

RNS Number : 6017E  
 Calculus VCT PLC  
 30 June 2023

**Calculus VCT Plc (the 'Company')**  
 Legal Entity Identifier: 2138005SMDWLMMNPVA90  
**Final results for the year ended 28 February 2023**

For the full annual financial report, please refer to the Investor Information section on <https://calculuscapital.com/investment-opportunities/calculus-vct/investor-information/>

The Annual Report and Financial Statements ("Annual Report and Accounts") for the year ended 28 February 2023 and the Notice of Annual General Meeting will be posted to shareholders shortly and will be available for inspection at 12 Conduit Street, London, W1S 2XH, the Company's registered office, and will be available in electronic format for download on [www.calculuscapital.com/calculus-vct/](http://www.calculuscapital.com/calculus-vct/), a website maintained by the Company's Investment Manager, Calculus Capital Limited. A copy of the Annual Report and Accounts will also be submitted shortly to the National Storage Mechanism ("NSM") and will be available for inspection at the NSM, which is situated at: <https://www.fca.org.uk/markets/primary-markets/regulatory-disclosures/national-storage-mechanism>

Page numbers and cross-references in the announcement below refer to page numbers and cross-references in the PDF of the Annual Report and Accounts.

### Financial Highlights

	Year to 28 February 2023	Year to 28 February 2022
Net Asset Value per share	65.63p	67.90p
Final dividend proposed	2.95p	3.06p
Annual yield*	4.50%	4.50%
Total return per share*	1.30p	4.83p
Share price	62.50p	55.00p

### Key Dates

- Annual General Meeting: 21 August 2023
- Dividend reinvestment scheme application deadline: 11 August 2023
- Final dividend payment date: 25 August 2023
- Company's half year end: 31 August 2023
- Unaudited half yearly results: to be announced October 2023
- Annual results for thirteen month period to 31 March 2024: to be announced July 2024

### Change of accounting reference date

The Board of Calculus VCT plc ("the Company") announces that for operational efficiency, it is changing its accounting reference date, with immediate effect, from 28 February to 31 March.

Accordingly, the Company will look to report as follows:

- Unaudited half-yearly results for the six-month period ending 31 August 2023 and
- Audited results for the 13 months ending 31 March 2024

Following the change of its accounting reference date, subject to the shareholders' approval at the AGM in 2024, the Company will aim to pay the dividend for the period ending 31 March 2024 in August 2024.

## Chairman's Statement

I am pleased to present Calculus VCT plc's (the Company) results for the year ended 28 February 2023. It has been another year of progress for the Company with five new investments and £5.7 million worth of new Ordinary shares allotted. The venture capital portfolio of qualifying investments grew in value by £1.9 million, excluding the effects of new and follow-on investments and exits. This portfolio growth was driven by the strong performance of a number of investee companies. The Company's net asset value per share at the end of the financial year was 65.63 pence per share. In addition, it paid a dividend of 3.06 pence per share, giving a total return to shareholders for the year (NAV plus total dividends paid in the year) of 68.69 pence per share.

### **Venture Capital Investments**

Calculus Capital Limited manages the portfolio of VCT qualifying investments made by the Company.

The Company invested £3.2 million in five new investments and £2.1 million in six follow-on investments during the year ended 28 February 2023.

### **Issue of new Ordinary shares**

The Company issued 8.7 million shares in the financial year to 28 February 2023 at an average issue price of 65.7 pence per share. Of these shares issued, 7.0 million shares were issued under the offer that launched on 13 September 2021 and closed on 31 August 2022.

The Company launched a further offer on 21 September 2022, and issued 1.4 million shares under this offer in the financial year under review.

Since the year end, the Company has issued a further 3.9 million shares on 15 March 2023 at an average price of 64.9 pence per share and a further 2.8 million shares on 5 April 2023 at an average price of 64.7 pence per share.

### **Share Buybacks**

During the year, 846,270 shares were bought back for cancellation at no more than 5 per cent discount to the latest published NAV. In keeping with its policy of returning funds to shareholders, the Company will continue to consider opportunities for buybacks in the coming year. The total shares bought back represented 1.62 per cent of the weighted average number of shares in issue during the year ended 28 February 2023. The Company have agreed to continue to make timely and consistent buybacks to ensure shareholders can liquidate their holdings throughout the year and to manage the level of discount to share price.

