WELCOME

Funding for Innovation and Growth

9 May 2017
The University of Nottingham
7:30-8:00 – Reception & Breakfast

8:00- 8:10 – Introduction and context- Ejaz Qureshi –University of Nottingham

8:10 -09:00- Guest Speaker - Innovation at Amey plc

–David Trousedale- Senior Technology Consultant

9:00- Funding Support

• National Funding Sources - Ejaz Qureshi

• Enabling Innovation - Steve Upcraft -University of Nottingham

• Growth Hub - John O.Donnel – D2N2 Business Finance Manager

• Foresight / Nottingham Fund - Seb Saywood

• R&D Tax Credits -Ian Davie – TBAT

10:00 – 10:50- Drop in Surgeries

10:50 – 11:00 Plenary & Close
Introduction and context

Future Drivers

Ageing Population

70% of 65-year-olds will require long-term care.

Healthcare Costs

Cyber Security

Energy Security

Agriculture & Food Security

Climate Change

Etc, etc, etc.
Economic and Political Uncertainty and Turbulence are the ‘New Normal’
Continued Global Shifts Of Influence, Wealth and Power to Emerging Markets
Socio-Demographic Shifts are Reshaping Society

Free education is a game changer
Business-Wide Forces

Shorter, faster business cycles

Disruptive innovation

Talent shortages

Rapid spread of science and technology advances
Artificial Intelligence is Going Mainstream

Speech / gesture / image recognition, integrated analytics, knowledge management, image / video / voice mining, client self-service, intelligent documents, expertise systems, collaboration, secure email, virtual assistants, intelligent agents and collective intelligence
Technology Timeline (10+ Years)

- Augmented Reality
- Synthetic Biology
- Robotics Autonomy
- Internet of Things
HeartLight technology: “better heart rate monitoring when it’s needed most”

The H²AD technology

- Cow slurry
- Waste milk
- Waste Effluents

H²AD technology is a hybrid form of traditional Anaerobic Digestion (AD) & Microbial Fuel Cell (MFC) technology cleaning up waste effluent using “the power of microbes” simultaneously producing bioenergy in form of biogas & fertiliser.

Telematics Analytics
From Raw Data to Meaningful Insights

Community Energy Demonstrator
- Community Energy
- Trent Basin - Europe's second largest regeneration scheme
- 240 home Community Energy Demonstrator
- Lighthouse project for the UK, leading advances in community energy storage, multivector smart grids and energy management for the benefit of the community and as a service for the grid.
PolyPhotonix’s first product, **Noctura 400**, is a home-based, non-invasive and monitored treatment for people with diabetic retinopathy and diabetic macular oedema. These diseases affect 90% of people in the UK with Type 1 diabetes and 67% with Type 2 and can lead to blindness. Diabetes costs the NHS over £10 billion each year - around 10% of the total healthcare budget. The cost of treating eye disease is around £4 billion.
Concept “predictive keyboard” – The business started by two young students with the support of a £15,000 Innovate UK grant was acquired by Microsoft in a deal reported to be worth $250 million.
Guest Speaker
Driving behavioural change to lower our rate of accidents and injury

David Trousdale - Amey
Amey – A century of engineering excellence

- One of today’s leading engineering consultants
- Over 21,000 employees
- More than 5,000 engineering designers, strategic consultants and operational specialists
- Leaders in infrastructure asset management
- Providing world-leading advisory, asset management, design and construction services

- Helping asset owners better plan for, understand and manage their assets
- Delivering asset management and consultancy services across four continents including Australia, the USA and the Middle East
- Supported by our global parent company Ferrovial.

We use our complete end-to-end capability to help our customers make smart decisions about their infrastructure
What we do

Strategic Highways
- Design, management and maintenance
- Bridges, tunnels and structures
- Drainage
- Road safety
- Wilmslow Highways asset management
- Traffic management
- Road safety
- Traffic management

Defence
- Military
- Facilities
- Defence

Property & Facilities Management
- Property life cycle and space management
- Building maintenance
- Social housing
- Energy management
- M&E services
- Energy management

Justice
- Court maintenance
- Custodial services
- Secure services
- Secure premises maintenance

Care
- In-home support, tele-care
- Assisted living care
- Services for patients with mental health issues
- Secure mental health patient transfers

Prisoner Escorting
- Prisoner care
- Secure, low carbon
- Prison transfers
- Prison transportation

Grounds Maintenance
- Grass cutting
- Landscape gardens
- Arbour

Metering
- Domestic and commercial
- Water, Gas and Power
- Meters for heating
- Energy management
- Meter installation (internal and external)
- Meter and supply
- Meter and supply

