (with net assets of over £3.2 million), which suggest a stable and conservatively run business.

The Manager currently employs 39 people and operates out of two offices, one in London and one in Los Angeles, United States, the latter being where Guinness Atkinson is based. The Manager has expanded its employee headcount from 30 individuals to the current number since our previous review, and will continue to expand its headcount in line with AUM as and when required.

We consider the Manager's concentrated ownership structure, with Tim Guinness owning 60% of the equity in the business, as presenting a risk to the provision of sufficient challenge on business decisions. However, in our meeting with Guinness, it was emphasised that there is an experienced senior management team, and it was noted that Tim is taking a less significant role in the business, with other members of the senior management team becoming increasingly involved in the management of the business.

Quality of Governance and Management Team

We consider the Manager's organisational structure to be simple, flat, and appropriate for the nature of its business. The board, which consists of Tim Guinness, Edmund Harriss, and Jim Atkinson, with Andrew Martin Smith as senior adviser (see the appendix for a summary of their experience), have the ultimate decision-making responsibility for the Manager. However, we note that the concentrated ownership structure, with Tim Guinness owning a significant majority of the business, presents some risk to the provision of sufficient challenge on business decisions. We understand that all members of the board have equal voting rights. We however note that the governance structure would benefit from the appointment of non-executive directors. We note that all members of the Board are suitably qualified with long track records in the asset management industry: for example, Andrew Martin Smith was the Chief Executive of Hambros Fund Management; Jim Atkinson served as the president of MAX Funds; Edmund Harriss has been managing Asian equity funds since 1994; and Tim Guinness, the Manager's founder, is a value investor with nearly 35 years' experience.

Guinness has a comprehensive set of internal controls in place to manage the operations of the business. This includes a bespoke code of professional conduct and ethics manual, a conflicts of interest policy, and other relevant documents we would expect of an institution of this size with a predominantly institutional client base.

TABLE 3: OVERSIGHT COMMITTEES/WORKING GROUPS

COMMITTEE	DETAILS
Senior Management Committee	**Mandate:** Board-level strategic/operational discussions **Members:** Tim Guinness, Andrew Martin Smith, Edmund Harriss, Deborah Kay, Giles Robinette **Frequency:** Monthly
Investment Committee	**Mandate:** Will review and approve all the investment decisions taken by the Manager. **Members:** Tim Guinness, Andrew Martin Smith, Edward Guinness, Lord Flight and Shane Gallwey **Frequency:** Quarterly
EIS Steering Committee	**Mandate:** Oversees management of the EIS **Members:** Tim Guinness, Andrew Martin Smith, Edward Guinness, Shane Gallwey and Giles Robinette **Frequency:** Monthly
Work In Progress Committee	**Mandate:** Rank and comment on investment opportunities in a live document, decide which opportunities to take to the Investment Committee. **Members:** Shane Gallwey, Edward Guinness, Chris Villiers, Malcolm King, Hugo Vaux, Ashley Abrahams, Bridget Hallahane and Adam Barker **Frequency:** twice a month
	Mandate: Compliance, regulatory and risk issues.

Compliance, Operations & Risk Committee	**Members:** Giles Robinette, Caroline Posse, Charlotte Warre, Tim Guinness, Edmund Harriss **Frequency:** Monthly

Source: Guinness Asset Management; AdvantageIQ

Overall, we are believe the quality of the governance procedures is commensurate with the size of the organisation. The Manager has a dedicated compliance team responsible for, amongst other things, ensuring adherence to the reporting requirements of the FCA and the Central Bank of Ireland. Finally, Guinness has a detailed procedures manual that covers internal procedures, policies and conduct.

We note that there are currently no regulatory issues affecting the Manager.

Product Quality Assessment

Investment Team

The broader investment team comprises eight investment professionals who are responsible for managing Guinness' tax-advantaged product offerings, which includes two EIS products and two BR offerings. We note that the Team has a track record of investing in EIS-qualifying investments: since 2010 they have invested over £150 million into EIS- & BR-qualifying companies. The Guinness AIM EIS Fund was launched in 2013, and so this will be the sixth tranche of the Fund, all of which have followed the same format. The investment team comprises four individuals, three of whom have been together since the Fund's inception, with the fourth individual joining the team in January 2018.

The AIM EIS investment team is led by Andrew Martin Smith, who has been involved with Guinness since 2005, but has more extensive investment track record prior to this, having previously been the Chief Executive of Hambros Fund Management when it merged with Guinness Flight in 1997. Hugo Vaux, who joined Guinness in 2012, serves as Fund Manager with assistance from Adam Barker who joined the team in January 2018. The team can additionally draw upon Shane Gallwey, who heads up EIS investments, and Keith Hyman, who is a Senior Advisor to the Guinness BR product, called Best of AIM.

