Foresight Technology EIS Fund

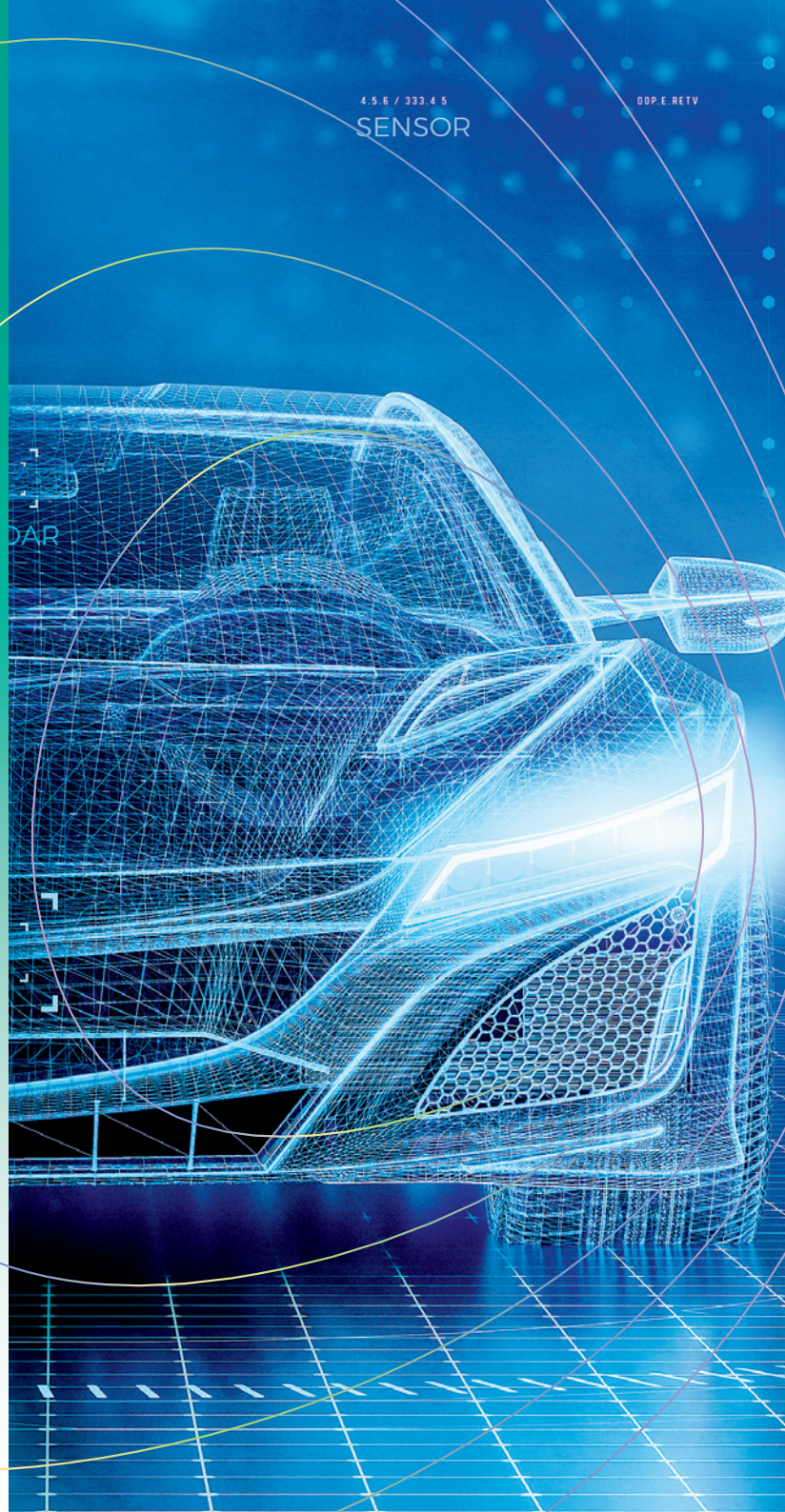
Investor Guide

October 2024

This Investor Guide is a Financial Promotion issued and approved by Foresight Group LLP (FCA No. 198020) pursuant to the Financial Services and Markets Act 2000 and should only be read in conjunction with the Information Memorandum published in respect of the Foresight Technology EIS Fund, dated 4 October 2024. Your attention is drawn to the important risk warnings contained therein. Words and expressions defined in the Information Memorandum shall have the same meaning in this Investor Guide.

Foresight

FOR A SMARTER FUTURE



FCA Prescribed Risk Warning

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment.

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

- If the business you invest in fails, you are likely to lose 100% of the money you invested. Investment in smaller, unquoted companies by its nature involves a higher degree of risk than investments in listed companies and/or traded on regulated markets.

