



Welcome to Mercia

Welcome

from Mark Payton,



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Thank you for partnering with Mercia and we look forward to continuing to provide the right capital, at the right time, to help you fulfil your growth ambitions as you go forward.

We're not only here as a capital provider, but as a partner that will support your business ambitions as we back you to grow. We do this in a variety of ways, such as by making introductions from our non-executive director network, or partnering you with a Growth Partner. These are only two of the many ways we can support you; we'll explore more in greater depth in this pack.

We have eight regional offices and over 100 employees with diverse skillsets that are here to encourage your ambitions. Please feel free to reach out to us at any time. Once more, thank you for choosing Mercia for your growth journey.

Here to support you.

We want to ensure that you're supported every step of the way in this journey that you've chosen to take with Mercia. That's why we created this pack to show what you can expect from this collaboration. First, we'll talk you through our five-step roadmap, which charts your business' journey from first investment to exit. Then, we'll go into the granular on what you might find useful to manage over the first 100 days.

Stay in the loop at mercia.co.uk

We've created a dedicated welcome page on our website that provides you with a digital option of this pack as well as links to various useful assets. These non-financial resources are intended to help you make the most of your journey with us – so you can benefit from our thought-leadership, and the insights of your fellow CEOs, founders, and MDs.

We host a private Slack channel where you can connect with other CEOs and MDs within our Mercia portfolio. Navigate to the welcome page to discover how we support you, and you can benefit from our content output.

We curate podcasts, videos, webinars and newsletters to help you stay abreast of emerging trends in your sector. Discover how our other CEOs and MDs are enjoying their journey with Mercia so far in a range of interviews across different media.

Whereas this welcome pack is static, the welcome page is regularly updated with events and content you can benefit from.

Thank you once more for choosing us. We can't wait for you to get started – because when you thrive, so do we.

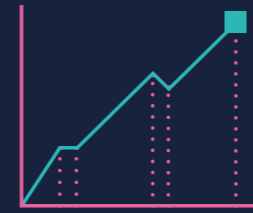
100-day plan.



Congratulations on your investment with Mercia!

First, we'll formulate a 100 day plan together to cover your growth strategy from immediately post-investment to exit. We'll explore the details of the 100-day plan in more depth following this section.

Phase one



In the third phase, we'll use our initial plan and what we've learnt so far to support value creation, attract consumer interest and explore commercial applications of your product.

Phase three



We'll prepare you for exit during Phase five, which usually takes one year. During that time, we'll prepare you for sale, eliminate value drags and execute the exit process.

Phase five

Phase two

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- _____
- _____
- _____

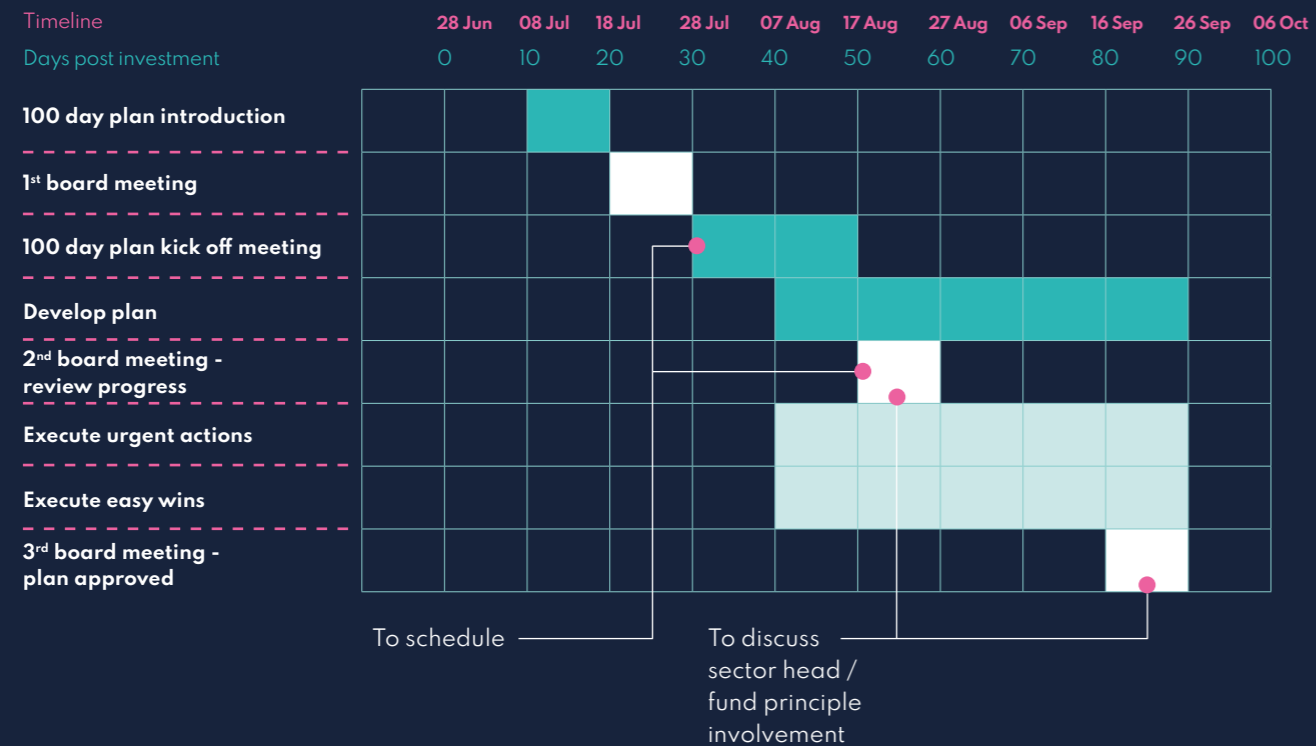
After the initial 100 days, we'll begin executing the plan. We may make introductions for our non-executive director network or match you with a Mercia Growth Partner on a project-by-project basis.