The size of the core team (Andrew Martin Smith, Hugo Vaux and Adam Barker) puts some limitations on the range of sectors that it consider as part of the investment universe: the Fund focuses only on sectors the Team understands. We note that where there are gaps in the knowledge of the Team, they can leverage the knowledge of the wider Guinness investment team of 18 investment professionals that cover the breadth of the Manager's product offering. We note that there is a total of eight team members who are responsible for the Manager' s tax-advantaged product offerings, which includes two EIS products and one BR offerings.

The team can point to a demonstrable track record, having exited all but one investee company from the 2014 Fund, at an overall gain of approximately 40%, along with 17 exits across its other funds (as well as 16 failures). This track record is encouraging, although readers should consider that many of these exits were achieved prior to the sharp correction of the AIM market in Q4 2018.

There is stability in the team. In previous years we raised the concern that given Andrew Martin Smith's significant role in the management of the Fund, it presented an element of key person risk, however the Guinness believe the size of the team mitigates this risk to some extent, although it should be noted that not all members of the team have the same level of experience as Mr Smith. We acknowledge that there appears to be a very collegiate approach to the investment process aided by a flat team structure and the sharing of responsibilities across team members; this helps mitigate potential key man risk issues. The investment team and members of the EIS investment committee have collectively invested over £1.8 million across both the Guinness EIS and Guinness AIM EIS, helping to align the incentives of the Investment team with those of the investors into this product.

We present the biographies of the Team and the Investment Committee in the Appendix to this report.

Investment Strategy & Philosophy

The investment philosophy focuses on capital growth, whilst aiming to deliver a net return target of 1.3x money-in (net of all fees) over a four to five-year investment horizon. The investment strategy aims to expose investors to a portfolio of ten or more EIS-qualifying companies predominantly listed/listing on AIM. We note that the Manager will be investing in initial public offerings ("IPOs") in addition to primary issues of companies already listed on AIM, and will hold each company for a minimum of three years. Additionally, the Manager reserves the right to invest up to 20% of the Fund in companies listing/listed on the NEX exchange and on pre-IPO companies. We note that all investors in the 2019/20 iteration of the Fund will be exposed to the same portfolio of underlying companies.

We understand that the return target for the Service is underpinned by the Managers' expectations of the long-term mean return of UK equities, plus an assumption of a small cap premium based on how UK equities have performed over the past 100 years. We note that our review of AIM Market returns, over the last five and ten years, suggest an average cumulative return of 16% and a loss of -18% respectively. However, investors should note that the best 15 (eligible for tax-advantaged investment) performing companies on this market have significantly outperformed this average. Consequently, there is scope for the Manager to identify solid fast growing businesses to outperform the market.

The Service aims to expose investors to a well-balanced portfolio of companies across a broad range of sectors and at different stages of development: a mix of pre-revenue and post revenue early stage businesses with varying cash flow profiles. Although the Manager does not have a sector bias, we note that the most active sectors for AIM-listed EIS companies include: software & computer services, pharmaceuticals & biotechnology, electronics and electrical equipment, support services, and healthcare equipment & services. We understand that the Manager aims to limit the Service's exposure to cyclical sectors such as oil and gas.

The Manager states that they plan to invest between £100,000 and £1 million in each investee company, with an historic average investment size of £250,000. If the maximum of £10 million was raised the average investment size would increase, but not necessarily the number of investments. A typical investment opportunity will meet the following criteria:

- Established in a growing business sector;
- Profitable or have visibility on profits within a short timeframe;
- Diversified customer base;
- Management teams that have been with the businesses for most of their recent history and are not "over compensated"; and
- Demonstrable regard for effective corporate governance.

We note that EIS offers focused on AIM have the following advantages over other EIS products:

- **Transparency**: higher level of governance than private companies, since they must comply with stock exchange rules.
- **Liquidity**: a liquid market for the exit of small tranches of shares, such as the size of an average EIS investment.
- **Price Validation**: an existing quoted market price makes it easier to benchmark the price of secondary offerings. Additionally, a listing gives investors some indication of prevailing values, while unlisted investments can remain at cost indefinitely, thereby potentially disguising problems within that company.

Investors should however note that investee Companies in the Service will be vulnerable to AIM market risk. More specifically:

- Market sentiment can swiftly and indiscriminately affect valuations of quoted companies. External, non-related factors can drive down valuations of companies that the Manager might rightly have identified as having strong growth potential. Were this to happen, the Manager would, likely, delay effecting an exit if it coincided with a severe downturn in global markets, and would wait for some stability to return, and for lost ground to be reclaimed.

Finally, we note that:

- Since the offer price will be set by AIM market forces and the Service is only providing a small fraction of any offering, the price may become inflated where demand exceeds supply.
- The Manager will likely have little influence on the board of investee companies' owing to its minority position. We understand that the Managers equity position in each investee company is typically below 5%. We however note that the Manager will ensure a good understanding of each Investee Company's plans

during the target holding period. The Manager will be expecting the boards of each Investee Company to follow their business models coherently.