Gas Services
- Service connections
- Meter replacement
- Gas testing and certification
- Gas safety certification
- Emergency callout

Water Services
- mains networks and water transfer
- Public network and water transfer
- Drainage maintenance on pipelines and substations
- Development site drainage
- Emergency callout
- Strategic

Local Highways
- Whole lifecycle management
- Traffic management
- Road safety
- Street cleaning
- Pavement and footpath management
- Traffic management
- Street furniture
- Pavements

Street Cleaning
- Bin picking
- graffiti removal
- Fly-tipping
- Road cleaning
- Sign maintenance
- Street furniture

Housing Services
- Property management
- Energy management

Power Distribution
- Line network maintenance
- High and low voltage cabling

Waste Treatment
- Treatment and recycling
- Disposal
- Energy from waste

Rail
- Whole-life asset management
- Design, inspections and management
- Rail projects
- Rail recovery
- Rail protection

Schools
- Building maintenance
- Cleaning and catering
- Home to school transport

Tube Lines
- Operation and maintenance of underground and light rail

Transportation
- Transportation planning and passenger services management
- Rail management

Probation
- Secure custody
- Probation

Street Lighting
- Design, management and maintenance of all assets
- Installations and connections
- LED and Colours Management
- Remote switching and monitoring

Waste Collection
- Bin and waste transfer

Powerlines
- Underground cabling
What is ‘Smart’?

Data
Insight
Decision
Action

Data Capture
Data Collection
Data Pre-Processing
Data Storage

OLTP, ERP, CRM Systems
Documents, Emails
Web Logs, Click Streams
Social Networks
Machine Generated
Sensor Data
Geo-location Data
What does ‘Smart’ Amey look like?

New revenue-earning, data-enabled services: joint works planning, predictive asset management

Reducing costs: dynamic scheduling, preventative operations, reducing fines and penalties

Enabling future working: dynamic supply-chain, crowdsourcing, robotics and automation

Reaching Target Zero: wearable technology to safeguard workers and citizens, artificial intelligence to diagnose risk
Our journey to become ‘Smart’

Amey operates in this environment

Future of Asset maintenance and Amey would like to be at the forefront

Reactive Maintenance

Planned Maintenance

Predictive Maintenance

Some of Amey’s core asset are a part of this environment
## Potential business opportunities

- **Robotics and Automations** - new ways to deliver services
- **Satellite Data** - real time intelligence driven application
- **Analytics** - predictive and prescriptive
- **Autonomous Vehicles** - connected vehicles for a smarter city
- **Virtual Reality** - creating real life work scenarios
- **Safety** - driving behavioural change to lower our rate of accidents and injury
Facts & Figures

In the UK

- 621,000 workers sustained a non-fatal injury at work
- 72,702 non-fatal injuries to employees reported by employers
- 4.5 million working days were lost due to self-reported workplace injuries
- 27 workers were killed having been struck by a moving vehicle
- 37 workers were killed having fallen from height
- 144 workers were killed as a result of a workplace accident
Amey: Putting people first

Nothing is more important to Amey than preventing harm and maintaining the wellbeing of our employees and those affected by our work.

Target Zero

Getting the basics right
Managing and controlling risk
Driving the right behaviours
What dangerous environments are Amey staff working in?
How does Amey prevent accidents at work

- Encourages staff to report all injuries
- Encourages staff to report all close calls
- Ensures all workers have the correct PPE
- Enforce procedures and standards
- Provides targeted information, training and improved processes
- Uses new technology to ensure workers are kept safe
The number of accidents in Amey has fallen BUT has begun to plateau
What are the potential solutions?

Adopting new technologies

- Wearable tech to alert operatives of heightened risks
- Driver HUDs to alert of vehicle risks ahead

Data analysis

- Analysing trends in data to ‘predict’ accidents
- Intelligent targeted training

These are only examples of solutions. There maybe others. That’s where innovators come in!
Innovators

Your country needs you
Working with Amey: Contact us with your ideas via email…

- Business Challenge
- Proposed solution
- Development of solution
- Deployment of solution

* Please include your contact details (Name, Email, Phone, Company)
Thank you and questions