Phase four



Phase four is all about isolating what commercial operations are working and exploring their applications to support you to increase profits.

The 100-day plan continued.



We'll work alongside you, your management team and board members to agree on a strategy to scale your business. The plan will chart the period immediately following investment all the way through to exit.

Developing the plan together is crucial, as it ensures we align and agree on strategy. We'll specifically discuss financial elements of the plan, and decide together on a tangible lists of actions.



The plan covers three time periods:

1. The first 100 days;
2. The hold period, which lasts for two to three years and is when we'll support you in value creation and to grow profits;
3. The exit period, which typically takes one year.

1000 - 1500 days hold

4 year hold for the business?

100 days

Bedding down, 100 day plan, off to a winning start.

365 days exit process

Prepare for sale, eliminate value drags, execute exit process.

How your Mercia portfolio contact will help.

Your Mercia portfolio contact will either act as an observer or director, and which will depend on the agreement made in the Investment Terms. Both sit on monthly board meetings and will receive all information that's shared with members of the board (including minutes).

We'll go into the specifics of how each position functions here:

Observer

Unlike Board directors, board observers don't take on any duties such as fiduciary ones and they don't formally vote on matters pertaining to your business. However, they will take all information observed back to Mercia for formal consideration.

Board observers are bound to the same standards of confidentiality as any other board member.

They should have access to information like:

- **The board pack**
- **Management accounts**
- **Formal written requests for consent.**

Director

Directors have a fiduciary duty to companies they sit on the board of, as specified in the Companies Act 2006. They also have the following responsibilities to:

- **Promote the success of the company**
- **Exercise independent judgment**
- **Exercise reasonable skill, care and diligence**
- **Avoid conflicts of interest**
- **Act within powers**
- **Not accept benefits from 3rd parties**
- **Declare interest in proposed transactions or arrangements**



What you can expect.

Beyond financial support

We endeavour to do everything we can to support your success, which is why we do more than provide financial support. Mercia provides a rich network of tools and opportunities that will help your business achieve its strategic objectives.

Our experience of supporting c.400 portfolio companies has helped us to develop and refine our strategy for providing help that will serve you best.

Connect with other portfolio companies

Develop your vision with likeminded people from your sector when you connect with the Founders, CEOs and MDs of our other portfolio companies.

We have a private Slack channel where you can share sector news and chat with leaders of other businesses who have benefitted from Mercia investment.

Mercia events provide an opportunity to meet other business leaders in real life and online so that you can share strategies and stay on the pulse.



Connect with other portfolio companies

We want you to have every tool at your disposal to help you succeed. That's why we've cultivated relationships with industry leaders in Software, Technology and Media that provide discounts to our portfolio.

Portfolio companies like yours can currently receive generous discounts on products from providers including, but not limited to:

- [Amazon Web Services](#)
- [Google Cloud](#)
- [HubSpot](#)
- [Zendesk](#)
- [The Financial Times](#)

We regularly update our portfolio partner discounts on our welcome page, so keep your eyes on that.

Our webinars regularly feature representatives from portfolio partner businesses who explain how their tools can help you succeed in certain areas such as marketing or productisation. Make sure you agree to receive marketing email communications to stay updated.

Mercia thought leadership

We plan our content output to enrich your experience when partnering with Mercia.

Keep abreast of emerging trends in your sector with our:

- Podcast – Hear discussions between sector experts and Mercia representatives on emerging market trends
- Webinars – Learn how our portfolio partner tools can help you achieve your objectives and other strategies for growth
- Insights – Read digestible think-pieces on topics such as how employee wellbeing, recruitment strategies, health and safety, and marketing can elevate the strategic direction of your business
- E-books – Discover how to secure funding, implement health and safety procedures and recruit successfully, alongside other guidance intended to support you as you scale
- Starter for 10 newsletter – Get ahead of the game each Sunday with our email newsletter that will prepare you for the next week in business
- The Asset Book – Find out more about Mercia's business operations and read case studies from other portfolio businesses.

