

IMPORTANT NOTICE: AN AUTHORISED PERSON WITHIN THE MEANING OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 HAS NOT APPROVED THE CONTENT OF THIS PROMOTION. RELIANCE ON THIS DOCUMENT FOR THE PURPOSES OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY OR OTHER ASSETS INVESTED. If you are in any doubt about the investment to which this document relates you should consult an authorised person specialising in advising on investments of this kind. This document is issued by COMPARE INVESTMENTS DOT GURU LIMITED and has been prepared and approved by the Company itself and not by the professional advisers to the Company. The Company and its Directors, whose names appear on [Page 11](#), accept sole responsibility for the information contained in this document. To the best of the knowledge of the Company and its Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.



Due Diligence and FAQs Pack

This Due Diligence pack is to be made available only to IFAs and individuals who, in the belief of the directors of Compare Investments Guru Limited, are Applicable Investors and who are required to sign the declaration in the format set out in page [32](#) of the CIDG Memorandum prior to subscription. Investment into the Fund is only for [Applicable Investors](#) defined as (1) professional clients, (2) retail clients who confirm that in relation to an investment in the Fund they have received regulated investment advice or investment management services from an authorised person, (3) retail clients who are venture capital or corporate finance contacts (4) retail clients who self-certify or are certified as sophisticated investors, (5) retail clients who are certified as high net worth investors or (6) retail clients who certify that they have not invested and will not invest more than 10% of their net investible assets in non-readily realisable securities.

Important Regulatory Notice

This document forms part of an investment promotion intended for Applicable Investors (as defined in this document) only. Compare Investments Dot Guru Limited (CIDG) "the Company", which has issued this document, is not authorised or regulated by the FCA. This document summarises an information memorandum, which has been prepared in connection with a proposed placing of shares in the Company. No shares in the Company are being offered to the public for the purposes of the Prospectus Regulations 2005 and no application has been or will be made for the admission of any of the Company's shares to the official list of the UK Listing Authority, to trading on the AIM or to trading on any other recognised investment exchange.

This document (including its contents) is confidential and is being supplied solely for the information of the person to whom it has been sent and may not be used, disclosed, copied, reproduced, further distributed to any other person or published, in whole or in part, for any purpose. This document is a financial promotion for the purposes of section 21 of FSMA 2000, however, it is exempt from the general restriction in section 21 of the FSMA on the communication of invitations or inducements to engage in investment activity on the grounds that it is made in the United Kingdom only to persons whom the Directors of the Company believe are of a kind described in Articles 19(5) (Investment professionals), 48(2) (Certified high net worth individuals), 50(1) (Sophisticated investors), 50A(1) (Self-certified sophisticated investors) and 51 (Associations of High Net Worth or Sophisticated Investors) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended), and Retail Clients who meet the definition of Applicable Investors. It is not to be distributed or passed on, directly or indirectly, to any other class of persons. Any investment to which this document relates is available only to such persons and other classes of person should not rely on this document.

A "high net worth individual" is someone who has signed, within the period of twelve months ending on the date of this document, or will sign, a statement (in the format set out in the Information Memorandum on page 32) that they are of high net worth and understands that they may receive financial promotions which have not been approved for the purposes of section 21 of the FSMA. For these purposes, "high net worth" means having either (i) an annual income of at least £100,000 or (ii) net assets (excluding the value of his or her primary residence and any insurance or pension rights) of at least £250,000.

A "sophisticated investor" is someone who has signed, or will sign, within the period of twelve months ending on the date of this document, a statement that he or she understands that he or she may receive financial promotions which have not been approved for the purposes of section 21 of the FSMA and that he or she (i) is a member of a network or syndicate of business angels and has been so for at least the six months preceding the date that such statement is made; or (ii) has made more than one investment in an unlisted company in the two years preceding such date; or (iii) is working, or has worked in the two years preceding such date, in a professional capacity in the private equity sector, or in the provision of finance for small and medium enterprises; or (iv) is currently, or has been in the two years preceding such date, a director of a company with an annual turnover of at least £1 million.

PAST AND FUTURE PERFORMANCE

Past performance is not a reliable indicator of future results. Future performance figures shown within this document are based on the internal calculations of CIDG and are subject to change at any time. Such forecasts are not a reliable indicator of future results. Furthermore, the financial projections in this document are based on, and begin from, the date on which the company receives 100% of its desired funding.

The attention of prospective investors is drawn to the contents of page 4 of this document entitled "Summary of Risks".

