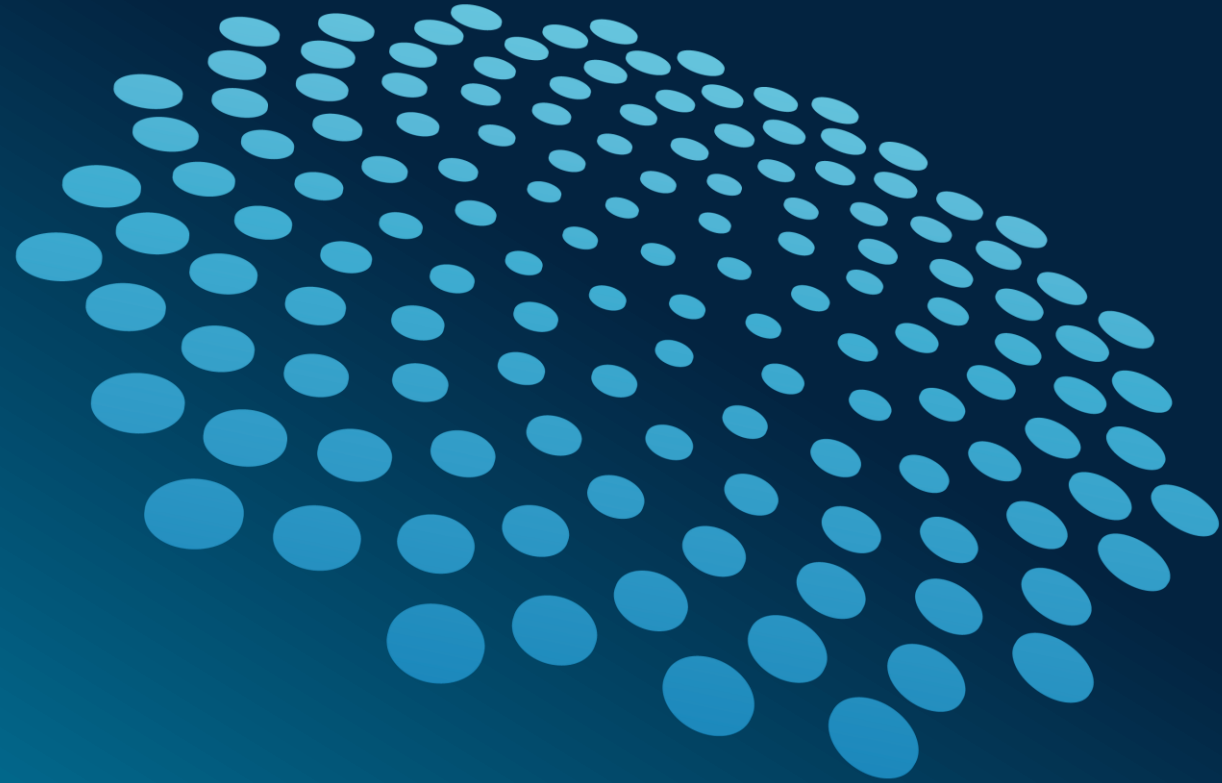


# MedTech BEST

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Mercia Fund Managers

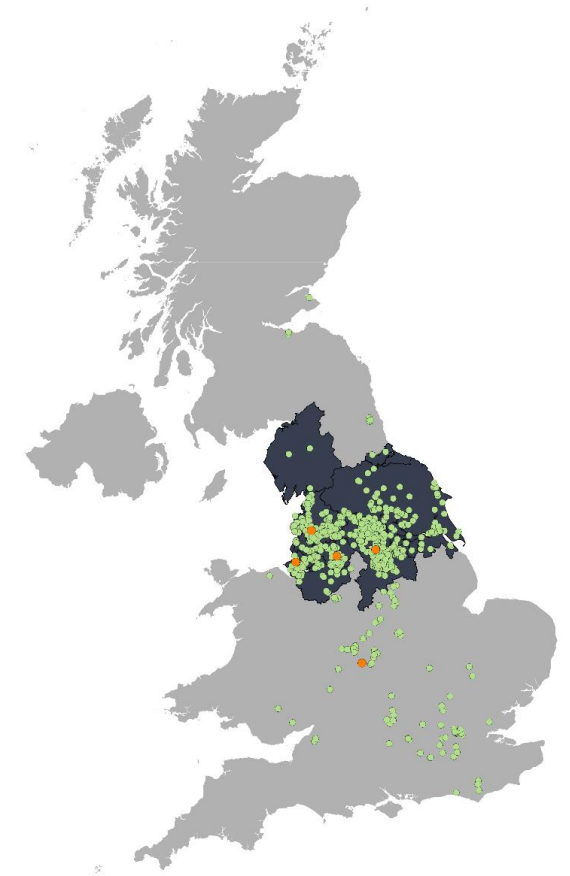
Mark Wyatt



- Mark Wyatt
  - Investment Director
  - PhD from Glaxo Institute of Applied Pharmacology, University of Cambridge
  - Previously Merlin Biosciences & Imperial Innovations
  - 20 years' VC experience



- SME specialist with a northern focus, previously known as Enterprise Ventures
- Strong 30-year track record
- Part of AIM-listed **Mercia Technologies PLC**
- 60+ investment and support staff across the Group
- Portfolio of more than 400 SMEs
- Wide range of funding options, including business loans, venture capital, and growth funding
- Funds we manage:
  - Public and private sector funds
  - More than £300.0million funds under management
- Almost one deal per day since 2011