David Trousdale: david.trousdale@amey.co.uk
National Funding Sources

- **Innovate UK** – BEIS – Budget £500m to £600m /annum
- **KTP** 12-36 months (£40k to £120k) @ £23k for SME; £30K for Large.
- 10 themed calls /annum for Collaborative R&D projects
  - Feasibility 6 -12 month short (£25k to £1m)
  - Industrial Research 12-36 month (£100k to £3m)
  - Late Stage/near market 12-36 month (£500k to £10m)
  - Business Grants of 70%(micro/small); 60%(medium); 50%(large)
- Additional specialist funds themed CR&D
  - **£100m Biomedical Catalysts**;
  - £500m Transport Carbon reduction; IDP+CAV
  - £500m [Automotive Propulsion Centre](#)
  - £1Bn – [Aerospace Technology Institute](#)
- **Defence Innovation Fund** – Home Office/Dstl – Budget £800m to 2021
  - Uses SBRI procurement contracts format
  - IP owned by originator + Cash up front
  - Phase I – 6 month -£25k to £100k
  - Phase II- 12-24 month -£250k to £1m
- **Newton Fund** – British Council /DfID- Budget £800m to 2021
  - International collaborative projects (through Innovate UK)
  - 16 countries
  - Most have ODA developing country impact requirement
- **Industrial Strategy Challenge Fund** £1Billion of £2Bn/annum
Emerging and Enabling Technologies

Identifying and investing in technologies and capabilities that will lead to the new products, processes and services of tomorrow

Health and Life Sciences

Focused on agriculture and food and healthcare, underpinned by bioscience and medical research and enabled by engineering and physical sciences

Infrastructure Systems

Optimising transport and energy systems and integrating them with other systems such as health and digital in an urban context

Manufacturing and Materials

Advancing manufacturing readiness so R&D and technology developments increase productivity and capture value in the UK
LIKELY THEMED COMPETITIONS SCHEDULE

(i) ROUND 3 (2017)
- May: M&M
- Jun: O
- Jul: IS
- Aug: H&LS
- Sep: E&E

(ii) ROUND 4 (2018)
- Nov: M&M
- Dec: O
- Jan: IS
- Feb: H&LS
- Mar: E&E

M&M - Manufacturing & Materials
IS - Infrastructure Systems
H&LS - Health & Life Sciences
O - Open
E&E - Emerging and Enabling technologies
Innovate UK
competitions funding allocation

General Structure adopted since Apr 2016-17

£15M per call
Generally see over 200 applicants/call across UK.

Stream 1 (£5M allocated)
Max £100k 12 months (70% SME grant)
Aimed at Business applying on their own
circa 50 winners

Stream 2 (£10M allocated)
Max £2m (36 months)
Aimed at Consortium Collaboration
circa 5-10 winners

• Sub-contractors are allowed to circa 30%

Other Sponsored Calls – E.g. Newton; SBRI; DeCC; DfID; DoH; CCAV; etc.
These have specific limits, timings and conditions.

• SMEs receive grants up to 70% of their costs; Medium receive 60%; Large receive 50%
• Project costs share can be 30% to 50% for Academic research partners (at 80%FeC)
**Application Process**

Generally a **one stage application process** with the set of documents including:

- Application form (10 Questions circa 12 pages total);
- 4 supporting Appendices:
  - Q2-Innovative approach- system diagram/schematic -2 sides A4
  - Q3- Consortium profiles – ½ A4 per partner -to max 4 sides A4;
  - Q7- Project Management & Gant Chart- 2sides A4;
  - Q8- Risk Register – 2 sides A4
- Finance Form for each business partner.
- Je-S application for Academic partner-Costing will be at 80% FeC). including CVs of academics and Project Beneficiaries + Pathways to Impact

**Timing**

Normally two months after call is the deadline for applications!!!
Assessor Panel of 5 reviews and score
Winners informed 2 months later – (Feedback to all by 2 months….helpful to reapply)
Start after exchange of collaborative agreements (+ any IP contracts) 2 months later
All new calls are listed on: https://www.gov.uk/government/collections/innovation-grants-for-business-apply-for-funding

£9 million - Accelerating innovation in rail round 4- Open 20th Mar, Reg by 10th May
Deadline 17th May- Results July

£12M for Biomedical Catalyst 2017- Round 2 Late Stage R&D - Register by 31st May and Deadline of 7th June;

£13M for Energy Catalyst Round 5- Opens 24th Apr, Reg by 21st June; Deadline to Apply- Noon 28th June, Results around Sept, Project Start by 1st Jan 2018

£470,000 for innovative projects that lead to more walking and cycling. Register 7th June, Deadline phase 1 - 14th June

£15M Innovate UK fund for Manufacturing & Materials Round 3 - Opens on 8th May 2017, Registration is on 5th July , Deadline at noon on Wednesday 12th July.