In our opinion, the investment strategy provides investors with a a portfolio of early-stage, typically high-growth companies, and consequently provides the potential for attractive returns for investors (albeit not without significant risk). The return target of 30% net of fees is commensurate with the level of risk especially when factoring in the relatively high certainty on timing of tax reliefs. Delivering this level of return will require a Team that have the skills required to identify companies able to outperform the overall AIM market. It will also require a Team with strong access to the attractive share offerings on the AIM market; investors should note that most new listings on AIM are done through broker-led private placements and are hence not available to all market participants. We note that irrespective of the identification of strong companies with good growth prospects, the performance of the Service could be negatively affected by: i) adverse conditions on the AIM market at the time of exit and ii) the need to exit all positions within 12 months following the end of the fourth year of the Fund.

However, we understand that at the end of the investment holding period, as an alternative to exiting the underlying positions in the Service, the Manager offers investors an option to maintain Business Relief through investing in the Guinness-managed BR product, called Best of AIM.

Pipeline/Prospects and Current Portfolio

The Fund is structured as an HMRC-Approved Fund, and this will be the sixth tranche under the same structure. Consequently, we assess the portfolio composition of the previous three tranches of the Fund to provide an indication of the potential composition of the proposed offer. The table below illustrates the previous sector allocation across the three previous versions of the Fund.

The table below presents our analysis. Note that the 2018/19 portfolio has only deployed approximately 80% of funds raised at the time of writing and thus, numbers below will likely change.

TABLE 4: PORTFOLIO BREAKDOWN OF THREE PREVIOUS FUNDS

	AIM 2016/17		AIM 2017/18		AIM 2018/19	
	PORTFOLIO	% OF PORTFOLIO	PORTFOLIO	% OF PORTFOLIO	PORTFOLIO	% OF PORTFOLIO
Top 3 Sectors in Portfolio	Software & Computer Services	32%	Pharmaceuticals & Biotechnology	29.3%	Software & Computer Services	24.4%
	Pharmaceuticals & Biotechnology	22%	Software & Computer Services	27.6%	Pharmaceuticals & Biotechnology	22.5%
	Health Care Equipment & Services	13%	Health Care Equipment & Services	12.3%	Electronic & Electrical Equipment	11.5%
Top 3 Groups by Market Cap	£10 - £20m	42.2%	£30 - £40m	51.3%	£0 - £10m	24.3%
	£50m+	14.2%	£0 - £10m	23.3%	£10 - £20m	22.3%
	£30 - £50m	9.8%	£50m+	14.2%	£30 - £50m	18.8%
Age of Portfolio Companies	2-5 Years	69.5%	2-5 Years	38.9%	2-5 Years	38.9%
	10+ Years	25.8%	0-2 Years	29%	0-2 Years	29%
	5-10 Years	14.8%	22.4%	10+ Years	10+ Years	22.4%

Largest 3 Holdings	Clinova Limited	9.1%	Polarean Imaging Plc	7.28%	Maestrano	13.8%
	Faron Pharmaceuticals Oy	8.1%	Byotrol Plc	6.6%	Trackwise Designs Plc	6.9%
	Directa Plus plc	7.1%	Cloudcall Group Plc	6.4%	Directa Plus	5.2%

Source: Guinness, AdvantageIQ

We highlight the following observations from our analysis:

- There appears to be a bias towards technology-enabled businesses and companies operating in the healthcare sector. However, we note that the holdings in each fund are broadly spread across a wide range of sectors.
- There appears to be a good mix of small, early-stage businesses and larger more mature businesses.
- There is also a good mix of pre-revenue, pre-profit and the more established revenue-generating business.
- There is a level of concentration in the composition of the previous funds: the top three holdings in each cohort account for an average of 24% of the portfolio. We however note that the remaining holdings in the portfolios account for an average of approximately 4% per holding. We note that funds raised in the 2016/17 and 2017/18 two tranches were spread across 22 and 23 companies respectively. The 2017/18 tranche is not yet fully invested but currently has exposure to 20 companies. Consequently, there appears to be a good level of diversification in the portfolio.

