



HIGH GROWTH SME




FASHION BRAND | DESIGN | INNOVATION | MANUFACTURING

EIS INVESTMENT
OPPORTUNITY

AIM a t h l e i s u r e

Investment Opportunity

Investment Memorandum
July 2018

 **Growth**Funders

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Risk Disclosure: The shares you are considering buying will be issued by an unlisted company, which may have little or no trading history. Please read the Important Information on page 2 and Risks on pages 73 - 76 carefully, and do not invest more than you can afford to lose.

Growth Capital Ventures Ltd is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA") FRN 623142.

Important Information

Notice to Investors

This investment promotion for subscription of shares is a highly confidential document and has been prepared by and approved as a financial promotion by Growth Capital Ventures Ltd ("GCV") solely for use in connection with this offering of shares in AIM athleisure Limited, trading under the brand name of AIM athleisure ("AIM" or the "Company"). GCV is authorised and regulated by the Financial Conduct Authority ("FCA") of the UK, FRN 623142. The investment described may not be suitable for all recipients of this investment promotion. Before making an investment decision, prospective investors are advised to consult an investment adviser authorised under the FSMA 2000 who specialises in investments of this kind.

Forward-looking Statements

This document contains forward-looking statements. These statements relate to, amongst other things, the Company's future prospects, developments and business strategies. Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. The forward-looking statements in this document are based on current expectations and are subject to risk and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.

Certain risks to, and uncertainties for, the Company are specifically described in the section headed "Risks". If one or more of these risks or uncertainties materialises, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements. These forward-looking statements are made only as at the date of this document. Neither the Directors nor the Company undertake any obligation to update forward looking statements or Risks other than as required by the law, whether as a result of new information, future events or otherwise any reliance on forward-looking statements. These forward-looking statements are made only as at the date of this document. Neither the Directors nor the Company undertake any obligation to update forward looking statements or Risks other than as required by the law, whether as a result of new information, future events or otherwise.

Risk Factors

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A prospective investor should consider carefully whether an investment in the company is suitable for themselves in the light of their personal circumstances, the economic climate and the financial resources available to them. Each prospective applicant for shares is wholly responsible for ensuring that all aspects of the Company are acceptable to them. There can be no assurance that the Company's objectives in respect to any of its funds will be achieved and investment results may vary substantially over time.

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#takeAIM



EIS ELIGIBLE INVESTMENT OPPORTUNITY

This opportunity qualifies for the generous incentives of the Enterprise Investment Scheme (EIS).

Find out more on page 55

A man and a woman are lying on their stomachs on a grassy field, looking at each other and smiling. The man is on the left, wearing a teal t-shirt, and the woman is on the right, wearing a dark blue tank top. The background is a soft-focus view of trees and sunlight. The AIM logo is in the top right corner.

AIM

“*AIM athleisure* are experts in **fusing fitness** with **fashion**, bringing both genres of clothing together with the same level of design integrity to **reinvent** the definition of **activewear** for everyday living”



AIM

1.0 | Introduction

1.0 | Introduction

1.1 Share Issue Details

1	Company Information	AIM athleisure Limited
2	Sector	Fashion, Brand, Design & Manufacturing
3	Company Type	Limited Company
4	Target Amount	£300,000
5	Pre-Money Valuation	£700,000
6	Percentage of equity on offer	30%
7	Post - Money Valuation	£1 million
8	Class of Shares	Ordinary
9	Min. Investment Amount	£100
10	Offer Close Date	September 2018
11	EIS Eligible	Yes
12	Company Website	www.aimathleisure.com

Tax Reliefs (EIS)

EIS: Enterprise Investment Scheme

The EIS can enable investors to claim up to 30% tax relief depending on personal circumstance.

For more information on Tax Reliefs, please see page 55.

Overfunding

The company may consider releasing additional equity at the same pre-money valuation. The company is not required to accept further investment once the initial funding target is reached, however, it may choose to do so to accelerate growth plans further.

Anyone who invests during the overfunding has exactly the same rights as those who invest before overfunding.

A person is captured from the waist down, starting a run on a gravel path. They are wearing black leggings with a white stripe down the side and white sneakers. Their hands are on the ground in a starting position. The background shows a sunset over a body of water with hills in the distance. The scene is bathed in warm, golden light. A large, semi-transparent 'A' shape is overlaid on the left side of the image.

AIM

2.0 | Executive Summary

2.0 | Executive Summary

2.1 Overview

AIM athleisure Limited (“AIM” or “the company”) is an early stage clothing and lifestyle brand specialising in athleisure. AIM designs, creates and manufactures high end, fitness wear which is both stylish and functional, led by an experienced team who have identified a route to market for their distinctive and ethically produced brand. They seek seed funding to scale up the business, investing in personnel, production, sales and marketing.

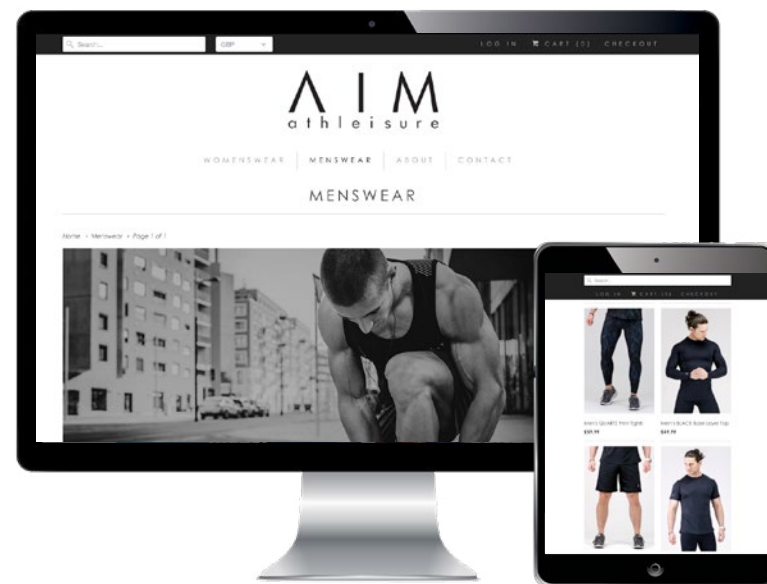
2.2 Problem

Clothing designed for exercise is increasingly being worn as everyday attire but while these distinctions have been blurred, a demand for exercise and fitness clothing which is also stylish and trend-led is not being met. At the same time, sports businesses, gyms, health clubs and teams require branded/bespoke specialist clothing of high quality which looks good and is fashionable for their staff, members and followers.

They find it nearly impossible to source leisurewear of this standard at an acceptable price in the limited quantities that their businesses require. Also an educated and informed modern consumer market is increasingly aware of ethical and environmental problems associated with the production of garments, particularly from Asia, and wants assurance that full account is taken of sustainability and social justice issues.

2.3 Solution

AIM designs and produces athleisure wear which is attractive and stylish and which is also comfortable and performs excellently as fitness wear. Businesses and individuals can work closely with AIM’s design team to select the garments and range and fully customise the colour, print and design of the items to suit their employees, followers and members.



Also, adoption of the latest sportswear sublimation technology allows the fast full colour high definition printing of images and graphics directly onto fabrics, making possible cost effective, short-run productions. Ethical considerations are central to AIM’s business model. Its UK-based design and manufacture gives it direct control over labour conditions, minimises the distances to transport to market and so the carbon footprint.

2.4 Market Overview

Athleisure, which hardly existed a few years ago has grown enormously and globally with an increased awareness of the necessity for exercise as part of a healthy lifestyle. This has been accompanied by a huge expansion in gyms and fitness clubs – both independents and chains. Exercise clothing and leisurewear have moved far beyond the merely functional to become a fashion sector in their own right with their own brands and labels, often championed by celebrities and sports personalities, with the distinctions between leisure, social and work becoming blurred.



AIM

“ AIM is a disruptive **lifestyle fashion brand** driven by the unstoppable force of the **contemporary ‘athleisure’** trend. The **vision** for the brand is to **challenge the traditional** ”

2.0 | Executive Summary

2.5 Team Overview

The AIM team is steeped in the leisurewear and fashion industries with long experience of, and feel for, the market. It also has all the entrepreneurial qualities and business skills needed to develop and position the brand.

Amy Fettis - Founder and Chief Executive

Amy is a Chartered Manager with valuable experience in developing new revenue streams and effecting business change. Amy has a passion for scaling businesses, and extensive experience working in a growth focused environment. Amy lives and breathes the AIM brand and has experience in both brand and production development.

“As the business grows, the team will increase significantly to add capacity, experience, skill and knowledge professionals. In addition to this, Amy will implement a graduate and apprentice scheme which will not only bring ambition but will inspire and encourage young talent in the North East”

Nicola Patton - Product Developer

Nicola is an experienced creative and production pattern cutter, has worked as a sample machinist, experienced in using a range of industrial sewing machines. She is also an experienced pattern grader. Trained to degree level, Nicola has built her career in factories and the garment industry so her 'hands on' experience is invaluable to AIM. Nicola has been involved in the development of every piece of the AIM CORE collection and can carry out every aspect of the production process from creative pattern cutting through to construction, customisation, tagging and dispatching. She is highly organised and excellent at developing systems to efficiently manage a growing order book. As AIM scales, Nicola will work with the design team to continually develop and sample new garments while overseeing the relationships with manufacturers and suppliers.

Heather Swan - Commercial Manager

Heather is a founder/director of a high-end online shoe boutique. She successfully secured significant business loans/funding and ran and operated all areas of the business and was involved in marketing campaigns with national/ international fashion publications. Moreover, she sourced and liaised with top designers around the world securing the position of the first UK stockist for a major American brand.

Katie Bulmer-Cooke - Trade Ambassador

Katie is a fitness entrepreneur who started in business at the age of 16. She featured on the BBC TV show The Apprentice and is now selling her fitness DVDs and online training programmes in 11 countries, as well as educating her fellow fitness professionals on how they can grow their businesses and developing new group fitness concepts for leisure trusts, councils and the private sector. She launched her own clothing collection with AIM and will continue to develop the brand.

2.6 Traction

To date AIM has:

- Identified its market and developed a route to market strategy;
- Developed the brand;
- Created the CORE range;
- Won the Innovative Business of the Year awarded by Sage at the Northern Stars Awards;
- Developed a supply chain;
- Created effective production capability for short bespoke runs;
- Tested and validated the market and its co-branded strategy;
- Opened trade channels with gyms;
- Targeted end users;
- Developed an e-commerce website;
- Been stocked by retailers such as Fenwick;
- Partnered with Katie Bulmer-Cooke, who has launched her first clothing collection dual branded with AIM and is set to be stocked by a national gym chain;
- Created AIM + Soulgenic collection;
- Created AIM + Yoga Therapies collection;
- Created AIM + Team Alpha collection;
- Become revenue generating and is now ready to scale.

2.7 Funding to date

To date AIM has raised a total of £120,000 through a combination of the following:



2.8 Funding required

In this seed round AIM is looking to raise £300,000 in exchange for 30% of the equity. This equates to a £700,000 pre-money valuation and £1m post money.

This will be used for:

- Hiring key personnel
- Sales and marketing
- Design and development - e-commerce
- Product development

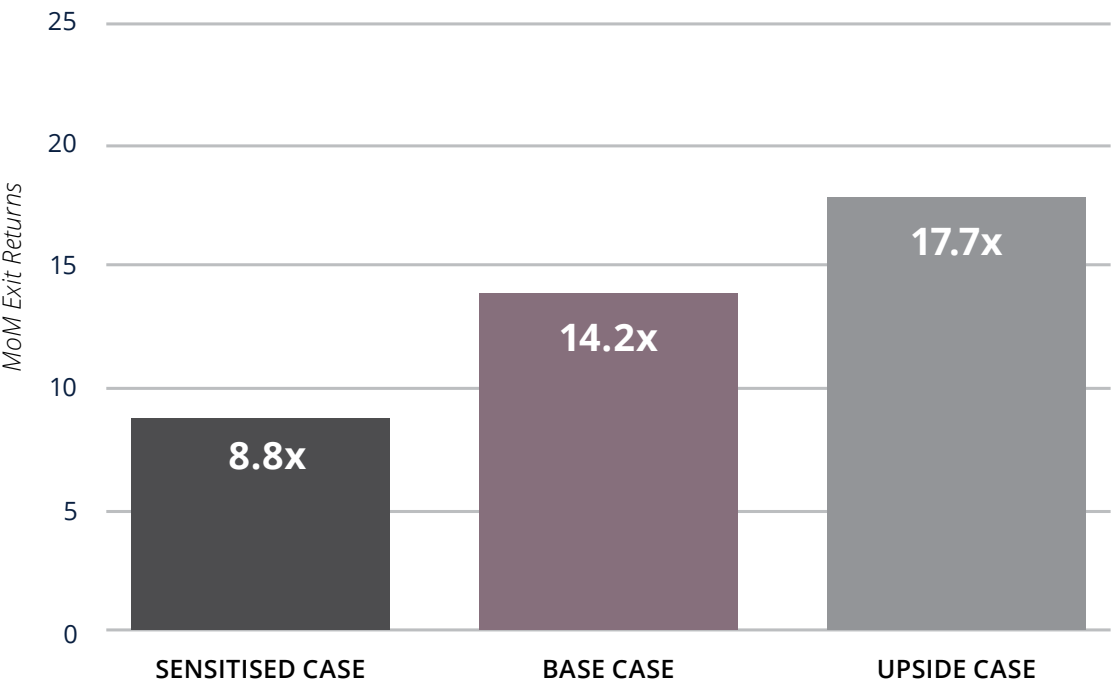
2.9 Target Exit Strategy

The company is targeting a trade sale in around five years after building up a following, brand reputation and order book of trade customers and direct retail customers providing an ongoing revenue stream.