NEW: https://apply-for-innovation-funding.service.gov.uk/competition/search?page=1
100% Funding for concept/prototype (Phase 1)

£20k to £100K  *(Quarterly up front payment)*
and

100% Contract for field trial (Phase 2) to £1M
and

100% Contract for rollout (Phase 2 or 3) > £1M

Academics can be lead but must have business partner for route to market
OR
Academic can be a sub-contracted Partner for business to 30% of total project costs
KTP - Knowledge Transfer Partnership

University
Enhanced knowledge
Publications/research
Teaching material
Impact

Associate
Career development
Personal Development/Training
Enhanced employability

Business
New Knowledge/capability
Enhanced performance and profitability

Innovate UK
Technology Strategy Board
Steve Upcraft

Lead on SME Engagement for the University of Nottingham
Director of the Enabling Innovation Programme
Enabling Innovation – the headlines...

• A collaborative programme between:
  - Nottingham Trent University
  - University of Derby
  - University of Nottingham

• £20.3m programme over 3 years, part funded by the EU

• Innovation support opening up university assets which have direct relevance to business

• It is not a ‘grants’ programme
What services are on offer...

- Sustainable Engineering
- Chemistry
- Manufacturing
- Computer Science
- Student Placements
- Events & Workshops
- Management & Leadership
- Digital Tools
- Innovation Evidence
- Materials & Engineering
- Innovation Growth Programme
- Student Enterprise
- Linguistic Profiling
- Food & Drink
- Product & Process Design
- Knowledge Exchange
- Languages
- Legal Advice
- Food & Brewing
- Aerospace
- Satellite Navigation
- Innovation Vouchers
- Student Enterprise
- Legal Advice
What activities are on offer...

• In-depth innovation support offering unprecedented access to specific university expertise and resources

• Workshops and events designed to help businesses innovate, explore new ideas and unlock their growth potential

• Student / Graduate placements
Local Financial Support for Business
What Are Growth Hubs?

• A national initiative led by the Local Enterprise Partnerships (LEPs)

• Network of 38 hubs nationwide

• A local, highly knowledgeable and impartial source for advice and support for businesses – focussed mainly on SMEs

D2N2 Growth Hub led by D2N2 LEP (Derby, Derbyshire, Nottingham and Nottinghamshire)
Even the very best need advice and support
A People Based Service

Growth Hub Manager
Lisa Barton (Interim)

Business Helpline
Helen Carter & Lucy Curtis

Manny Agalamanyi
Nottinghamshire

Lisa Hoyland
Derbyshire

Specialist Finance Adviser
John O’Donnell

Anthony Byrne
Nottingham City

Tracey Hylton-Burrows
Nottingham City

Paul Edwards
Nottingham City

Heather Bradford
Derbyshire Dales

Adrian Williamson
Chesterfield

Damian Cliff
Nottinghamshire

Julie Nicholson
Derbyshire

Andrew Rozzier
Derbyshire

To be Appointed
Nottinghamshire

Paul Stuart, Business Engagement Manager

Power up your business!
Your Local Gateway

D2N2 Growth Hub

Communication
- Benefits of Business Support

Advice & Referral
- Impartial & Knowledgeable

Intelligence Gathering
- Understanding business needs and filling the ‘gaps’

Power up your business!
What’s on offer

- **Funding for Growth**
  - Grant and Loan Schemes

- **Universities**
  - Workshops, Networks, Graduate Placements

- **Innovation Support**
  - Innovate UK, Universities

- **Export/Overseas Tenders**
  - DIT, EEN

- **E-commerce**
  - Digital adoption and exploitation

- **Energy Efficiency**
  - Direct support from subject matter experts

- **Sector Specific Support**
  - Direct support from subject matter experts

- **Skills Support**
  - Assistance with Recruitment and Training

- **Start Up Support**
  - Local Enterprise Agencies, Princes Trust

- **Networks and Events**
  - Connecting the business community

FREE or Heavily Subsidised

Power up your business!
How Are We Doing? 3,500 clients in last 2 years

80% ✓ Rated our service Excellent or Good

90% ✓ Would recommend us to another business

60% ✓ Positive action taken as a result of their interaction with the Growth Hub
Client Feedback

“The funding and support we received helped us to continue our growth and today, we’re proud to be one of the area’s biggest digital marketing agencies, continuing to grow and recruit locally.”

“The support we were able to access was a real kick-start for our growth.”

“It really does mean a lot, knowing that when I finally asked for help, there is someone, who has offered their helping hand.”