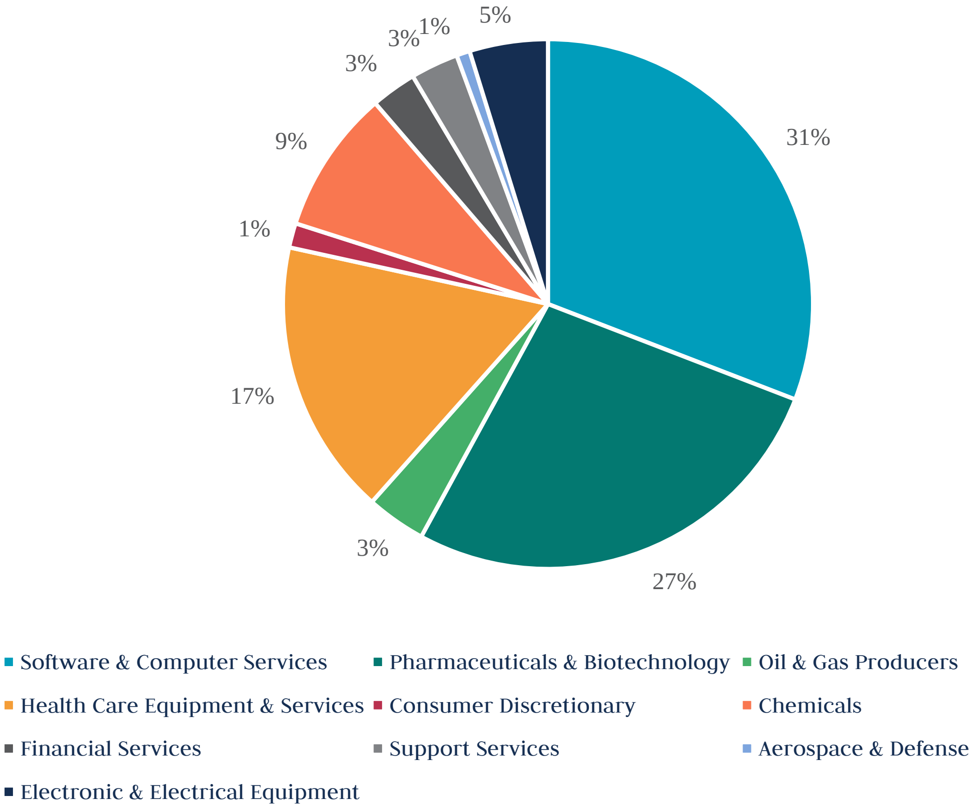
We note that the eventual composition of the cohort will depend on the companies raising funds over the 2019/20 tax year and will not necessarily reflect the same characteristics as the previous three tranches.

At the EIS Fund level, approximately £15 million has been invested to date across over100 companies in the past five tranches of the Service.

The chart below presents the sector breakdown of these investments.

MJ HUDSON Allenbridge

CHART 4: SECTOR ALLOCATION OF THE 2016/17, 2017/18 AND 2018/19 FUNDS



Note: Guinness; AdvantageIQ

As with the previous tranche, the fundraise has a maximum of £10 million set by the Manger. We note that the Manager raised £4.3 million in the 2018/19 tax year, and thus queried whether Guinness would be able to deploy the maximum of £10 million over a 12-month period. The Manager responded that the average investment size can be flexed depending on the size of the raise, up to a maximum investment of c£1 million. This gives us comfort there is plenty of capacity, and we recognise the Manager's investment universe has the potential to be sufficient in size to absorb this level of funds, specifically if the raise is of similar size to previous years. It should be noted however that 62 companies issuing shares on the AIM market (both new and further issues) raised approximately £3.9 billion in 2018, well below the 77 companies and £4.8 million in 2017. Over the last five years there has been between 61 and 118 companies issuing new shares on the AIM market (IPOs and secondary issues) each year. Additionally, the Manager's potential pipeline includes new issues on the NEX exchange and the pre-IPO companies considered by the Service; we understand the Manager reviewed 50 pre-IPO companies in 2018 for the Service. Nevertheless, investors should note that the potential investment pipeline is significantly smaller than the non-AIM equivalent EIS product offerings.

The 2018 AIM market summary statistics produced by the London Stock Exchange highlights two points for investors to consider, assuming the market dynamics remain the same in 2019: i) to achieve a diversified portfolio of over ten companies requires The Service to participate in approximately one in every six new listings; and ii) the Manager's £1 million maximum investment in each company will likely be a very small fraction of the average funds being raised per issue (this means the Team will have very little influence on management decisions although if they are the Nomad this will provide some influence).

Overall, we expect the portfolio to be relatively well diversified, with a good balance of companies with varying levels of risk and a likely bias to the technology sector. We consider the investment universe to be sufficient in size to accommodate the Service, however we note that there are currently no identified investment opportunities.

Investment Process

The Manager has described its investment process as follows in AdvantageIQ:

TABLE 5: INVESTMENT PROCESS

INVESTMENT PROCESS	DETAILS
Deal sourcing/ origination	The Investment Manager sources Investments through its network of contacts with AIM nominated advisers and brokers. Each AIM company is required to appoint a nominated adviser and broker, selected from a list of advisers approved by the London Stock Exchange. Guinness Asset Management is an active investment manager in the UK quoted investment market and is well known to the London advisory community. In addition, the Investment Manager reviews the Stock Exchange announcements of upcoming share issues to ensure it reviews all relevant issues.
Deal filtering and selection	All new issues are reviewed. These are filtered according to EIS-qualification and an initial review is undertaken before selecting for further due diligence.
Due diligence process	The first stage due diligence of a share issue by an AIM company entails a review of the documentation including any relevant admission document for an IPO, annual report and accounts, corporate literature and brokers' research. This is set in the context of the sector and the market as a whole to provide the Investment Manager with an initial view of the attractiveness of the investment proposition. Companies that pass the first stage due diligence are invited to present to the Investment Manager and time is spent in meeting and understanding the management team and their approach. Where appropriate, references are taken and site visits made.
Deal approval	Where the Investment Manager wishes to proceed with an investment, a short form report is circulated to the Investment Committee to review and provide comment. The Investment Committee has the opportunity to question the Investment Manager on their approach and rationale for an investment, and further analysis will be undertaken if required.