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

- Even if the business you invest in is successful, it may take several years to get your money back. You are unlikely to be able to sell your investment early.
- The most likely way to get your money back is if the business is bought by another business or lists its shares on an exchange such as the London Stock Exchange. These events are not common.
- If you are investing in a smaller, unquoted business, you should not expect to get your money back through dividends. Smaller, unquoted businesses rarely pay these.

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 the business that you own will decrease if the business issues more shares. This could mean that the value of your investment reduces, depending on how much the business grows. Smaller unquoted businesses might 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. Tax advantages not guaranteed

- Whilst it is the Fund's intention to invest in companies qualifying under EIS legislation, Foresight cannot guarantee that all investments will qualify for 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. The tax treatment depends on the individual circumstances of each investor and may be subject to change in the future.

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

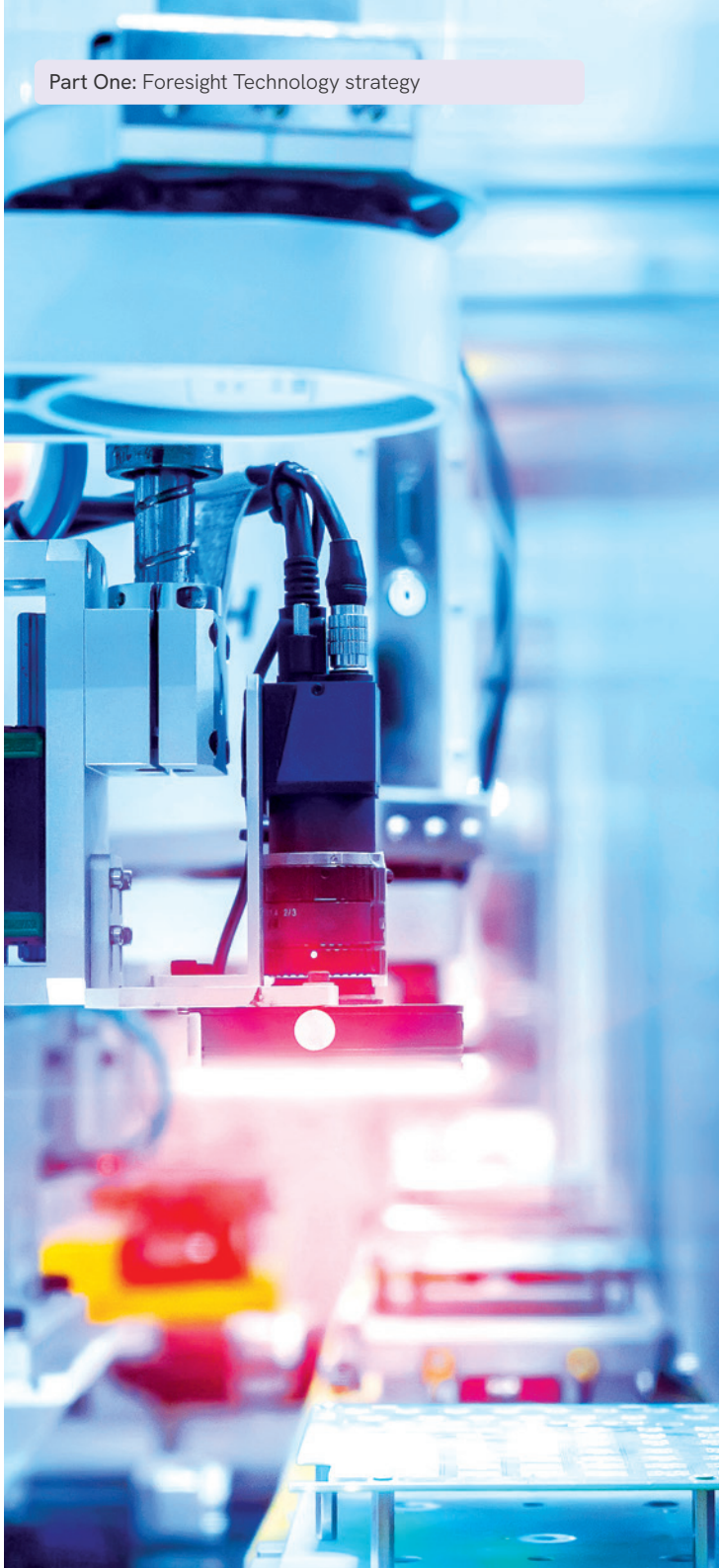
Introducing the Foresight Technology strategy

The Foresight Technology EIS Fund represents an exciting opportunity to invest into a portfolio of early-stage companies which are commercialising innovative technologies to address some of the world's greatest challenges. Solutions to these problems require radical technical innovation involving both hardware and software and companies developing them are often referred to as 'deep technology' companies.

