

## TERM SHEET · SEED ROUND

# Venio Ltd

This term sheet is not a binding agreement except as set out in Sections 5.3 (Confidentiality) and 5.4 (Exclusivity). All other terms are indicative only and subject to the execution of long-form legal documentation.

## Parties.

<b>Issuer</b>	<b>Venio Ltd</b> (to be incorporated in the United Kingdom). The legal entity name to be used in the subscription agreement and articles will be the name as filed at incorporation. All references herein to "the Company" mean the Issuer.
<b>Founder</b>	<b>Joel Smalley</b> — founder, majority shareholder, and sole director-designate of the Company.
<b>Strategic shareholder</b>	<b>Dale Smith</b> — building-trade principal, holding 24.90% of the Company after Round 1 and 19.92% on full capitalisation. Not a director.
<b>Investors</b>	One or more individuals who have completed and signed the investor self-certification in Appendix A or Appendix B and whose aggregate subscription meets the round size stated in Section 2.
<b>Document date</b>	June 2026
<b>Document reference</b>	VEN / TS-001 / V1.0

## Background.

Venio Ltd is a UK technology company building the social media home for UK builders and trades. It owns and operates two things that are one business: SiteDesk, an AI back-office that building firms and trades pay for by subscription, and Venio Network, the consumer destination homeowners use to find building and maintenance work. Every job a firm runs through SiteDesk publishes, with client details stripped, to Venio Network at every progress step, so the destination fills with real work as a byproduct of paid operations. SiteDesk earns the bulk of the revenue and solves the network cold start, and Venio establishes the network effect that forms the moat. The Company's revenue comes from three subscriptions sold per firm: the Venio listing, a Venio subscription, and the SiteDesk Trades and Builders back-office subscriptions, through which the bulk of revenue flows. Venio Network carries no separate revenue line in this round.

The Company is pre-incorporation at the date of this term sheet. Incorporation is conditional on the £50,000 Round 1 being pledged: once Investors have pledged the full round, Joel Smalley will incorporate the Company and assign the relevant intellectual property to it, and completion follows. The Company is therefore born with the Round 1 cap table set out in Section 3. The round contemplated herein is Round 1 of the Company's fundraising.

→ [Investor Prospectus](#) — the narrative companion to this term sheet.

## 2. Share economics and use of proceeds.

<b>Instrument</b>	Ordinary shares. No preference, no liquidation preference over ordinary shares. One vote per share.
<b>Round size</b>	<b>£50,000</b> gross (Round 1). The round will not proceed unless a minimum of £50,000 in aggregate subscriptions is received by the close date.
<b>Pre-money valuation</b>	<b>£450,000</b> . Supported by a live, post-MVP product with a production pilot, a recurring-revenue model with strong unit economics, the largest under-digitised SME segment in the UK as the addressable base, and Venio Network, an owned consumer destination with built-in network effects that SiteDesk fills as a byproduct of operations.
<b>Post-money valuation</b>	<b>£500,000</b> (pre-money £450,000 plus Round 1 proceeds of £50,000).
<b>Share sub-division</b>	Immediately before Round 1 the existing 750,000 ordinary shares are sub-divided three for one into 2,250,000 ordinary shares, holdings and percentages unchanged. No fractional shares arise at either round.
<b>Issue price</b>	<b>£0.20 per share</b> (nominal plus premium). The nominal-and-premium split of the issue price is settled in the long-form documents.
<b>New shares issued</b>	<b>250,000</b> ordinary shares (£50,000 ÷ £0.20 issue price).
<b>Equity offered</b>	<b>10.0%</b> post-money.
<b>Minimum cheque</b>	<b>£5,000</b> per investor (25,000 shares at £0.20), being 10% of the round. The Company may accept a lesser amount at its discretion.
<b>Target close date</b>	Q2 2026. The Company reserves the right to extend the close date by up to 30 days by notice to confirmed subscribers.
<b>Funds expected date</b>	Within five business days of round close confirmation and execution of subscription documents.
<b>SEIS / EIS</b>	The £50,000 Round 1 sits within the SEIS lifetime company cap; Round 2 points to EIS. The Company will pursue advance assurance after the round closes. It is not a condition of subscription and forms no part of the consideration for this round. Neither the Company nor the Founder makes any representation as to qualifying status.

### USE OF PROCEEDS (ROUND 1)

Round 1 funds the founder full-time in word-of-mouth mode across a six-month decisive window to the product-market-fit read, on the full £9,000 a month plus employer payroll costs from Month 1, with no funded hire and no paid acquisition. The £50,000 is sized to fund the test and, if it fails, a solvent close: if product-market fit shows the Company raises Round 2 before Month 6; if it has not, discretionary spend stops, the customer base collects one final month, and the Company is wound down solvently, with the Founder forgoing part of the final month's draw so creditors are paid. The downside is capped at the £50,000. Round 2 (£500,000) funds the blitzscale at the gate (Section 4).