Source: Guinness; AdvantageIQ

Guinness is an active investment manager in the UK-quoted investment market and is well known to the London NOMAD (nominated advisor) community. Consequently, the Team benefits from frequent invitations to participate in new share offers on AIM. We understand that the Team is also proactive in their search for new issues and frequently speak with their network of brokers to get early visibility of listings coming to the market.

We have reviewed the investment process for the Service and believe there is a reasonable level of governance around the process. The inclusion of an investment committee in the investment process creates a level of governance and oversight around the decision-making process. The short-form investment committee papers prepared for the IC provide sufficient information to enable some scrutiny and challenge of the investment proposal. We note that the IC meets on an *ad hoc* basis (at least quarterly), and consequently investment decisions are usually made with consultation via email but without a formal IC meeting. Additionally, we note that the IC does not have rights to veto an investment decision relegating their role to more of a consultative one.

We consider the due diligence undertaken by the Team to be adequate for the nature of the strategy. However, we note that with a relatively small investment team managing multiple products there is a potential need to leverage on external resources to support parts of the due diligence process. There appears to be some reliance placed on broker forecasts of financials. Additionally, we note that the Team's valuation expectations on each investee company is largely based on experience and judgement, as opposed to driven by comprehensive valuation models.

Risk Management

We identify the following as the key risks of an investment in the Service: failure/poor performance of an investee company, concentration risk, exit risk and maintenance of EIS tax benefits. We have assessed the policies and controls that Management has in place to minimise these risks and have found them to be appropriate for the size and strategy of the Service.

Risks relating to investee company default are partly mitigated during the investment process through the analysis and due diligence undertaken before an investment decision is made. Investors should however consider our views on the shortcomings in the process (highlighted in the previous section).

We note that the only constraint applied to the construction of an investor's portfolio is the requirement to have at least ten companies in the portfolio. In our opinion, the portfolio construction process would benefit from formal parameters that limits an investors exposure to any one subsector or investee company; this would mitigate potential concentration risk. Additionally, formal parameters around the risk profile of the investee companies would provide more clarity to investors on the overall risk profile of the Service. On this point, Guinness would content that it is difficult to apply this sort of portfolio constraint to an AIM EIS fund, as when each investment is being made there is not yet visibility on the other opportunities that will emerge throughout the year. We however note that the portfolios created for investors in the previous tranches of the Service appear to be relatively diversified with a good balance of companies at different stages of development.

We understand that investee companies are actively monitored with special attention paid to: i) threats of or actual loss of EIS reliefs, ii) change of directors and/or management, and iii) material deviation from the Investee Company strategy or business plan. The Manager will meet with each Investee Company regularly, typically after results announcements, and question management on progress and performance. Additionally, the Team formally reviews and discusses investee company performance, concerns and liquidity monthly. We however note that given the likely minority positions the Manager will have in each investee company, their ability to influence management is extremely limited. We do not expect the Manager to have board positions or veto rights and so a lot of faith is placed on the quality and integrity of management at the investee companies. Investors are consequently exposed to the risk of management actions that might impair the performance of the investee company or potentially jeopardise or void EIS status.

We note that HMRC advanced approval is sought to ensure that each new investee company is EIS qualifying at the time of investment. We consider this to be good practice, but investors should be aware that if the investment holding conditions are not met, they will not be entitled to the full tax benefits of EIS investments.

Key Features & Fees

TABLE 6: FEES CHARGED TO THE INVESTOR

	CHARGED TO:	
FEE	INVESTOR	INVESTEE COMPANY
Initial Fee	2.0%[1]	-
Dealing Fee	Up to 0.35%[2]	-
Arrangement Fee	-	-
Annual Management Fee	1.75%[1]	-
Annual Admin Fee	£60	-
Director's Fee	-	-
Exit Performance Fee	20%	-
Exit Performance Hurdle	100%	-
Available discounts	1% discount on initial fee for existing investors	
Adviser charges	All fees as above although, plus any fees as agreed with the investor and the adviser	
Execution Only Fees	All fees as above, plus up to 3% initial in intermediary fees	
Direct Application Fees	All fees as above plus additional 3% initial	

[1] Plus VAT

[2] Charged by the administrator

Guinness will defer all fees (and therefore excluding the administrators fees), and are only deducted upon the liquidation of investors' funds at the end of the investment horizon. This not only means that investors will benefit from 100% EIS tax relief, but it also means that the investors full amount will benefit from any growth (and indeed loss) to their investment, which means that there is greater potential for more substantial growth over the course of the investment. In addition to this, the performance fee is paid on a portfolio basis, which is preferred, although the target return is well below the Fund's target.

