

commercialising tomorrow's technologies



Mark Payton – CEO



Mercia Technologies is focused on the funding and development of high growth technology businesses throughout the UK, with an emphasis on the Midlands, the North and Scotland, to create value for shareholders



The Mercia Model

Digital & Entertainment



Life Sciences



Advanced Materials & Specialised Manufacturing



Electronics , Software & Hardware



**Sector
Focus**

The Mercia Model

Digital & Entertainment



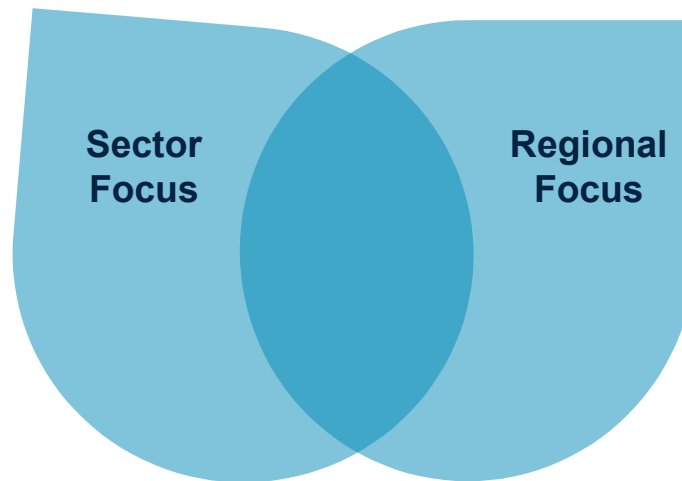
Life Sciences



Advanced Materials & Specialised Manufacturing



Electronics, Software & Hardware



VC Investment activity
by region (BVCA,
2014)

