

Interim Results

Six months to 30 September 2025

Unlocking prosperity across the UK
– *region by region*

2 December 2025

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Agenda

- 1. Mercia, our model and the market opportunity**
- 2. Financial review**
- 3. Progress and outlook**
- 4. In summary**

Dr Mark Payton
Chief Executive
Officer



Martin Glanfield
Chief Financial
Officer

What is Mercia?

A leading UK private capital asset manager sourcing deals others do not always see

Purpose

Wealth creation and prosperity for all our stakeholders

Vision

First choice for Investees, Fund Investors, Employees and Shareholders

Core focus

Regional UK capital deployment (Venture, Development Capital and Property Finance)

Geographic footprint

Physical nationwide regional presence – 11 offices

AuM growth

Target $\geq 70\%$ every 3 years

Recurring revenue

c.80%, diversified

Alignment with UK policy

Fully aligned with *Mansion House* and *IS-8*

Mercia's opportunity

In 2021* there were
12,600 high-growth**
businesses in the UK, of
which c.21% were based
in London

However, approximately
66%*** of the investment
deployed in the UK was
into London-based
businesses

Why?

* Office for National Statistics, 2021

** Defined as employment growth of 20% per annum over three years

*** Social Market Foundation Report, 2023



Be where the deals are...

With offices in:

Newcastle ● Leeds ● Hull ● Sheffield ● Nottingham
London ● Bristol ● Henley-in-Arden ● Birmingham
Manchester ● Preston

Large addressable growth markets

VENTURE CAPITAL*

Between **£4bn - £6bn** was invested in the UK in 2024 from early stage to Series A (Mercia's current target market), rising to circa **£9bn** for all venture.

10% addressable market: **£400m - £600m**

Full year FY25 investment: **£131m**

DEVELOPMENT CAPITAL*

Between **£5bn - £10bn** was invested in the UK in 2024 for investment ranges of **£0.5m to £10m** in Mercia's target market.

10% addressable market: **£500m - £1.0bn**

Full year FY25 investment: **£72m**

PROPERTY FINANCE**

Between **£6bn - £14bn** was invested in the UK in 2024 in Mercia's target property lending market (excluding Real Assets).

10% addressable market: **£600m - £1.4bn**

Full year FY25 investment: **£81m**

New asset allocations

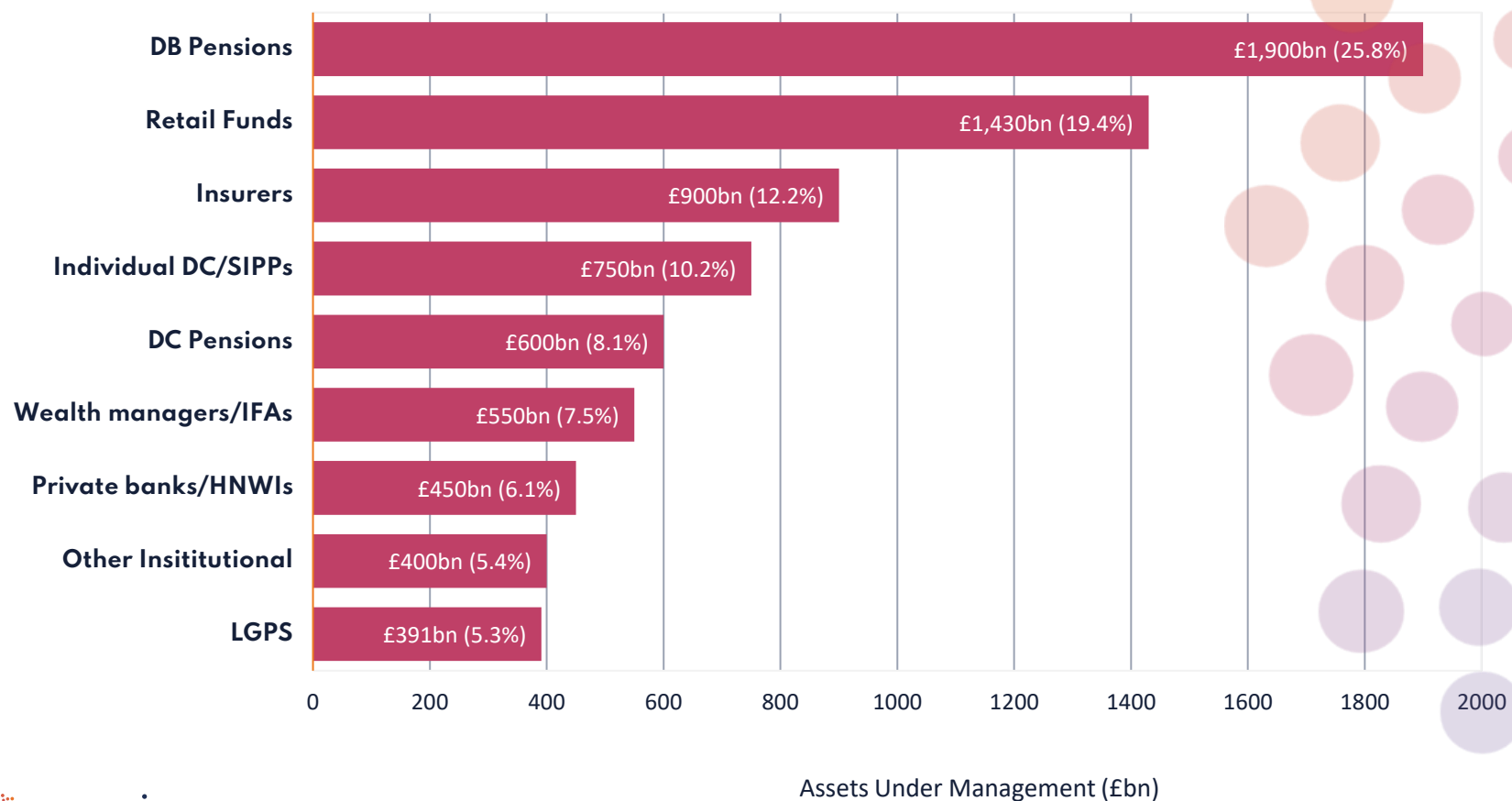
- We expect allocations to UK private assets to grow steadily across venture capital, development capital, property finance and real assets, driven by regulatory change, policy momentum and portfolio diversification initiatives.