Performance

This will be the sixth tranche of the Fund, and with the first tranche now almost fully exited, the Fund has the beginnings of a track record. An outline of previous tranches of the Fund is outlined below.

TABLE 7: OVERVIEW OF PERFORMANCE

	2014/15	2015/16	2016/17	2017/18	2018/19
Number of Investee companies	18	22	22	23	20
Proportion of portfolio Sold	95.1%	59.7%	18.2%	6.2%	0.0%
Realised Return	37.8%	22.4%	5.7%	-5.6%	0.0%

Unrealised Return	1.4%	-5.8%	3.9%	-16.1%	-0.9%
Overall Return	39.2%	16.7%	9.6%	-21.8%	-0.9%
AIM All-Share Return[1]	7%	27%	28%	-2%	-10%

Source: Guinness, AdvantageIQ

[1] Measured from the 1st of April in each period until 28 February 2019

All but one of the investments made in the 2014/15 tranche, or 95% of the portfolio companies have been realised. These companies have generated an excess return of almost 40%, with 11 of the Fund's 17 exits generating positive return. This track record is indeed encouraging, however these returns should arguably be taken in context as most of the exits generated in the 2014/15 tranche would have been made prior to the recent market correction seen on AIM in Q4 2018.

The remaining tranches of the Fund, which have been invested over a shorter time horizon, and therefore still remain largely invested, have demonstrated a less impressive record. However, the 2017/18 fund only made its final investment in March 2018, while the 2018/19 Fund has only deployed around 78% of funds raised, and as such it is arguably too soon gauge the performance of these funds.

The Graphs below illustrate the exit history across all funds. Encouragingly, some of these exits have been significant, however there have similarly been a number of significant losses. Overall, there have been 33 separate exits, of these 17 have been positive, and 16 have generated a negative return.