#### BUCKET

<b>Founder draw and payroll</b>	the full £9,000 a month plus employer payroll costs (a loaded cost of around £10,400 a month), single found
<b>Infrastructure</b>	Per-install dedicated instances, scaling with the customer base
<b>Product wedges</b>	Quotes, valuations, and email drafts in daily use
<b>Share-issue and buffer</b>	Light M0 admin and a working-capital buffer

### 3. Capital table at closing.

#### FOUNDER ALLOCATION (NOTIONAL, PRE-INCORPORATION BASIS)

SHAREHOLDER	SHARES	%
Joel Smalley (founder)	1,627,500	72.33%
Dale Smith (strategic)	622,500	27.67%
<b>Total</b>	<b>2,250,000</b>	<b>100%</b>

The Company is incorporated only once the £50,000 Round 1 is pledged, so it is born with the Round 1 cap table below; this notional founder split is the basis on which founder equity divides, not a registered holding. After a three-for-one sub-division of the founders' original 750,000 shares (before sub-division: Joel Smalley 542,500, Dale Smith 207,500).

#### ON INCORPORATION (ROUND 1 CLOSE) — THE CAP TABLE THE COMPANY IS BORN WITH

SHAREHOLDER	SHARES	COST BASIS	%	NOTES
Joel Smalley (founder)	1,627,500	founder	65.10%	Sole director - designate
Dale Smith (strategic)	622,500	founder	24.90%	Building - trade principal
Seed investors (Round 1)	250,000	£50,000 (£0.20 issue price)	10.0%	Nominal plus premium per share
<b>Total</b>	<b>2,500,000</b>	<b>—</b>	<b>100%</b>	

Round 1 proceeds: 250,000 new shares × £0.20 = £50,000. The nominal-and-premium split of the issue price is settled in the long-form documents.

#### AT FULL CAPITALISATION (AFTER ROUND 2)

SHAREHOLDER	SHARES	%
Joel Smalley (founder)	1,627,500	52.08%
Dale Smith (strategic)	622,500	19.92%
Seed investors (Round 1)	250,000	8.0%
Investors (Round 2)	625,000	20.0%
<b>Total</b>	<b>3,125,000</b>	<b>100%</b>

Round 2 (£500,000 for 20% at a £2,500,000 post-money) is the milestone-triggered follow-on described in Section 4; its terms are indicative. Both founders dilute pro-rata; no shares pass between them. The cap table on closing of this Round is the on-incorporation (Round 1 close) table above.

## 4. Governance and shareholder protections.

<b>Board composition</b>	<p>Joel Smalley will be the sole executive director of the Company at close. Any investor, or group of Round 1 investors acting together, holding 5% or more of the issued share capital may nominate one Non-Executive Director, subject to founder approval not unreasonably withheld. The threshold is set at 5% so that the nomination right is reachable within a £50,000 round, in which the full Round 1 allocation is 10% of the issued share capital. The initial board will be determined in the shareholders' agreement at close.</p>
<b>Observer rights</b>	<p>Any investor holding 2.5% or more of the issued share capital at close will be entitled to receive board papers and to attend board meetings as an observer (non-voting) for the duration of their holding. The threshold is set at 2.5% so that an investor subscribing for the £5,000 minimum cheque (1% of the issued share capital) is within reach of observer rights as their holding grows or by aggregation.</p>
<b>Information rights</b>	<p>Investors will receive: (a) monthly management accounts within 20 business days of month end; (b) annual audited accounts within 90 days of financial year end; (c) an annual board-approved budget and operating plan not less than 30 days before the start of each financial year.</p>
<b>Pre-emption on new issuance</b>	<p>Subject to customary exclusions (employee options, strategic issuances approved by a supermajority), existing shareholders will have pre-emption rights over new share issuances pro rata to their existing holdings.</p>
<b>Drag-along</b>	<p>Shareholders holding more than 75% of the issued share capital may drag minority shareholders in a trade sale on the same terms. Drag-along is exercisable only where the consideration per share is at or above the Round 1 issue price (£0.20 per share) unless all shareholders consent.</p>
<b>Tag-along</b>	<p>In any transfer of shares by the Founder that results in a change of control, minority investors have a right to tag along on the same terms per share.</p>
<b>Anti-dilution</b>	<p>No anti-dilution ratchet applies to Round 1. Pre-emption rights on future issuances (above) constitute the primary dilution protection.</p>
<b>Leaver provisions</b>	<p>Founder leaver provisions will be agreed in the shareholders' agreement. Good leaver / bad leaver distinction with vesting schedule to be confirmed at close. No reverse vesting applies to Round 1 investor shares.</p>
<b>Consent matters</b>	<p>The following require investor approval (simple majority of Round 1 investors): (a) issue of shares at a price below £0.20 per share (other than the Round 2 issue described below); (b) disposal of substantially all the Company's assets; (c) amendment to the articles of association materially adversely affecting investor rights.</p>

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## 4. Governance and shareholder protections, continued.