AIM is targeting an annual turnover of £12.1m; an Ebitda of £3.2m and an investor return of 14.2x money-on-money (MoM).

2.10 Target Exit Returns

FIG 1 - INVESTOR RETURNS (SENSITISED CASE, BASE CASE AND UPSIDE CASE)



SENSITISED CASE - £2M EBITDA


EBITDA - MULTIPLE	IRR	MOM
5x	126%	6.3x
7x	136%	8.8x
9x	145%	11.4x

BASE CASE - £3.2M EBITDA

EBITDA - MULTIPLE	IRR	MOM
5x	142%	10.1x
7x	153%	14.2x
9x	162%	18.2x

UPSIDE CASE - £4M EBITDA

EBITDA - MULTIPLE	IRR	MOM
5x	150%	12.6x
7x	161%	17.7x
9x	171%	22.7x

A man with dark hair and a beard is performing a side plank in a gym. He is wearing a black t-shirt with a grey stripe on the sleeve and blue shorts. He is looking towards the camera with a focused expression. The gym has large windows on the left and various exercise equipment in the background. A large, semi-transparent grey triangle is overlaid on the image, pointing downwards.

AIM

3.0 | Investment Highlights

3.1 AIM Highlights

- ✓ **Entrepreneurial Management Team** - AIM has an entrepreneurial management team with deep knowledge and experience of its sector.
- ✓ **Unmet Market Need** - AIM has identified a clear unmet market need among males and females who exercise regularly and want to look good with athleisurewear that is comfortable and functional, but also stylish and fashionable.
- ✓ **Clear Route to Market** - The business has identified and tested a route to market through gyms, fitness clubs and yoga studios who want customised garments jointly branded and designed in partnership for their members, customers and followers.
- ✓ **Innovative design & production facility** - AIM has adopted a production model using sublimation printing technology making possible short run production to satisfy this market but with the potential to scale to meet demand.
- ✓ **Positive Impact** - The business has an ethical approach to production. By being UK based it minimises its carbon footprint, can monitor employment practices throughout the supply chain, uses only British sourced materials and creates jobs and encourages skills and training in the UK.
- ✓ **Impact Driven** - AIM designs stylish products to allow people of all ages, shapes and sizes to look good, encouraging health and fitness and empowering everyone.
- ✓ **Growth Focused Team** - AIM is targeting an investor return of 14.2x money-on-money after five years through a trade sale.
- ✓ **EIS Eligible** - Entrepreneurial Investment Scheme (EIS) can enable investors to claim up to 30% tax relief depending on personal circumstance. **For more information on Tax Reliefs, please see page 55.**

A woman with blonde hair in a ponytail, wearing a grey t-shirt and reflective sunglasses, stands against a dark, textured background. A large, semi-transparent white triangle is positioned on the left side of the image, partially covering the woman. In the top right corner, the letters 'AIM' are displayed in a white, stylized font.

AIM

4.0 | Background

4.0 | Background

4.1 History

AIM was formed in 2014 with the vision of creating a lifestyle fashion brand for fitness professionals and consumers. Two years were spent in market testing, developing and designing the initial collection. In 2015, it was awarded the Innovative Business of the Year award by Sage in the Northern Star awards. An e-commerce website was created in 2016 and the business made its first retail sales and the product was stocked in Fenwick's department store. During this period AIM rigorously tested its route to market through B2B and B2C channels.

4.2 Business Overview

There has been a growing awareness of the vital contribution exercise makes to physical and mental wellbeing. Sedentary occupations replacing physical labour and unhealthy dietary choices are contributing to a growing obesity crisis in advanced societies. This has driven a growth in exercise through gyms, sport, yoga studios and personal fitness training as part of a healthier lifestyle.

However, people not only want to feel good, they want to look good. Hence the rise of athleisure, clothing for exercise, which fuses fashion with fitness and which is frequently publicly worn by celebrities and role models. This is now a well-established market, dominated by major brands such as Adidas and Nike, but it is still a growing market as the distinctions between work, social and leisure attire are beginning to blur. Consumers increasingly want leisure clothing to perform but also to be attractive and trend-led.

Another development in recent years has been a growing concern among consumers about the ethical production of goods and this has been particularly marked in the fashion sector with well-publicised cases of worker exploitation in developing countries and of the environmental cost often associated with production and transportation. Consumers increasingly favour producers who demonstrably seek to tackle these issues.

These ethical issues are at the centre of AIM's business model. Its UK-based design and manufacture will give it direct control over labour conditions and will minimise its carbon footprint. The business is also determined to build an inclusive brand which embraces all sexes, ages, shapes and sizes, encouraging everybody to feel that exercise and fitness are for them.

AIM has researched and tested routes to market to allow it to reach these consumers. On the one hand, it will sell directly to the public through its own state-of-the-art e-commerce site and through sales channels such as ASOS, Wolf & Badger and Korsall, as well as stores. On the other, it will partner with gyms and fitness professionals, for whom clothing will be customised with their own names and logos, alongside AIM's, giving them an attractive uniform solution, marketing tool and an alternative revenue stream. The company needs only to win a modest percentage of this market to achieve its financial targets.

This is possible through the adoption of the latest sportswear sublimation technology, which allows the fast full colour high definition printing of images and graphics directly onto fabrics. This makes possible cost effective, short-run productions so that AIM can provide its target B2B market with personalised products. A high level of design service offered to these trade customers is a USP of AIM.

AIM has spent a significant amount of time researching this market, developing its brand and ethos and in methodically putting the building blocks in place so that it is now poised to raise the capital to allow it to make a significant impact on the sector and on people's lives. Characteristically clothing fashion is always open to disruptors and innovators who can quickly gain global recognition if they have a distinctive brand.



AIM

5.0 | Products & Services

5.0 | Products & Services

5.1 Current Products & Services

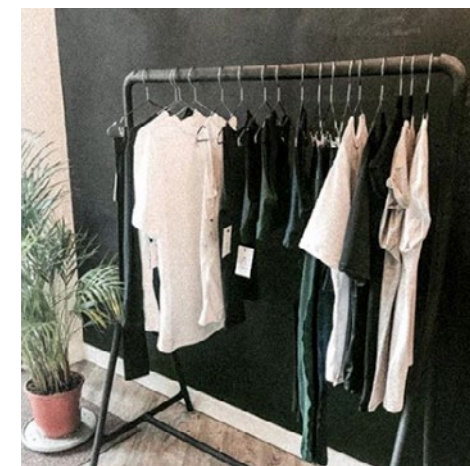
AIM designs and creates a range of clothing which blends fashion, style and fitness and which can be worn in social settings outside and beyond the gym. AIM has created a completely customisable CORE collection of 17 pieces. These consist of eight pieces for each gender which have been designed to be fashion orientated and to specifically fit to flatter as well as perform. AIM has also created a trend-led unisex hoody which is designed to be slim fit for a male and oversized for a female.

These pieces were developed following feedback gathered by the founder, Amy Fettis, from businesses operating in the fitness industry. Amy learnt what they felt was missing from their current uniform and merchandise suppliers and then refined this using a market research project by Leeds Beckett University which gathered information from sports clubs about what they liked/disliked about their current kit.

The new prints, Edge (womenswear) and Disconnect (menswear), have been created from scratch by the AIM team and are designed in the signature grey-scale for AIM, with new colours of stretch fabric being introduced in this collection.

The garments' characteristics are:

- The product of an ethical and sustainable production cycle supporting the British economy;
- All pieces have been designed to be worn together to achieve the coveted athleisure look;
- Technical performance and great aesthetics in one garment;
- 100% British design, materials and construction;
- Each has been shaped using direct consumer feedback;
- There is no bias towards sports or fashion, all have the same high level of design integrity.



5.2 Revenue Model

The distinctive route to market for this business is its B2B model, selling through gyms, fitness clubs, yoga studios and similar bodies. AIM's customisable CORE range - and using a manufacturing method that allows for cost effective short runs - means it can supply these organisations with bespoke garments, bearing their own branding and logos as well as AIM's, to a quality and standard unavailable from other sources. With these products their employees can wear something in which they feel comfortable and stylish and this showcases the product to members and followers who can then purchase from the gym or club.

The AIM trade function allows businesses and individuals to work alongside its design team to select the garments and range that they think will suit their employees, followers and members, at the same time as being able to fully customise the colour, print and design of the items. This gives the organisation an attractive marketing tool and another source of revenue.

AIM needs only to win a modest percentage of this market to achieve its financial targets.

The business will also sell to B2C channels, selling directly to the public through its own state-of-the-art e-commerce site and through other online sales channels such as ASOS, Wolf & Badger and Korsall. It will also sell in department stores such as Fenwick and other retail outlets.

5.3 Future Product Development

In 2019 AIM will launch its junior sizing which will be available to trade clients and retail customers in matching prints to the adults.

In addition, accessories will be launched to compliment the clothing. Yoga mats which can be customised with AIM prints and those of trade clients will be included along with multi-purpose bags which are trend led but also practical for an active lifestyle.



“In addition, accessories will be launched to compliment the clothing. Yoga mats which can be customised with AIM prints and those of trade clients will be included along with multi-purpose bags which are trend led but also practical for an active lifestyle”



AIM

“ The AIM team can provide a full service - from developing an **initial concept** and **brand identity**, through to **garment design / sample making, material procurement** and **production** providing a secondary income stream whilst the AIM athleisure brand grows ”

A smiling woman with blonde hair, wearing a pink sports bra and blue leggings, is leaning forward in a gym setting. In the background, other people are visible, some on treadmills and others standing. The image has a diagonal split with a pinkish-red tint on the left and a darker blue tint on the right.

AIM

6.0 | Market

6.0 | Market

6.1 Market Overview

Athleisure, which hardly existed a few years ago, has grown enormously and globally with an increased awareness of the necessity for exercise as part of a healthy lifestyle. This has been accompanied by a huge expansion in gyms and fitness clubs – both independents and chains. Exercise clothing and leisurewear have moved far beyond the merely functional to become a fashion sector in their own right, with their own brands and labels, often championed by celebrities and sports personalities, with the distinctions between leisure, social and work becoming blurred.

There are a lot of players in the market place but it is far from being congested with plenty of room for innovative designs and niche brands to excite the consumer and disrupt the sector. Athleisure clothing sales grew 8% year-on-year to drive a predicted £2.5bn spend on sports clothing in 2017.

6.2 Total Available Market (TAM)

- The global athleisure market is estimated to be worth US\$270bn
- UK athleisure clothing sales grew 8% year-on-year to drive a predicted £2.5bn spend on sports clothing in 2017
- Total athleisure spending growth was up year on year, from £4.5bn in 2014 to £5.1bn in 2016
- More than 50% of total athleisure spend was on clothing and is growing year on year (2016; 55% clothing, 34% footwear and 11% equipment)
- In the past the market has previously been dominated by the big names of sportswear, however challenger brands are now bringing new ideas and exciting products to this market

6.3 Serviceable Available Market (SAM)

AIM's primary route to market is a B2B / B2C hybrid, utilising gym and fitness clubs as a B2B channel and partner. AIM will develop co-branded ranges and this will generate revenue.

- There are around 6,435 gyms and fitness clubs in the UK
- 1 in 7 people are members of gyms
- That's a 9.7 million serviceable available market

6.4 Serviceable Obtainable Market (SOM)

AIM is targeting 5% of the serviceable available market, which would equate to 300 gyms/clubs. If each sells to 200 members with an average annual spend of £100 that would bring a revenue of £6m on B2B sales alone.