### **Dividend**

The Directors are pleased to announce a final dividend of 2.95 pence per Ordinary share to be paid to all Ordinary shareholders.

Subject to shareholder approval, the Ordinary share dividend will be paid on 25 August 2023 to shareholders on the register on 28 July 2023. The deadline for the Scheme Administrator to receive any applications under the dividend reinvestment scheme is 11 August 2023.

### **Developments since the year end**

In March 2023, the Company made a £499k loan note investment in WheelRight Limited. WheelRight designs and manufactures unique drive-over tyre pressure and tread depth measuring equipment. WheelRight has developed a drive-over sensor plate to measure the pressure of all of a vehicle's tyres (as well as axle weight), together with a strobe-based camera array to measure each tyre's tread depth and identify external defects. Following this, the Company proceeded to invest a further £63k and £28k in the form of ordinary shares in May and June 2023 respectively and £472k in convertible loan notes in June 2023.

In March 2023, the Company also made a follow-on investment in Quai Administration Services Limited ("Quai"). Quai provides platform technology combined with back-office administration services for the high-volume personal savings industry. Quai's platform allows it to administer many thousands of individual savings plans at a fraction of the cost incurred by established insurance companies and wealth managers. In March 2023, Quai raised £530k of new equity and £260k of additional capital through the issue of a convertible loan note. The Calculus VCT invested £250k in the convertible loan note as part of this offering.

In the same month, the Company made a £350k loan note investment in existing portfolio company, Blu Wireless Technology Limited ("Blu Wireless"). Blu Wireless provides the technology to allow data to be transmitted wirelessly at very high, fibre-like speeds. Blu

Wireless is currently focused on providing reliable fibre-like connectivity on high-speed transport, perimeter security and secure high-speed vehicle to vehicle applications for the defence and security industries.

As mentioned above, since the year end the Company has made a further allotment of Ordinary shares. On 15 March, 3.9 million shares were allotted at an average price of 64.9 pence per share and on 5 April 2023, a further 2.8 million Ordinary shares were allotted at an average price of 64.7 pence per share.

## Manager's Review

The Company, through its Investment Manager, Calculus Capital, invests in a diverse portfolio of established UK growth companies. The investments aim to support those companies to grow, innovate and scale while simultaneously achieving long-term returns. Calculus Capital's success is underpinned by a disciplined investment process, strong risk management and very close monitoring of and partnerships with the portfolio companies.

### Results for the year

There has been a strong performance across a broad range of the Company's qualifying investments, which is particularly encouraging given challenging market conditions.

### Performance

Despite the ongoing global tensions in Eastern Europe causing inflation uncertainty and disruption in global supply chains, we are pleased with the growth in the Company's portfolio and the uplifts in the valuations of several of portfolio companies.

The most substantial movement in the qualifying portfolio was the £0.7m value increase of Oxford Biotherapeutics Limited ("OBT"). OBT has a robust pipeline of immuno-oncology therapies, which are used to re-engage and recruit the body's immune system to attack cancer cells, therefore providing targeted treatment strategies to patients most in need. OBT's clinical and pre-clinical pipeline of novel immunotherapies is balanced between internal programs, focused on Antibody Drug Conjugate's ("ADC") and checkpoint regulators, and externally partnered programs with large pharma companies such as Boehringer Ingelheim. OBT will receive development and regulatory milestone payments as well as royalties on any future product sales.

Home Team Content Limited was founded in April 2020 by experienced producers Dominic Buchanan and Bennett McGhee. Dominic and Bennett have drawn on their existing slates and talent relationships to compile a development slate of projects with a mix of scale and budget level as well as commercial and international reach, with a focus on representing people of colour. Home Team also enjoyed an uplift in value since February 2022, increasing the NAV by £0.34 million. In October 2022, the company agreed a 'first look' deal with Universal International Studios (UIS). Home Team will develop and produce premium television projects with UIS for the UK and global market, focusing on championing underrepresented creatives and new voices.

