

Mercia EIS Fund | a regional early-stage technology fund with a strong track record and attractive tax advantages

The fund

Mercia EIS offers investors access to a fund of approximately 12 pioneering technology-driven businesses that Mercia has identified as high growth opportunities and is actively advising and scaling up.

Beginning as a venture capital firm in 1982, Mercia is now one of the UK's most active and respected early-stage technology investors, investing over £100m each year across over 550 new and existing portfolio companies.

Mercia began investing EIS Funds in 2013 and also manages the Northern VCTs.

Key features

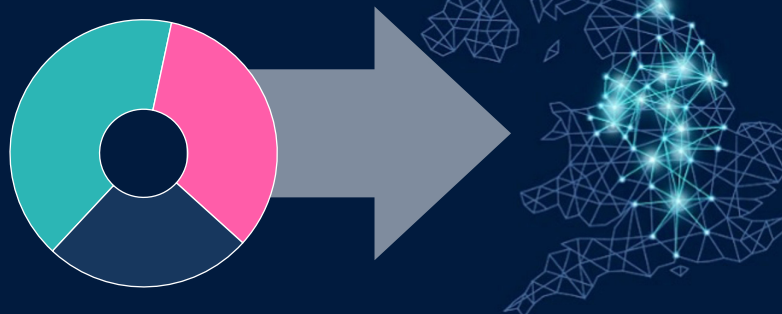
- **Minimum investment:** £25,000
- **Target portfolio size:** Approximately 12 companies
- **Target performance:** 3x invested capital (including income tax relief and loss relief)
- **Holding period:** 5-7 years
- **Closing dates:** We always have an EIS Fund open, with funds closing at the end of March, June, September and December of each year
- **An online investor centre** where you can view your investment at any time

Where we invest

Mercia is proud to invest in regions across the UK underserved by other venture capital investment firms.

The UK regions offer exciting deals with businesses in various sectors that are reasonably priced and have relatively modest capital requirements. These lower valuations often mean better returns on your investment.

- Software
- Healthcare
- Materials, gaming, deeptech



Fund performance

Mercia EIS Funds' performance is among the strongest in the industry and is on target for 3x invested capital over five to seven years (including tax reliefs).

- EIS funds before April 2015 average **3.3x**
- EIS funds before April 2018 average **2.5x**
- EIS funds before April 2021 average **2.1x**

All the above valuations include tax reliefs and are as of September 2023.

Recent exits

- Oxgene sold in March 2021, a return of up to **20x**
- GENBA Digital sold in May 2021, a return of up to **8x** (including earn out)
- Snappy Shopper sold in July 2021, a circa **8x** return
- nDreams was sold in March 2022, a circa **7.8x** return for EIS investors
- C7 Health was sold in June 2022, a circa **14.1x** return for EIS investors

Example portfolio companies

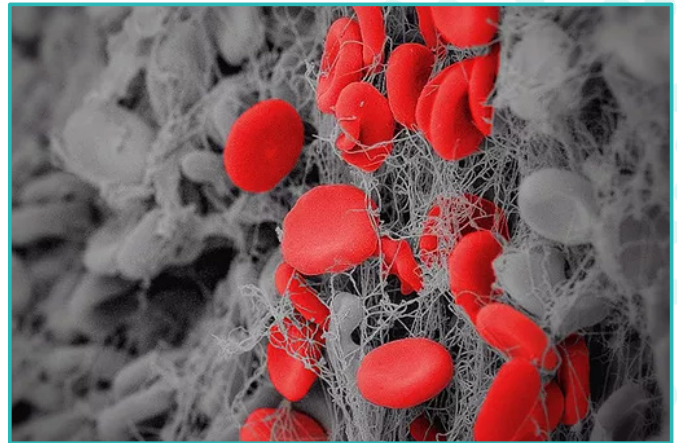
Axis Spine Technology

Axis develops next-generation spinal implants to provide surgeons with the technology to improve the success of spinal surgery and help patients in chronic pain.

The technology has attracted significant commercial interest and will soon be demonstrating its clinical benefits in the US's £7.0 billion spinal implant market, with several top US spine surgeons ready to start using the device.

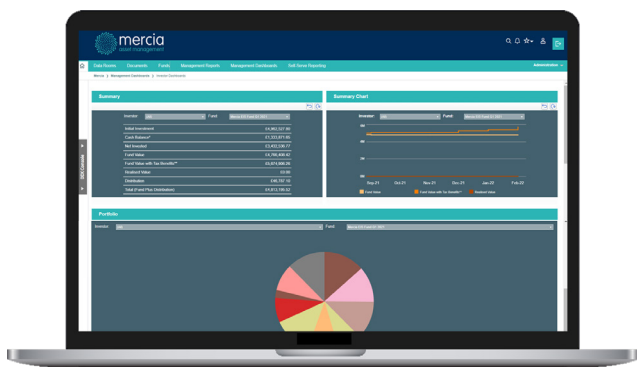
Locate Bio

Locate has three powerful orthobiologic platform technologies from two leading academic research groups, from which we have created several late-stage products addressing the repair and regeneration of both bone and cartilage.



MIP Diagnostics

A biotech company that develops molecularly imprinted polymers (MIPs) that can be used to replace antibodies in diagnostic tests and other applications.



The Mercia EIS Investor Centre

Many of our services are available via the Investor Centre, where you can view your investment at any time, including:

- An investment dashboard
- Digital tax certificates
- Loss relief letters
- Contract notes

How to invest

An online application may be completed by your adviser and sent to your email address for you to digitally sign.

Once received, we will contact you to confirm once the account has been opened, at which point you may send the subscription to us via bank transfer.



Download the IM



Risk warnings

EIS investment is restricted by the FCA rules to persons who qualify as high net worth or sophisticated, or who are acting upon advice from a suitably qualified financial adviser. Investing in early-stage businesses involves risks, including illiquidity, lack of dividends, loss of investment and dilution, and it should be done only as part of a diversified portfolio. Past performance is not a reliable indicator of future performance. You should not rely on any past performance as a guarantee of future investment performance. Tax relief depends on an individual's circumstances and may change in the future. In addition, the availability of tax relief depends on the company invested in maintaining its qualifying status. You may lose all the money that you invested; the investments are highly illiquid and have no ready market for disposal; there is a risk from future dilution of your shareholding.