CHART 5: EXIT HISTORY FOR THE 2015/15 TRANCHE

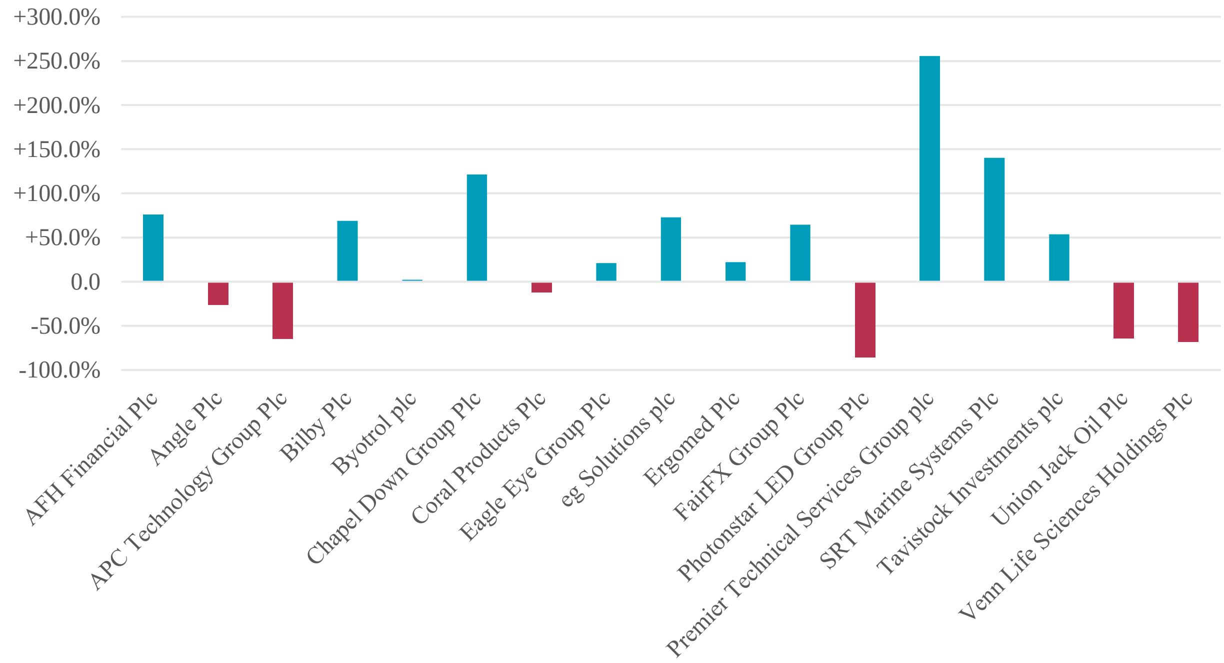


CHART 6: EXIT HISTORY FOR THE 2015/16 TRANCHE

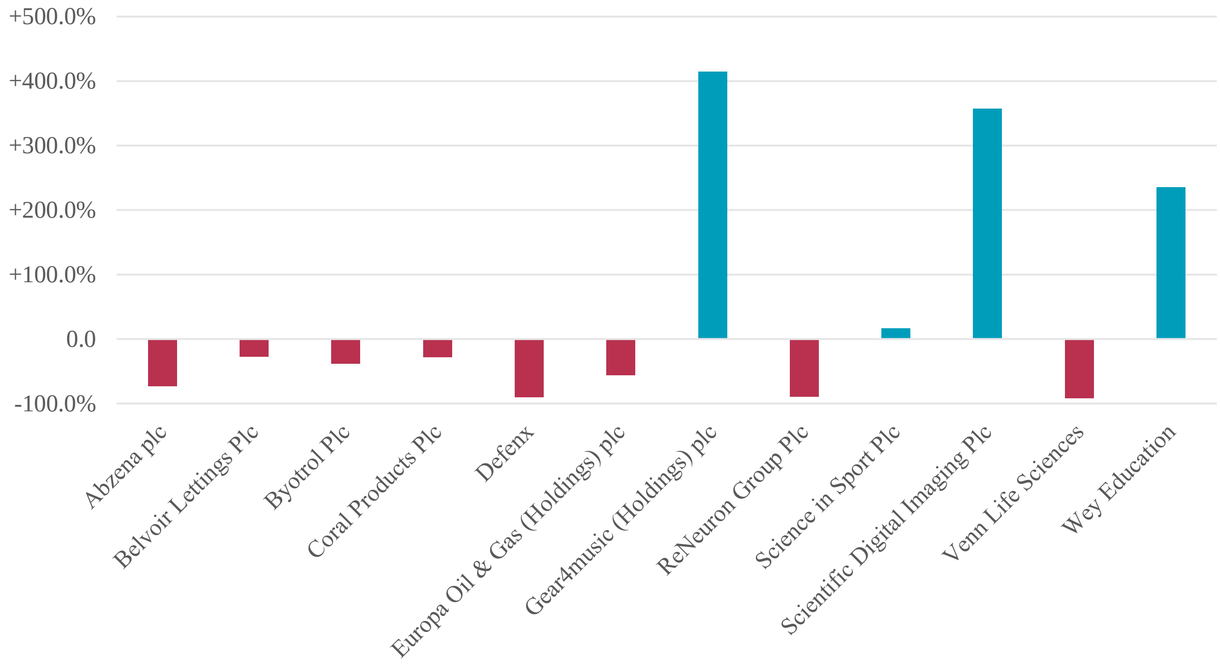
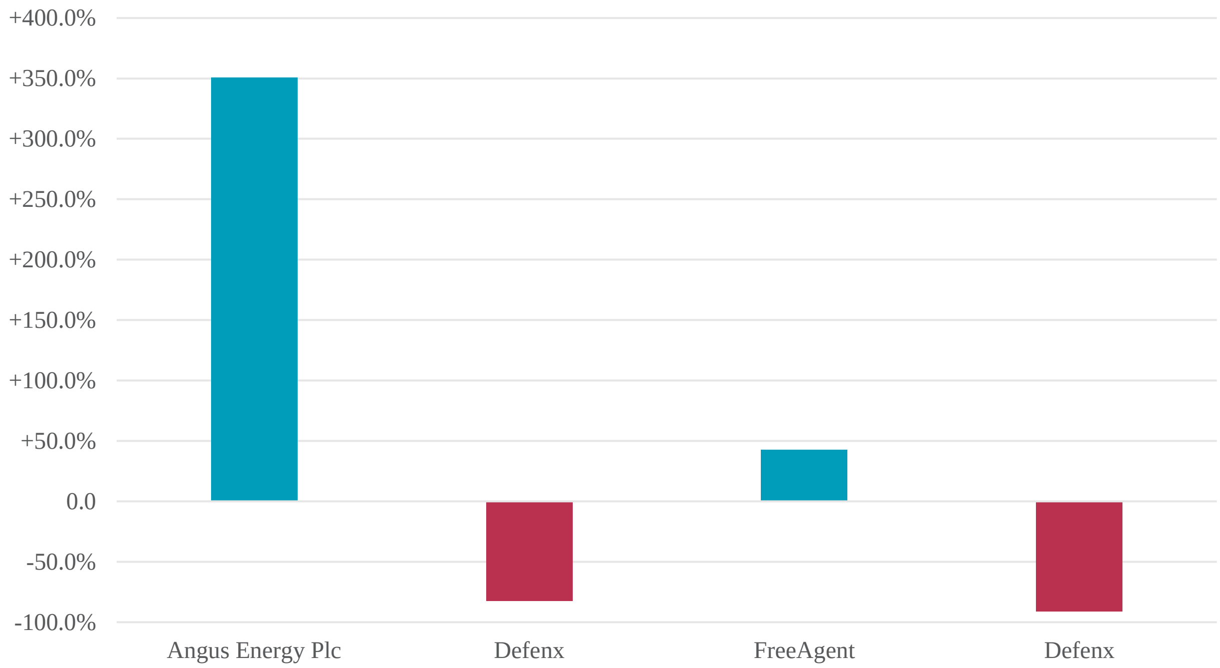