“Working with D2N2 was hassle free and a good experience – I would definitely recommend their services to other businesses.”
Overview of the main support programs available
N2 Business Growth Program

Grants £20,000 - £250,000
Capital / R&D costs
Max Intervention 20%
RGF/ERDF Funded
Nottinghamshire (including Nottingham)
Derby Enterprise Growth Fund (DEGF)

Grant or loan
Capital or revenue
Derby City & TTWA
Up to 30% of project costs
Average award £50k
Grant/Job ratio £10k:1 job or better
D2 Enterprise Growth Fund

Grant or loan
Capital or revenue
Derby City & TTWA
Up to 30% of project costs
Average award £50k
Grant/Job ratio £10k:1 job or better
Invest to Grow

Grant or Loan
Awards £15,000 - £250,000
East Midlands wide
Max intervention 30%
RGF/ ERDF Funded
Capital projects
NBV Grant for Enterprise
Grant for New Business
Grant for Enterprise
Derbys, Notts, Lincs
Must be B2B
Max intervention 25%
Grants £1,000 - £2,500
Equipment or Consultancy (Not running costs)
ERDF Funded
Over 50 Programs of Support

Innovation UK through our Universities
Carbon trust grants and assistance
Digital and creative programs
The Midlands Engine
R & D support.....
And many more!!
REMEMBER

Businesses must have...
A Plan
A Project
Good, robust financial projections
Realistic timescales

And you need to...
Understand the impact of what you are trying to do
Understand that funding, where available, is intended as a funder of last resort
Think jobs
Understand displacement
Think innovation

THINK GROWTH!

Power up your business!
So give us a call – want to help!

0333 006 9178
How to contact us

www.d2n2growthhub.co.uk
info@d2n2growthhub.co.uk

Business Helpline: 0333 006 9178

@d2n2growthhub    d2n2growthhub
## 1. Foresight Group: Overview

### Three market leading investment teams, managing c.£2.4bn

<table>
<thead>
<tr>
<th>Private Equity</th>
<th>Environmental</th>
<th>Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUM</td>
<td>c.£400m</td>
<td>c.£500m</td>
</tr>
<tr>
<td>Investments</td>
<td>47 UK-headquartered SMEs</td>
<td>c.20 UK waste-to-energy and waste recycling projects</td>
</tr>
<tr>
<td></td>
<td>Diverse sectors and investment structure including growth capital, MBOs, MBIs and equity release</td>
<td></td>
</tr>
<tr>
<td>Highlights</td>
<td>Active investment manager targeting 10+ new acquisitions and exits p.a</td>
<td>The UK’s market leading equity provider for waste projects</td>
</tr>
<tr>
<td></td>
<td>New flexible funds to deploy UK wide</td>
<td></td>
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<td></td>
<td>Multiple award-winning team</td>
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</tbody>
</table>
2. Foresight Private Equity: Summary

A highly active investment team with more than 200 years of collective experience

- The team was established in 1985
- Initial focus on early-stage Venture Capital, now on more established SMEs
- Successful first fund led to additional fund raising and diversification
- Current team has managed 140+ investments

- Current portfolio of 46 PE companies
- 12 new investments in 2016, 17 in total, deploying £27m
- 5 new investments so far in 2017, 8 in total, deploying £14m
- 45 exits and recaps since 2010
- Team of 16 experienced practical deal doers

- Funds available to invest across the UK (LPs and VCTs) – we are sector agnostic
- £0.5m to £5m equity cheques in businesses valued at £2m - £25m
- Supporting MBOs, MBIs, equity release and growth capital transactions
- Majority and minority stakes
2. Foresight Private Equity: Team

Experienced, growing investment team operating from 3 offices throughout the UK

### Investment Committee

- **Bernard Fairman**
  - Chairman
  - 30 years’ experience, Previously 3i
- **David Hughes**
  - CIO
  - 40 years’ experience, Previously 3i, Advent, Framlington
- **Peter English**
  - Partner, Co-founder
  - 30 years’ experience, Previously 3i, Industry
- **Russell Healey**
  - Head of Private Equity
  - 10 years’ experience, Previously 12 years in technology