Law may restrict the distribution of this document in certain jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

The Company or any other person shall construe nothing in this document as the giving of investment advice. If you are in any doubt as to whether to invest in the securities described herein, you should consult an independent financial adviser who is qualified to advise on investments of this nature. The Revenue Projections, shown in Schedule 1 of the CIDG Memorandum are purely illustrative and constitute a forecast of the possible market opportunity only. Investors are encouraged to seek independent legal and tax advice prior to submitting an application to invest in the company and to conduct their own due diligence into the terms of this offer and the investment opportunity.

Due Diligence Pack Index

Project Summary	1
Schedule, Timings & Costs	3
Summary of Success Factors	3
Summary of Risks	4
How Tax Relief Mitigates the Financial Risk	5
Exit Strategy & Potential Investor Returns	8
Directors, Professional Advisors & Company Information	11
Related Project Success	14
FAQ's	15

Project Summary

In November 2014 the Directors, (an industry recognised SEIS, EIS, BPR & VCT technical team that had previously provided objective and qualitative reviews on opportunities offered in the market), recognised an opportunity to provide a directory service for potential investors and interested parties that listed all publically available investment products. This information would be held in a central database and made available to subscribers via an online website.

The Company raised £150,000 in a single round of funding via a 'New Founder Shareholder' offering, issuing 150 Ordinary Shares at £1000.00 per share. The proceeds were used by the Company to purchase a range of .guru domain names, design, develop, deliver the main www.compareinvestments.guru site, build and populate the comparison portal www.comparealternativeinvestments.guru. Funding also maintained the business during its first year of operation whilst the FCA position was examined, the website was soft-launched and tested with 'real-time' subscribers.

After seeking specialist legal opinion re FCA rules governing this activity, the Company did not apply for either 'Appointed Representative' status or FCA registration, having received legal advice that the company's activities were outside the current regulatory framework, and therefore this was not required.

FACT: The SEIS-EIS-VCT-BPR alternative investment marketplace has only one objective, independent and uncompromised single point of reference listing all investments that are on offer and that point is CAIDG. This provides investors and IFAs a 'one-stop-shop' for 'due diligence facts' pertaining to those investments, together with a simple way of researching and comparing opportunities objectively on a 'like-for-like' basis.

'Compare Alternative Investments Dot Guru' will be marketed to all interested parties' resident in UK and over the age of 18 including; IFAs, Elective Professional Clients, High Net Worth Individuals and Sophisticated Investors, via a low-cost annual subscription that provides a comparison facility, a 'Guru' scoring matrix and full technical reporting on all publicly available projects.

Advanced Assurance from HMRC for inclusion in the Seed Enterprise Investment Scheme was granted and Advanced Assurance for the EIS round has been confirmed.

CIDG is raising £250,000 for 125 shares in the company, to fund the following:

1. The recruitment and funding of a new Head of Research
2. The recruitment and training of at least 3 research interns
3. Marketing & Sales campaigns to target prospective Alternative Investment product buyers and suitably qualified IFAs in print and online formats
4. Further site development and report creation.

This funding will enable the company to secure finances to ensure at least 3 years of operation, (on the assumption there are no subscription revenues for this period) from funding draw-down. See page 22 of the CIDG IM for more details.

As part of both the FCA's and CMA's drive toward transparency and accountability within the financial services industry, price comparison and review websites are being used as the 'preferred' management tool, to bring these changes to bear. Payday lenders were recently targeted with proposed legislation that will see them 'forced' to sign up to price comparison websites.

The FCA rationale is that increased visibility increases transparency, and offers evidence that Product Providers are competing fairly, with any fees incurred by customers clearly displayed. ReeVoo's move into the financial services market place offers more evidence that Insurance and even price-comparison companies such as moneysupermarket.com are completely aware that reputations are won and lost on customer experiences.

CIDG is initially targeting the SEIS, EIS, BPR and VCT marketplace providing that single point of reference by listing all investments on sale in a 'multi-field' fully searchable, up to date, user friendly website.

Now that these product types are integrated into the site, the portal commercially launched and subscribers using the platform, a Round-2 raise will fund an ongoing marketing campaign, an expansion of the technical, due diligence and research team to provide the company with further capability to populate the following sites with objective, unbiased and completely uncompromised reports, scoring and analysis:

- ✓ [Compare Fund Managers Dot Guru](#), with Discretionary Managed Fund and Manager comparisons provided to users
- ✓ [Compare Pensions Dot Guru](#), with straight comparisons on fees, historical returns, target returns, fund management team and Annuity Comparisons as part of a strategy to develop a completely independently rated Pensions Dashboard
- ✓ [Compare IFAs Dot Guru](#), providing historical information on the Top 100 IFAs both individual and Group performance, fees charged and client feedback
- ✓ [Compare Secondary Market Equity Investments Dot Guru](#), which will be specifically designed for individual's resident in the UK and Professionals interested in comparing Secondary Market Equity investments and listing the projected £220 Billion of asset value, soon to be released into the investment market, in a fully searchable and comparable database.