University Partners



Partnerships delivering innovative opportunities



The Mercia Model

Digital & Entertainment



Life Sciences



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Sector Focus

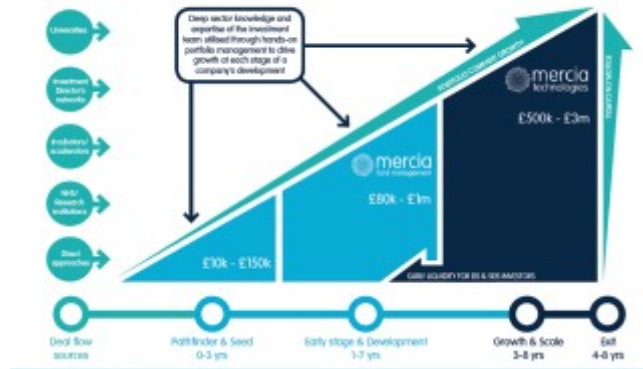
Regional Focus

Complete Capital Solution

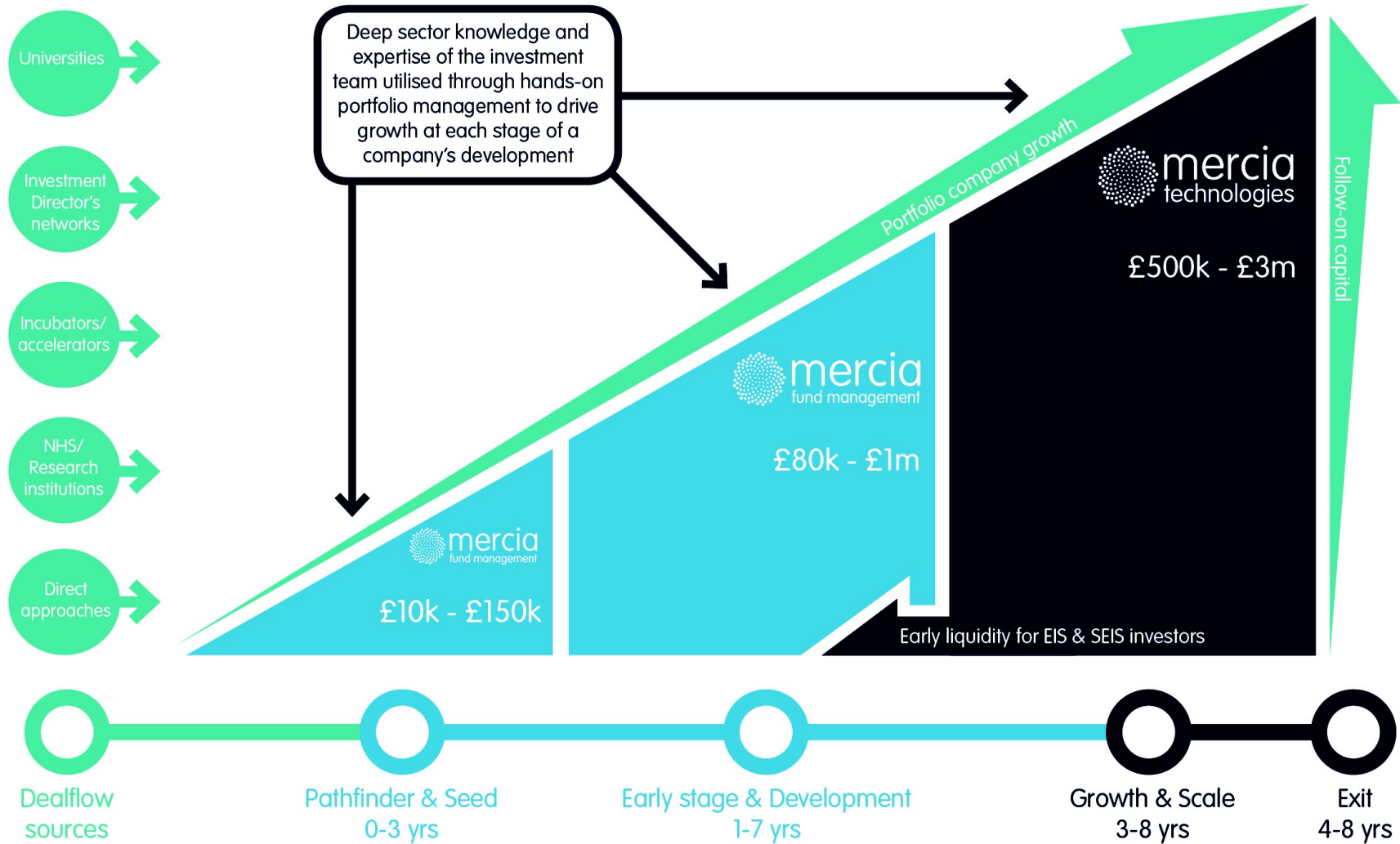


VC Investment activity by region (BVCA, 2014)