### Investment Team

- **Russell Healey**
  - Head of Private Equity
  - Previously 12 years in technology
- **Seb Saywood**
  - Director
  - Previously 9 years at Clearwater & Zolfo Cooper
- **Rodney Appiah**
  - Senior IM
  - Previously 9.5 years at BGF & Merrill Lynch
- **John Cordrey**
  - Investment Manager
  - Previously 5 years at Inflexion Private Equity and PwC
- **James Livingston**
  - Partner
  - Previously 4 years at Deloitte strategy
- **John Holden**
  - Principal
  - Previously 20 years in venture investing
- **Elizabeth Ryan**
  - Investment Manager
  - Previously 6 years at Synova Capital & Deloitte
- **Rob Jones**
  - Investment Manager
  - Previously 9 years at EY & RSM
- **Amy Crofton**
  - Investment Manager
  - Previously 10 years at Citi, Barclays and Lesmoir-Gordon & Boyle
- **Claire Alvarez**
  - Senior IM
  - Previously 7 years at Deloitte, 5 years KPMG
- **Chris Wardle**
  - Investment Manager
  - Previously 4 years at Accenture M&A
- **Matt Smith**
  - Partner
  - Previously 6 years at Rothschild
- **Tom Thorp**
  - Director
  - Previously 8 years at KPMG
- **Mike Quinn**
  - Senior IM
  - Previously 16 years at RSM in the Midlands
- **Matt Pomroy**
  - Investment Manager
  - Previously 7 years at Mazars
- **David Miles**
  - Investment Analyst
  - Previously 4 years at Foresight Group

### Support Team – Finance, Sales, Marketing & Admin
2. Foresight Private Equity: Approach & Focus

**Investing in a wide range of transactions**

- Typically profitable or on-route to be
- High quality management team
- Sustainable competitive advantage
- Defensible margins
- Well formulated strategy
- Clear vision for growth
- Sector experience and proven track record

**The Foresight Focus**

- Sector agnostic
- SME/ growth companies
- MBOs, MBIs or BIMBOs
- Equity releases and cash outs
- UK based (or UK coverage)
- £0.5m - £5m equity cheques
- Growth capital investments
- Flexible, certain and quick process
### 3. Foresight Private Equity: Current Portfolio

**Sector agnostic investments with a number of acquisitive portfolio companies**

<table>
<thead>
<tr>
<th>Business services</th>
<th>Consumer</th>
<th>Healthcare</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ICA</strong> Photocopier leasing, Surrey, c.£5m t/o</td>
<td><strong>Ollie Quinn</strong> Children’s nurseries, North-West, c.£1m t/o</td>
<td><strong>Biofortuna</strong> Freeze-drying technology, Wirral, c.£1m t/o</td>
</tr>
<tr>
<td><strong>Tudor</strong> Contract cleaning, Manchester, c.£4m t/o</td>
<td><strong>Blackstar</strong> Guitar Amplifiers, Northampton, c.£9m t/o</td>
<td><strong>Hospital equipment maintenance</strong> Hospital equipment maintenance, Belfast, c.£15m t/o</td>
</tr>
<tr>
<td><strong>Flowrite Services Limited</strong> Refrigeration &amp; HVAC services Kent, c.£11m t/o</td>
<td><strong>The Idle Man</strong> Fashion website (B2C), London / Nottingham, c.£2m t/o</td>
<td><strong>Hospital equipment maintenance</strong> Hospital equipment maintenance, Lancashire, c.£4m t/o</td>
</tr>
<tr>
<td><strong>BAS</strong> Tax Advisory, St Albans, c.£5m t/o</td>
<td><strong>Mercia</strong> Peaking Power, Nottingham, c.£2m t/o</td>
<td><strong>HSL</strong> Hospital equipment maintenance, Manchester, c.£15m t/o</td>
</tr>
<tr>
<td><strong>Procam.tv</strong> Camera rental and crew, London, c.£17m t/o</td>
<td><strong>Mover and Shaker</strong> Powertool retailing, Folkestone, c.£38m t/o</td>
<td><strong>Med Imaging</strong> Hospital equipment maintenance, Dudley, c.£1m t/o</td>
</tr>
<tr>
<td><strong>Mercia</strong> Employee Monitoring Systems, Dumfries, c.£2m t/o</td>
<td><strong>Ilkley Golf Club</strong> Golf equipment website, Manchester, c.£15m t/o</td>
<td><strong>Euxton Group</strong> Horticultural retail, Lancashire, c.£7m t/o</td>
</tr>
</tbody>
</table>
### 3. Foresight Private Equity: Current Portfolio