Access to our network

Our Head of Portfolio resourcing, Lisa Ward, is dedicated to finding the most reputable Non-executive Directors and Growth Partners to support our businesses as they scale.

Many of our Non-executive Directors and Growth Partners have founded their own successful businesses and worked in C-suite positions in widely-respected companies. Their expertise will strengthen your market knowledge and help to broaden your perspective on potential commercial applications of your product.

While Non-executive Directors will sit on your board and be bound to fiduciary duties to your company, Growth Partners use their prior expertise to inform your growth strategy on a project basis.

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It's the power of our networks which makes Mercia an attractive investment partner.

- Mark Payton, CEO of Mercia.

The Mercia Team

When you succeed, we do too. That's why you can rely on the c.120 Mercia team members to support you.

Our team has diverse experience of the sectors we invest in and all are animated by our mission to lessen the regional funding gap. Get to know us at the #OneMercia page.



Meet the funder.

Although any of the Mercia team is available to you at any time, we wanted to ensure that the process of staying connected with Mercia was open and dynamic. That's why we run Meet the Funder drop-in sessions every Friday from 9am to midday.

During these sessions, one of our Fund Principals, Investment Team or Business Development Managers will be available to answer any of your burning investment questions.

Pop-in to these informal sessions and benefit from their insights on topics like how to fund growth, or how restructuring can support you as you scale. All meeting slots last for 15 minutes (extended if you need more time) and are strictly confidential, with two slots maximum per person.

Help us help you.

Mercia will share your news across our owned media in order to support your growth – whether that’s new product development, an entry into new markets, increased revenue or expanding teams.

We want to show how well you’re doing – but we need your consent and collaboration to facilitate this.

Link in for PR

If you consent to Mercia PR, we’ll draft press releases about your initial investment and any further funding rounds, to generate a buzz in both the online and offline media outlets.

Content calendar support

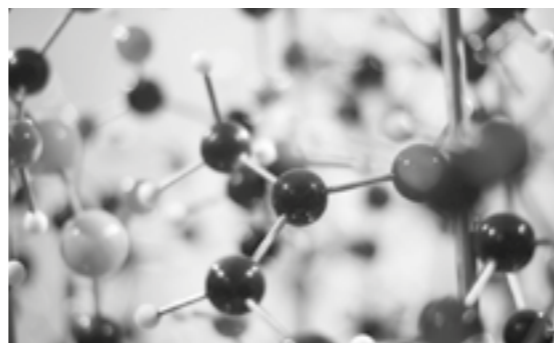
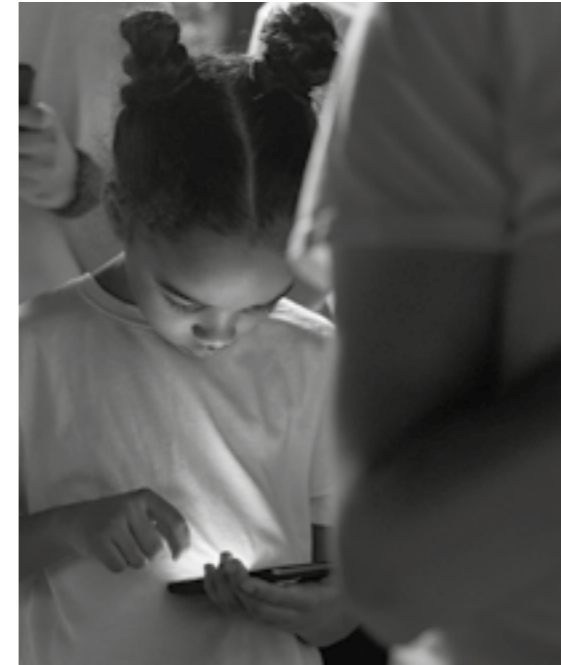
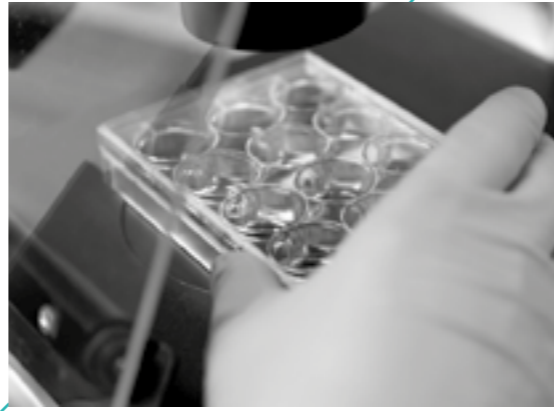
Share your content calendar and we’ll curate social media posts to coincide with and complement your marketing efforts. We’ll do our best to ensure all eyes are on you, when you want them to be.