Growth in UK private assets, supported by:

- >£4bn awarded to BBB for domestic investment purposes to include Mansion House and IS-8 strategies
- Mansion House Accord: DC pensions targeting 5% into UK private assets
- Solvency UK reforms: development to enable insurer investment in private credit and infrastructure
- Place-Based Impact Investing mandates: LGPS prioritising real assets and UK regional businesses
- LTAFs and platform access: expanding alternatives to the UK wealth market

UK investment market c.£9trillion

UK Investment market AUM by Client Group (2023-2024)



All figures are rounded estimates based on the most recent available data from industry reports and regulatory bodies.

The full UK investment management industry AuM is estimated at c.£9trillion (IA 2023-24 Survey).

Segment totals in this breakdown may not precisely sum to this due to reporting gaps, classification differences, and overlapping platform assets.

H1 FY26 financial review

Interim financial results

Six months to
30 September 2025

£17.2m –3.9%

Revenue
(H1 2025: £17.9m)

43.4p

Net assets per share
(31 March 2025: 43.6p)

£4.2m +13.7%

EBITDA
(H1 2025: £3.7m)

£2.0bn

Assets under management
(31 March 2025: £2.0bn)

0.39p +5.4%

Interim dividend per share
(H1 2025: 0.37p)

c.£52m

Organic funds under management
inflows
(H1 2025: c.£57m)

£34.5m

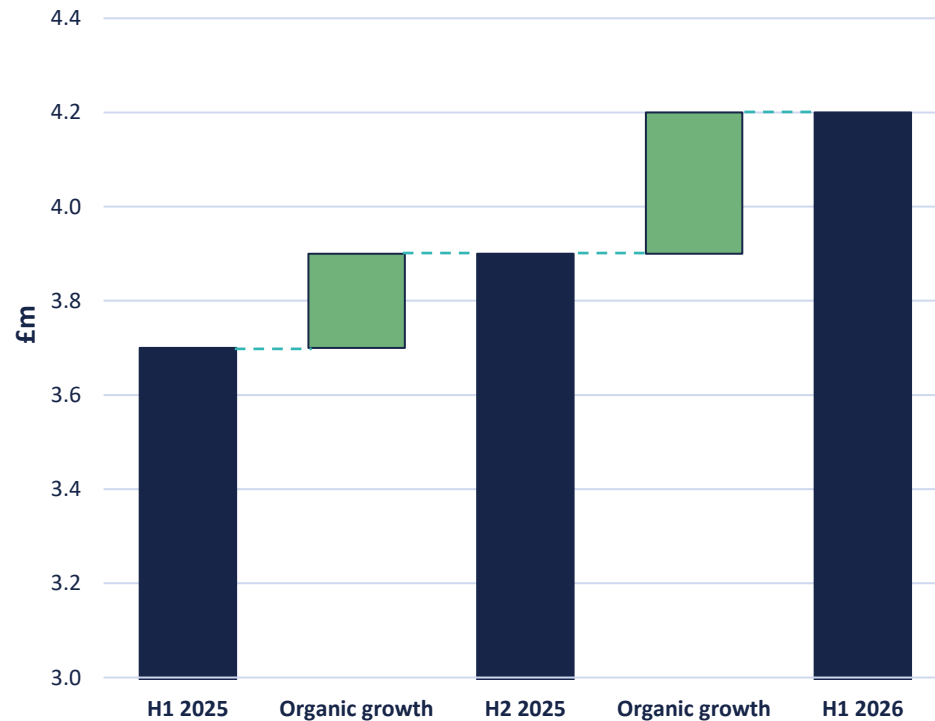
Cash and cash equivalents
(31 March 2025: £40.1m)

c.£604m

Managed funds and balance
sheet liquidity
(31 March 2025: c.£640m)