Brouhaha Entertainment was founded by experienced producers, Gabrielle Tana, Troy Lum, and Andrew Mason in 2021. Gabrielle Tana, who was Oscar-nominated for *Philomena*, and whose other productions include *The Duchess*, *The Dig* and *Thirteen Lives*, is based in London. Troy Lum and Andrew Mason are based in Sydney. After a successful first period of operation to March 2022, Brouhaha saw five projects go into production in the year to March 2023. The company's film *Firebrand*, starring Jude Law and Alicia Vikander, is one of the official selections for the Cannes Film Festival. Brouhaha is in post-production on a limited series for Netflix entitled *Boy Swallow Universe*. Brouhaha's NAV increased by £0.5m in the year to March 2023.

AIM listed Scancell Holdings' technology develops novel immunotherapies for the treatment of cancer based on its proprietary technology platforms. Scancell saw its share price rise resulting in an increase of £0.1 million on the NAV. In October 2022, Scancell signed a licensing agreement with Genmab for its anti-glycan antibody, which could earn Scancell up to US\$624m if all modalities are developed and commercialised.

Wazoku Limited is an idea management company whose collaborative idea management platform helps organisations transform raw ideas generated by the workforce into actionable innovation. The company continues to grow well with approximately 25% growth in Annual Recurring Revenue ("ARR") since March 2022 and successfully closed an £8.3 million equity funding in September 2022 of which Calculus VCT invested £0.3m.

Rotageek provides a workforce management solution, creating staff schedules using cloud-based technology to effectively manage and engage staff. Rotageek's proprietary solution assesses five years of historic business data before forecasting future customer demand to a 15-minute segment level, by location, staff skill or product. Since Calculus' investment in April 2022, expansion into the global workforce management market has been strong. The company continues to expand its customer base, signing 19 new customers in 2022. The effects of these promising developments have produced a £0.1m increase on the Company's NAV.

IPV Limited is a provider of media asset management software to the global broadcast, corporate and sports industries. IPV is well placed in a world that increasingly uses video to deliver key messages. The company has deep roots in the broadcast industry which provides strong validation for their software. The greatest area of opportunity is in the non-broadcast area. IPV performed well in the year with recognised revenue growing by over 30% which supported a £29k increase in the Company's NAV.

Fiscaltec Group Limited, Riff Raff Entertainment and Open Energy Market Limited also saw their valuations increase over the year along with several other investee companies. These three valuation improvements added a further £0.1 million to the Company's NAV.

Conversely, during the year, we have reduced the valuations for several companies, including eConsult Health, AnTech, Blu Wireless and Essentia Analytics, as their performance is currently behind our expectations. The route to profitability has been slower than anticipated for some of these companies, resulting in a total reduction in value of £0.4m.

Unfavourable market movements also resulted in negative performance of the Company's listed holdings, C4X Discovery and Arcor Therapeutics, where valuations were reduced by £0.3m and £0.5m, respectively.

## **Exits**

In August 2022, the Company received a capital distribution from Park Street Shipping Limited. The distribution came from the sale of the MV Nordic, Park Street's only asset, back in October 2021. The payment represents a 1.68X return on cost. Since then, Park Street has been put in members' voluntary liquidation and a further small capital distribution will be made when the liquidation is finalised.

The Board of Arcis Biotechnology Holdings appointed the MacDonald Partnership (TMP) to formally manage its administration process in September 2022. The company has experienced a reduction in the demand for its services as the country exited the covid pandemic, thus leading to its insolvency. The realised loss to the Company from this investment was £712k of which £662k was provided for in the prior year.