# Key sectors



## Digital & Digital Entertainment

- Virtual reality
- Augmented reality
- Middleware
- Serious gaming



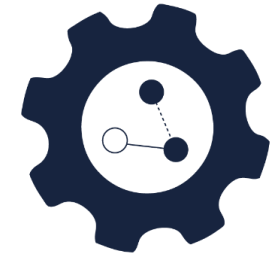
## Software & the Internet

- Artificial intelligence
- Cyber security
- SaaS
- Analytical tools
- Adtech



## Life Sciences & Biosciences

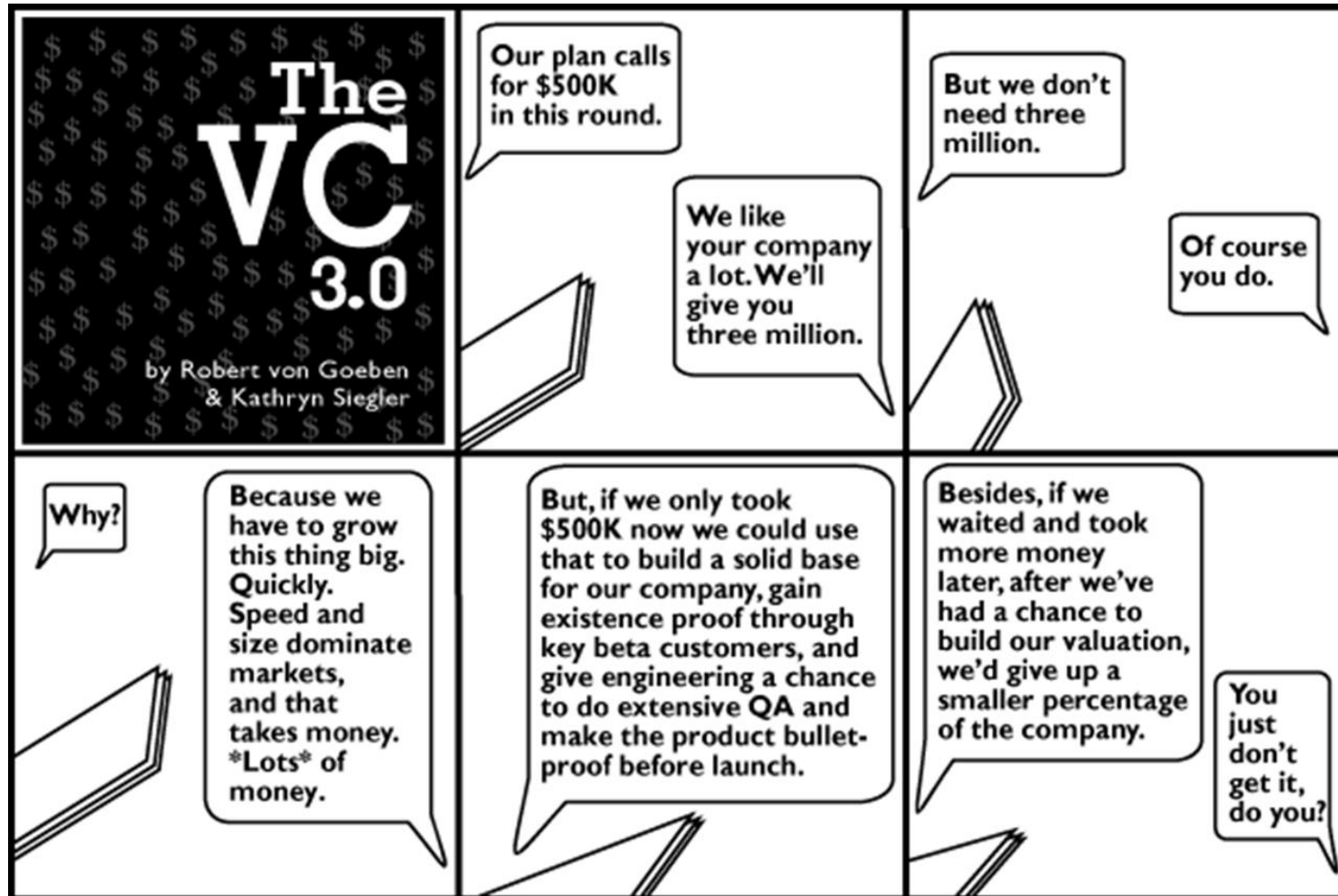
- Diagnostics
- Digital
- Medical devices
- (Not pharmaceuticals)



## Electronics, Materials & Manufacturing/Engineering

- Energy
- Communications
- New materials for electronics
- Disruptive hardware

# What is Venture Capital?



## Investment Criteria:

- Large Market / Unmet Need
- Differential Value / competitive position
- Management
- Strong Intellectual Property Rights
- Clear Exit Potential
- Route to Exit / Market
- Capital Efficient
- Capital Requirement to Exit

## Investment Principles:

- Tranched Investments
- Milestones
- Lead Investor / Syndication
- Clean Starts / Developed
- Management Change
- Right to Appoint NXDs
- Exit and Cash Focus

# Not all VCs are the same

- Do your homework
- Look them up in the BVCA directory
- Check out what they have been investing in on their websites
- Call them to pre-qualify interest
- Focus your efforts on those that look like they invest in businesses that resemble yours

# What is a fundable business?

- It is not as simple as “I’ve invented a super technology” – ideas are plentiful
- It is not a business plan with 200 pages of technical detail
- It is about the creation of a business opportunity that will give a fair return to all existing and future stakeholders
- One that arrives in front of the right person at the right time



# What about business plans

- A business plan is the tangible result of a planning process that describes how the company will get from A to B
- It is a 'selling document'
- It should encourage early debate
- It should highlight the opportunity, and competitive environment
- It should outline the business credentials
- It should identify how funds will be used, and where they will take the company
- Consider whether you need an advisor to help

- Not all VCs require a plan, but they do require thought out and well presented propositions
- Keep it simple and clear
- Explain the size of the opportunity, the problem space, and the solution. Then convince them you are the team to exploit it.
- Remember, VCs need an exit, so how will you provide one
- Demonstrate you know how to reduce the risks in the venture
- Demonstrate openness, and think about how you answer questions