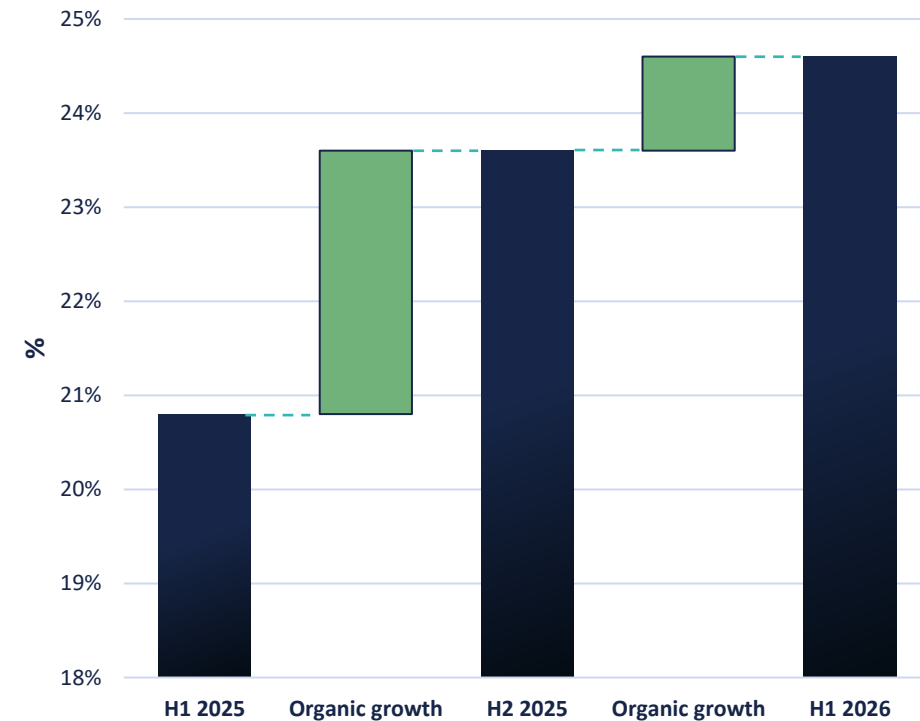
Sustained sequential EBITDA and EBITDA margin growth

EBITDA



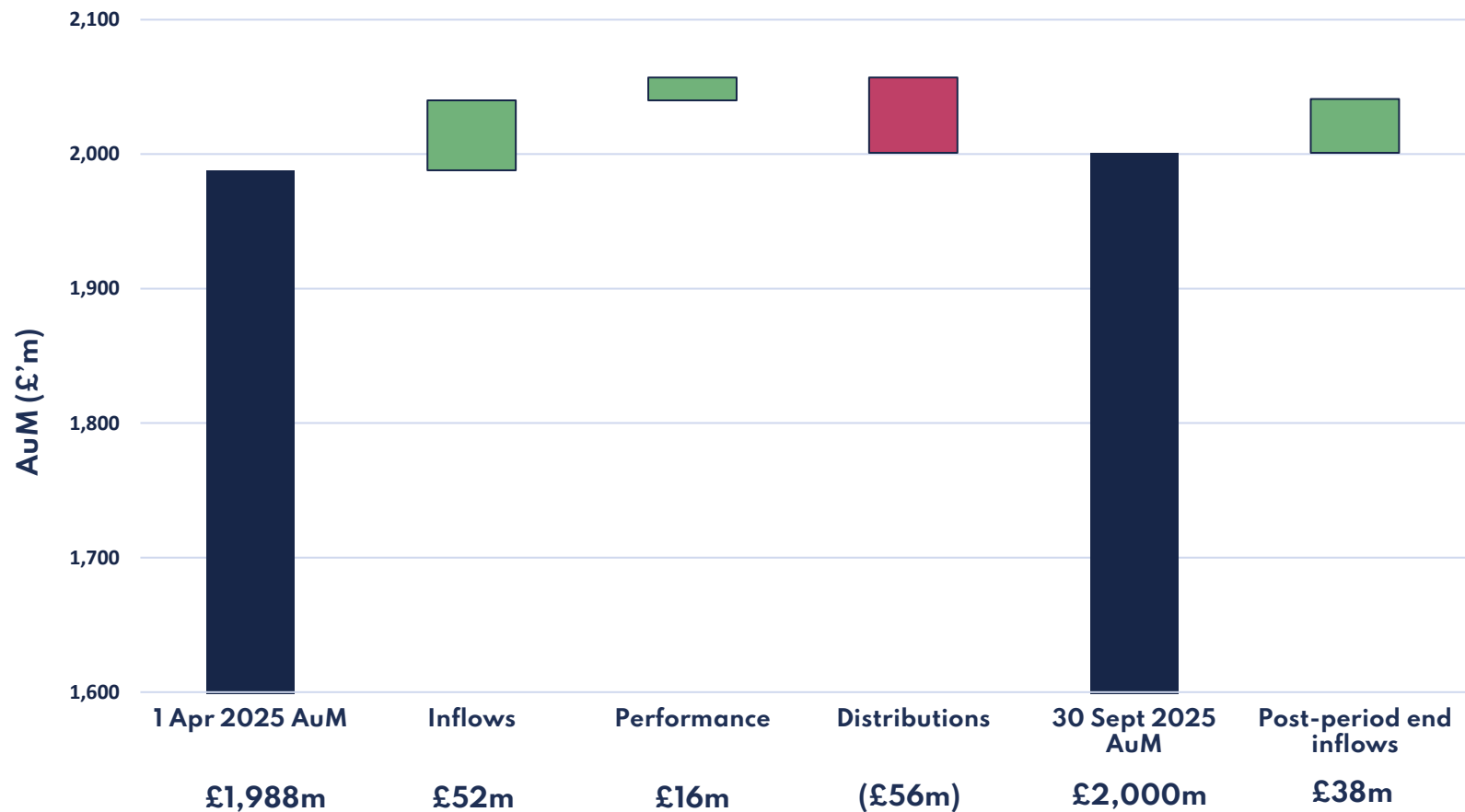
- H1 EBITDA £4.2million, up c.14% (H1 2025: £3.7million)