Foresight remains well placed to find, manage and realise investments into such deep technology companies, having been actively investing in this sector since 2017 through the Foresight Technology VCT and EIS funds. During this time, the investment team has reviewed over 2,500 business plans and, across the two funds, invested £76 million into 37 portfolio companies, delivering two successful exits to date.

The Foresight Technology EIS Fund continues to leverage the unique collaboration between a financial investor and a supporting technical adviser, an approach which enables Foresight to leverage additional technical expertise on relevant deal opportunities to make more informed investment decisions. The Technical Adviser – formerly known as Williams Advanced Engineering or 'WAE' and now owned by Fortescue, the Australian mining company – began as a precision engineering company spun out of the highly successful Williams Formula One Team.

With an investment strategy which is aligned to long-term macro-trends and an experienced investment team well versed in the needs of successfully growing and exiting deep technology companies, we believe the Foresight Technology EIS Fund is well positioned for long-term success.



Four key reasons to invest

1. An exciting time to be investing in science and technology in the UK

Recent years have seen the world face a series of global challenges including the COVID-19 pandemic, ongoing climate change, escalating geopolitical tension and an ageing population and workforce. While existing technology platforms, including high speed internet, mobile connectivity and cloud infrastructure have played valuable roles in mitigating these challenges, many of these technologies are now reaching maturity, often only delivering incremental improvements. Continued radical innovation across the science and engineering sectors is therefore required to help mitigate the impact of these global challenges while also enabling further economic growth and social equality.

Companies developing these disruptive and defensible technologies – often referred to as "Deep Technology" companies, present attractive investment opportunities to investors for at least three reasons. Firstly, these companies are developing technologies that solve large, valuable problems with global demand potential and, by implication, are targeting large addressable markets. These dynamics provide the fuel to grow large, successful companies.

Secondly, the core technologies being developed and commercialised are often safeguarded by defensible intellectual property including patents, trade secrets and software code, making them difficult to replicate and hence more valuable. Finally, these companies often become attractive acquisition targets for large industry incumbents due to the difficulty in copying their technologies.

The UK remains one of the world's leading ecosystems for the creation and growth of these deep technology companies, helped by a large number of world-class academic institutions which are highly active in 'spinning out' new companies, along with a supportive regulatory environment and a series of favourable government policies.

2. A mature investment strategy with an emerging track record

Successfully capturing the investment opportunity presented by the deep technology sector requires specialist skills. This is because investment teams must understand the core technology being developed, manage the risks associated with a protracted research, development and commercialisation phase, and have sufficient financial resources to support the company to the point of profitability or sale.

Foresight Ventures believes that it is one of the most experienced deep technology investors in the UK, having been investing in the sector through its FWT funds, in collaboration with the Technical Adviser, since 2017. During this period, the investment team has reviewed over 2,500 companies, investing into 37 across 77 investment rounds. The investment team also leverages the extensive experience of Foresight's wider Private Equity team, which has managed 70 exit processes since 2010, delivering an average return of 3.1x and the Technical Adviser, which acquired Williams Advanced Engineering, originally an engineering company spun out of the highly successful Williams Formula One team, enabling investors to benefit from their world class technical and engineering expertise.

Whilst investing in deep technology has previously been the reserve of institutions, the Fund's track record of two positive exits to date, delivering a 16x and 3x return on invested capital, is evidence of the potential for high returns made available to retail investors through the strategy.

Four key reasons to invest continued

3. Foresight's track record

Established in 1984, Foresight is proud of its 40-year track record of investing in fast-growing SME[1] companies. Foresight now has over £12.1 billion of assets under management and a wide and varied investor base of private and institutional investors.

Foresight-managed Venture Capital Trusts and Enterprise Investment Schemes have over 25,000 shareholders and AUM of £700 million. Foresight VCT, a growth capital VCT, remains one of the UK's most successful VCTs since launch, having paid out more than £129 million in dividends, which are tax-free to qualifying investors, much of which derived from successful investments and exits in the technology and engineering sectors.

In recent years, Foresight's performance has been recognised with awards such as 'Best VCT Investment Manager' at the Growth Investor Awards 2022, 'UK Small-Cap House of the Year' at the Real Deals Private Equity Awards 2023 and 'Best EIS Investment Manager' at the Enterprise Investment Scheme Association Awards 2023, where it was also highly commended in the 'EISA Impact' category. In 2023, Foresight featured on the shortlist for 'UK Small-Cap Deal of the Year' at the Real Deals Private Equity Awards for its exit from Codeplay Software Limited, and was shortlisted for several awards at the 2023 Growth Investor Awards, including 'Growth Investor of the Year' and 'Best Investor Return' for Codeplay Software Limited.