A recent survey of five asset managers found that, on average, they only valued issuer-funded research at 1.8 points out of 10, even when no other research was available. This clearly shows a huge discount for the value of research where the issuer has paid for it. A slightly more popular alternative was research paid for by a third party, such as a stock exchange, valued at 3.8 (compared with 5.6 for broker research and 9.6 for the managers' own research).

Compare Investments Dot Guru will generate revenue by selling access to the Online Directory – Fact/Data Warehouses mentioned above providing a completely Transparent & Objective Comparison websites with substantiated technical reports, available for download in PDF format.

NOTE:

Subscribers will not be able to purchase investments via any of the sites, nor will CIDG receive any form of financial remuneration from the product originators or promoters for displaying their product or reporting on it. In the event a subscriber proceeds to invest in one of the products listed, which they cannot do directly from any of the sites, CIDG receive no fees from the promoter or product provider, retaining complete independence and objectivity.

Schedule, Timing & Costs

CIDG is scheduled to deliver as follows:

- CIDG & CAIDG Sites/Database Design, Build (Completed)
- Test - Data Correlation and Comparison Report Construction (Completed)
- 3. Soft FT Press launch (Completed)
- 4. 2015/16 Marketing campaign to Investment Promoter's and IFA's (Completed)
- 5. Pre-registration & Site introduction to selected members of the HNWI/PI/SI community (Completed)
- 6. 2017/18 above & below the line marketing in specialised printed & online publications. (Booked)
- 7. Recruitment of new Head of Research (On funding draw-down)
- 8. Recruitment of 3 suitably qualified research interns (On funding draw-down)
- 9. 2017/18 marketing campaign to Investment Promoters and IFAs (Booked)
- 10. Increased marketing efforts to be focussed on the yearly tax-season e.g. October – April each year as traditionally this is when most HNW Investors investigate the Alternative investment marketplace
- 11. Ongoing low-cost marketing and journalistic content throughout 2017, 2018 & 2019.

Summary of Success Factors for CIDG

1. The FCA and the CMA are driving requirements for transparency and accountability within the financial services industry, and is using price comparison and review websites as the 'preferred' management tools, to bring these requirements to bear. One example of this is Payday lenders targeted with proposed legislation that will 'force' them to use price comparison websites.
2. The UK Government's determination to use alternative investments as a 'growth mechanism' for UK SMEs, and the relentless HMRC tightening of legislation surrounding tax efficient Investments.

3. The legislated cap on maximum size of pension pots, ISA & SIPP contributions, creating a requirement for more versatile and varied Investment options, where the need for tools and advice for comparing and evaluating them becomes even more essential.
4. The CIDG website is the only objective and uncompromised, single point of reference for IFAs, where all SEIS, EIS, VCT and BPR alternative investments that are currently on offer can be assessed, compared and where individual investor audit reports can be created and archived to facilitate real Whole of Market advice and expertise, a legislated IFA requirement. Objective & uncompromised means that no reports, comparisons or scores given on the site are paid for by product providers or promoters, and that no introductions or sales of products to investors are facilitated by the site.
5. The potential market for this type of service; in the Higher Rate taxpayer bracket (i.e. High Net Worth Individuals) is 343,000 people. In the IFA and Financial Intermediary market there are 5,850 IFAs who give advice on EIS and/or SEIS investments.
6. The management team's experience in this marketplace, and in designing, developing/branding and managing 'Online Directory' websites, in particular David Newman's involvement and success in Yell.
7. The management team with Mark Gilmore who has extensive experience in this sector, having previously started a successful multi-media web design and marketing agency from scratch.
8. OPEX for the company will be limited to 1 full-time salary, (Research Director) and marketing costs, as the research team will consist of Interns, and the office space will be provided by Simmons Gainsford one of the Founder Shareholders, at no cost.

Summary of Risks

1. Whilst it has access to a substantial amount of research and data that has been compiled regarding the market opportunity, there is no guarantee that the market will react in the way forecasted within the Information Memorandum.
2. The 'Comparison' concept is not 'copyright' protected and therefore anyone can copy the business model and compete in the same space.