Share your expertise

Mercia’s thought leadership content relies on innovators and experts to stay on the pulse and engaging. If there’s a subject that animates you, get in touch to share your thoughts on a podcast or contribute your insights for a feature. What excites you about your sector will likely appeal to others, so share your perspective with us and we’ll do our best to get it out there.

Connect with us

Get involved. Connect with us on the Mercia social channels, attend our events and watch our webinars. Strengthen your professional network as you benefit from our insights.



What we expect from you.

You have certain legal obligations to us as your investor, which we'll explain here.

Matters regarding Fund consent

The Articles of Association ("Articles") govern a company's affairs and serve as a contract between the company, each of the company's shareholders and the Fund.

The Fund needs formal approval on any item on a list of consents given in the Articles. This approval must be requested in writing.

Send requests to the Observer of the Board, who will relay the message to the Mercia Fund Principals. We aim to respond to a request for consent within seven working days.

Generic consents list

As long as the Fund is the Lead Investor (as per the Investment Agreement and Articles of Association), the prior consent or approval in writing of the Fund is required in any matter relating to (or the Company incurring an obligation to do):

- The sale of the undertaking of the Company or of any of its Subsidiary Undertakings or any substantial part;
- The disposal or issue of any issued or unissued shares in the capital of the Company or any Subsidiary Undertaking;
- The calling of a meeting of the Company or any of its Subsidiary Undertakings for the purpose of considering a resolution for the winding up of the Company or any of its Subsidiary Undertakings;
- The calling of a meeting of the Company for the purpose of considering a resolution to approve a contract by the Company or any of its Subsidiary Undertakings to purchase any of their respective shares;
- A change to the accounting reference period of the Company or any of its Subsidiary Undertakings;
- Any alteration of the restrictions on the powers of the directors of the Company or its Subsidiary Undertakings to borrow, give guarantees or create charges;
- The application by way of capitalisation of any sum in or towards paying up any debenture or debenture stock of the Company or of any of its Subsidiary Undertakings;
- Any material alteration (including cessation) to the nature of the business of the Company or of any of its Subsidiary Undertakings;
- Any Flotation or any Sale becoming unconditional or completed;
- Any alteration or increase or reduction or sub-division or consolidation or redemption of the issued capital of the Company or of any of its Subsidiary Undertakings or by variation of the rights attached to any of the shares for the time being in the capital of the Company or of any of its Subsidiary Undertakings;
- The calling of a meeting of the Company or any of its Subsidiary Undertakings for the purpose of considering or the passing of a resolution for amending the Memorandum or Articles of Association of the Company or any of its Subsidiary Undertakings; and
- The passing of any resolution whereby the classification or status of the Company may be changed; or (without prejudice to the provisions of sections 630 and 633 of the Act) the variation of any special rights attached to any class of shares.

Board meetings

Board meetings are a value-add exercise for both investors and management. To make sure everyone gets the most out of board meetings, prepare these resources in advance of each.

Board pack

The board pack will provide the necessary data and information on business updates to directors, to ensure that the conversations had and decisions made at board meetings are as productive as possible. You should circulate the board pack a minimum of three working days before any board meeting.

Board papers

Every board paper should have a purpose. They either provide information in the form of a short update, establish key points to discuss or delineate the scope of a decision.

Agenda

A Chairman-led agenda helps board meeting discussions stay on track. Agenda's should account for at least two to three hours in every board meeting, to ensure all topics are discussed.

Deep dive sessions

If you have a pressing matter or complex topic to discuss, hold a 'deep dive' board meeting which focuses only one area to explore that topic in-depth.

Example Agenda

- Standing items e.g. Conflicts, Health and Safety.
- Review of minutes of last meeting and actions (information, discussion, decision).
- CEO update report (information).
- Sales and Marketing review (discussion).
- Product/R&D (discussion).
- HR/Team issues (information).
- AOB (information, discussion, decision).



GDPR and data.

Once you join the Mercia portfolio you will receive personal communications from your investment team and their colleagues on matters relating to your funding.

Centrally we will provide you with entrepreneurial and business related communications, through which we will share with you partnership opportunities, newsletters, email notifications and investment news which will support you and your business.

You can choose not to receive communications in relation to each of these areas by using the unsubscribe option in any of the communications you receive.

If you would not like to benefit from any of these communications then please contact us at marketing@merciamanagement.co.uk.

Mercia Asset Management is committed to protecting and respecting your privacy. For more information on how to unsubscribe and our privacy practices, please review our Privacy Policy at www.merciamanagement.co.uk/privacy-policy.



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