6.5 Target Customers

- Males aged 25 to 40
- Females aged 25 to 40

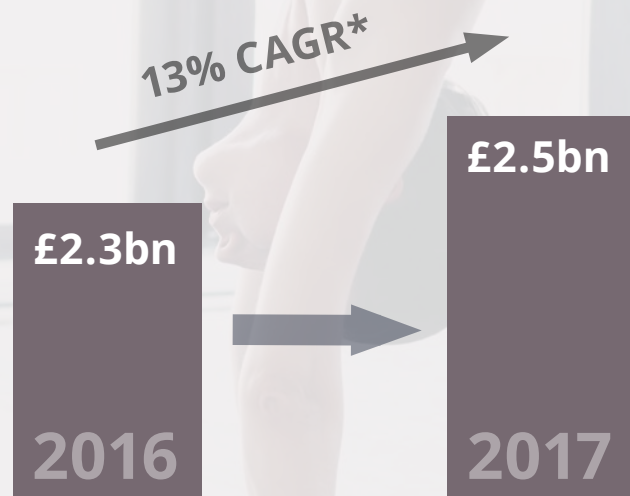
6.6 Secondary Target Customers

- Youth / Juniors
- Men & Women 40+
- Trendy retirees'
- Specialist markets eg. plus size

Fig 1: Market Opportunities

Athleisure clothing sales grew by £200 million year-on-year to drive a predicted £2.5bn spend on sports during 2017.

Athleisure spend in the UK (clothing)



Breakdown of the total Athleisure spending in the UK

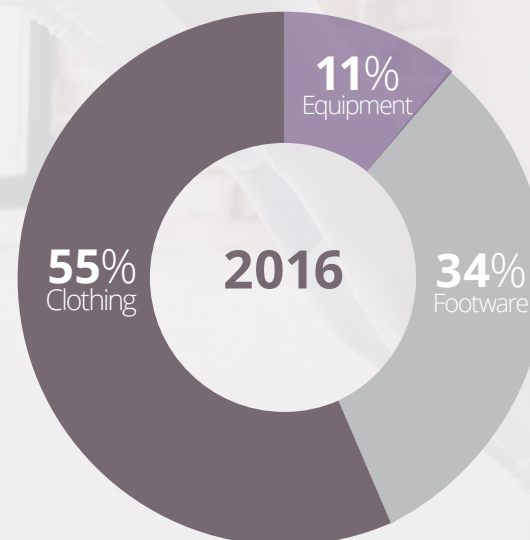
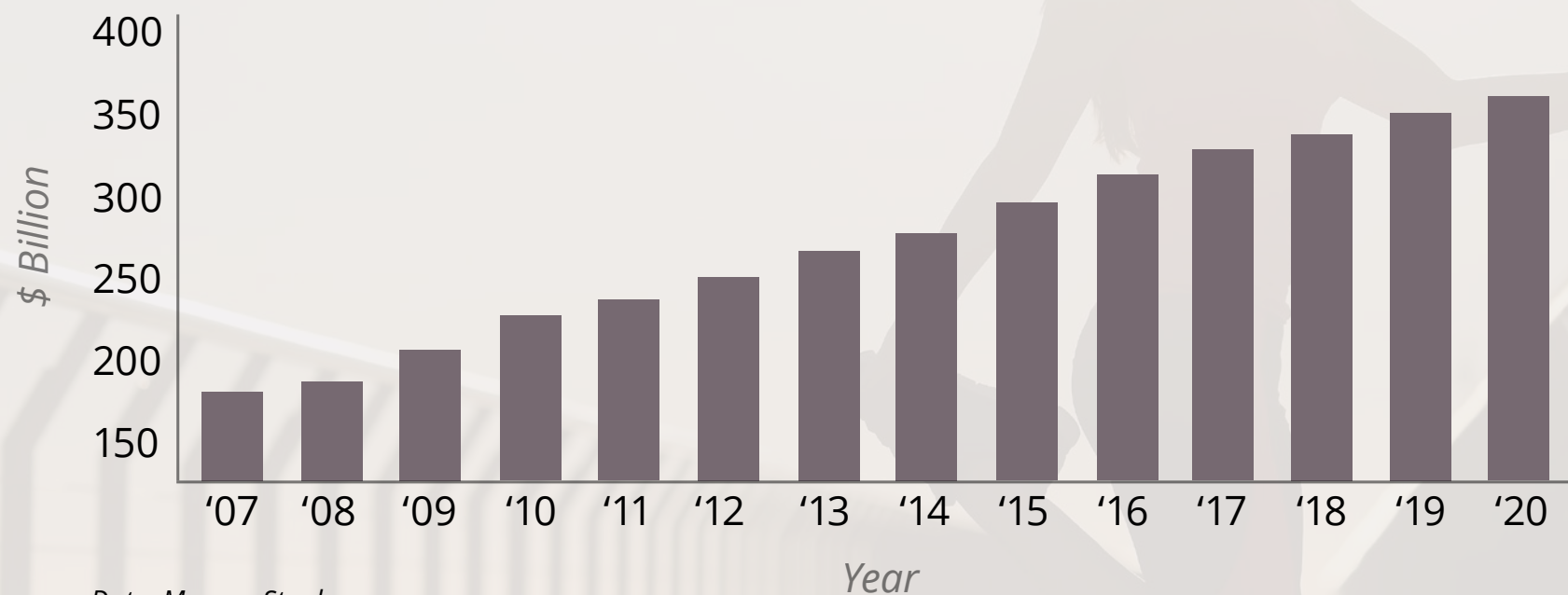


Fig 2: **Morgan Stanley's projection for global activewear sales**



Data: Morgan Stanley

A woman with long brown hair in a ponytail, wearing aviator sunglasses and a black athletic top, leans on a metal railing. The background shows a cityscape with buildings. The image is overlaid with large, semi-transparent geometric shapes (triangles and a circle) in shades of grey and black. The text 'AIM' is in the top right, and '7.0 | Competition' is in the bottom left.

AIM

7.0 | Competition

7.0 | Competition

7.1 Competitive Landscape

Activewear is a competitive marketplace but it is large and growing daily. Athleisure as a true fusion of fitness and fashion has not yet been achieved. Gym goers want more trend-led activewear, and the lines between work, exercise and social attire are beginning to blur. Designers and high street stores are continually adding more sporty pieces to their collections, however athleisure is becoming one of the biggest sources of growth for embattled high-street clothing chains.

7.2 Direct Competitors

EXISTING BRAND:

Lululemon

www.lululemon.co.uk

Founded in Canada in 1998 as a yoga studio, it first sold clothing in 2001. The current income of the business is almost US\$2bn a year with an Instagram following of 2.4 million and 354 stores internationally. It caters for men and women with the main focus being yoga pants although it has diversified into additional product lines such as underwear but does not stock high fashion. The average retail price point is £80.50.

Strengths – very diverse and well-developed product range with a high level of loyalty among its customers.

Weaknesses – the retail price point is high making repeat purchases more of a challenge.



7.2 Direct Competitors Continued

NEW BRAND:

P.E Nation

www.pe-nation.com

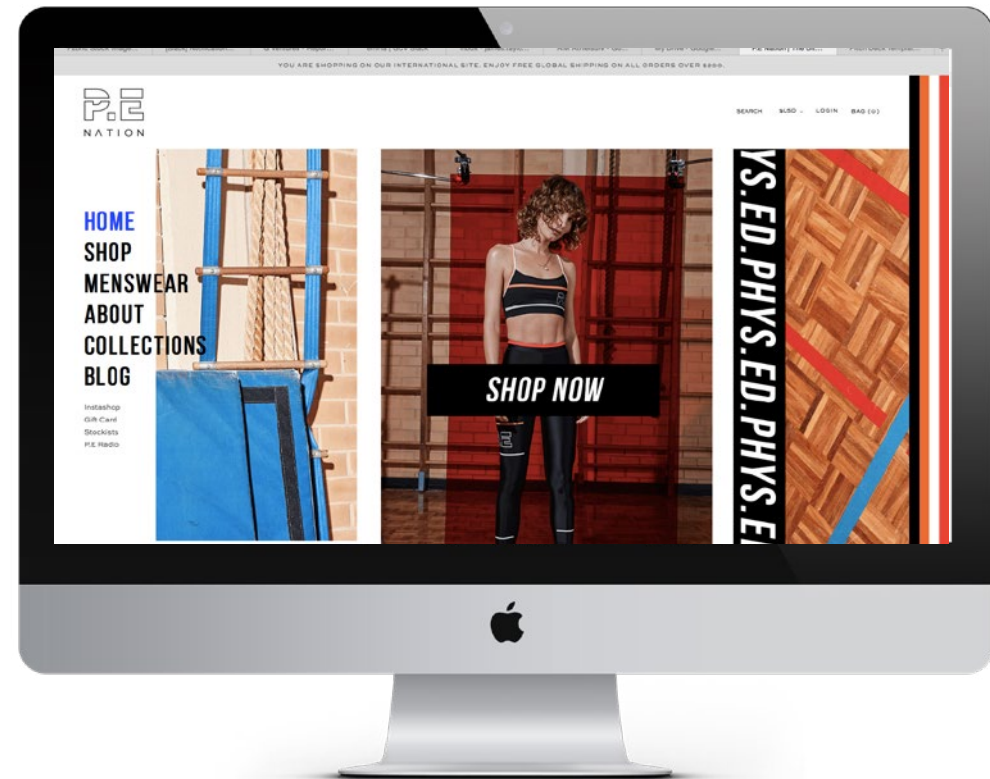
It was founded by former Sass and Bide Designers, Pip Edwards and Claire Tregoning in 2015. Building on a hugely successful launch for women they introduced a range for men in January 2018. The business has an Instagram following of 115,000.

Their bright, attention-grabbing styles have established the brand quickly as an athleisure leader and has been worn by celebs such as Khloe Kardashian. Their garments are trend-led but lean towards streetwear rather than traditional fashion. Based in Sydney, Australia, the average retail price point is £115.00.

Strengths – the brand is stocked in a large network of retail outlets internationally raising brand awareness quickly.

Weaknesses – the designs are bold and appeal only to a younger demographic and at a high price point.

P.E NATION



7.0 | Competition

7.2 Direct Competitors Continued

EXISTING BRAND:

The Upside

www.theupsidesport.com

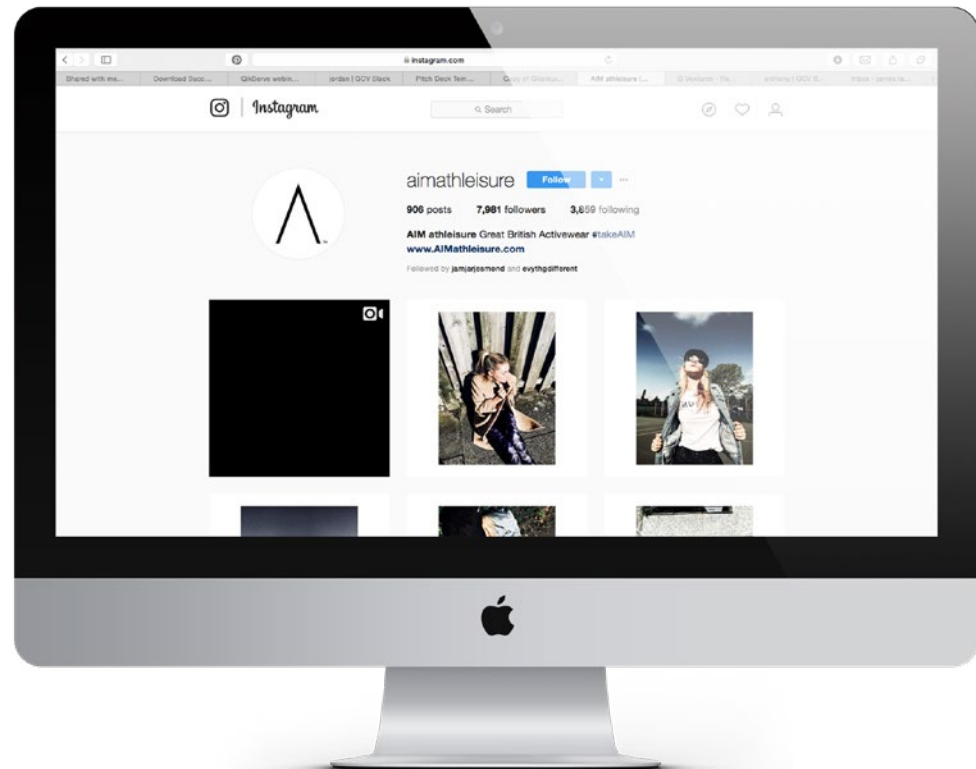
Founded in 2013 by former model, Jodhi Meares, The Upside is also an Australian brand based in Sydney. Describing themselves as primarily for yoga and activewear, their collections are informed by fashion and feature bold, bright prints. They currently have an Instagram following of 110,000 (31.05.18).