The Complete Capital Solution



Complete Capital Solution



The Mercia Model

Digital & Entertainment



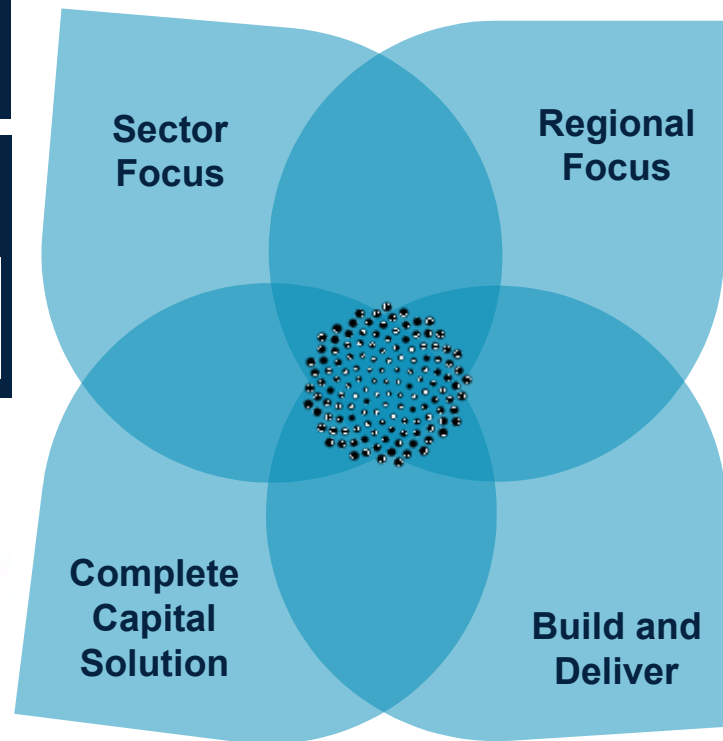
Life Sciences



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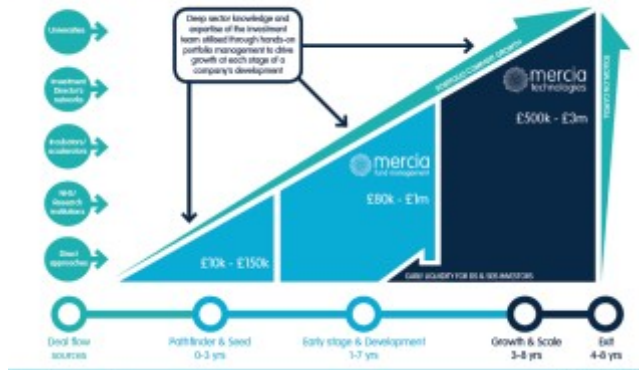


Electronics, Software & Hardware



VC Investment activity by region (BVCA, 2014)

The Complete Capital Solution



Senior Investment Team



Matt Mead
CIO

**Chief Investment
Officer**

- Over 20 years' experience in the investment industry
- Previously directed 3i's pan European venture portfolio
- Joined Mercia from NESTA where he was CIO, managing its £350m Trust assets



Mike Hayes
**Investment
Director**

**Head of Digital and
Entertainment**

- 23 years' experience in interactive businesses
- Previously CEO for Sega (Europe and America) presiding over a turnover in excess of £400M
- At Sega Mike managed the acquisition of several development studios



Peter Dines
**Investment
Director**

Head of Life Sciences

- 20 years' experience in the healthcare sector and a successful technology entrepreneur with track record of value creation
- Previously MD of Surgicraft where sales quadrupled within three years and the business was subsequently sold to Living Bridge



Rob Johnson
**Investment
Director**

**Head of Software,
Electronics and
Hardware**

- Rob has held numerous high profile positions in leading organisations including joint MD at Buyagift PLC prior to the sale of the company to Smart&Co
- He was also MD and a main board director of Ilion plc



Mark Volanthen
**Investment
Director**

**Head of Advanced
Materials, Engineering
& Specialist
Manufacturing**

- Mark has spent 15 years in leadership roles, building his career at venture capital backed Kymata, which achieved rapid growth ahead of being sold to Alcatel for \$160m
- He has held various management positions including at Insensys (leading the sale of the oil and gas division to Schlumberger and the wind energy and aerospace and defence business to Moog)



Dr Nicola Broughton
Investment Director

**Head of University
Technology Transfer**

- With over 15 years of experience, Nicola is recognised as a leading light in technology transfer with a background in IP commercialisation, university spin-outs and licensing
- Nicola has held senior positions at the University of Leeds technology transfer office, a university spinout company and has consulted for many universities across the Midlands, North and Scotland