EBITDA margin



- H1 EBITDA margin 24.6% (H1 2025: 20.8%)

Resilient assets under management

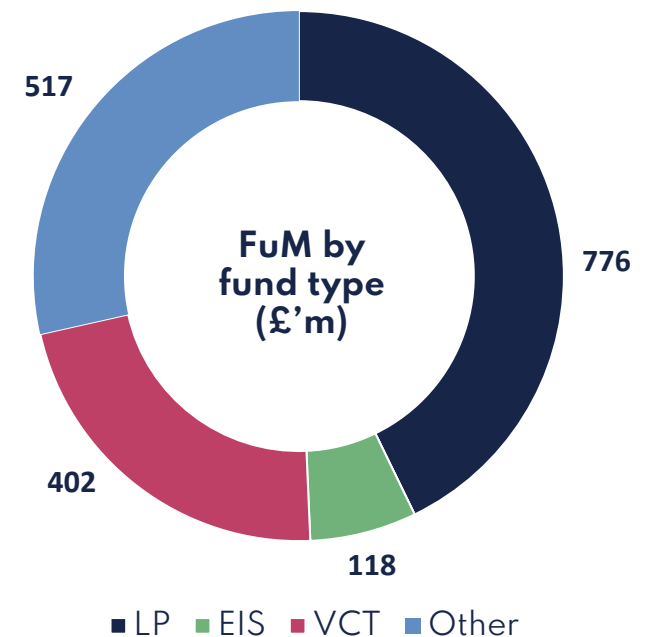
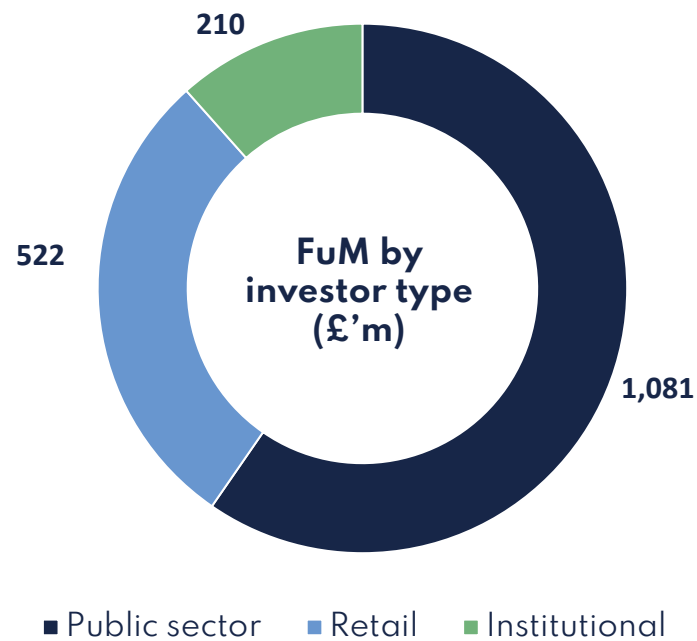
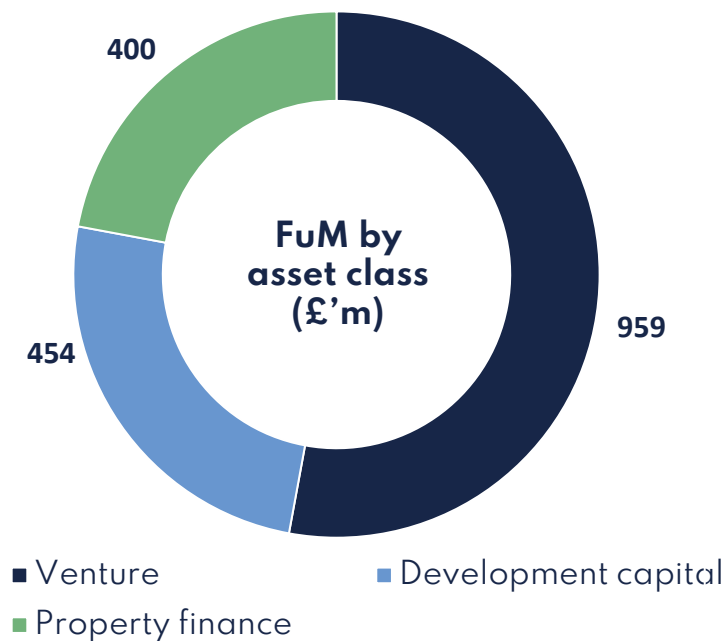