The Upside are a pioneer of creating clothing for dual-purpose which looks great but also performs. However, have not yet made the cross in to designing pieces which could be described as traditional fashion and are still activewear orientated.

Strengths – They have opened their own stores in three locations in Australia and have a large number of international stockists so their brand awareness is good.

Weaknesses – A high price points makes repeat purchasing more of a challenge for their potential customers.

THE UPSIDE



7.3 Indirect Competitors

CUSTOMISATION:

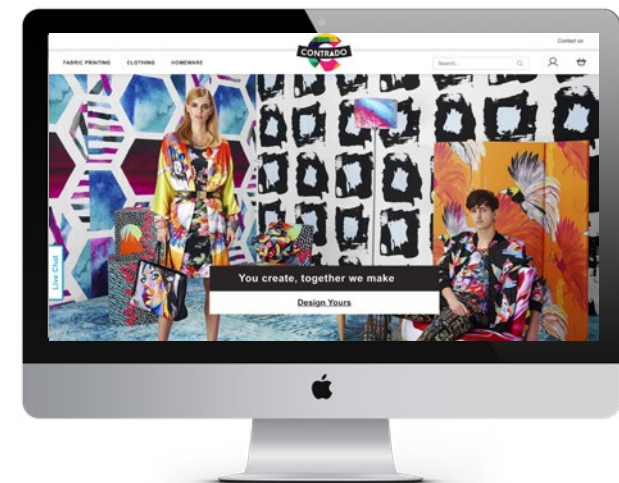
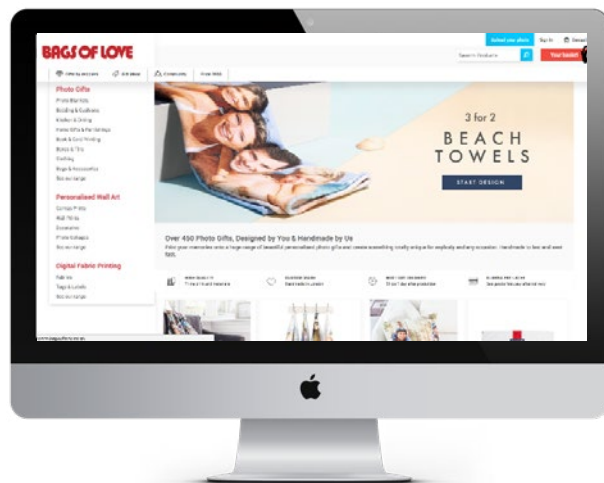
Bags of Love / Miner Wear / Contrado UK



These are customisation businesses which offer a set of template products to which the customer's print can be applied. A design service is not offered, so the artwork must be supplied by the customer. This can mean that the end result may be compromised because if the quality of the file is not high enough the artwork can be pixelated or the placement on the garment may not align.

Providing this level of design service to trade customers is a USP of AIM. **Bags of Love** and **Contrado UK** are not sportswear or fashion focused but cater mainly to gifting or one-off purchases and so the clothing product choices they offer are limited and, not being sector specific, the flattering fit, trend-led design and technical performance are lacking.

Miner Wear are orientated towards supplying uniform to teams and have a set of template garment shapes with set designs for which the colours can be changed. They have not crossed from activewear to fashion or created a brand which can differentiated from the service.



7.0 | Competition

7.3 Indirect Competitors Continued

NICHE:

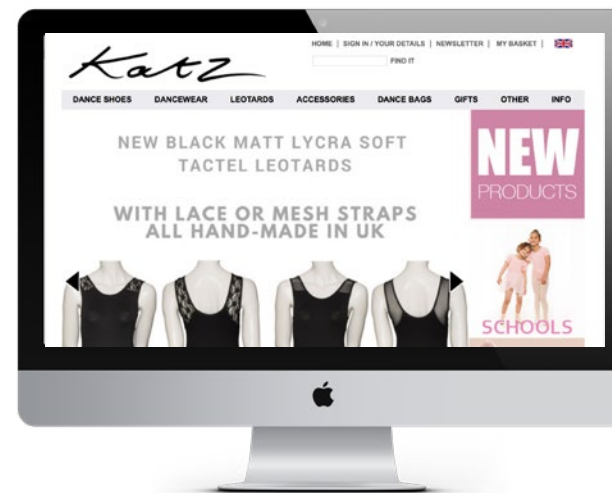
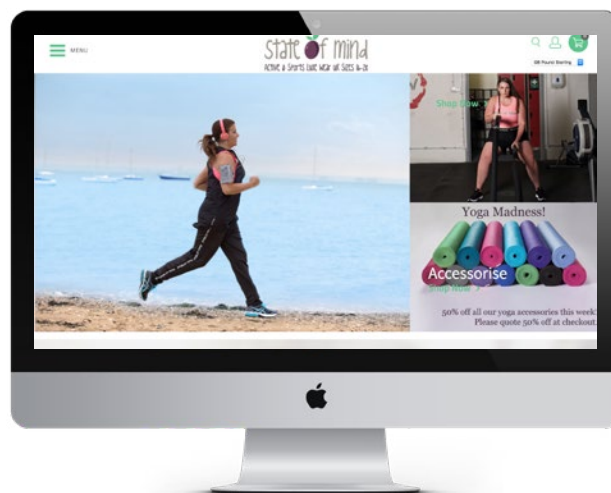
Bosom Buddies / State of Mind / Katz



These are three established businesses trading in a particular niche sector. **Bosom Buddies** is known for its sports bras, **State of Mind** for plus sizing and **Katz** supplies clothing for dance. **Bosom Buddies** is the closest to AIM as its branded range has expanded into garments which can be layered with activewear such as ballet wrap tops and wide legged yoga pants, but it has not made the transition into traditional fashion, its garments being rooted in function rather than fashion. It does not provide a trade service but has a retail store where customers can try on items.

State of Mind is an online business and again, supplies only sportswear with no fashion element.

Katz Dancewear is also online and is focused on its dancewear audience. It does offer a service for trade customers who want to customise the products for their school or club but the business has not yet developed a brand which could develop beyond their sector into the world of fashion. These are all businesses which cater only for females.



7.3 Indirect Competitors Continued

UK MANUFACTURERS:

Josery / Sockmine / Walsh



SOCKMINE

WALSH
MADE IN ENGLAND

These are UK manufacturers of specific product lines. **Josery** produces fabric which it sells by the roll or which it makes into garments for men, such as basic sweatshirts, t-shirts and shorts for retail. It does not currently produce any shapes for women and their collection is not fashion orientated.

Sockmine produces performance socks and is specific to this sector with no current fashion range.

Walsh are a British heritage brand producing stylish footwear, specifically performance trainers, and has successfully made the transition from function to fashion, establishing a recognisable, coveted, retail brand. It has already successfully collaborated with the likes of Paul Smith and M&S. They would be an aspirational future accessories partner for AIM.



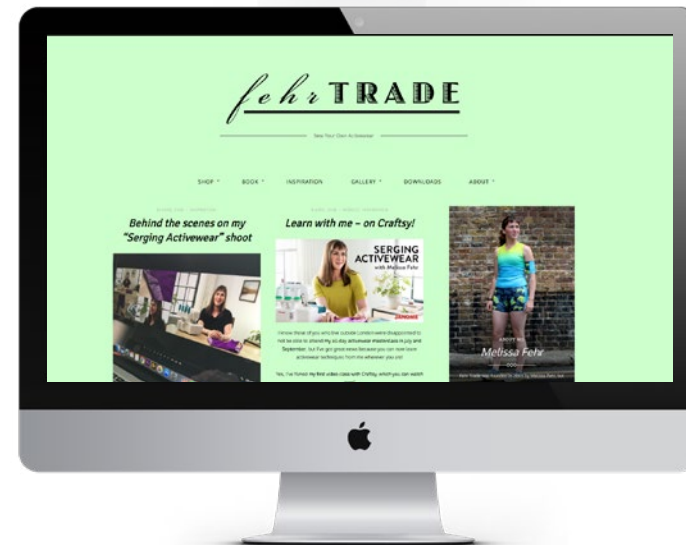
7.3 Indirect Competitors Continued

YOGA CLOTHING:

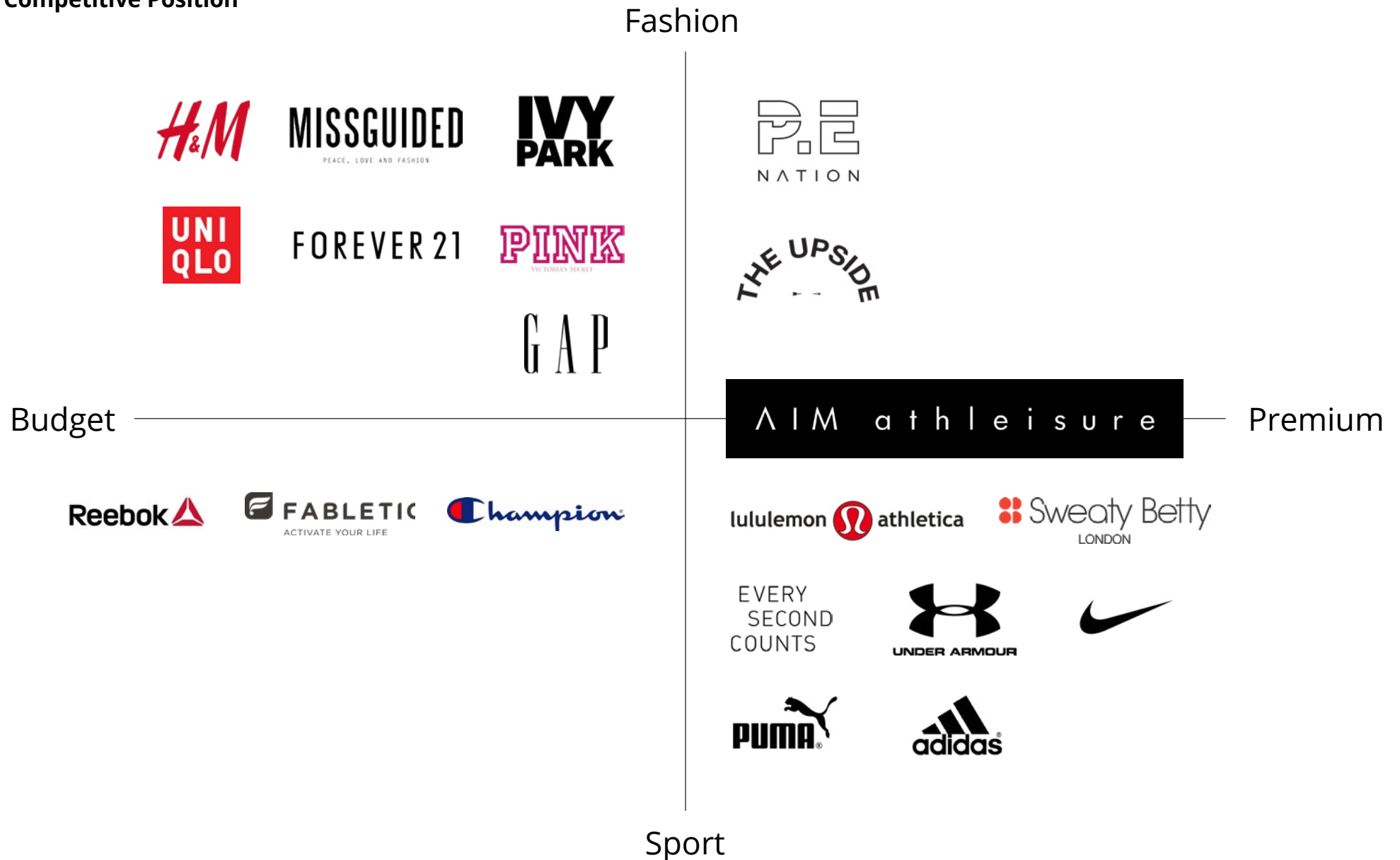
Gossypium / Fehr Trade

Gossypium focuses on yoga and supplies styles for men and women with a bias in their shapes towards function rather than fashion. Based in Australia, they are online only and for retail sale without a trade service. Each garment is made to order which will make it hard to scale their brand. The average retail price point is £115.00

Fehr Trade offers activewear patterns for purchase so customers can produce their own garments at home. They do not produce any garments for retail sale or offer any service for customers.