## **New Investments**

<b>Investments</b>	<b>Date</b>	<b>Sector</b>	<b>Investment cost £'000</b>	<b>Website</b>
<b>Destiny Pharma Plc</b>	March 2022	Healthcare	500	<a href="https://www.destinypharma.com/">https://www.destinypharma.com/</a>
<b>Riff Raff Entertainment Limited</b>	June 2022	Media	424	<a href="https://www.riffrafffilms.tv/">https://www.riffrafffilms.tv/</a>
<b>Notify Technology Limited</b>	June 2022	Healthcare	628	<a href="https://www.notifytechnology.com/">https://www.notifytechnology.com/</a>
<b>Optalitix Limited</b>	July 2022	Technology	1,065	<a href="https://www.optalitix.com/">https://www.optalitix.com/</a>
<b>Arctic Shores Limited</b>	December 2022	Technology	610	<a href="https://www.arcticshores.com/">https://www.arcticshores.com/</a>

### ***Destiny Pharma plc***

Destiny Pharma is a clinical stage biotechnology company, dedicated to the development and commercialisation of novel anti-infectives with a focus on infection prevention. In March 2022, the Calculus VCT invested £500k as part of a £6.45m fundraising. Recently, in February 2023, Sebela Pharmaceuticals, a US gastroenterology specialist, signed an exclusive collaboration and co-development agreement with Destiny Pharma for the North American rights of NTCD-M3, a medicine developed to prevent *C.difficile* infection (CDI) recurrence.

### ***Riff Raff Entertainment Limited***

Riff Raff Entertainment ("Riff Raff") is a production company founded by Oscar-nominated actor and producer Jude Law and experienced producer Ben Jackson. The company has made significant progress since receiving investment from the Calculus VCT. Shooting for a TV series, *Black Rabbit*, which has been

commissioned by Netflix, is scheduled to go into physical production in September 2023. *The Order*, a film starring Jude Law and Nicholas Hoult, commenced production in late spring 2023. The company is developing a strong slate with further films and TV series likely to go into production in 2024.

#### *Notify Technology Limited*

In June 2022, the Calculus VCT invested £0.6m in Notify Technology alongside £1.2 million from Calculus EIS investors and £1.3m from other investors. Notify provides an Environment, Health and Safety ("EHS") SaaS platform that helps its clients create and maintain a safe working environment for its employees. Founded in 2017 by Duncan Davies and Andy Dumbell, organisations use Notify's mobile-first software platform and integrated modules to help them deliver improvements to their safety, compliance wellbeing and sustainability culture. The platform allows individuals to digitally report near misses and incidents, generate EHS audits and checklists and complete various EHS tasks on their mobile phone or desktop.

Many organisations still use locally stored databases, spreadsheets or even pen and paper to record health and safety incidents. Notify has users in over 100 countries, capturing 30,000 safety events, audits, actions and risk assessments per month.

#### *Optalitix Limited*

Optalitix is a technology company that adds value to insurers and other financial institutions, with a low code SaaS product allowing their customers to embed existing excel pricing and other models in the cloud with resulting improvements in governance and integration with other systems. The company currently has two key products - Optalitix Models, which turns spreadsheets into systems and Optalitix Quote, which is based on Models and creates a digital underwriting platform for insurers. These products are transforming the insurance sector as underwriters currently work with many models, which are manually run without proper systems and governance. The software allows the process to be streamlined and automated, saving companies thousands of hours of system development time and data processing time and providing an audit trail to improve governance. In August 2022, the Calculus VCT invested £1.1m and Calculus EIS funds invested £1.4m as part of a £4.0m fundraising.

#### *Arctic Shores Limited*

Arctic Shores provides psychometric assessments to help employers build the diverse, successful workforce of tomorrow by enabling organisations to widen their talent pools, unearthing high-quality candidates often overlooked by CV screening and traditional tests. Arctic Shores has run more than three million candidate assessments in over 40 countries. In December 2022, Calculus led a £5.75m equity round into Arctic Shores, alongside Praetura Ventures and existing investor Beringea with £0.6m coming from the Calculus VCT.