1. SME defined as a business with turnover of up to £20m. Source: FAME.

4. EIS tax reliefs

The Fund will invest in companies that are expected to qualify under the Enterprise Investment Scheme (EIS), one of a very small number of tax-efficient investment schemes officially sanctioned by HM Revenue and Customs. Subject to your personal circumstances and qualifying conditions being satisfied, Investments should qualify for a number of EIS tax reliefs including 30% income tax relief and capital gains tax deferral on amounts invested and capital gains tax exempt growth of Investments. Further details of the tax reliefs are available on pages 52 and 53 of the Information Memorandum. It is our intention that all of the monies invested will be into EIS-qualifying companies.

Foresight Ventures Team

The Fund is managed by Foresight's Ventures Team, a subset of 12 members of the 50-strong Foresight Private Equity Team.

Foresight Ventures Team



Andrew Bloxam

Managing Director

Andrew joined Foresight in 2018 and has led the FWT strategy over the last five years. He has over 20 years of experience. Prior to joining Foresight, Andrew was a Director at Committed Capital, a technology-focused early-stage private equity and advisory firm. Previously, Andrew also worked at Strata Partners and JPMorgan focusing on M&A transactions and capital raisings for small to mid-cap UK technology companies. Andrew has a degree in Economics from Cambridge University and an MBA from Surrey Business School.



Chris Wiles

Director

Chris joined Foresight in 2019 to focus on the FWT funds. He has over 15 years of experience. Prior to joining Foresight, Chris worked at Centrica as a Venture Principal in Centrica Innovations, the £100m corporate venturing and innovation team of Centrica Plc. Prior to Centrica, Chris worked as a Strategy Consultant at PwC, having started his career as an Engineer at McLaren Automotive. Chris holds an MBA with Distinction from Warwick Business School and a Masters degree in Mechanical Engineering from the University of Southampton.



Anastasia Sagaidachna

Senior Investment Manager

Anastasia has been responsible for sourcing and executing investments for the FWT funds and working with existing portfolio companies for the last two years. Prior to joining Foresight in early 2022, Anastasia worked at the Private Equity arm of EBRD focusing on tech enabled and generalist mid-market investments. Before that, she worked at a lower mid-market private equity fund. Anastasia holds a BA in Business Administration from the University of Economics in Prague and MSc in Corporate Finance from Bayes (former Cass) Business School.



Richard Lewis

Managing Director

Richard joined Foresight in 2022 and is a Managing Director based in the London office. Prior to Foresight Richard worked at Downing Ventures as a Partner. Prior to Downing, Richard was Head of Investment at Radius Equity, and previously spent nine years at Mitsui & Co, completing growth and venture capital investments in the UK, USA and Israel. Richard holds a BA class degree in Economics and Politics from Durham University and an MBA from Manchester Business School.



Danielle Gubbay

Senior Investment Manager

Danielle has been sourcing, executing and managing investments for FWT funds and the wider Venture funds, as well as managing a number of portfolio companies of which she sits on the Boards of. Danielle has been investing in early-stage deep tech and enterprise software business for the past 7 years. Prior to joining Foresight in 2022, Danielle was an investor for a London based family office, focused on Seed to Series A enterprise software. Danielle brings extensive operating experience having founded a B2B2C platform.

Danielle holds a BA in Economics and Law from University of Sydney, and BA in Int. Business and Trade Law from University of Technology, Sydney.



Tania Rahman

Investment Manager

Tania recently joined the Foresight Ventures Team after specialising in Seed-Series A Enterprise SaaS investment at Praetura Ventures. Prior to her VC experience she was an early team member at high growth start ups Stack Overflow and Reward Gateway, both of which achieved Unicorn status. She was awarded Entrepreneur of the Year title in 2018 through founding and exiting a multi-site restaurant group across London. She now serves as a Trustee at Hatch Enterprise, the UK's largest startup accelerator for underrepresented entrepreneurs. Tania holds an MBA from Alliance Manchester Business School and a BSc in Psychology from the University of Birmingham.

Foresight Ventures Team continued



Rubina Singh

Senior Investment Manager

Rubina is responsible for sourcing, executing and managing investments for Foresight's Venture funds. Previously Rubina was a Principal at Octopus Ventures where she led deeptech investments, co-managed the new deeptech fund strategy and fundraising, and led the Octopus Springboard deeptech accelerator. Prior to Octopus, Rubina established and led the innovation division at British Gas. Rubina holds a B.Eng. from Australian National University and a M.Eng. from University of Michigan, Ann Arbor.