7.4 Competitive Position





AIM

“ *AIM's proposition to the B2B market is to offer businesses stylish branding to allow them to build their own brands and customer loyalty while offering an additional service to their clientele and securing another revenue stream* ”

A woman with long brown hair in a ponytail is sitting against a rusted metal wall. She is wearing a dark, patterned sports bra and black leggings. The background is a textured, brown, rusted metal surface. A large, semi-transparent, light brown triangle is overlaid on the left side of the image.

AIM

8.0 | Competitive Advantage

8.0 | Competitive Advantage

8.1 Differentiator

AIM's differentiator is its B2B offer and its route to market by supplying fitness professionals, gyms and yoga studios with a customisable core range and a high level of design service. Its adoption of sublimation technology, allows it to supply high quality clothing in short runs through the fast, full colour, high definition printing of images and graphics directly onto fabrics. AIM's vision is to supply this market and then beyond by building customer loyalty to its distinctive fusion of style and functionality.

This model has been proven to work effectively by AIM's existing trade clients who have created their collections with AIM and marketed it to their audiences through social media channels, by wearing it in their videos and pictures to drive sales via their websites and also by hosting events with pop-up shops which enables the garments to be tried on and bought.

8.2 Value Proposition - USP


AIM's proposition to the B2B market is to offer businesses stylish branding to allow them to build their own brands and customer loyalty while offering an additional service to their clientele and securing another revenue stream.

The businesses offer to consumers is stylish garments which perform well and which are available for both sexes of all shapes, sizes and ages and which have been produced ethically.

The CORE collection will remain constant from season to season, so trade clients can re-order their customised designs as often as required, and AIM will update the CORE garments with new colourways and prints each season for their retail customers.

Once a customer loves the fit of the CORE pieces they can come back to buy repeatedly – an ideal proposition for gym goers who want the assurance of being able to always buy a superior product which is comfortable, fit for purpose and will last.



A woman with blonde hair tied back, wearing dark aviator sunglasses and a white tank top with a black collar and the word 'Extra' in cursive. She is adjusting her sunglasses with her right hand. The background is a grey brick wall. A semi-transparent dark triangle is overlaid on the left side of the image.

AIM

9.0 | Marketing & Sales

9.0 | Marketing & Sales

9.1 Business to Business (B2B) Trade Strategy

The target market is businesses with a fitness association who have followers, clients and members and want a customised product to sell to consumers.

AIM will harness the power of influencer networks which it has already done effectively using existing trade clients which have created their collections with AIM and then marketed it to their audiences through social media channels, by wearing it in their videos and pictures to drive sales via their websites and also by hosting events with pop-up shops.

Every follower of an influencer with an AIM collection is a potential fan of the brand who will then go on to discover more via the social channels and ideally purchase through the AIM website. Effective search engine optimisation will be employed to ensure AIM is found when the brand, or similar products, are being searched for. Harnessing these key search terms and words with Pay Per Click marketing is another method to drive traffic to the AIM website. Targeted advertising on Facebook and Instagram is an additional strategy to raise brand awareness and generate sales. Using a management tool which creates multiple versions of the same post with different audience criteria means the effectiveness and return on investment can be measured. AIM currently has a following of more than 10,000 across Facebook, Instagram and Twitter.

Katie Bulmer-Cooke is a trade ambassador for AIM. She is a fitness entrepreneur who sells DVDs and online training programmes around the world. A well-known presenter and educator, she launched her first clothing collection, dual branded with AIM, in 2017 – which is set to be stocked by a national gym chain - and continues to work closely with the brand. She introduced Club Soulgenic to AIM, which has designed bespoke clothing for the brand.

Traditional, printed media will also have a part to play in assisting AIM to reach new potential customers. For example, features in articles in trade publications for the fitness industry to attract new businesses which would like to create their own customised CORE collection for uniform or sale.

An element of the e-commerce platform will provide a trade function, allowing

trade customers to view, brief and order their personalised ranges from the website to initiate the project. Moreover, when a trade customer is up and running with their collection it will allow them to easily re-order their stock to provide an efficient self-service option for trade customers.

9.2 Business to Customer Retail (B2C) Strategy

Features in traditional print media about the business and its products in fashion publications will also help to raise brand awareness as AIM enters the world of retail. This will be achieved by hiring an outsourced PR agency to prepare news stories about AIM and each new collection to be shared with targeted publications.

The e-commerce website being developed for AIM will set out to initially provide a superior user experience for online retail purchases. It will provide the ability to order and customise garments as required, and will then update customers on the order progress, new ranges and any relevant offers.

Also, platforms such as ASOS and Amazon are interested in exploring fully customisable goods.

9.3 Our Ethos

“We are a casual clothing brand who fuse fitness with fashion, we create a versatile athleisure range to inspire a community of active and confident people to achieve their aspirations”

AIM creates a versatile athleisure range to inspire a community of active and confident people to achieve their aspirations, the AIM ethos is:

- Health and Fitness
- Supply Chain Management
- Job Creation, Skills and Training
- Empowering Everyone/Aspirations
- British Sourced Materials

9.4 Current Customers - Bespoke Range



Full length leggings - Soulgenic print with black waistband

Soulgenic logo in orange - printed (Symbol only)



Soulgenic logo in orange - Printed (Symbol only)

Womens Vest - Soulgenic print



Soulgenic logo in orange - Printed (Symbol only)

7 / 8th leggings - Soulgenic print with black waistband

Soulgenic logo in orange - printed (Symbol only)



Soulgenic logo in orange - Printed (Symbol only)

Crop - Soulgenic print with black waistband



Soulgenic logo in orange - Printed (Symbol only)

Wrap T-Shirt - Dark grey marl



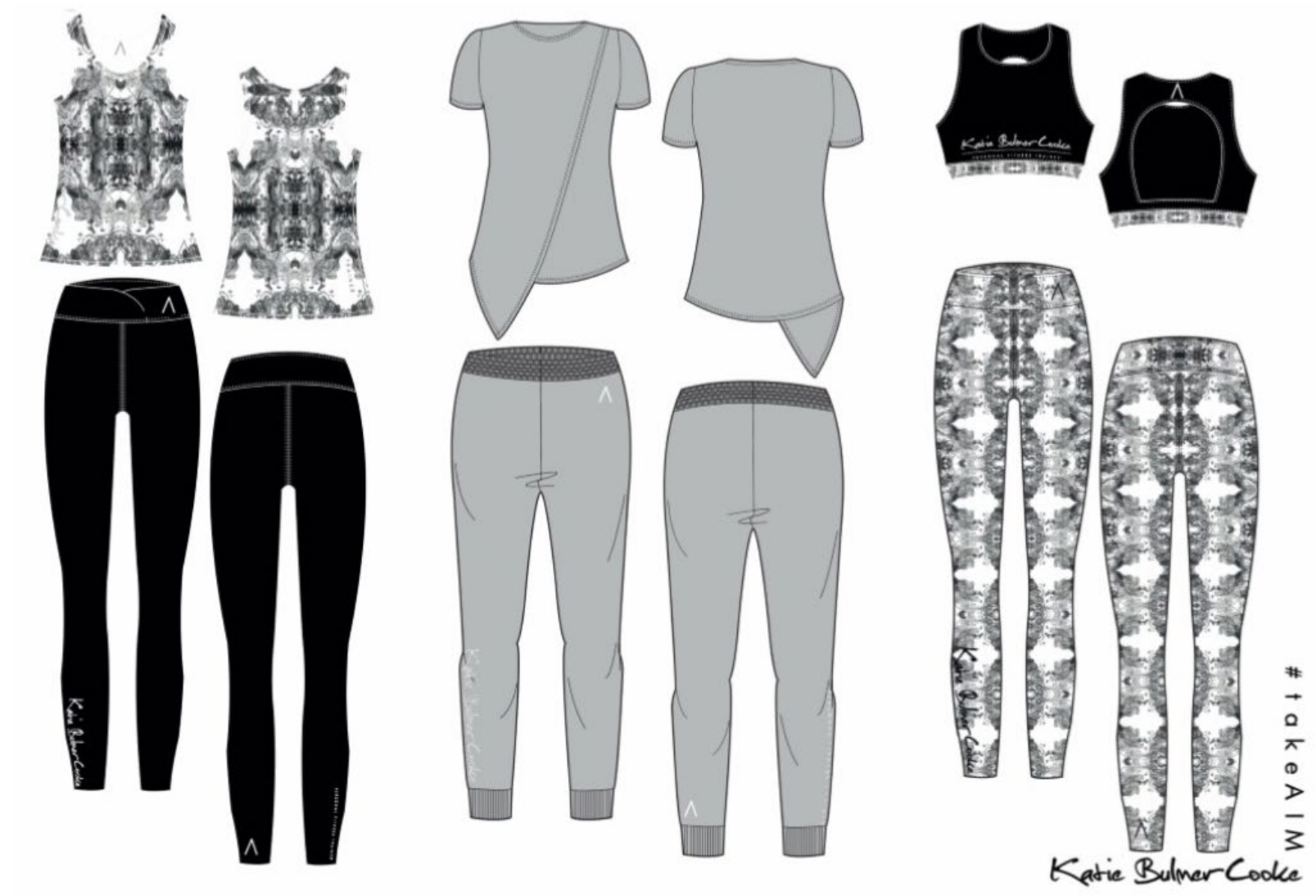
Joggers - Dark grey marl



SOULGENIC COLLECTION
WOMENSWEAR RANGE PLAN

9.4 Current Customers - Bespoke Range

A I M + Katie Bulmer-Cooke



9.4 Current Customers - Bespoke Range

A I M + *YogaTherapies*



9.0 | Marketing & Sales

9.5 Pricing Strategy & Margins

PRODUCT (Menswear&Womenswear)	RRP (Inc VAT)	COST OF SALE	MARGIN £	MARGIN %
SHORTS (BLACK & WHITE)	£35.00	£13.00	£22.00	63%
SHORTS (PRINTED)	£40.00	£16.00	£24.00	61%
LEGGINGS (BLOCK COLOUR)	£50.00	£18.00	£32.00	64%
LEGGINGS (PRINTED)	£55.00	£22.00	£33.00	61%
SKINS (BLOCK COLOUR)	£45.00	£16.00	£29.00	66%
SKINS (PRINTED)	£50.00	£18.00	£32.00	65%
BASE LAYER (BLACK & WHITE)	£45.00	£17.00	£28.00	63%
BASE LAYER (PRINTED)	£50.00	£20.00	£30.00	61%
T-SHIRT (BLACK)	£30.00	£11.00	£19.00	64%
T-SHIRT (PRINTED)	£35.00	£14.00	£21.00	61%
VEST (BLACK & WHITE)	£35.00	£12.00	£23.00	67%
VEST (PRINTED)	£40.00	£15.00	£25.00	63%
HOODY (BLOCK COLOUR)	£45.00	£15.00	£30.00	67%
HOODY (PRINTED)	£50.00	£18.00	£32.00	63%
JOGGERS (BLOCK COLOUR)	£45.00	£16.00	£29.00	65%
JOGGERS (PRINTED)	£50.00	£16.00	£34.00	69%
TANK (BLOCK COLOUR)	£30.00	£10.00	£20.00	67%
TANK (PRINTED)	£35.00	£13.00	£22.00	62%

Please Note: All pricing and margins reflect the current product range. As the overall range increases the margin will alter on a product by product basis. These may also be subject to price increases driven by external factors.



AIM

10.0 | Intellectual Property

10.0 | Intellectual Property

10.1 Intellectual Property

AIM's route to market of producing quality, customised garments for leisure and fitness businesses is enabled by its adoption of the fast, full colour, high definition sublimation printing of images and graphics direct onto fabrics.

The high tech sublimation process allows for short, bespoke production runs, as well as giving a unique design. This has enabled the team to develop a bespoke range for the B2B market and is a great catapult for launching in the B2C market place. The design capability and production process gives a unique approach. The team is in total control of this process from the design concept right through to the constructed garment.