- Fund inflows across asset classes:
 - EIS - c.£11m
 - VCT - c.£36m
 - NPIF I Equity – c.£5m
- No redemptions
- Post-period end inflows:
 - VCT – c.£38m

Long-dated, diversified FuM

- Over 80% recurring revenues, with blended fee margin of c.2%

- Long-dated funds comprising evergreen or 10-year LP type structures – all closed end



Consolidated statement of comprehensive income

For the six months ended 30 September 2025

| | Unaudited Six months ended 30 September 2025 | Unaudited Six months ended 30 September 2024 | Audited Year ended 31 March 2025 |
|--|---|---|---|
| | £'000 | £'000 | £'000 |
| Revenue | 17,201 | 17,908 | 34,416 |
| Administrative expenses | (12,977) | (14,192) | (26,808) |
| EBITDA | 4,224 | 3,716 | 7,608 |
| Performance fees | - | - | 785 |
| Variable compensation attributable to performance fees | - | - | (628) |
| EBITDA including performance fees net of costs | 4,224 | 3,716 | 7,765 |
| Depreciation | (287) | (302) | (598) |
| Realised fair value loss on sale of direct investments | - | - | (278) |
| Unrealised fair value movement in direct investments | (340) | 185 | 274 |
| Share-based payments charge | (329) | (478) | (938) |
| Amortisation of intangible assets | (1,495) | (1,495) | (2,989) |
| Movement in fair value of deferred consideration | - | (295) | (454) |
| Operating profit | 1,773 | 1,331 | 2,782 |
| Finance income | 729 | 1,128 | 2,626 |
| Finance expense | (42) | (26) | (56) |
| Profit before taxation | 2,460 | 2,433 | 5,352 |
| Taxation | (781) | (657) | (1,897) |
| Profit and total comprehensive income | 1,679 | 1,776 | 3,455 |
| Basic earnings per Ordinary share (pence) | 0.39 | 0.41 | 0.80 |
| Diluted earnings per Ordinary share (pence) | 0.38 | 0.40 | 0.80 |

- EBITDA up 13.7%
- EBITDA margin of 24.6% (H1 2025: 20.8%)
- Consistently profitable

Consolidated statement of financial position



As at 30 September 2025

| | Unaudited as at 30 September 2025 | Unaudited as at 30 September 2024 | Audited as at 31 March 2025 |
|--|--|--|--------------------------------------|
| | £'000 | £'000 | £'000 |
| Goodwill and intangible assets | 31,811 | 34,801 | 33,307 |
| Property, plant, equipment and right-of use assets | 1,424 | 1,054 | 880 |
| Investments | 131,100 | 120,932 | 125,960 |
| Total non-current assets | 164,335 | 156,787 | 160,147 |
| Trade and other receivables | 3,083 | 3,231 | 3,249 |
| Cash and cash equivalents | 34,469 | 46,214 | 40,093 |
| Total current assets | 37,552 | 49,445 | 43,342 |
| Total assets | 201,887 | 206,232 | 203,489 |
| Trade, other payables and lease liabilities | (11,465) | (12,438) | (12,205) |
| Deferred consideration | - | (2,575) | - |
| Total current liabilities | (11,465) | (15,013) | (12,205) |
| Lease liabilities | (638) | (445) | (333) |
| Deferred taxation | (2,671) | (3,419) | (3,044) |
| Total non-current liabilities | (3,309) | (3,864) | (3,377) |
| Total liabilities | (14,774) | (18,877) | (15,582) |
| Net assets | 187,113 | 187,355 | 187,907 |
| Equity | | | |
| Issued share capital | 4 | 4 | 4 |
| Share premium | 83,775 | 83,775 | 83,775 |
| Treasury reserve | (3,956) | (4,925) | (4,911) |
| Other distributable reserve | 51,902 | 56,966 | 55,370 |
| Retained earnings | 48,890 | 45,532 | 47,211 |
| Share-based payments reserve | 6,498 | 6,003 | 6,458 |
| Total equity | 187,113 | 187,355 | 187,907 |

- **Direct portfolio:**
 - **Net capital deployed of £5.5m**
- **Significant liquidity with no debt**

- **FY25 final dividend of 0.58pence/share paid to shareholders in October 2025**
- **FY26 interim dividend of 0.39pence/share (+c.5%) will be paid in January 2026**