Rekha Mehr

Consultant

Rekha joined Foresight in July 2022 as a Consultant based in our London office. Rekha has spent her career working alongside and within scaling companies, learning first-hand what really counts for growth and success. Rekha has held Executive Director Roles, answerable to boards and major stakeholders. Rekha is a former founder and now spends her time as Board Director, Advisor and Angel Investor.



Joe Raffa

Venture Partner

Joe joined Foresight in 2022 and is a Consultant based in Silicon Valley. Prior to Foresight Joe worked at Downing Ventures as a Venture Partner and before this, was an executive at IBM and Partner at IBM Ventures. Joe was also a Partner at Adams Capital, an early-stage VC fund with $800m under management. Joe holds a BS in Applied Physics and Electrical Engineering and an MS in Electrical Engineering and Artificial Intelligence from Stanford University. Joe also holds an MBA from Harvard Business School.



Desmond Cheung

Senior Associate

Desmond joined Foresight in July 2024 as a Senior Associate. Prior to joining Foresight, Desmond worked at Cambridge Enterprise for 2 years as an Investment Manager for the £50m University of Cambridge Venture Fund, focusing on opportunities within the physical sciences domain. Prior to Cambridge Enterprise, Desmond worked as a technical and product development consultant within healthcare at TTP plc for 4 years, and is a co-inventor of 3 patents (1 granted, 2 pending). Desmond holds a Masters degree in Aeronautical Engineering from Imperial College London.



Izi Petri

Senior Portfolio Manager

Izi has been responsible for portfolio management and fund operations for the Venture funds, across both EIS and VCT strategies, since joining Foresight in January 2023. Prior to joining Foresight, Izi worked for a fund focused on investing early-stage capital into companies in Sub-Saharan Africa, across tech, mobility and renewable energy. Izi trained as a Chartered Accountant at BDO LLP whilst working in the External Audit team, and holds a BSc in Economics and Politics from the University of Bristol.



Gideon Shmuel

Venture Partner

Gideon joined Foresight as part of the Downing Ventures acquisition. Gideon is responsible for the Israeli Tech investments and supporting some of the portfolio companies. Prior to joining Downing, Gideon was a CEO of multiple technology companies in the areas of Deep Tech, AI, Computer vision, SaaS, Automotive, Enterprise Software and more. As CEO Gideon worked with many VCs and raised $70m in funding.

Background to Foresight Group

Established in 1984, Foresight is a leading infrastructure and private equity investment manager, listed on the London Stock Exchange. Having grown to c.£12.1 billion of assets under management, Foresight has a wide and varied investor base of private and institutional investors. This includes Foresight-managed Venture Capital Trusts and Enterprise Investment Schemes, which currently have over 25,000 investors.

Foresight Group's founders, Bernard Fairman and Peter English, initially raised a £20 million venture capital fund which invested in unquoted technology companies and returned £80 million to investors.

Building on this success, in 1997 Foresight raised one of the first VCTs, the technology focused Foresight VCT plc. Just over 25 years later this remains one of the best performing VCTs ever launched. The FWT Share class heralds a return to technology investing which is a core part of the firm's DNA.

Over the last eight years, Foresight Group's private equity investment team has won a number of institutional mandates from local authority pension funds, the British Business Bank and the Scottish Government. Institutional investors carry out extensive due diligence before making investments, so Foresight's success in winning these mandates evidences their credentials and track record.

Awards:

GROWTH INVESTOR 2023 AWARDS — WINNER GROWTH INVESTOR OF THE YEAR

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

Mergermarket — WINNER — BRITISH PRIVATE EQUITY AWARDS 2023

insider DEALMAKERS AWARDS 2023 — WINNER

RealDeals ESG AWARDS 2023



The UK remains an attractive market to start and grow deep technology companies

Many deep technology companies are commercialising fundamental scientific or engineering innovations which have their roots in research or academia. Despite its size, the UK remains one of the most active countries in Europe for commercialising research and development ("R&D") thanks to its world-leading universities.

In recent years, the UK Government has recognised the potential within this ecosystem and has allocated significant resources to grow this industry further. Notably, in the Chancellor's 2022 Autumn Statement, science and innovation were highlighted as key drivers for economic growth, aligning with the ambition to transform the UK into a global tech hub akin to Silicon Valley. This commitment was further solidified with the establishment of the Department for Science, Innovation, and Technology in February 2023, signaling the government's intent to prioritise the technology sector and cultivate a more robust digital economy.

The government's strategic vision for supporting science and technology was articulated in the March 2023 Science and Technology Framework, which outlined key technologies and themes for development up to 2030. This framework included initiatives such as the £1 billion semiconductor strategy aimed at bolstering domestic markets, addressing supply chain issues, and enhancing national security.