10.2 The Production Process



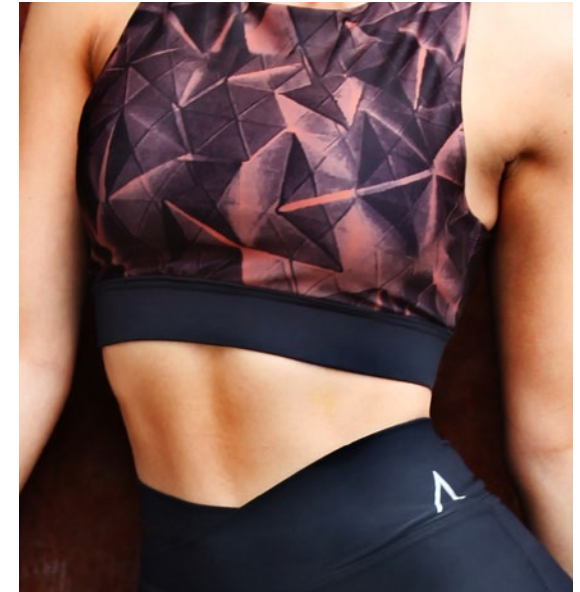
Stage 1

The AIM team develops a garment shape and sources fabric from two UK suppliers. The team then specifies the trim, such as elastic or drawstring. If it is a specific colour of fabric or print design, it may require a specific colour of thread. Occasionally an attachment may be required for a sewing machine to achieve a desired effect such as a binding foot.



Stage 2

If the garment is to incorporate a print, the corresponding panel of fabric will be cut and passed to the printer along with the digital print file. The printer then prints out the file which is a life size template of the garment, filled with the design, and transfers it to the fabric using heat through the sublimation process. The printed panel is then returned to AIM and used to create the final garment.



Stage 3

All raw material – fabric, trim, thread and printed panels (if required) are supplied to the factory which cuts out the pieces to construct the garment. It is checked for quality and returned to AIM. It is then customised with vinyl or embroidery and, if it is for a trade customer, tagged, packed, dispatched. Although manufacturing is currently outsourced, the ambition is to set up an in-house production facility of circa 2,000 ft².

AIM

“ Our **signature fabric** is only the **highest quality** that's **sweat wicking, water repellent, 4 way stretch** and UK manufactured. This gives us total control of the quality and allows us to offer a customisation element to every piece ”



AIM

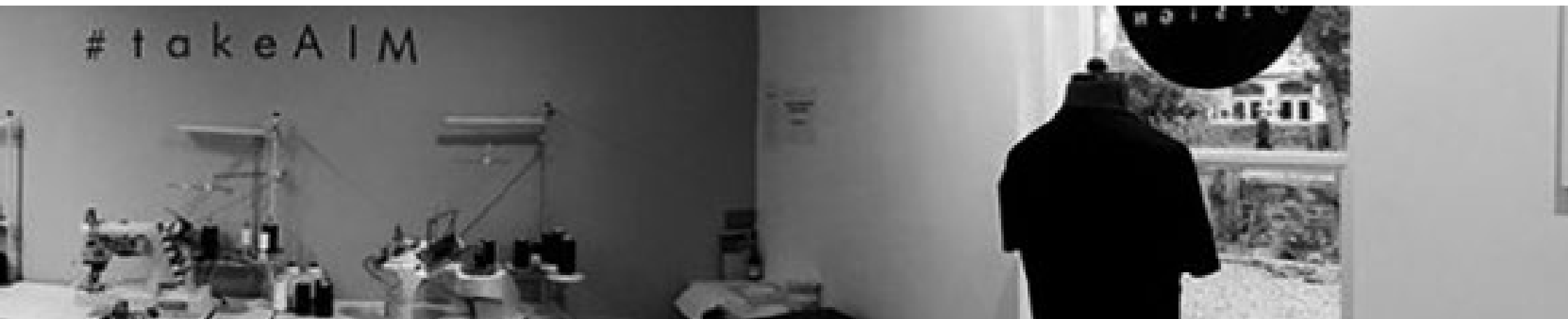
11.0 | Team

11.1 Overview

The AIM team has deep and extensive knowledge of the leisurewear and fashion industries as well as all the necessary entrepreneurial qualities and business disciplines to develop and position the brand. In this sector quality and design is of central importance, but an ability to manage the supply chain is also crucial. The team collaboratively have experience in developing and positioning brands, creating product ranges, manufacturing of products, establishing distribution channels and managing financial controls.



11.2 Key People



Amy Fettis - Founder & CEO



Amy is a Chartered Manager having completed a Higher Level Apprenticeship in Leadership and Management while working as a consultant developing new revenue streams and effecting a change in the business. During this time, she developed her lead generation and sales experience. Amy has also completed qualifications in Enterprise Skills and Digital Marketing.

She has a passion for driving projects forward and growing businesses with extensive experience working in a growth focused environment. She puts great emphasis on excellent communication between all parties to ensure large scale projects are delivered successfully.

She is responsible for recruiting the brand ambassadors who will support the growth of AIM and for overseeing the supply chain, the manufacturing process and distribution channels including gyms, online traders and retailers.



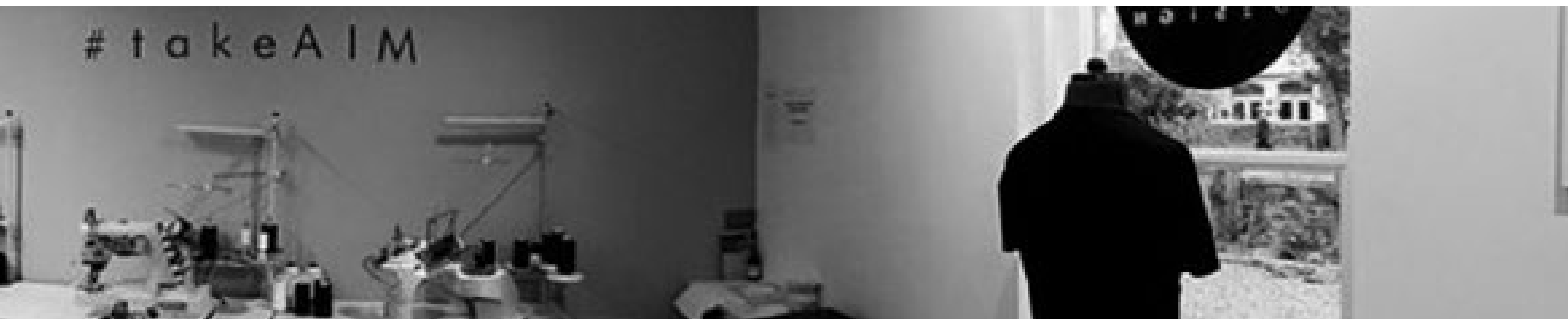
Nicola Patton - Product Developer



Nicola is an experienced creative and production pattern cutter working from initial design sketches and technical drawings to create first patterns from scratch or working from blocks by amending as required to produce the final pattern.

She has worked as a sample machinist, creating first samples of new designs by working alongside the designer through fittings and pattern amendments to finalise the fit and create a production-ready sample and generating production specification details for costing and manufacturing. She is experienced in using a range of industrial sewing machines including those specialised for stretch fabrics and the production of activewear. Nicola is also an experienced pattern grader, who can accurately fit and grade sample garments into size sets that can facilitate bulk production, manually creating graded nests of patterns in paper and then replicating in card and digitally for printing.

As a garment developer, she has a strong technical knowledge of garment construction, pattern and fabrics of athleisure wear as well as a sound grasp of the production processes required in manufacturing as well as customisation. She works closely with Amy overseeing supply chain, product development and design. Nicola is experienced in developing product ranges and has been influential in developing the AIM CORE range.



Katie Bulmer-Cooke -Trade Ambassador



Fitness entrepreneur Katie, started in business at the age of 16, setting up exercise classes in her home town of Sunderland.

She featured on the BBC TV show The Apprentice and is now selling her fitness DVDs and online training programmes in 11 countries, as well as educating her fellow fitness professionals on how they can grow their businesses and developing new group fitness concepts for leisure trusts, councils and the private sector.

Katie launched her own clothing collection with AIM and will continue to develop the brand.



Heather Swan - Commercial Manager

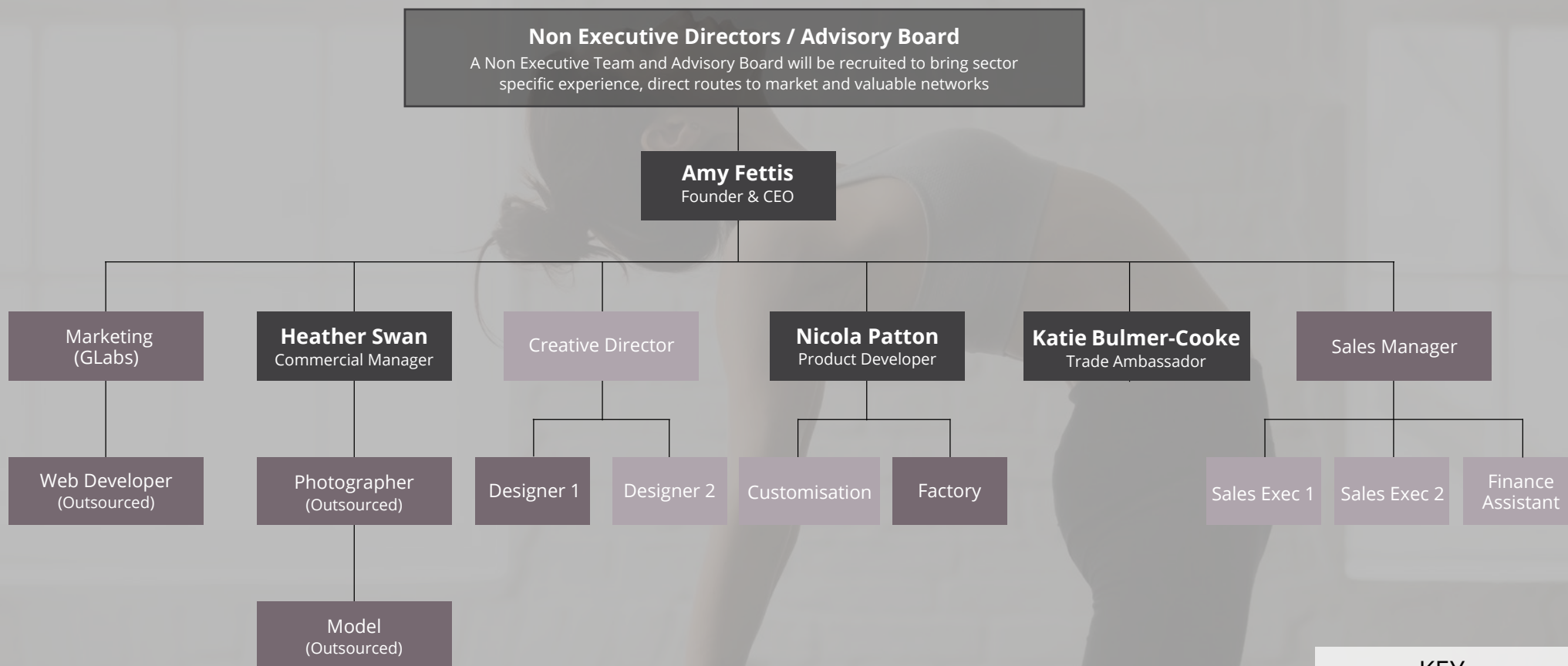


Heather is a founder/director of a high-end, online shoe boutique, successfully securing significant business funding through the presentation of her business/marketing plans.

She ran and operated all areas of the business, including marketing, accounts, packaging, website development and all the other functions of an online business. She interviewed and recruited staff and was involved in marketing campaigns with national / international fashion publications.

Moreover, she sourced and liaised with top designers around the world securing the position of the first UK stockist for a major American brand.