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### Follow-on round (Round 2)

Round 2 is a milestone-triggered follow-on of **£500,000 for 20%** at a **£2,500,000 post-money** valuation, expected to close around Month 6 on confirmation of the product-market-fit gate. Stage one is a six-month decisive window: the raise process for Round 2 begins around Month 3 on early evidence and closes on confirmation before Month 6, and if the gate is not met by Month 6 the Company is to be wound down solvently rather than continued. Its terms are indicative and are not offered or agreed by this term sheet. The trigger is the product-market-fit gate read by Month 6: a customer-count trajectory on or ahead of plan with a qualified pipeline supporting at least 50 paying customers as the closing condition; early-cohort logo retention consistent with under 15% annual churn over the founding cohort's available life; and at least 40% of trailing-quarter customers arriving by referral, the Venio Network, or unpaid word of mouth. Round 1 investors hold pre-emption rights over the Round 2 issue pro rata to their holdings. On full capitalisation after Round 2 the founders dilute pro-rata to 52.08% and 19.92% and the Round 1 seed to 8%, as set out in Section 3.

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## 5. Closing terms.

<b>Conditions to closing</b>	<p>The conditions are sequenced: Investors pledge the round, the Company is then incorporated, and completion follows.</p> <ul style="list-style-type: none"> <li>• Investor pledges received for the full £50,000 round size, with investor self-certification completed in the form of Appendix A or Appendix B.</li> <li>• Incorporation of the Company in the United Kingdom, on the round being pledged, so the Company is registered with the Round 1 cap table set out in Section 3.</li> <li>• IP assignment agreement executed by Joel Smalley, assigning the relevant intellectual property (the SiteDesk trade-specific workflows, document templates, the materials catalog, the marketing-generation layer, the Venio Network publishing model, and the configuration model) to the Company outright, with no licence-back and no royalty.</li> <li>• Execution of subscription agreement and shareholders' agreement in agreed form.</li> <li>• Completion: cleared funds received by the Company equal to or exceeding the round size of £50,000.</li> </ul>
<b>Governing law</b>	<p>English law. Disputes subject to the exclusive jurisdiction of the courts of England and Wales.</p>
<b>Long-form documentation</b>	<p>A subscription agreement, shareholders' agreement, and articles of association in agreed form will be circulated to Investors within 20 business days of mutual signature of this term sheet. Final documentation will be prepared by a qualified solicitor.</p>
<b>Founder IP warranty</b>	<p>Joel Smalley warrants that, to the best of his knowledge, the IP to be assigned to the Company at close is free from third-party encumbrances, has not been licensed to any third party on an exclusive basis, and does not infringe the intellectual property rights of any third party.</p>
<b>SEIS / EIS</b>	<p>The Company will pursue SEIS and EIS advance assurance after the round closes. SEIS / EIS is not a condition of closing, is not assured prior to distribution, and forms no part of the consideration for this round. Neither the Company nor the Founder makes any representation as to qualifying status.</p>

### 5.3 CONFIDENTIALITY (BINDING)

Each party agrees to keep the existence, content, and terms of this term sheet confidential and not to disclose them to any third party other than: (a) its professional advisers on a need-to-know basis; (b) as required by law or regulation; (c) with the prior written consent of the other parties. This obligation survives the lapse or termination of this term sheet for a period of 24 months.

### 5.4 EXCLUSIVITY (BINDING)

For a period of 30 days from the date of mutual signature, the Company and the Founder will not solicit, encourage, or enter into discussions with any other party in respect of an equity investment in the Company on terms materially similar to those set out herein, without the prior written consent of Investors who have together subscribed for not less than 50% of the round size.

### 5.5 COSTS

Each party bears its own legal and professional costs in connection with this term sheet. The Company's legal costs at closing are funded from the Round 1 proceeds as set out in Section 2 (Use of Proceeds).

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## 6. Signatures.

By signing below, the parties agree to the binding provisions of this term sheet (Sections 5.3 and 5.4 only) and confirm that they have read and understood the non-binding indicative terms.