Additionally, the Mansion House Compact, announced in July 2023, signifies a concerted effort to mobilise private capital, with nine UK pension funds committing to invest in local start-ups and fast-growing companies, potentially unlocking up to £50 billion by 2030.

At the time of writing, the policies tabled by the new Labour Government to support the UK's start-up ecosystem remain unclear. However, based on the Party's "Start-Up, Scale-Up" report published in 2023[1], a high degree of continuity with the former Conservative Government's 'pro start-up' stance is expected, with Labour setting the ambition to transform Britain into a premier environment for business growth. Key initiatives include unlocking institutional investment from pension funds into early-stage companies, aligning the UK Infrastructure Bank and British Business Bank under a new National Wealth Fund (NWF), and leveraging world-leading research for growth.

Specific proposals relating to university spin-outs include improved transparency and annual data on the number of university spin-outs and more standard, 'founder friendly' terms for university shareholdings.

Some of the UK's most active technology clusters are shown on the map opposite, along with the location of Foresight's regional offices



1. Source: Labour - Start-up, Scale-up. Making Britain the best place to start and grow a business.

What are the characteristics of an attractive investment?

Disruptive technologies:

- A crucial criterion for all potential investments will be the development of technologies that offer an "order of magnitude" improvement in terms of performance or cost compared to the existing status quo.
- In Foresight's experience, early-stage companies lacking an extensive track record or trading history need to provide a value proposition that is at least ten times better, faster, or cheaper to successfully displace industry incumbents.
- This becomes even more critical in sectors where incumbents possess substantial market power – for example by offering a comprehensive suite of products and services across the value chain – or where a low risk profile and high safety standards are imperative.
- Many of the investments made are aligned with the eight core deep technology themes/sectors shown below:

Defensible intellectual property:

- The Fund is seeking to invest into companies that are "IP rich" – that is, companies which have developed a significant amount of Intellectual Property ("IP") including patents, know-how, software code or trade secrets. This helps to protect the technology from replication by a competitor, giving the investee company a sustainable competitive advantage and a strong opportunity to generate attractive commercial returns from its products and/or services.

Strong team with clear strategic vision and ability to execute:

- In addition to world-class technologies, the Fund seeks to invest in outstanding entrepreneurs who have the technical, commercial and personal skills to successfully bring their technology to market and scale rapidly.
- Foresight can add significant value as the company grows, by leveraging their extensive network of Chairs, experienced industry executives and recruitment/search agencies, to help fill any personnel gaps.
- For deep technology companies, compelling leadership is essential to secure multiple funding rounds, often without immediate commercial success.

£0.5-2.5m

Initial investments targeting at least a 10x return potential



IIOT & Sensors
Next-generation data comms, photonics, industrial and sensors



Autonomous Systems
Electric vehicles, autonomous driving, drones, robotics and nanosatellites



Advanced Materials and Nanotechnology
Semiconductors, metal alloys, construction materials, biomaterials, and nanomaterials



Next Generation Interfaces
AR and VR headsets, optical waveguides, haptics, and spatial audio



Factory Automation
Industrial robots, additive manufacturing, and automation software



Future of Computing
Blockchain and homomorphic encryption, new data base architecture, quantum computing



Industrial AI
AI optimisation, digital twin, advanced simulation



Scientific instrumentation
Analytical tools for bioreactors, novel protein and cell design, battery chemistry and use

What are the characteristics of an attractive investment? continued

Maturity profile

- The Company aims to allocate capital to businesses at different stages of their development, encompassing both pre-revenue and post-revenue companies.
- This includes companies that have successfully demonstrated a 'proof of concept' technology and have advanced to commercial designs in test markets, as well as companies with technologies that have been launched in initial markets but have not yet achieved full commercial deployment and scale.

Roadmap to commercialisation and large obtainable market

- Many early-stage technology companies lack clear commercialisation plans. Founders often rush to release their technology without fully understanding their target market or what customers are willing to pay.
- To secure investment, companies must clearly define the market problem, identify their target customers, and explain why these customers would buy the technology, even if it's not perfect.
- Foresight collaborates with management teams to ensure they understand the key drivers of value in their business and identify the technical and commercial milestones and "value inflection points" that must be achieved.

Scalable business model and exit potential

- Deep technology venture capital investment can be challenging due to the substantial amount of funding required for commercialising, producing, and scaling new technologies.
- The Company will steer clear of highly capital-intensive companies, and instead focus on those aiming to commercialise their technology using asset-light business models.
- By focusing on licensing of IP or use of outsourced manufacturing partners, investee companies can achieve significant scale and impact in a relatively capital-efficient manner.