**Sector agnostic investments with a number of acquisitive portfolio companies**

<table>
<thead>
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<th>Industrials</th>
<th>TMT</th>
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<tr>
<td><strong>Specac</strong></td>
<td><strong>IXARIS</strong></td>
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<tr>
<td>Infrared Spectrometers, Orpington, c.£7m t/o</td>
<td>Consumer Payment Solutions, London, c.£11m t/o</td>
</tr>
<tr>
<td><strong>agar scientific</strong></td>
<td><strong>fresh relevance</strong></td>
</tr>
<tr>
<td>Microscopy consumables, Stansted, £4m t/o</td>
<td><strong>Electron beam welding</strong>, Cambridgeshire, c.£10m t/o</td>
</tr>
<tr>
<td><strong>CWE</strong></td>
<td><strong>Datapath</strong></td>
</tr>
<tr>
<td>Engineering maintenance, Nottingham, c.£5m t/o</td>
<td>Multi screen graphics, Derby, c.£22m t/o</td>
</tr>
<tr>
<td><strong>ABL</strong></td>
<td><strong>Protean Software</strong></td>
</tr>
<tr>
<td>Office supplies manufacturer, Northampton, c.£6m t/o</td>
<td>Field Service Management Software, Coventry, c.£4m t/o</td>
</tr>
<tr>
<td><strong>IEP</strong></td>
<td><strong>mplsystems</strong></td>
</tr>
<tr>
<td>Plastics fabrication and distribution, London, c.£5m t/o</td>
<td>Contact Centre and Customer Service Software c.£3m t/o</td>
</tr>
<tr>
<td><strong>Camloc</strong></td>
<td><strong>Appinstitute</strong></td>
</tr>
<tr>
<td>(Motional Control)</td>
<td>App development platform, Nottingham, c.£1m t/o</td>
</tr>
<tr>
<td>Gas spring dampeners, Leicester, c.£4m t/o</td>
<td><strong>Retail Assist</strong></td>
</tr>
<tr>
<td><strong>IDIO</strong></td>
<td><strong>Diala</strong></td>
</tr>
<tr>
<td>Content analysis, London, c.£3m t/o</td>
<td>Software / hardware vehicle servicing Oxon, c.£20m t/o</td>
</tr>
<tr>
<td><strong>Embedded SIM software</strong>, Bangor, c.£9m t/o</td>
<td><strong>simulity</strong></td>
</tr>
<tr>
<td><strong>Contact Centre and Customer Service Software</strong>, c.£3m t/o</td>
<td><strong>IT outsourcing</strong>, Nottingham, c.£12m t/o</td>
</tr>
</tbody>
</table>

Actively Considering Acquisitions
3. Foresight Private Equity: Historic Portfolio

Significant, cross-sector portfolio experience – notable exits

**App-DNA**
- Application testing
- $92m (32x)
- Sold to: CITRIX

**alaric**
- Fraud detection software
- $84m (5.1x)
- Sold to: NCR

**GEMPLUS**
- Smart card tech
- 30x
- Sold to: IPO

**Marketing software**
- £25m (4x)
- Sold to: Oracle

**NOMAD**
- Payments software
- $58m
- Sold to: Metavante

**defaqto**
- Financial product and fund database
- £28m
- Sold to: Synova Capital

**Telecoms**
- £5m (4x)
- Sold to: Synova Capital

**utarget**
- Advertising software
- 2.0x
- Sold to: FOX NETWORKS

**FACTORY**
- Media company
- £8m (2x)
- Sold to: Balfour Beatty

**composite structures & components**
- £65m (2x)
- Sold to: umeco

**Advanced**
- Real time people management solutions
- £85m
- Sold to: Danaher

**OrthoView**
- Orthopaedic medical software
- £9m (3x)
- Sold to: Materialise

**lab901**
- Med tech
- £58m
- Sold to: Agilent Technologies

**DRI**
- DNA medical tech
- £65m
- Sold to: Invitrogen

**digital healthcare**
- Medical screening software
- £3m
- Sold to: Emis

**Mortgage software**
- £8m (2x)
- Sold to: Lend X

**Smartcard production**
- £30m (2x)
- Sold to: SmartFocus

**Automotive diagnostic software**
- £48m+ (1.4x)
- Sold to: AutoLogic
4. Investment Process: First meeting to completion

Front-loaded investment process and early IC meeting, with confirmatory due diligence

Foresight investment process

1st meeting

2nd meeting (with Foresight IC members)

Initial business plan review

Initial review within 7 days

Agree offer letter

90% of deals with agreed offer letters reach completion

Due diligence

Legal drafting

Investment paper

Pre-completion note

Foresight Investment Committee

Completion

100 day plan review

Filter

Execute

Manage & Exit

- Informed, well staffed, flexible and quick process
- Confirmatory due diligence scoped to be of value to all parties
- Industry leading conversion rate giving you certainty over completion
4. Investment Process: Adding value throughout

Foresight aligns itself with management to grow value

- Align incentives around value creation and investment term
- Ensure due diligence adds value to the plan, e.g. customer referencing

- Work with management to appoint appropriate team members, using Foresight network
- Extensive network of industry experts to help drive value

- We provide support when you need it – we are not intrusive
- Willing to support follow-on to support working capital, bolt-ons, new market entry
- Use strong bank relationships to raise bank debt from reliable lenders where required