3. Although best endeavour has been used to verify all of the market research, potential client/channel feedback, online polls and purchased data, that the Company is relying on for this project, it may transpire not to be reliable or relevant to this solution. The market uptake for a 'Compare Investments Guru' type product is unproven. The project's success is driven in one part by the legislation and regulations that are currently being considered or put into place, and in the second by the IFA's genuine desire to offer his/her clients the market opportunities that to date they have been unable to recommend because of the lack of transparency and auditable material to support that recommendation.
4. Estimates of potential value and costs may not be reliable inasmuch as:
 - The potential seat access income values are illustrations based on available comparable industry information
 - The estimates are subject to market input variables that cannot be determined until the portal is developed and marketed
 - The illustrations of potential income value in this Information Memorandum may, accordingly, not be reliable despite the Directors best efforts to judge them accurately.

5. Enterprise Investment Scheme

A condition of HMRC's approval of EIS is that the conditions relating to the Company and its trade have to be complied with throughout the three-year period following the issue of the Shares. Although it is the intention that the Company's activities should qualify under the EIS, if the conditions are not complied with, the Company would have breached the EIS regulations and EIS income tax relief would be withdrawn.

How Tax Relief Mitigates the Financial Risk

EIS Relief information

Highlights

- An individual can invest annually up to £1 million in EIS companies and obtain a tax credit equal to 30% of the cash investment.
- For EIS it is possible to invest up to £1 million in 2015/16 and carry back £1 million to 2015/16, provided certain conditions are met.
- Certain types of trade do not qualify for EIS relief. These include certain financial activities, property development, hotels and providing legal or accountancy services.

- A 'disqualifying arrangements' test has been introduced to exclude VCTs, EIS or SEIS that do not invest in qualifying companies and are set up solely for the purpose of giving investors tax relief.

The following sections analyse the main features:

- Income tax credit on the amount invested and when it may be withdrawn
- The capital gains tax exemption and/or utilisation of capital losses on the disposal of the shares
- Deferral relief, provided the relevant conditions (explained below) are met and
- Business Property Relief (BPR) from inheritance tax (IHT), where certain conditions are met.

Income tax

- Income tax credit at 30% of the amount invested in subscribing for new shares (maximum annual investment of £1 million).
- By election, where an EIS investment is made in one year it can be treated as though it was an investment made in the immediately preceding tax year, subject to the overall limit for that year.
- Dividends paid on EIS shares are taxable.
- Where the EIS shares are sold within 3 years, the EIS investor receives value or an option is placed over the shares, then the EIS tax credit is clawed back.
- The claw-back amount is the lower of:
 - Original income tax credit; and 30% x sale proceeds received (only applicable if sold for a loss)There can also be a claw-back if the company loses its EIS status within 3 years.

Capital Gains Tax (CGT) Relief

- An EIS investor is entitled to exemption from CGT on a disposal of those shares, provided he has held them for three years. Therefore, any growth in value is effectively tax-free.

Relief for Capital Losses on Disposals

- Relief is given for allowable losses arising on the disposal of the shares against either income of the tax year of disposal (or of the previous tax year) or chargeable gains, provided all the relevant conditions referred to below are met.
- Any income tax relief obtained under EIS, which was not withdrawn, reduces the capital loss.

CGT Deferral relief

- The tax due on a gain on any asset can be deferred by subscribing for shares in EIS qualifying companies, in a period beginning one year before and three years after the disposal of the original asset.

Business Property Relief

- Shares in EIS companies held for at least two years will normally qualify for 100% BPR for IHT purposes.

EIS Conditions

For EIS purposes, both the investee company invested and the investor need to meet certain conditions:

Conditions to be met by the company:

- The company's gross assets must not exceed £15 million immediately before the shares are issued and £16 million immediately afterwards
- The Investee Company must be unquoted when the shares are issued and there must, broadly, be no arrangements for it to become quoted. A company admitted to AIM will not be regarded as quoted for these purposes
- The Company must exist to carry on a qualifying trade (i.e. conducted on a commercial basis with a view to making profits; and the trade does not include, to a substantial extent (20% or more), excluded activities such as property development, leasing, dealing in land, shares and/or commodities etc.)
- The company must not be a 51% subsidiary of another company
- The Company must not have any subsidiaries that are not 51% subsidiaries
- The issuing company must either be a UK resident company carrying on a trade in the UK or be an overseas company with a UK permanent establishment carrying on a trade
- The Company must not be in financial difficulty
- The Investee Company must have fewer than 250 full-time employees
- The Investee Company cannot raise more than £5 million in total over a 12-month period under the EIS and the VCT scheme.