The Portfolio

The Fund has made 37 investments (including nine follow-ons) as at September 2024. Here are three we're very excited about:

Refeyn

Name:	Refeyn Ltd
Industry:	Mass photometry

Refeyn, a University of Oxford spin-out, develops and manufactures advanced mass photometry technology. This disruptive technology uses light to measure the mass of individual particles in solution, such as proteins and viruses, offering critical insights for scientific research, R&D, and therapeutic production. Originally launched in 2018, Refeyn's compact, user-friendly instruments significantly reduces the time required for protein research and quality control, thereby cutting costs and accelerating drug development.

In 2019, Refeyn received £1.2 million from the FWT EIS Fund as part of a £3.5 million round led by Oxford Science Enterprises (OSE). The funds were used to commercialise the initial technology and support the development of further models, including a lower-cost "Lite" version and the "AutoMP" for high-throughput biopharma applications.

Despite some delays, Refeyn successfully scaled operations, with its OneMP product being well-received in both academic and biotech sectors.

By 2022, Refeyn had installed over 350 instruments globally, contributing to more than 300 scientific papers. The company has also expanded its product line with the launch of the TwoMP, SamuxMP, and TwoMP Auto, further enhancing the performance and application range of mass photometry.

In April 2022, Refeyn completed an oversubscribed Series B funding round led by Northpond Ventures, positioning itself as a key player in biotherapeutics and expanding its mass photometry applications beyond bioanalytics. Refeyn continues to grow as an international leader with offices in the US, China, and Japan.

Audioscenic

Name:	Audioscenic Ltd
Industry:	3D Audio technology

Audioscenic, a spin-out from the University of Southampton's Institute of Sound and Vibration Research (ISVR), specialises in immersive 3D audio technology for loudspeaker systems. Founded in 2017 by Dr. Marcos Simón and Prof. Filippo Fazi, the company has developed a unique method using head-tracking technology and patented audio signal processing to create a 3D audio experience that directs sound waves separately to each ear, enhancing immersion.

In 2019, serial entrepreneur David Monteith joined as CEO, combining academic expertise with commercial leadership. Audioscenic aims to revolutionise 3D sound in consumer electronics, overcoming the limitations of traditional systems that confine users to a fixed "sweet spot". The company's technology is being applied in various areas, including soundbars, laptops and in-car audio.

Foresight supported Audioscenic by assisting with commercial strategy, fundraising, and M&A advice, helping the company secure its first design win with Razer. This partnership led to the launch of a gaming soundbar at the Consumer Electronics Show in Las Vegas in January 2023, earning 12 industry awards. Following this success, Audioscenic closed a £5 million funding round in late 2022.

The company is now expanding its presence in the computer and gaming markets, particularly in laptops, and is also developing in-car audio technology that creates separate audio zones for vehicle occupants. Since FWT's investment, Audioscenic has grown from 5 to 36 employees, with representatives in the US, China, and Taiwan.

The Portfolio continued

Inoviv

Name:	Inoviv Ltd
Industry:	Biotech and Pharma

Inoviv has developed a precision biomarker technology platform that aids pharmaceutical companies in conducting more efficient and cost-effective drug trials. The company's platform is drug and disease agnostic, currently supporting 50 drug trials across 15 diseases for 25 companies. Inoviv's patented technology enhances existing mass spectrometry systems, enabling the detection of seven times more proteins at the same setup cost, thus providing more accurate data. The platform's high precision allows for FDA submissions, a significant advantage over competitors.

Inoviv operates in the rapidly growing clinical trials market, valued at $52.3 billion in 2022 and expected to reach $94.25 billion by 2030. With the high cost and failure rate of clinical trials, Inoviv's technology offers a significant value proposition by reducing trial costs and durations while improving data accuracy.

The company has demonstrated strong revenue growth, from £150k in 2022 to £1 million in 2023, and continues to expand its product portfolio and global reach.

Foresight has been instrumental in Inoviv's growth, providing strategic guidance, industry connections, financial expertise, and operational support. This partnership has helped Inoviv secure significant contracts, file new patents, and expand its lab capacity. Looking forward, Inoviv plans to expand into key disease areas including heart failure, breast cancer, and chronic kidney disease, while also cultivating strategic partnerships with pharmaceutical companies. Inoviv aims to drive innovation, achieve financial milestones, and continue its rapid growth



Successful Exits

The Fund has made two successful exits. Although the relative youth of the FWT Share class means it is yet to start exiting companies, the Foresight Technology EIS Fund which follows the same strategy, has made the successful exits detailed below.

Codeplay

Name:	Codeplay Software Ltd
Industry:	Software development

Initial £1.05 million Foresight Technology EIS investment in April 2018 → Exited in June 2022 returning 16x cost



Codeplay, an Edinburgh-based software developer, specialised in creating software that enables AI acceleration on various hardware systems. Founded in 2002, Codeplay developed early tools for using GPUs to accelerate AI, targeting the automotive sector, especially for Advanced Driver Assistance Systems (ADAS) and autonomous vehicles. Their technology helped developers optimise AI models across different hardware platforms, easing the adoption of new AI accelerator chips by companies such as AMD and Intel.