CHART 7: EXIT HISTORY FOR THE 2016/17 AND 2017/18 TRANCHES



Appendix 1: Key Personnel

Key Investment Professionals

NAME	JOB TITLE	BIOGRAPHY
Shane Gallwey	Fund Manager	Shane has launched, advised, invested in and sold a number of EIS & BPR-qualifying businesses. Prior to Guinness, he spent six years with HSBC Investment Bank in equity research and corporate finance, four years with an investment fund in Gibraltar, and a further five years advising growth companies on EIS/VCT structuring and financing. Shane holds an MA from the University of Edinburgh, and is a CFA Charterholder.
Edward Guinness	Fund Manager	As well as being a Fund Manager on the Guinness EIS Team, Edward has managed the Guinness Alternative Energy Fund since 2007, raising over US$100 million and making investments in listed wind, solar, hydroelectric and energy efficiency companies globally. He joined HSBC Investment Bank in 1998 working in the Energy & Utilities Team in Corporate Finance, Tiedmann in New York in 2003 and Guinness Asset Management in 2006.
Dr Malcolm King	Fund Manager	Malcolm joined Guinness Asset Management's EIS Team as an Investment Manager in 2013. Prior to joining Guinness, Malcolm worked for the Carbon Trust and its subsidiary CT Investment Partners (now 350 Investment Partners) where he led or managed 15 transactions in the cleantech and renewables sector. From 2006 to 2008 Malcolm worked as a Consultant for Angle technology plc where he was heavily involved in the management of the Carbon Trust Angle Incubator, the leading cleantech incubator of its kind in Europe. Malcolm has a PhD in Physical Chemistry from Cambridge University and a BSc (Hons) in Chemistry from the University of Pretoria.
Chris Villiers	Fund Manager	Chris joined Guinness EIS investment management team in 2015 after spending 10 years working in the carbon and renewable energy markets. The majority of this time was spent with EcoSecurities (a wholly owned subsidiary of JP Morgan) ultimately as Head of Portfolio Management. Between 1999 and 2004 Chris worked in Corporate Finance at Dresdner Kleinwort. He holds an MA from the University of Edinburgh and an MSc from Imperial College in Environmental Technology.
Hugo Vaux	Fund Manager	Hugo joined the Guinness EIS investment management team in 2012. His role includes sourcing and assessing potential transactions, monitoring existing investments and assisting on marketing. Prior to joining Guinness Hugo gained experience at SandAire Wealth Management undertaking micro and macro analysis in the investment team. He has an MSc in Finance and Investment from Bristol and a BSc in Economics from Exeter.

Ashley Abrahams	Fund Manager	Ashley Abrahams joined Guinness Asset Management in 2018 and is an Investment Manager in the Guinness EIS Team. Prior to joining Guinness Asset Management, Ashley worked for CBPE Capital and CIL Management Consultants. He has worked with companies in most sectors of the UK economy and has a focus on helping develop and support growth strategies for SMEs. Ashley graduated from the University of Cambridge and has a joint honours MA (Cantab.) in Management Studies and History. Ashley completed an MBA with the Smartly Institute, a disruptive learning platform.
Bridget Hallahane	Portfolio Manager	Bridget recently joined Guinness Asset Management to lead our portfolio management function. Previously she worked as the Chief Financial Officer at Active Partners whom focus on investment in high growth SMEs. During this time, she developed both the finance and portfolio management function. For 12 years she worked at PricewaterhouseCoopers across a range of teams including assurance, transaction services and business recovery. Bridget has international experience across a broad range of sectors and size of companies. She graduated from University College London and is a qualified as a Chartered Accountant.
Adam Barker	Associate	Adam joined Guinness Asset Management in January 2018 and works with the EIS team on reviewing and analysing investment opportunities. He graduated in 2016 with a BSc in Mathematics and was previously at Sanlam Private Wealth where he worked as an analyst on the Global Equities team.
Andrew Martin-Smith	Fund Manager	Andrew Martin Smith began his career at Hambros Bank in 1975 as a graduate from Oxford University. He has over 30 years' experience in the financial services industry and currently works as a senior adviser with Guinness Asset Management as well as managing the Guinness AIM EIS Fund. He is Chairman of Parmenion Capital Management and a Director of Church House Investments and three quoted investment trusts. Andrew has spent the last 20 years specifically involved in the fund management industry firstly as Chief Executive of Hambros Fund Management. He joined Berkshire Capital Securities after Hambros' successor fund management interests were acquired by Investec, and joined Guinness Asset Management in 2005.

Source: Guinness; AdvantageIQ

Offer: This offer aims to deliver a gross return target of in excess of 1.3x money-in (net of all fees) over a four- to five-year investment horizon. The offer is open to new and existing investors and launched in December 2018, with the next tranche closure scheduled for 6 April 2019.

MJ HUDSON Allenbridge

8 Old Jewry, London EC2R 8DN, United Kingdom | +44 20 7079 1000 | london@mjhudson.com | mjhudson-allenbridge.com