

The Northern VCTs | fueling UK tech growth whilst providing attractive dividend yields and tax benefits to investors

The funds

The Northern VCTs comprise three separate trusts, each providing access to a diverse portfolio of tech-driven businesses. Tax benefits include income tax relief and tax-free dividends, offering substantial advantages to shareholders.

The Mercia group is one of the leading technology investors in UK and Europe, with over 550 portfolio companies, £1.4 billion AuM and deploying over £220m last year.

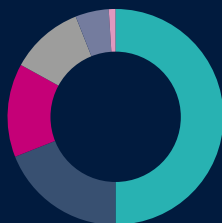
Mercia started managing the Northern VCTs in 2019, and has doubled the size of the investment team since that point, introduced more experienced investors, and delivered 21 exits.

Key features

- Minimum investment: £6,000
- Number of companies: Approximately 60
- Target dividend: 4.5-5%, payable in September and January, with a reinvestment scheme available
- Holding period: 5 years for income tax relief
- Offer launch date: September 2023

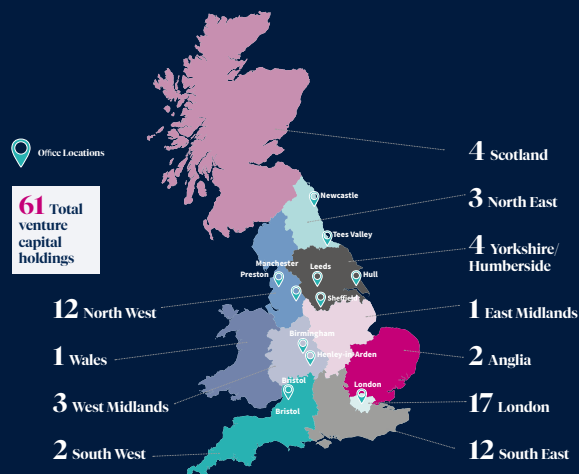
Where we invest

Northern VCTs are a national investor, with a focus on the UK's regions, where we discover compelling opportunities among businesses in diverse sectors, at reasonable valuations and with modest capital needs. These favorable valuations often lead to enhanced investment returns.



Industry sector	Percentage
Software/electronics	50%
Healthcare/biotechnology	19%
Consumer	14%
Services	11%
Industrial/manufacturing	5%
Other	1%

The Northern VCTs cover both early and later stage UK companies, spanning diverse sectors such as life sciences, software, and consumer goods.



*Information and valuations as at 31 March 2023, adjusted for additions and disposals since this date.
**Includes unquoted investments and investments quoted on AIM.

Past performance

The Northern VCTs have a rich history of investing, nurturing growth, and achieving successful exits. From 2019, they've realised 21 exits, with 8 exceeding 3x cost.*

Northern VCTs have realised the most value in the VCT market, compared to Net Asset Value (NAV), which demonstrates our ability to secure profitable deals, yielding greater returns from sales compared to total investments.

These profitable sales continue to enable consistent dividends averaging 6.8% over the previous ten years.



*based on the published data for the 24 months prior to September 2022, and the dividend is an average of the three VCTs history, as defined in Tax Efficient Review number 505.

Example portfolio companies

Forensic Analytics

Forensic Analytics offers top software for digital forensics, aiding law agencies with data analysis, reports, training, and expert services. Trusted by 95% of UK police and government agencies, its mission is efficient crime-solving through enhanced forensic analysis.



Forensic Analytics

Broker Insights

Dundee's Broker Insights aims to revolutionise the commercial insurance industry with innovative technology and data utilisation. Since its 2018 inception it has undergone remarkable growth, achieving £2.65 million revenue in 2021. It's garnered awards and partnerships with 10 UK insurers and 173 brokers.



BROKER INSIGHTS

Axis Spine Technologies

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.



AXIS SPINE TECHNOLOGIES



How to invest in the Northern VCTs

When there is an offer open, an online application may be completed by your adviser and sent to you to digitally sign.

Once received, a confirmation will be sent, and funds requested.



Download the brochure



Risk warnings

Your capital is at risk. Investing in early-stage businesses involves risks, including illiquidity, lack of dividends, loss of investment and dilution. Please read the full risk warnings in the Fund documentation before applying. 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. Mercia is not able to offer financial advice and this should not be construed as advice. Before applying, we always recommend seeking advice from an independent financial adviser. 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.