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### ON BEHALF OF THE COMPANY / FOUNDER

**Joel Smalley**

Founder, Venio Ltd (to be incorporated)

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SIGNATURE

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FULL NAME (PRINT)

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DATE

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### INVESTOR

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SIGNATURE

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FULL NAME (PRINT)

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DATE

Additional investor signature blocks may be attached. Each investor must also complete the investor self-certification in Appendix A (High Net Worth Individual) or Appendix B (Self-Certified Sophisticated Investor) and attach the signed form to this term sheet.

## Appendix A – High Net Worth Individual Investor Statement

FSMA 2000 (Financial Promotion) Order 2005, Article 48 — current form reflecting thresholds in force from 31 January 2024 (FCA PS23/6).

**IMPORTANT NOTICE.** This statement is required to be signed before you receive a financial promotion that has not been approved by a person authorised by the Financial Conduct Authority. The content of this financial promotion may not conform to rules made by the Financial Conduct Authority. By signing this statement you may lose significant rights designed to protect you. You may have no right to complain to the Financial Services Compensation Scheme or the Financial Ombudsman Service.

I **declare** that I am a high net worth individual for the purposes of the financial promotions regime. I understand that:

- I can receive financial promotions that may not have been approved by a person authorised by the Financial Conduct Authority;
- the content of such promotions may not conform to rules made by the Financial Conduct Authority;
- by signing this statement I may lose significant rights designed to protect me;
- I may have no right to the Financial Services Compensation Scheme; and
- I may have no right to complain to the Financial Ombudsman Service.

I am a high net worth individual because at least one of the following applies:

- (a) I had, throughout the financial year immediately preceding the date below, an annual income to the value of **£170,000 or more**.
- (b) I held, throughout the financial year immediately preceding the date below, net assets to the value of **£430,000 or more**. Net assets for these purposes do not include:
  - the property which is my primary residence or any loan secured on that residence;
  - any rights of mine under a qualifying contract of insurance within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001; or
  - any benefits (in the form of pensions or otherwise) which are payable on the termination of my service or on my death or retirement and to which I am (or my dependants are) entitled.

I accept that the investments to which the promotions will relate may expose me to a significant risk of losing all of the money or other property invested. I am aware that it is open to me to seek advice from an authorised person who specialises in advising on investments of the type described in the promotion.

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SIGNATURE

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FULL NAME (PRINT)

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DATE

## Appendix B – Self-Certified Sophisticated Investor Statement

FSMA 2000 (Financial Promotion) Order 2005, Article 50A — current form reflecting thresholds in force from 31 January 2024 (FCA PS23/6).

**IMPORTANT NOTICE.** This statement is required to be signed before you receive a financial promotion that has not been approved by a person authorised by the Financial Conduct Authority. The content of this financial promotion may not conform to rules made by the Financial Conduct Authority. By signing this statement you may lose significant rights designed to protect you. You may have no right to complain to the Financial Services Compensation Scheme or the Financial Ombudsman Service.

**I declare** that I am a self-certified sophisticated investor for the purposes of the financial promotions regime. I understand that:

- I can receive financial promotions that may not have been approved by a person authorised by the Financial Conduct Authority;
- the content of such promotions may not conform to rules made by the Financial Conduct Authority;
- by signing this statement I may lose significant rights designed to protect me;
- I may have no right to the Financial Services Compensation Scheme; and
- I may have no right to complain to the Financial Ombudsman Service.

**I declare that I qualify as a self-certified sophisticated investor because at least one of the following applies:**

- (a) I am a member of a network or syndicate of business angels and have been so for at least the last six months prior to the date below.
- (b) I have made more than one investment in an unlisted company in the two years prior to the date below.
- (c) I am working, or have worked in the two years prior to the date below, in a professional capacity in the private equity sector or in the provision of finance for small and medium enterprises.
- (d) I am currently, or have been in the two years prior to the date below, a director of a company with an annual turnover of at least **£1.6 million**.

I accept that the investments to which the promotions will relate may expose me to a significant risk of losing all of the money or other property invested. I am aware that it is open to me to seek advice from an authorised person who specialises in advising on investments of the type described in the promotion.

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SIGNATURE

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FULL NAME (PRINT)

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DATE



# Venio

THE SOCIAL MEDIA HOME FOR UK BUILDERS AND TRADES

**Joel Smalley — Founder**

[venio@rubytech.llc](mailto:venio@rubytech.llc)

[sitedesk.online](https://sitedesk.online) · [venio.network](https://venio.network)

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This document is a financial promotion communicated in reliance on Article 48 or Article 50A of the FSMA 2000 (Financial Promotion) Order 2005 to persons who qualify as High Net Worth Individuals or Self-Certified Sophisticated Investors. It does not constitute financial advice. Investment in early-stage unlisted companies carries a significant risk of partial or total loss of capital. Past performance and valuations are not reliable indicators of future results. Recipients are encouraged to seek independent advice before investing.