11.3 Organisation Chart



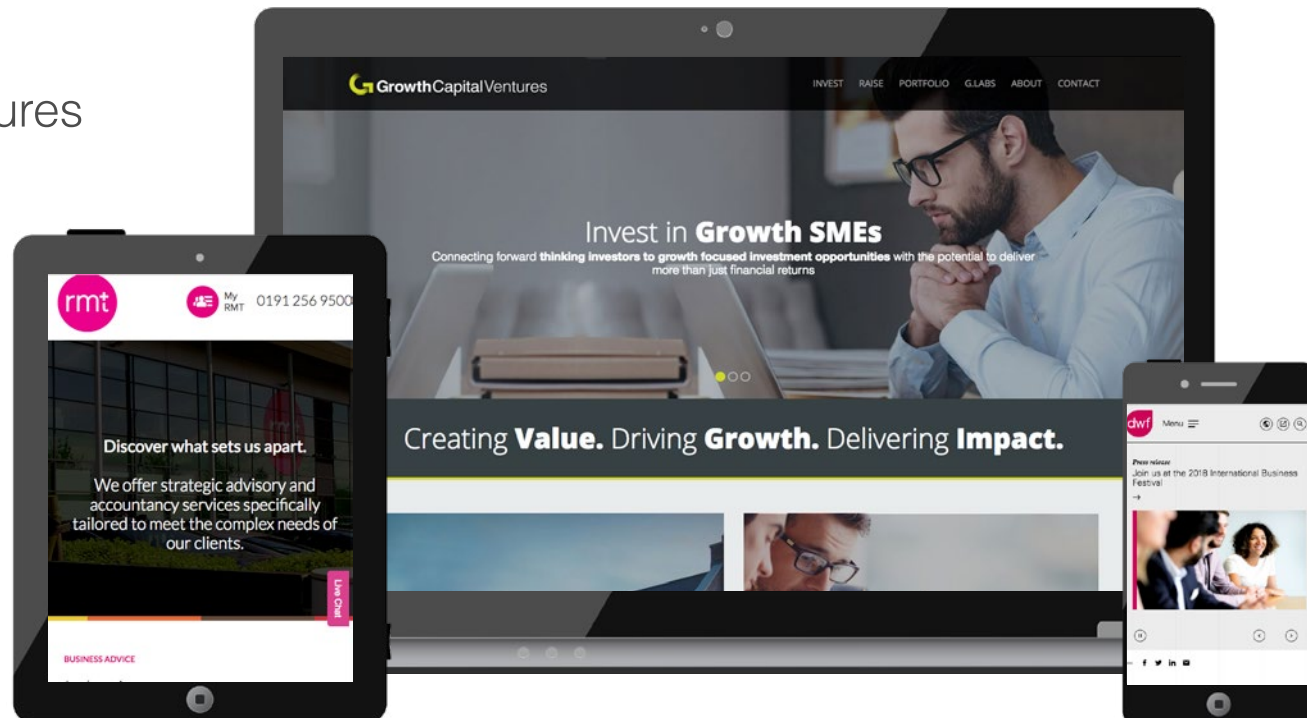
Please note; As the business grows, they will add capacity including experienced and knowledgeable professionals. In addition to this, Amy will implement a graduate and an apprentice scheme, bringing ambition, and drive the company. The business expects to have 2 graduates and 3 apprentices by FYE 2023. Apprentices and graduates train, develop, upskill and build into roles throughout the business.

KEY

- Current Employees
- Immediate Hires
- Future Hires

11.4 Advisors

- **Growth Capital Ventures** and their **G.Labs** function, provide specialist corporate finance and fundraising support, working with businesses from initial seed stage through multiple rounds to exit.
- **DWF** is a multinational law firm renowned for its expertise in corporate and banking, insurance and litigation, financial services, technology and transport.
- **RMT** offers strategic advisory and accountancy services specifically tailored to meet the needs of the clients.



A person is running on a paved road during sunset. The sun is low on the horizon, creating a warm, golden glow. The runner's legs and feet are visible, wearing black leggings and colorful sneakers. A large, semi-transparent white triangle is overlaid on the left side of the image, pointing towards the top right.

AIM

12.0 | Tax Reliefs

12.0 | Tax Reliefs

12.0 EIS Tax Relief for Individual Investors

12.1 What is EIS?

The Enterprise Investment Scheme (EIS) was developed by the UK Government as a means of facilitating increased investment into smaller UK businesses that are at the higher-risk stage of their growth curve. EIS delivers an incentive to invest in these companies by offering investors (subject to meeting the various conditions applicable to the individual, and the company's trade and shares) reduced income tax liability, 0% capital gains tax on gains realised through the investments and loss reliefs should the investment fail. EIS reliefs offer some of the most competitive and compelling tax breaks available within investment and are there to help reward investors who take on the high risks associated with early-stage investing.

12.2 EIS Income Tax Relief

Provided an EIS-qualifying investment is held for more than three years from the date of issue, or for three years from the commencement of the trade, if later, an unconnected individual owning no more than 30% of the Company's Shares can reduce their income tax liability by an amount equal to 30% of the amount invested.

Thus, if an investment of £100,000 is made, relief of £30,000 can be claimed and the effective net cost of the investment is £70,000. Individuals may elect to treat their subscription for EIS shares, up to their maximum annual allowance, as if made in the previous tax year, thereby carrying income tax relief back one year. The minimum subscription is £500 per Company and the maximum in respect of which a subscriber may obtain income tax relief in the year is £1,000,000 (raised from £500,000 on 6th April 2012).

12.3 Tax-Free Capital Gains

If the EIS conditions have been met, any gain on the disposal of shares that have been held for 3 years and on which EIS income tax relief has been obtained is not chargeable to capital gains tax.

For example, if Shares are purchased for £100,000 and sold for £300,000, then the capital gain of £200,000 is not subject to CGT. In fact, as £30,000 of income tax relief has been received, the effective cost of the Shares was £70,000 in this example and so the tax-free gain is equivalent to £230,000.

12.4 Loss Relief

An investor incurring a loss on disposal of shares on which EIS income tax relief has been obtained can claim loss relief providing up to 61.5% income tax relief for a 45% taxpayer. If EIS shares are disposed of at any time at a loss (after taking into account the initial income tax relief), such loss can be set against the investor's capital gains or his income in the year of disposal or the previous year. For gains offset against income tax, the net effect is to limit the exposure to 38.5p in the pound for a 45% taxpayer if the Shares become worthless.

Alternatively, the losses can be offset for CGT purposes at the prevailing marginal rate (currently 28%). Thus, if an investment of £100,000 is made, the net cost after income tax relief is £70,000. If there are no realisation proceeds, then a loss of £70,000 has been incurred. This results in loss relief of £31,500 for a 45% tax-payer and so the overall loss falls to £38,500.

12.5 Capital Gains Tax Deferral Relief

An investor may claim to defer capital gains, arising on the disposal of any asset, up to the amount of their investment. The capital gain is deferred until the EIS shares are disposed of or some other potentially chargeable event occurs. The EIS investment must be made in the period that commences one year before and ends 3 years after the capital gain arose.

12.6 Tax-Free Capital Gains

If the EIS conditions have been met, any gain on the disposal of shares that have been held for 3 years and on which EIS income tax relief has been obtained is not chargeable to capital gains tax.

For example, if Shares are purchased for £100,000 and sold for £300,000, then the capital gain of £200,000 is not subject to CGT. In fact, as £30,000 of income tax relief has been received, the effective cost of the Shares was £70,000 in this example and so the tax-free gain is equivalent to £230,000.

12.7 Inheritance Tax (IHT) Relief

Shares in EIS qualifying companies will generally qualify for Business Property Relief for Inheritance Tax purposes at rates of up to 100% after two years of holding such investment, so that any liability for Inheritance Tax is reduced or eliminated in respect of such shares.

12.8 Procedure for claiming EIS Tax Relief

To claim relief the investor must have an EIS3 Form from the company invested in. The investor then has to fill in and submit a self-assessment income tax return for the appropriate tax year to HMRC showing the EIS investment. The EIS3 form needs to be submitted with the return if the investor is also claiming CGT deferral relief. The claim may lead to a rebate of tax. If the investor is making the claim for the current tax year, then before they submit the return they can write to ask HMRC to adjust their PAYE code (or their payments on account if they are self employed). It is advisable to speak to an accountant or other professional with regard to the tax year for which relief should be claimed.

12.1 Inheritance Tax (IHT) Relief

Shares in EIS qualifying companies will generally qualify for Business Property Relief for Inheritance Tax purposes at rates of up to 100% after two years of holding such investment, so that any liability for Inheritance Tax is reduced or eliminated in respect of such shares. Dr Letizia Mortara of Cambridge University Centre for Technology Management recently commented.

Please note that the comments above are for illustrative purposes only and any tax benefits are not guaranteed. Please seek independent tax advice. Taxation depends on individual circumstances.



AIM

“As the line between **gym** and **social attire** continues to **blur**, AIM believe strongly that both genres of clothing deserve the same level of **design integrity** so they can be worn together to effortlessly create the coveted **athleisure look**”

AIM

13.0 | Funds to Date

13.0 | Funds to Date

13.1 Funds to Date

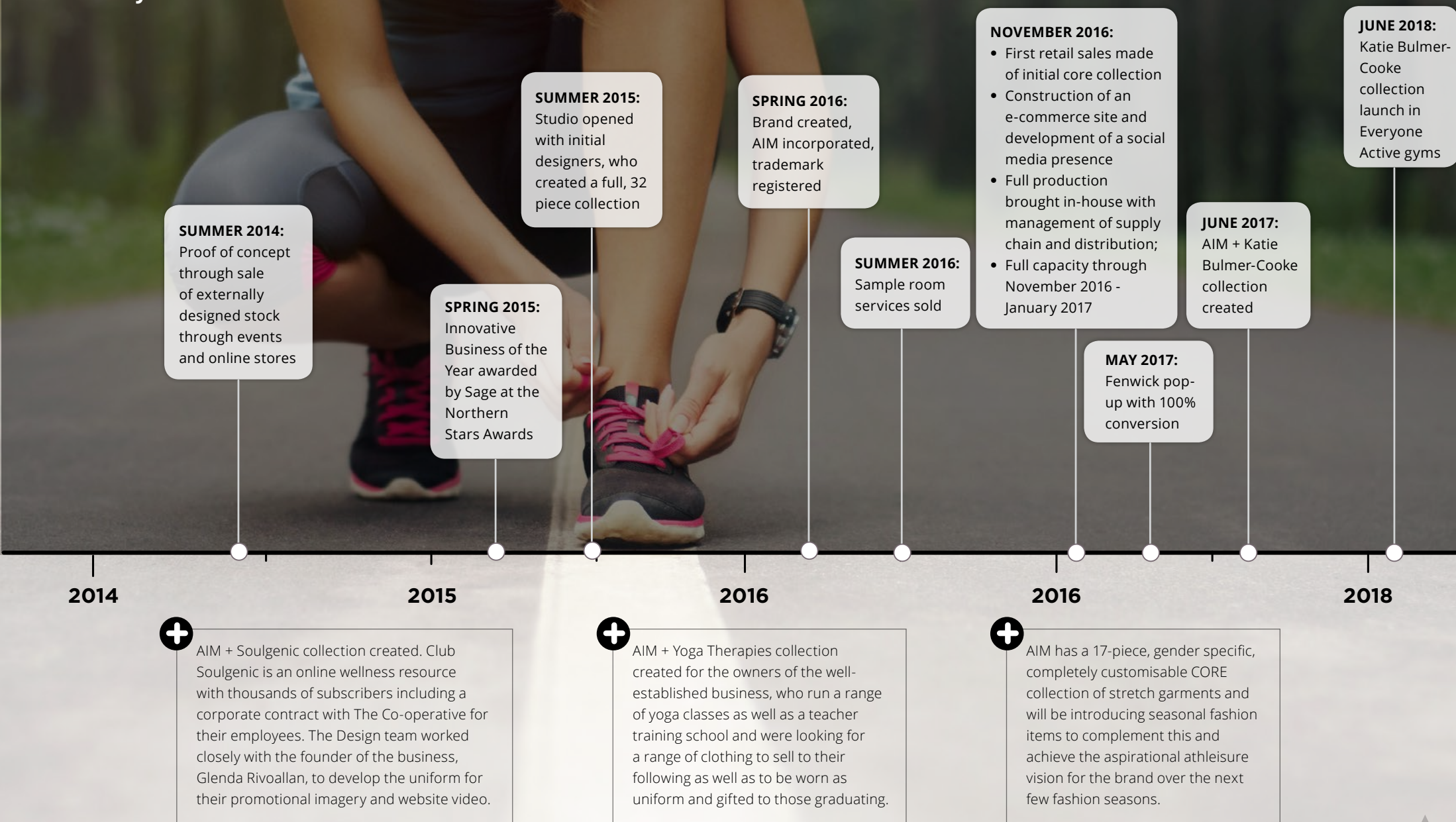
To date AIM has raised a total of £120,000 through a combination of own funds, friends and family and a loan.

The investment has allowed the founders to develop an initial CORE collection, test the market and gain traction. To date the team have developed the brand, and proved the AIM concept in the market

“ *In this seed round AIM is looking to raise £300,000 in exchange for 30% of the equity. This equates to a £700,000 pre-money valuation and £1m post money* ”



13.2 Key Achievements



13.0 | Funds to Date

13.3 Traction

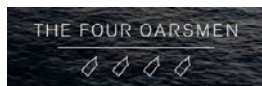
With funds to date the company has:

- Developed the brand
- Created the core collection
- Developed the supply chain
- Created an effective production capability for short bespoke runs
- Market tested and developed
- Market Strategy

13.4 Key Trade customers to date

The experience gained from providing this service has shaped the CORE collection and inspired the designs for the complete athleisure seasonal ranges and this 'seal of approval' of AIM garments from the fitness industry will now be communicated to the retail customer.