- Support refinement of strategy to maximise shareholder value
- Aiming to expand the multiple, not just the profits alongside management

- Incorporate management’s plans for eventual exit before and throughout investment
- Allow management to realise cash on exit, not just more roll-over
- Use network and experience to drive best exit for shareholders
A unique concept and a first in the EIS market place

Williams brings technical and commercialisation know-how, and key industry relationships

Foresight brings a long track record of success in early stage businesses to the EIS market

The Foresight/Williams Focus

- UK based (or UK coverage)
- £0.25m - £2m investments
- Smaller high growth companies
- Growth capital only
- Early stage technology focus

“Our core investment strategy is to invest in companies with disruptive and innovative technologies and to target opportunities where Williams Advanced Engineering’s technical, commercial and promotional support may offer a distinct advantage to investee companies”
Foresight Williams Technology EIS Fund

**Investment criteria**

- Pre-revenue or post-revenue/pre-profit
- Technically experienced management teams
- Disruptive and/or innovative technologies
- Market potential > £75 million
- Williams value add – commercial, technical, promotional support
- Commercialisation possible 3 – 5 years time
- 10x plus return potential

**Seed**
- First Investment
  - £250k - £500k
- Pre-revenue
- Technology developed
- IP captured
- Prototype/MVP built
- **Technical leadership**

**Series A**
- First or Follow-On
  - £500k - £1.0m
- Revenues, pre-profit
- Launch product built
- Market entry
- Early adopter customers
- **Commercial leadership**

**Growth Capital**
- Follow-On
  - £1.0m - £1.5m
- Revenues, profitable
- Product-market extension
- Market share
- Broader customer base
- **Strategic leadership**
TBAT Innovation

Intro and Grants Track Record

Consultancy
Established 2002

Energy, Transport, Health

Grant Funding

Grants:
82% success rate

16 People: intellectual horsepower

UK Wide

R&D Tax Credits
£17m

Grants:
£19.5m raised – 12 months

RR, Alstom, Bombardier, Toshiba

Average TO growth 24% p.a.

Market Development

Grants:
£25k to £4.9 m

Ian Davie | iand@tbat.co.uk | 07500 989 355

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R&D Grants Overview

UK Grants

- Innovate UK
- Catalysts
- SBRI – MoD, NHS
- Advanced Propulsion Centre (APC)
- Aerospace Technology Institute (ATI)
- NIHR Invention for Innovation (i4i)
- Local Funding – LEP/RGF

EU Grants

- Eurostars - SME
- Horizon 2020 – SME Instrument
- Horizon 2020

Increasing: grant value, complexity, administration
The R&D tax credit scheme is an HMRC incentive designed to inspire innovation and increased spending on R&D activities by companies operating in the UK.
R&D Tax Credits: why bother?

Reviewing earlier years R&D activity, uplift of R&D costs reduce profits in those years and create tax refund.

- **TAX REBATE**: Uplift of R&D costs offset against company profits reducing tax payable – worth **26p in the £1**

- **CASH BACK**: Loss making company can claim up to **33p in the £1**

- **TAX REDUCTION**: Uplift of R&D costs pushes company into loss, use to extend losses against future profitability – good for near to market R&D companies

- **EXTENDED LOSSES**

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What’s the timeline?

- 31st Dec 14: Company tax year 2
- 31st Dec 15: Company tax year 1
- 31st Dec 16: Current company tax year

- Must be claimed by 31/12/17
- Generates Tax Repayment or extended losses
- Must be claimed by anniversary of accounts submission to generate repayable credit

- 2 full company tax years plus current one
- Carry losses forward
- Revenue costs only
Qualifying costs – SME & RDEC

- **Staffing costs**
- **Consumable items**
- **Software / Training – R&D related**
- **Externally Provided Workers**
  (Relief on SME 65% LE 100%)
- **Subcontracted R&D**
  (Relief on SME 65% LE 0%)
- **Contributions to independent research**
  (Large Scheme)
Case Studies – R&D Tax Credits

- **LE Software Company**
  - Claimed x25
  - Took over claim from big 4 Accountancy firm

- **Fabrication Business**
  - £350k
  - £10m Turnover – Claimed £350K for 2 year claim

- **LE Construction**
  - £2.5m
  - Annual claim circa £2.5m

- **Machinery Manufacturer**
  - £10,000s
  - Sophisticated machinery for blue chip car manufacturer for carbon fibre

- **Innovative Chemistry for Carbon Abatement -19% Corp Tax**
  - Secured R&D grant to develop novel chemistry to convert CO2 to Sulphuric Acid

- **Design company**
  - £4200