The Board



Dr Mark Payton
CEO



Martin Glanfield
CFO



Matt Mead
CIO



Ray Chamberlain
Non-executive chair



Susan Searle
Non-executive deputy chair



Martin Lamb
Non-executive director

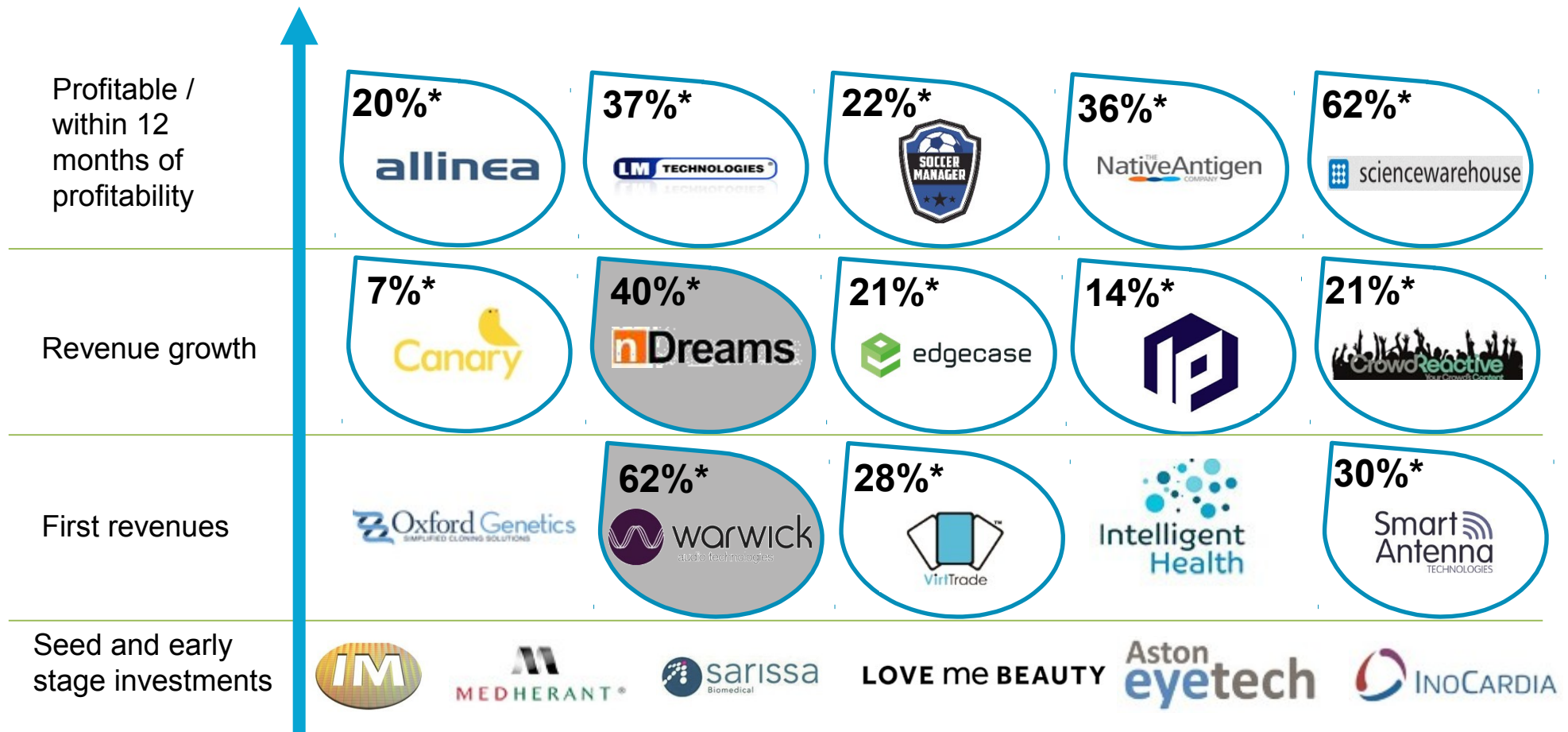


Ian Metcalfe
Non-executive director

- | | | | | | | |
|--|--|--|--|---|--|--|
| <ul style="list-style-type: none"> • 15 years experience in technology commercialisation and investing • 30+ venture investments • Founder of Mercia Fund Management ("MFM") • Isis Innovation (Oxford University TTO) | <ul style="list-style-type: none"> • 20 years CFO/FD experience of listed and PE backed technology led businesses • Former CFO of Forward Group PLC • KPMG trained Chartered Accountant | <ul style="list-style-type: none"> • Matt has over 20 years' experience in the investment industry • Previously he directed 3i's pan European Venture portfolio • He joined Mercia from NESTA where he was CIO, managing its £350m Trust assets | <ul style="list-style-type: none"> • Successful technology entrepreneur with track record of value creation • Former Executive Chairman and principal shareholder of Forward Group PLC • Majority shareholder in MFM since 2012 | <ul style="list-style-type: none"> • Former CEO of Imperial Innovations Group PLC (2002-2013) • Independent NED of Benchmark Holding PLC, Horizon Discovery plc and QinetiQ Group plc • Adviser to Emerging Technologies and Industries Group at Technology Strategy Board | <ul style="list-style-type: none"> • Former CEO of Midlands-based FTSE 100 IMI plc for 13 years. • Chairman of Evoqua Water Technologies LLC • NED Severn Trent plc • NED Rotork plc • Serves on the European Advisory Board of AEA Investors | <ul style="list-style-type: none"> • Former Managing Partner at Wragge & Co. (2006-2014) Corporate partner at the firm for 14 years. • Director and Chair of Commonwealth Games England • NED of the RFU and 2015 Rugby World Cup |