Consolidated statement of cash flows

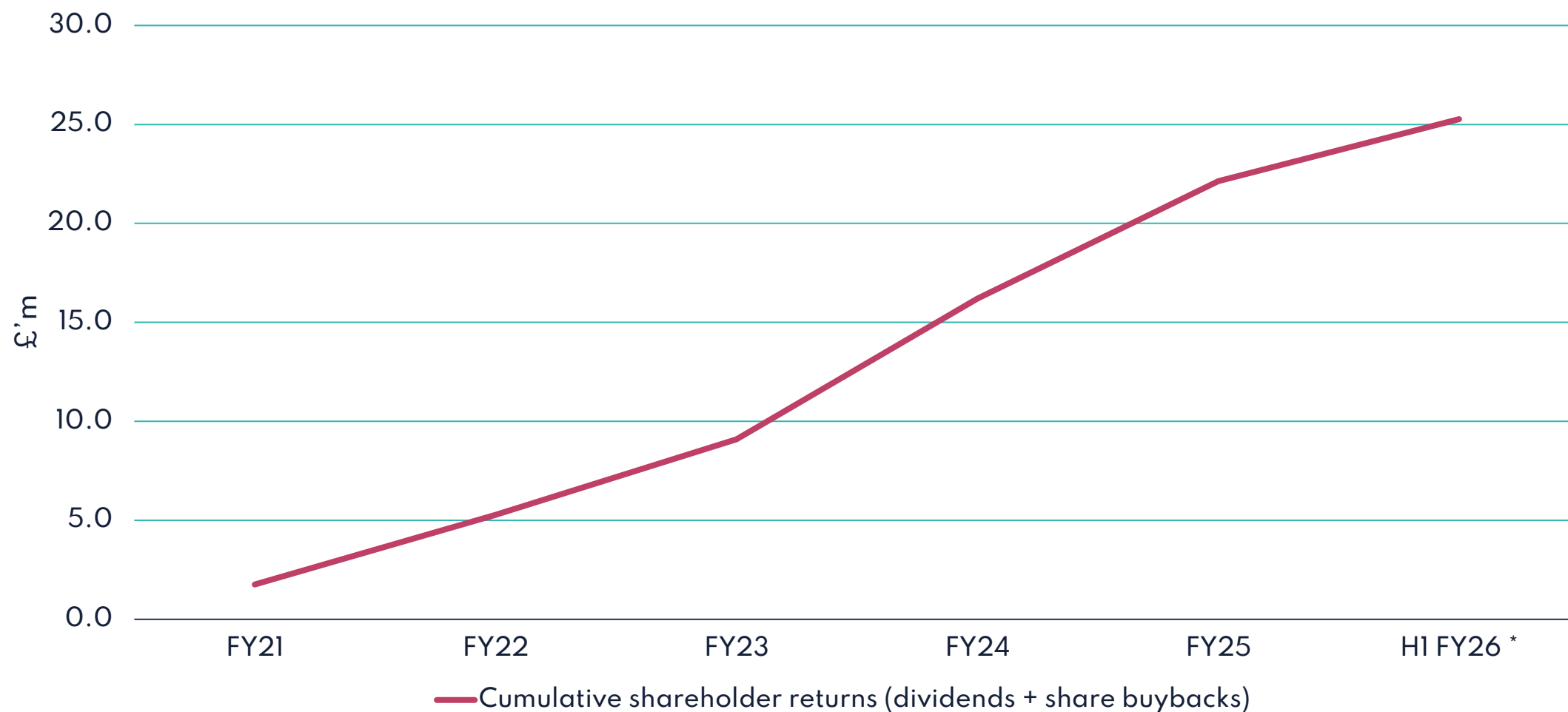
For the six months ended 30 September 2025

| | Unaudited Six months ended 30 September 2025 | Unaudited Six months ended 30 September 2024 | Audited Year ended 31 March 2025 |
|---|---|---|---|
| | £'000 | £'000 | £'000 |
| Cash generated from operating activities | 1,474 | 3,995 | 9,409 |
| Corporation tax (payment)/receipt | (1,527) | 162 | (690) |
| Net cash (used in)/generated from operating activities | (53) | 4,157 | 8,719 |
| Proceeds from sale of direct investments | - | - | 601 |
| Purchase of direct investments | (5,830) | (3,886) | (9,704) |
| Investee company loan repayment | 350 | - | - |
| Investee company loan interest received | 10 | - | 587 |
| Net cash used in direct investment activities | (5,470) | (3,886) | (8,516) |
| Interest received from cash and cash equivalents | 691 | 1,135 | 2,063 |
| Purchase of property, plant and equipment | (225) | (105) | (128) |
| Deferred consideration paid in respect of acquisitions | - | - | (2,733) |
| Net cash generated from/(used in) other investing activities | 466 | 1,030 | (798) |
| Dividends paid | - | - | (3,968) |
| Purchase of Ordinary shares into treasury | - | (1,834) | (1,836) |
| Purchase of Ordinary shares for cancellation | (965) | - | - |
| Proceeds received from the exercise of employee share options | 666 | 66 | 73 |
| Interest paid | (42) | (26) | (56) |
| Payment of lease liabilities | (226) | (233) | (465) |
| Net cash used in financing activities | (567) | (2,027) | (6,252) |
| Net decrease in cash and cash equivalents | (5,624) | (726) | (6,847) |
| Cash and cash equivalents at the beginning of the period | 40,093 | 46,940 | 46,940 |
| Cash and cash equivalents at the end of the period | 34,469 | 46,214 | 40,093 |

- **Cash generative, profitable fund management operations**

- **£1.0m of the £3.0m share buyback completed**

Cumulative shareholder returns



Capital allocation policy

- Internally estimated Mercia weighted average cost of capital (“WACC”) of c.9%
- All three previous acquisitions have generated returns in excess of the Group’s WACC

Enterprise Ventures Group

Acquired March 2016

Return on invested capital

c.17%*



VCT fund management contracts

Acquired December 2019

Return on invested capital

c.17%*

Northern Venture Trust PLC
Northern 2 VCT PLC
Northern 3 VCT PLC

Frontier Development Capital

Acquired December 2022

Return on invested capital

c.14%*



* Calculated as average annual net operating profit after tax divided by total consideration.