Conditions to be met by the investor:

The key conditions are as follows:

- The subscription must be in newly issued, ordinary shares and paid for in cash, as well as being for genuine commercial reasons and not for tax avoidance purposes
- To retain the income tax relief and to be exempt from capital gains tax, the shares must be held for at least three years
- The investor must not be connected for EIS purposes with the company. Investors who are connected with the company cannot claim income tax relief but may still qualify for capital gains tax deferral relief
- An investor will be connected with the company if he, either on his own or with associates, possesses or is entitled to acquire more than 30% of the issued share capital, voting power or assets of the company or any subsidiary on a winding up
- An investor will also be connected if he or she is an employee of the company or its group. They can be directors provided they meet certain conditions. An investor must not receive any amount of remuneration as a director that is excessive in comparison to the services performed. Relief will be withdrawn if the investee company, or a person connected with the company makes a payment to the investor (which is not "insignificant") up to one year before, and three years after, the share issue.

Exit Strategy & Potential Investor Returns

The company intends to pay dividends to the investors targeted to deliver a minimum of 10% pa return on their investment after the statutory investment-holding period required to maintain the initial tax benefits. The Directors will also consider 3 options on the most appropriate method to realise investor gains in the form of an exit:

- Refinancing/Restructuring/MBO of the company to deliver an exit to Investors commensurate with the projected gains mentioned on page 23 of CIDG Information Memorandum
- Initial Public Offering
- Trade sale.

The Directors research suggests that a significant multiple on the initial investment may be achieved for subscribers at this point. Successful online media and directories with annual subscriptions, currently trade on an EBITDA multiple of between 11 and 20.

No guaranteed forecast can be given of the likely or potential returns to Subscribers upon the successful delivery of the project. Therefore, on the basis of market research carried out by CIDG and market unknowns the annual projections are conservative.

CIDG is budgeting for fixed annual operating costs of £50,000 pa in 2017/18, rising to £100,000 pa in 2018/19 and 2019/20, as per page 15 of the CIDG Information Memorandum. The staffing costs increase thereafter will be commensurate with market penetration figures and thus income.

Projected Revenues

- ✓ 2017/18 Sales 1% of IFA & Applicable Subscriber designated market or £74,750
- ✓ 2018/19 Sales 2% of IFA & Applicable Subscriber designated market or £149,500
- ✓ 2019/20 Sales 3% of IFA & Applicable Subscriber designated market or £224,250
- ✓ 2020/21 Sales 4% of IFA & Applicable Subscriber designated market or £299,000
- ✓ 2021/22 Sales 5% of IFA & Applicable Subscriber designated market or £388,700

The following tables demonstrate possible investor returns 2019/20 given a varying range of market uptake.

1. 3,336 subscribers or 5% of market
2. 5,004 subscribers or 7.5% of market
3. 6,672 subscribers or 10% of market
4. 13,344 subscribers or 20% of market

Note: No allowance for investor growth in EIS has been assumed in these projections.

Round 1 SEIS @ £1000 per share (CLOSED)

SEIS Round 1 Minimum Investment £20,000 = 20 Shares

Subscription Seat Fees £249 Plus Vat

Potential return on Investment

Year	Subscribers	Revenue	Opex	EBITDA	Sales Projections	P/E			FT's Industry P/E 1-8-2016
						7	10	12	
2020/21	3336	£830,664	£250,000	£580,664	Scenario 1	£70,725	£101,036	£121,243	£218,237
2020/21	5004	£1,245,996	£250,000	£995,996	Scenario 2	£121,312	£173,303	£207,964	£374,335
2020/21	6672	£1,661,328	£250,000	£1,411,328	Scenario 3	£171,900	£245,571	£294,685	£530,434
2020/21	13344	£3,322,656	£250,000	£3,072,656	Scenario 4	£374,250	£534,642	£641,571	£1,154,827

Round 2 EIS @ £2000 per share (OPEN)

EIS Round 2 Minimum Investment £20,000 = 10 Shares

Subscription Seat Fees £249 Plus Vat

Potential return on Investment

Year	Subscribers	Revenue	Opex	EBITDA	Sales Projections	Potential return on Investment			FT's Industry P/E 1/8/2016
						P/E	P/E	P/E	
						7	10	12	20.8
2020/21	3336	£830,664	£250,000	£580,664	Scenario 1	£32,111	£45,872	£55,047	£95,415
2020/21	5004	£1,245,996	£250,000	£995,996	Scenario 2	£55,079	£78,684	£94,420	£163,662
2020/21	6672	£1,661,328	£250,000	£1,411,328	Scenario 3	£78,046	£111,495	£133,794	£231,909
2020/21	13344	£3,322,656	£250,000	£3,072,656	Scenario 4	£169,918	£242,740	£291,288	£504,899

The potential investor returns assume the following:

1. A minimum Investment of £20,000
2. Shares in the company are offered for sale to the public
3. Market penetration assumption numbers 1 to 4 above are met
4. Shares in the company trade at a significant multiple of the underlying earnings per share
5. Full subscription at Round 2 is completed.