Current Customers:



Katie Bulmer-Cooke

YogaTherapies

13.5 Customers

The company has a pipeline of trade customers confirmed:

Pipeline:



13.6 Retail partners

AIM has three key retail partners:



“The experience gained from providing this service has shaped the core collection and inspired the designs for the complete athleisure seasonal ranges and this ‘seal of approval’ of AIM garments from the fitness industry will now be communicated to the retail customer.”



AIM

14.0 | Funding Required

14.1 Funding Required

In this Seed round AIM is looking to raise £300,000 in exchange for 30% of the equity. This equates to a £700,000 pre-money valuation and £1m post money.

This funding will enable the company to:

- Partner with introducers
- Build relationships with media partners
- Establish a team of brand ambassadors
- Increase enterprise value through technology
- Set up a manufacturing facility
- Improve margins
- Increase repeat revenue capabilities through developing the trade model
- Expand the product range and B2B / B2C offering

AIM

15.0 | Financials



15.0 | Financials

15.1 Profit & loss

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
UNIT SALES	7,500	33,500	60,000	120,000	240,000
FORECAST SALES (£)	492,292	1,134,327	2,346,569	5,346,205	12,054,015
DIRECT COSTS (£)	212,381	462,154	928,364	2,148,444	4,971,396
GROSS PROFIT (£)	279,911	672,174	1,418,204	3,197,761	7,082,618
OVERHEADS (£)	430,719	723,114	1,203,242	2,266,168	3,839,306
EBITDA (£)	(140,526)	(33,354)	223,803	931,717	3,243,312
PROFIT (LOSS) AFTER TAX (£)	(140,526)	(33,354)	181,280	754,690	2,627,083

15.2 Capitalisation Table

	PRE INVESTMENT	POST INVESTMENT	ROUND 2	EXIT VALUATION	MONEY ON MONEY MULTIPLE
PRE MONEY VALUATION	£700,000	£700,000	£1,500,000	£16,200,000	
FUNDS RAISED		£300,000	£500,000		
POST MONEY VALUATION		£1,000,000	£2,000,000		
SHAREHOLDERS					
AMY FETTIS	100%	45.0%	38.8%	£5,700,000	
OPTION POOL	0.0%	10.0%	7.5%	£1,220,000	
GCV	0.0%	15.0%	11.3%	£1,820,000	
INVESTORS IN THIS ROUND*	0.0%	30.0%	22.5%	£3,650,000	14.2x
ROUND 2 INVESTORS	0.0%	0.0%	25.0%	£4,050,000	8.10x
TOTAL	100%	100%	100%		

* THESE MULTIPLES DO NOT FACTOR IN EIS TAX RELIEFS

Target Investor returns depend on certain assumptions about inter alia: the resources that will be available, the environment in which the company will operate; the future actions of external parties such as competitors; the potential needs for additional funding rounds and the effectiveness with which management team executes its business plan. Variances will arise where any of these factors change.

A man with a beard, wearing a grey hoodie and black leggings, is stretching his right leg forward on a rooftop. He is holding his right foot with his right hand. The background shows a cityscape with mountains under a hazy sky. The letters 'AIM' are overlaid in the top right corner.

AIM

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AIM has a 17-piece, gender specific, completely customisable CORE collection of stretch garments and will be introducing seasonal fashion items to complement this and achieve the aspirational athleisure vision for the brand over the next few fashion seasons

”



AIM

16.0 | Exit

16.1 Target Exit Strategy

The company is targeting a trade sale in around five years after building up a loyal retail customer base, brand reputation and order book of trade customers providing an ongoing revenue stream.

AIM is targeting an annual turnover of £12.1m; an Ebitda of £3.2m and an investor return of 14.2x money-on-money (MOM).

16.2 Example Exits and Valuations

- High-end cycling attire business Rapha, which specialises in fashionable but functional and well-made cycling clothing and accessories has an online emporium of performance roadwear, accessories and publications and the brand includes physical retail locations, luxury travel, and a cycling club with global membership. US-based RZC Investments acquired a majority stake in the business in August 2017 for a reported £200m.
- Athleta, a premium fitness and lifestyle brand, for women launched in 1998, was bought by GAP for US\$150m in 2008.
- Finish Line, which supplies sports shoes and athletic gear from top brands and has 550 stores across the US, was acquired by JD Sports for US\$560m in March 2018.

Rapha



ATHLETA

FINISH LINE

16.3 Target Exit Returns

SENSITISED CASE - £2M EBITDA

EBITDA - MULTIPLE	IRR	MOM
5x	126%	6.3x
7x	136%	8.8x
9x	145%	11.4x

BASE CASE - £3.2M EBITDA

EBITDA - MULTIPLE	IRR	MOM
5x	142%	10.1x
7x	153%	14.2x
9x	162%	18.2x

UPSIDE CASE - £4M EBITDA

EBITDA - MULTIPLE	IRR	MOM
5x	150%	12.6x
7x	161%	17.7x
9x	171%	22.7x



AIM

17.0 | Due Dilligence

A I M a t h l e i s u r e

Prior to listing a campaign on the GrowthFunders platform, the investment team ensures that everything submitted in the campaign is presented to investors in a way that is fair, clear and not misleading. This involves requesting supporting documents for any factual statements, obtaining evidence from credible sources, and ensuring that any subjective statements/opinions expressed by the business are clearly identified as such.

GrowthFunders also investigate the legal structure of the business to ensure that it offers investors a fair deal, and disclose any material differences to our standard articles of association or other legal documentation relating to the Investment Offer.

GrowthFunders carry out checks on both the business and its Directors to detect any adverse data that has the potential to negatively affect investors. GrowthFunders review the financial forecasts of the business to ensure they are a fair and reasonable reflection of the business as it currently stands, and that their forecasts are backed by reasonable thinking and assumptions.

Please Note: Investors are strongly encouraged to carry out their own due diligence via the GrowthFunders platform. Registered members can view the full Investment Campaign online and ask questions directly to the Investee Company via the campaign Q&A Section.

AIM

18.0 | Risks



18.1 Risk Considerations

Investing in unlisted equity securities is a higher risk / higher return investment strategy. Investing in equity securities can be very rewarding but also involves a number of risks and may not be suitable for everyone depending on personal circumstances and financial resources.

Equity ranks junior to all other forms of securities offered by a company and is therefore a speculative investment that should only be pursued after careful evaluation of the potential risks and merits of such investment.

18.1.1 Loss of Capital

You should only invest in an equity project if you understand the risks and have sufficient resources to bear any loss that might result from such an investment. Unlisted companies are not subject to certain shareholder protection regimes. The companies that post projects through GCV using the GrowthFunders platform are unlisted and will not be subject to protections the Listing Rules of the United Kingdom Listing Authority, the AIM Rules, the UK Corporate Governance Code or any other similar rules or regulations applying to companies with securities admitted to or traded on a regulated market, an investment exchange or other public market. Accordingly, persons who invest in equity securities through the GrowthFunders platform will not have the same rights and protections as those available to shareholders in publicly listed companies.

18.1.2 Liquidity

There is no existing secondary market for the shares offered in projects listed on GrowthFunders and we cannot be certain that an active trading market will develop. There is currently no public market for the shares on GrowthFunders and there can be no assurance that an active trading market for the shares will develop in the future. The lack of an active market may make it more difficult for you to sell or transfer the shares you subscribe for through the GrowthFunders platform.

18.1.3 Dilution

Your percentage ownership in a company may be diluted in the future. Your percentage ownership in a company may be diluted in the future as a result of equity awards that may be granted to a company directors, Officers and Employees. In addition, a company may raise additional capital by issuing new shares to finance all or part of the consideration paid for acquisitions and strategic investments it may make in the future.

18.1.4 Dividends

There is no guarantee that a company will pay dividends. Although provision is made in the Articles of Association to allow companies to pay dividends to shareholders, early stage companies like those using the GrowthFunders platform generally do not pay dividends. There is no guarantee that any company will pay dividends in the future.

18.1.5 Diversification

By spreading your money across multiple investments you reduce overall risk. Diversification is an essential part of investing. You should invest relatively small amounts in a range of investment opportunities rather than concentrating your investment in a small number of companies. By building a diversified portfolio you spread risk and increase the chance of an overall return on your investments. You should invest only a limited proportion of your available investment funds in start-up and growth stage companies and you should balance these investments with safer, more liquid investments with a more predictable and secure return.

18.1.6 No Advice

We do not provide any advice or personal recommendation in relation to shares offered

on the GrowthFunders platform. If you require investment advice, you should consult an adviser authorised and regulated by the FCA and who specialises in investments of this kind.

18.1.7 Taxation

There may be tax consequences to investing in shares on the GrowthFunders platform. You should take tax advice relevant to your own position on all matters relating to your acquiring, holding or disposing of shares on the GrowthFunders platform.

18.1.8 Risks associated when investing in a new business

The value of AIM shares may go down as well as up, and investors may not be able to sell their shares at the Issue Price and therefore may not recover the price they originally paid for them and therefore the amount they have invested. The Company is unlisted and there is currently no recognised market for the sale of shares to be issued in the offer. Accordingly it may be difficult for investors to sell their shares at what they consider to be a reasonable price and in some circumstances it may be difficult to sell them at any price or otherwise realise their investment. In addition, it may be difficult to obtain reliable information about the value of their shares or the extent of the risks to which they are exposed. In the worst case scenario, AIM may not be successful in its business plans and its shareholders could lose all of the money that they have invested. Potential investors should therefore not invest in AIM unless they have carefully thought about whether they can afford it and whether such an investment is right for them.

18.1.9 Risks associated with the Company's Operations and Business

The company expects its business plan to evolve as it develops and there is

therefore no guarantee that the development of the business will proceed as envisaged in this document. The costs, timing and speed of expanding the retail operations could change depending on market conditions. The Company may revise its business plan and strategic direction in light of evolving market conditions. The funds that the Company is hoping to raise under the offer may not be sufficient to fund its business plan going forward and therefore the Company may need to raise additional capital in due course. No assurance can be given that any such additional financing will be available or that, if available, it will be available on terms favourable to the existing Shareholders.

Further equity financing may be dilutive to the Shareholders or result in an issuance of securities whose rights, preferences and privileges are senior to the shares to be issued in the offer. The Directors may seek debt finance to fund the Company's business. There can be no assurance that the Company will be able to raise those debt funds, whether on acceptable terms or at all. Debt financing may require the Company to enter into covenants restricting its future operational and financial activities. Factors which could increase operating and other expenses include: (a) increases in the rate of inflation; (b) increases in taxes and other statutory charges; (c) changes in laws, regulations or government policies which increase the costs of compliance with such laws, regulations or policies; (d) increases in borrowing costs.

18.1.10 Risks associated with the General Economy

Changes in the general economic climate could have a detrimental impact on consumer expenditure and on the Company's revenue. It is possible that recessionary pressures and other economic factors (such as declining incomes, future potential rising interest rates, higher unemployment and tax increases) may adversely impact customers' confidence and willingness borrow money. This could lead to a reduction in the Company's revenues and impact on the expansion plans.




AIM

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AIM designs and produces athleisure wear which is attractive and stylish and which is also comfortable and performs excellently as fitness wear. Businesses and individuals can work closely with AIM's design team to select the garments and range and fully customise the colour, print and design of the items to suit their employees, followers and members.

”



AIM

19.0 | Directors Declarations

19.0 | Directors Declarations

AIM athleisure

The Directors of AIM athleisure have made reasonable enquiries to ensure that there is no material statement in this offer document which is false or misleading. They have also made reasonable enquiries to ensure that there is no material omission from the offer document.

The Directors report that, as of the date of signing, after due enquiry by them states they have not become aware of any circumstances that in their opinion materially affects or will materially affect the assets and liabilities, financial position, profits and losses or prospects of AIM athleisure other than those set out in this document.

The Directors have consented to the contents of this document. The document is signed by the Executive Director of the Company on behalf of the Directors.

A handwritten signature in black ink, appearing to be 'Amy Fettis', written in a cursive style.

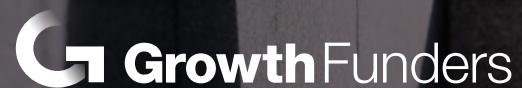
Amy Fettis
Founder & CEO

A person with long blonde hair, wearing a black sports top, is shown from the chest up. The background is a blurred indoor setting.

AIM

“*Clothing designed for exercise is increasingly being worn as everyday attire but while these distinctions have been blurred, a demand for exercise and fitness clothing which is also stylish and trend-led is not being met. At the same time, sports businesses, gyms, health clubs and teams require branded/ bespoke specialist clothing of high quality which looks good and is fashionable for their staff, members and followers.*”

AIM athleisure



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