Progress and outlook



Direct investment portfolio

For the six months ended 30 September 2025


| | Year of first direct investment | Net investment value as at 1 April 2025 £'000 | Net cash invested six months to 30 September 2025 £'000 | Fair value movement six months to 30 September 2025 £'000 | Net investment value as at 30 September 2025 £'000 | Equity percentage held as at 30 September 2025 % |
|--|---------------------------------|--|--|--|---|---|
| Netacea Group Ltd | 2022 | 16,661 | 1,100 | (996) | 16,765 | 33.6 |
| Voxpopme Ltd | 2018 | 15,874 | - | - | 15,874 | 20.2 |
| Medherant Ltd | 2016 | 11,521 | - | 3,472 | 14,993 | 36.2 |
| Warwick Acoustics Ltd | 2014 | 11,934 | 1,000 | - | 12,934 | 31.7 |
| VirtTrade Ltd | 2015 | 11,547 | 1,500 | (1,639) | 11,408 | 61.4 |
| Eyoto Group Ltd | 2017 | 9,642 | 750 | - | 10,392 | 24.7 |
| Invincibles Studio Ltd | 2015 | 9,317 | - | - | 9,317 | 35.5 |
| Locate Bio Ltd | 2018 | 7,837 | - | - | 7,837 | 19.4 |
| Ton UK Ltd | 2015 | 6,609 | - | - | 6,609 | 40.4 |
| Aonic Founder SCS | 2023 | 5,700 | - | (165) | 5,535 | 1.3 |
| Axis Spine Technologies Ltd | 2022 | 4,000 | 1,009 | - | 5,009 | 15.2 |
| Pimberly Ltd | 2021 | 2,728 | - | 117 | 2,845 | 4.9 |
| Tozaro Ltd | 2020 | 2,734 | - | - | 2,734 | 11.2 |
| Nova Pangaea (Holdings) Ltd | 2022 | 2,250 | - | - | 2,250 | - |
| Forensic Analytics Ltd | 2021 | 1,750 | - | - | 1,750 | 6.7 |
| Uniphy Ltd | 2022 | 727 | - | 270 | 997 | 3.2 |
| Fortis Frontier PLC (formerly MyHealthChecked PLC) | 2016 | 952 | - | (272) | 680 | 13.1 |
| sureCore Ltd | 2016 | 1,398 | - | (1,398) | - | 20.0 |
| Impression Technologies Ltd | 2015 | - | (350) | 350 | - | 65.1 |
| Akamis Bio Ltd | 2015 | - | - | - | - | 0.2 |
| Other direct investments | n/a | 2,779 | 471 | (79) | 3,171 | n/a |
| Total | | 125,960 | 5,480 | (340) | 131,100 | n/a |

Top 10 direct investments

| FY26 target | FY27 target | Outstanding |
|--------------|-------------|-------------|
| c.£7.5m-£10m | c.£50m-£70m | c.£40m |

NETACEA

Moving towards breakeven

 **Voxpopme®**

Revenue growth and good customer retention


MEDHERANT®

Pivotal clinical trial

WARWICK 
ACOUSTICS

First OEM launch expected 2026

**CARDS, THE UNIVERSE AND
EVERYTHING**

New game development

EYOTO

Developing commercial pipeline

 **Invincibles Studio**

Cash breakeven and expanding user base

 **locate** ^{bio}

Developing clinical trial plans



Cash breakeven and developed new AI/LLM features



Growing EBITDA

Seeing many of the best

c.£95m invested in H1:

- c.£43m in venture and direct investments
- c.£33m in development capital
- c.£19m in property finance

Kirsty's

ss&c | Blue Prism®

PURE

Gilba

ODDBOX

SINCE 2014
naturaw



BIRMINGHAM
HIPPODROME

HARRO
SPRING W

t. talk straight

THE BEAUTY
TECH GROUP

OXGENE®
An Advanced Therapies Company

Chanceryg

shopertainment
MANAGEMENT

BARBERRY

faradion

WAVENSME
HOMES

Mercia '27 is on track

| | FY24 | FY25 | FY26 | FY27 |
|---------------------------------|--------|--------|------|--------|
| Assets under management ("AuM") | £1.8bn | £2.0bn | → | c.£3bn |
| EBITDA | £5.5m | £7.6m | → | c.£10m |
| EBITDA margin | 18.2% | 22.1% | → | c.26% |
| Balance sheet divestiture | £26.7m | £0.6m | → | c.£80m |