Note: The figures contained in this section are not guaranteed as they rely on a range of assumptions that may ultimately prove to be inaccurate. Accordingly, subscribers should not rely on these figures, which are not guaranteed by the company, when making a decision to subscribe for shares.

These figures were prepared using P/E ratios considered by the Directors to be relevant and conservative in today's market.

The FT indices for media companies as at 1st August 2016 shows a P/E ratio of 20.87. See: <http://markets.ft.com/RESEARCH/markets/DataArchiveFetchReport?Category=EQ&Type=FTUK&Date=1/8/2016>

NOTE* *The revenue streams projected above feature only the Compare Alternative Investments Dot Guru Domain. It is the Directors intention to operate a further 4/5 Comparison Sites, each with its own revenue stream. This does not include any advertising revenues derived from the sale of targeted 'branded' adverts, e.g. Jaguar, Rolex etc.*

Directors, Professional Advisers & Company Information

Directors:

Steven Strauss BSc ACA (Chairman)

Mark Gilmore (Sales & Customer Relations)

David Newman (Commercials, Portal & Marketing)

Solicitors:

Howard Kennedy,
19 Cavendish Square,
London W1A 2AW

Auditors:

Sopher & Co
38 Berkeley Square
London W1J 5AE

Accountants:

Simmons Gainsford LLP
7-10 Chandos Street,
London W1G 9DQ

Registered and Operations Office:

4th Floor, 7-10 Chandos Street,
London W1G 9DQ

Directors:

Steven Strauss is a Chartered Accountant and Fellow of the Institute of Chartered Accountants in England and Wales. Steven read Economics at LSE, gaining a BSc Honours Degree in 1981. He studied for his articles and qualified in 1985 receiving an associate membership of the Institute of Chartered Accountants in England and Wales later in that year.

In addition to 25-years of specialist work in the tax field, Steven has also had a significant amount of commercial experience, advising and consulting corporate entities on a wide range of matters.

Steven has been a Director of an Australian Stock Exchange Quoted company and is currently Chairman of an International payments solution company.

Mark Gilmore is a founding Director of Viridis Navitas Capital Partners Ltd (*the sponsor of CIDG*) and a serial entrepreneur who has successfully managed to blend a career of high level professional corporate roles, and an enviable track-record in start-ups. Mark brings more than 20 years successful operating experience at senior and executive level sales and operational management to CIDG.

Be it participating in successful IT start-ups, or working within a 'FTSE 500' company, Mark brings more than 20 years successful operating experience at senior and executive sales management level to Guru.

Mark's most recent corporate role was managing COLT Managed Services strategic markets region (6 countries and 27 employees). In his last year, he delivered over £30 million in revenues (118% against target) and nearly £13 million of new business bookings (122% against target). This achievement was coupled with the process of transitioning the pre-sales technical architects, with corporate incentive structures to technical consultants holding personal incentive schemes.

Prior to this Mark held a number of senior Business Development roles including: Dimension Data for over 4 years, significantly exceeding revenue, bookings and margin targets in each of the 4 years he was there; GTS Carrier Services; and TGNS S.A. In between these roles, Mark started Big Picture Interactive, a brand new digital multimedia and interactive web company and took the company from start-up to over £1m turnover in the first year, and prior to that converted an antique shop into a pub and restaurant and ran it for 2 years before exiting.

David Newman is another highly commercial, innovative and success driven individual. He is also an entrepreneur with a strong sales and creative marketing background.

Following 10 years of military service operating throughout the world, David spent the next 10 learning the commercial realities of international business by apprenticing himself to the most successful business owners and companies he could find. During this time, he was tasked across a broad range of industries including, leisure, entertainment, automotive, telecoms, advertising and IT.

His corporate roles have included: Project Management, New Business Procurement, Financial Restructuring, Technical Creation and Support, IT Solution Creation & Delivery, Training Program Creation & Delivery, and Change Management.

In 1999 he formed his own Telecoms consultancy and later that year created Trans Global Network Services, the world's first global fibre optic leasing operator with online point-to-point connection quotation capability.

After successfully exiting TGNS in 2002 with annual revenues of \$27 million, David accepted the role of Commercial advisor to the then Maltese Minister of Finance, The Right Hon Mr John Dalli. There he formed part of a 3-man team charged with redesigning the Countries FDI programme, agencies and Industrial Estate Management.

Successful completion of this project delivered a 'step change' in Government attitude toward FDI procurement, Business Promotion and even its own work force, pre the Country's accession to Europe.