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Balanced Portfolio

Mercia Technologies' direct investments (circled) and MFM emerging stars



*percentage holdings

Emerging Star Case Study

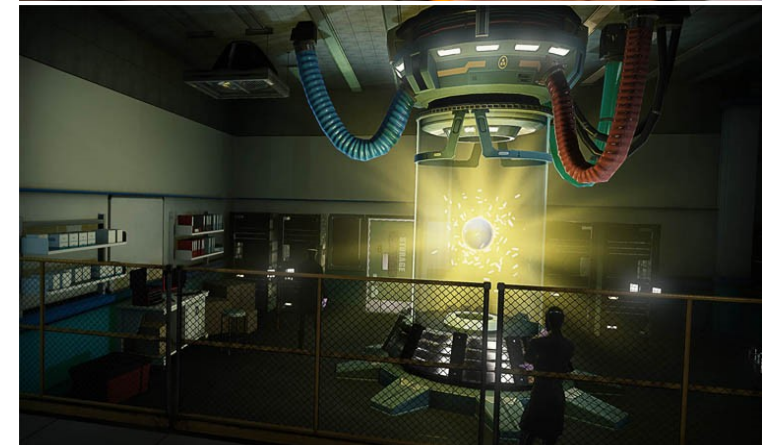
“nDreams is one of the most exciting developers of VR in the world with innovative ideas, leading technology and great market opportunities. We look forward to 2016 as the year of VR with nDreams playing a major part in the next chapter of video gaming”

- Established in 2006
- Develops and publishes content for Virtual Reality headsets
- 2016 expected to be “year of VR” with release of first headsets from major players
- nDreams is platform agnostic, supporting major players:
 - Oculus Rift (Facebook)
 - Samsung
 - HTC/Steam
 - Sony
- VR software market expected to be worth £5bn in next 3-4 years

Mercia Model in Action

- Business re-directed in MFM to VR
- Significant support provided to build nDreams
- As MFM “Emerging Star”, Mercia Technologies now has direct holding of 40.0%
 - Total holding including non-direct MFM funds, [47%]
- Held at cost

nDreams



Summary - Investment Case

Our vision is to become the leader in our sector

- Unique access to high growth technology sectors, with exciting pipeline of opportunities
- Diversified, established portfolio
- Focused on creating value
- A differentiated, de-risked model:
- Flexible sourcing
- 3rd party funds provide first capital with transfer and pre-emption rights for Mercia Technologies
- Experienced investment team of business managers and entrepreneurs from within our sector focus
- Focus on underserved regions of the UK
- Scalable infrastructure