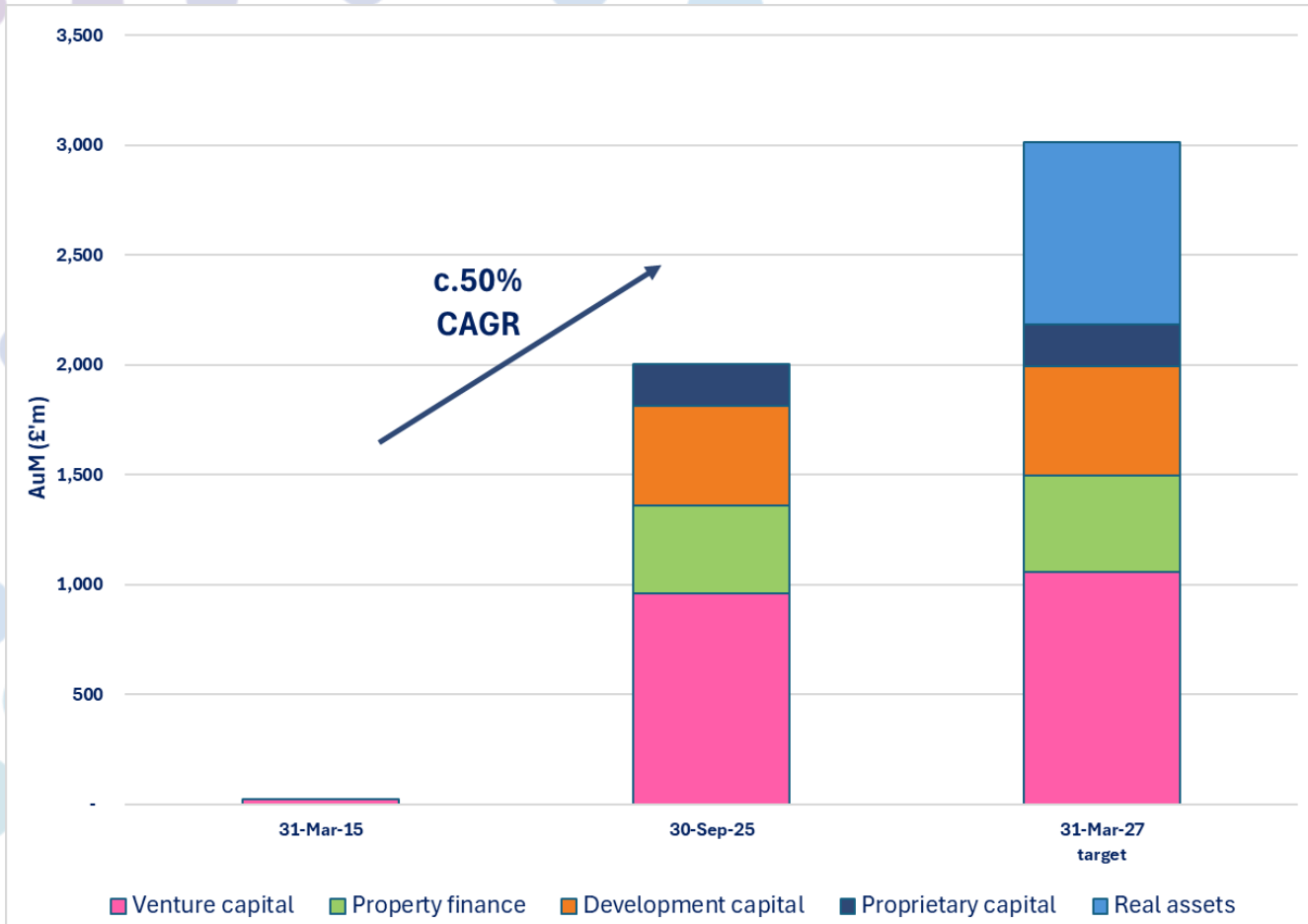
Key H1 FY26 milestones

- Building FuM pipeline
- c.£52m inflows this period
- Improving operational efficiency resulting in increased EBITDA and EBITDA margin
- Direct investments developing with a number in a process

Increasing operational efficiency

| | FY25 | | FY26 | FY27 |
|-----------------------|------------------|--|--|------------------|
| | H1 | Full year | H1 | Full-year target |
| Revenue | £17.9m | £34.4m | £17.2m | |
| AuM | £1.8bn | £2bn | £2bn | £3bn |
| AuM / employee | c. £13m | c. £14m | c. £15m | - |
| EBITDA | £3.7m | £7.6m | £4.2m | £10m |
| EBITDA margin | c.21% | c.22% | c.24% | c.26% |
| Commentary | Mercia '27 start | Start of system unification and operational efficiencies | Implementation of unified IT with increasing use of AI and system automation | |

Fund inflows



c.£880m FuM inflow pipeline for the remainder of Mercia '27

| | FuM as at | | |
|---------------|----------------|--------------|--------------|
| | 30 September | FY26 | FY27 |
| Investor type | 2025 | target | target |
| Retail | £522m | £60m | £70m |
| Public sector | £1,081m | £32m | £168m |
| Institutional | £210m | £50m | £500m |
| Total | £1,813m | £142m | £738m |

In summary...tailwinds for growth

Strong domestic growth prospects for private markets' investable assets

Diversified by region, deal origination, asset class and investor type

Predictable revenue, c.80% recurring

Blended fee margin of c.2%

Increasing shareholder cash returns: c.£25m to date *