In 2004 David continued his career by taking on international consultancy roles within the restructuring IT and telecoms sector and later within the emerging renewable energy industry.

He returned to the commercial 'start-up' market place in 2008, designing and building an "outsourced" Debt Management and Cash Collection business for top 50 London accountancy practice, Simmons Gainsford LLP. SG Debt Management was initially created to assist SG client's post-recession but today has exceeded that brief. The business currently manages annual cash collections in excess of £16 million and continues to quietly attract new clients by user recommendation only.

In mid-2009, David was invited to lead the design team in building an 'algae to fuel' Photo Bio Reactor for a US project. In mid-2010 working with the same US affiliates, he went on to manage the design and build of an innovative 'oleophilic membrane' crude oil recovery rig. With support from the US Department of Energy, the machine was deployed in the Gulf of Mexico and trialled as part of the Deep-Water Horizon clean-up operation.

In September 2010 David joined forces with Mark and formed Viridis Navitas Capital Partners Ltd (VN-CP) specifically to target the renewable energy start-up funding gap experienced by inventors, engineers and scientists alike.

Since inception VN-CP has delivered 9 successful funding rounds for platform technology application spinouts, raising in excess of £2.1 million via HMRC Advanced Assured Seed Enterprise Investment Schemes and Enterprise Investment Schemes.

The above-mentioned experiences have allowed David to build up a broad network of contacts throughout Governments and industries alike that he leverages to the benefit any company he works with. Understanding the financial risk versus reward balance for investors, as a 'real' investor himself, he brings an unusual but extremely useful skill set to the company.

Consultants

Web Design Consultants:

Kurt Galea- Loop Design

Database Consultant:

ShahDeep International Inc.

Server Design & Hosting:

Elite UK Limited

Related Project Success

The CIDG team has extensive experience in the design development and running of various types of web-based information or directory portals, where the value from the site is derived by having the most comprehensive, up-to-date, and consistent information/data available for reference and/or qualitative and objective comparison by paying subscribers. David Newman has had extensive experience in directory advertising and made a significant contribution to Yellow Pages Sales Ltd upon its creation. Mark Gilmore created, operated and then sold one of the first web-based digital media companies in the UK.

Furthermore, Steven Strauss has 25-years specialist experience specifically in the tax field. In addition, he has also had a significant amount of commercial experience, advising and consulting corporate entities on a wide range of matters, including holding a Directorship of a quoted company.

FAQs

What is the minimum investment?

£20,000, for 10 shares.

What are the fees?

There are no fees payable by investors in addition to their initial investment. The Company provides for external distribution and intermediary charges of up to 6% of the funds raised. There are no annual 'fund management' fees, neither are there any success fees. The management team does not draw salaries either, until the company is revenue-generating and profitable, i.e. it is able to sustain the salaries through profitable revenues. The management team are incentivised by their respective equity stakes in the company, and therefore their goal is completely aligned to that of any investor, i.e. a profitable exit upon refinancing, IPO or sale.

What are the projected returns on my investment?

The Company is targeting revenues in the range of £0.8m - £3.6m in 2019/20 with a corresponding potential EBITDA of between £580K and £3.1m, depending upon market penetration into the IFA and non-IFA markets. Using current industry standard multiples of EBITDA for this business sector to calculate a projected valuation, investors could potentially receive between 2 and 25 times the original investment. See pages 22, 23 & 34 of the IM for more detail.

How will the company make money?

The Company will sell annual subscriptions of the service to Independent Financial Advisors, Financial Intermediaries, High Net Worth Individuals, Sophisticated and Professional Investors at a minimum rate of £299 per year. No recognition is made within the IM for the potential revenues that may be generated through advertising on the site or bespoke reports produced for product promoters. See pages 11, 12, 23 & 34 of the IM for more detail.

When will the company make money?

The breakeven point for the company, described as number of subscriptions, is targeted for 2018/19 and is 803 subscribers at £249 each, net of VAT. See Schedule 1 of the CIDG Information Memorandum.

What is the exit strategy for Investors?

An MBO, IPO or financial restructure of the Company in 2019/20. It is much more likely that it will be an MBO, as the management team has a strategy of growing the company into other markets. If a trade sale or financial restructure is available at a suitable return for investors and management, this will also be considered. CIDG would also like to offer Investors and independent exit via Asset Match, see www.asset-match.co.uk.

Why does the market opportunity exist?

There is no dedicated facility or service currently available to High Net Worth Individuals, Sophisticated Investors, Professional Investors or IFAs where they can compare Alternative Investments products like SEIS, EIS, BPR or VCT on a like-for-like basis, and from a website that is objective and not compromised by payments for reports from Investment product providers and promoters, or the facilitation of introductions and sales of products to Investors.