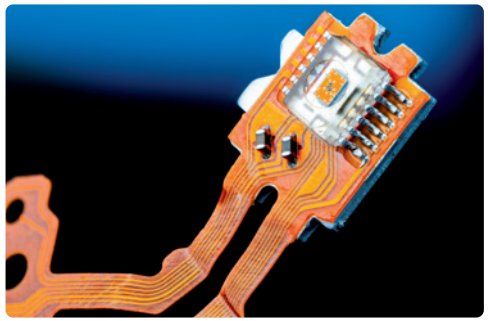
The company's growth was supported by Foresight, which brought in Jim Nicholas as the new Chair to drive efficiency and strengthen customer relationships. WAE (now part of Fortescue) also helped raise Codeplay's profile in the automotive industry and collaborated on a UK Government-funded project to develop a new Battery Management System.

Codeplay steadily became a leader in its niche, working with major chipmakers, leading to its acquisition by a global chip manufacturer in June 2022. This acquisition delivered a 16x return on the investment made by Foresight in 2018.

Flusso

Name:	Flusso Ltd
Industry:	Industrial sensors

Initial £1.5 million FWT EIS investment in April 2020 → Exited in July 2022 returning 3x cost



Flusso, a spin-out from the University of Cambridge, developed the world's smallest and most cost-effective flow sensor, targeting consumer, medical, and industrial markets where monitoring gas or liquid flow is essential. Existing flow sensors were often bulky, costly, and lacked precision, limiting their use in various industries. Flusso's innovation, based on a novel semiconductor chip design, offered a more compact, affordable, and accurate solution, making it ideal for mass production and integration into a broader range of products.

The initial investment thesis highlighted Flusso's potential to revolutionise the flow sensing industry through its patented technology, which promised significant miniaturisation without compromising performance. Flusso's first product was tested by potential customers across industries including consumer electronics, medical devices, and industrial safety. The company focused on the research and development activities of these chips while outsourcing the manufacturing to keep costs low.

During the investment period, Foresight and WAE supported Flusso's growth by validating its technology for high-performance applications, enhancing its appeal as an acquisition target. Flusso released two innovative products, the FLS110 (the world's smallest flow sensor) and the FLS122 (the world's smallest air velocity sensor), aimed at applications in data centres, gaming PCs, HVAC systems and consumer appliances.

Flusso's ability to unlock new functionality for customers made it an attractive acquisition target. In July 2022, Flusso was acquired by a private equity-backed company, delivering a 3x return on investment within a short hold period.

Details of the Fund

Fund Details

Fund name	Foresight Technology EIS Fund
Fund structure	Unapproved EIS Fund
Minimum investment	£10,000
Sector focus	Unquoted, often early stage companies, that are commercialising potentially disruptive hardware technology or industrial software
Target expected portfolio size	Minimum of six investee companies per investor[1]
Cohort closing dates	Last working day in March, June, September and December
Investment horizon	Target 18 months from each respective closing date, although can take up to 24 months
Fundraising timetable	Evergreen – the Fund is open for subscription on an ongoing quarterly basis[2]
Fund Charges[3]	2.5% Initial Charge 2.0% AMC 0.3% secretarial fee (annual) 20% performance incentive fee

1. Depending on the funds raised and the Investment opportunities secured.
2. The Fund may be closed for new subscriptions at any time.
3. An increased initial fee of 5.5% applies where commission is payable to an intermediary. Full details of applicable fees and charges are set out on pages 43 and 44 of the Information Memorandum.

Foresight Charges

Initial Charge (commission payable)	2.5%
Initial Charge (commission payable)	5.5%
Annual Management Charge	2.0% of the Portfolio value
Secretarial Charge	0.3% of the value of the Portfolio (subject to an RPI-linked minimum of £60,000 in aggregate)

Adviser Charges

Adviser Initial Charge	Variable
Ongoing Charges	Variable (0.5% p.a. optional)

Performance Incentive

Calculated against realised Investments on each Investor's portfolio	20% of proceeds received in excess of an Investor's Subscription

VAT will be added to each of the above where applicable

What's Next

If you would like to discuss this investment opportunity with someone at Foresight Group please do not hesitate to contact us on 020 3667 8199 or sales@foresightgroup.eu

Important Information

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Foresight

FOR A SMARTER FUTURE

Foresight Technology EIS Fund

The Shard
32 London Bridge Street
London
SE1 9SG

fwt.foresight.group