CIDG is the only website where Investors can see objective and uncompromised scoring of Alternative Investment products across 5 areas, namely;

1. Fees & Charges
2. Investment Offer
3. Commercial Opportunity
4. Risk Factors
5. Management Team.

What is the competition?

There are a number of companies and individuals that offer specialist investment reports, though they are mainly for IFAs and Financial Intermediaries, including The Tax Efficient Review and Allenbridge. The services are not on-line comparisons, and neither are they designed for individual investors themselves.

The exception is MICAP, which is wholly an on-line proposition, but again this is marketed at the IFA and Financial Intermediary communities. However, this site is compromised by the fact that it charges product providers and promoters for reports. It is further compromised by the facilitation of introductions to Investors and sales of Alternative Investment products to Investors through its website. See page 14 of the IM for more details.

What is unique about this Investment opportunity?

There are a number of operating principles, which are embedded in VN-CP projects generally, that make CIDG completely different from the competition, namely:

1. Only one senior team member will be salaried after funding. The management team is incentivised by its equity participation – which ranks equally with all other investors in terms of dividend and capital entitlement - and is focused on making the service and site content as compelling as possible, thereby attracting as many paying subscribers as possible. Since all of the management team are equity participants, their incentive is to ensure a successful MBO, IPO or financial restructure at the optimal point for investors, i.e. to ensure that the best exit-multiple is achieved for investors whilst maintaining their EIS tax reliefs
2. No ongoing management fees are charged to CIDG or the Investors, as it is not a fund and the management team does not act or charge like one
3. No success fees are charged to CIDG or the Investors
4. The management team includes over 25-years experience in tax-efficient investment and funding structures. The Chairman is a Chartered Accountant and senior tax advisor, and the team also includes David Newman who was extensively involved with Yell and Mark Gilmore who has extensive experience in this sector, having previously started a successful multi-media web design and marketing agency from scratch
5. Complete financial transparency on all financial aspects of the project, providing investors with full access to details of development expenditure, revenue generation and with consultation on periodic equity distributions and disposal gains at exit.

What are the main risks in this company and how will CIDG mitigate them?

1. Whilst it has access to a substantial amount of research and data, which has been compiled regarding the market opportunity, there is no guarantee that the market will react in the way forecasted in the IM.

Mitigation – Independent research, (The Alternative Investment Report 2014) demonstrates the gap in the market for this type of service and the growing demand for “quality of information”, and the need for “access to more information and historical performance data” as “being essential to improve the EIS market”.

2. The 'Comparison' concept is not copyright protected and therefore anyone can copy the business model and compete in the same space.

Mitigation – The key value in the site for subscribers will be the Objective reporting and objective scoring metrics that will enable the like-for-like comparisons to be made.

The fact that CIDG does not charge Investment Product providers nor promoters for reports put on the site, and the fact that Investors are not introduced to, or sold these investment products either, will ensure the site retains its unique blend of objective, unbiased reporting, and completely uncompromised scoring. These unique features will ensure the Company retains the credibility and trust required for the service to be a success, and retain complete differentiation in the marketplace.

Furthermore, by populating the site with as much pertinent data as possible, keeping the site up-to-date and retaining all historical data for further comparison and value-based services will help the site remain relevant and valuable to the Intermediary and Investor community alike.

3. Although all best endeavours have been made to verify all of the market research, potential client/channel feedback, online polls and purchase data that the Company is relying on for this project, it may transpire not to be reliable or relevant to this solution.

Mitigation – The Directors have used all credible and reference-able sources for market research, independent reports, and experience in other projects to formulate the CIG proposition and business model.

4. The market uptake for CIDG-type services is unproven. The project's continued success is partially driven by legislation and regulations that are currently being considered or enacted, and the IFA and Financial Intermediary communities' motivation to offer clients advice on Alternative Investments where they currently have been unable to do so – primarily due to lack of transparent, objective and centralised data, to enable them to make informed comparisons and suitability recommendations to their clients, and be compliant with FCA regulations.

Mitigation –The CIDG business model is targeting the Investor community first, i.e. High Net Worth, Sophisticated and Professional Investors. The IFA and Intermediary community are a secondary, though not to be ignored, market for CIDG.

5. EIS Tax Reliefs – A condition of HMRC's approval is that the conditions relating to the Company and its trade have to be complied with throughout the 3-year period following the issue of the Shares. Although it is the intention that the Company's activities should qualify under EIS, if the conditions are not complied with the Company would have breached the EIS regulations and the income tax relief would be withdrawn

Mitigation – The Company will trade as per the EIS regulations and there are no intentions to do otherwise.