### **Follow-on Investments**

<b>Investments</b>	<b>Date</b>	<b>Sector</b>	<b>Investment cost £'000</b>	<b>Website</b>
<b>Axol Bioscience /Censo Biotechnologies</b>	March 2022	Healthcare	400	<a href="https://axolbio.com/">https://axolbio.com/</a>
<b>Arcis Biotechnology Holdings</b>	March 2022	Technology	50	<a href="https://arcisbio.com/">https://arcisbio.com/</a>
<b>Rota Geek Limited</b>	June 2022	Technology	750	<a href="https://www.rotageek.com/">https://www.rotageek.com/</a>
<b>Thanksbox Limited</b>	August 2022	Technology	400	<a href="https://mo.work">https://mo.work</a>
<b>Wazoku Limited</b>	September 2022	Technology	300	<a href="https://www.wazoku.com/">https://www.wazoku.com/</a>
<b>Wonderhood</b>	February 2023	Creative	166	<a href="https://wonderhoodstudios.com/">https://wonderhoodstudios.com/</a>

#### *Axol Bioscience Limited/Censo Biotechnologies Limited*

Following the 2021 merger with Censo, Axol now focuses on manufacturing cell lines (at the Edinburgh facility) as well as providing scientific services and conducting its own research (in Cambridge). Axol supplies high quality human cells, created using stem cell technology, to many of the world's biggest and best-known pharma companies and research institutions. The cells, known as induced pluripotent stem cells (iPSCs), are originally derived from healthy adult donors and adult patients with specific disease backgrounds. The cells are then used for medical research, disease modelling and drug development. The company has earned an international reputation and has a strong pipeline of services contracts for 2023.

#### *Arcis Biotechnology Holdings Limited*

The Calculus VCT made a follow on investment of £50,000 in Arcis in March 2022. Following a decline in demand for its products as the country exited the covid pandemic, Arcis entered into administration in September 2022.

#### *Rotageek Limited*

As described above, Rotageek provides a workforce management solution, creating staff schedules using cloud-based technology to effectively manage and engage staff. The company is led by the co-founder, and current CEO, Dr Chris McCullough, who spent 16 years in the NHS and 8 years as an Emergency Medicine Physician, at several London based hospitals, including St Mary's Hospital. In June 2022, the

Company invested £750k as part of a £2.75 million fundraising, alongside existing investors, as well as new investor. The fundraise will be used to support the company's further expansion into the global workforce management market, primarily across retail and healthcare sectors.

#### *Thanksbox Limited*

Thanksbox Ltd trading as "Mo" provides a software platform which helps organisations improve their culture, connect their people, and improve employee engagement. Mo's core product, 'Moments', captures moments of appreciation, recognition, inspiration and success, and helps build connections between colleagues. It is particularly relevant following the pandemic as many businesses are building a new way of hybrid working where employee engagement becomes an even greater challenge. In August 2022, the Calculus VCT invested £400k in convertible VCT qualifying loan notes as part of an £850k round alongside other shareholders. Following that investment, the company, with the support of the Calculus VCT, is conducting a strategic review to determine the best route forward.

#### *Wazoku Limited*

As described above, Wazoku provides idea management and open innovation software to enterprise customers. As an idea management software company, it strives to not only capture ideas, but also collate, evaluate, select, and transform ideas into actionable improvements. Its open innovation platform allows challenges to be sent to Wazoku's network of over 400,000 solvers to create innovative solutions ranging from those advancing aeronautics and space research, to identifying disease targets for a new class of treatments and even to providing fresh water to developing communities. Wazoku continues to grow well and successfully closed an £8.3m equity funding in September 2022, of which the Calculus VCT invested £0.3m.

#### *Wonderhood Studios*

Wonderhood Studios operates a unique multi-discipline business model which is reconfiguring the model for a media business. The group comprises a full-service advertising agency, a TV production business, a social media content maker and a data insight unit that provides data-led intelligence to support the other units. Wonderhood Studios is the only company to appear simultaneously in the 2023 top thirty industry rankings for both the television and advertising sectors in the UK. The Calculus VCT invested £166,000, together with an investment of £390,000 by Calculus EIS funds, as part of a £1.5 million total equity fundraising.

## Outlook

The geopolitical and economic climate will likely continue to be challenging. The economic effects of Russia's invasion of Ukraine, rising inflation, interest rates and energy prices will clearly have an impact on consumer spending and may impact both consumer and business confidence. Recent turmoil in the banking sector is also likely to lead to a tightening credit environment. The Investment Manager continues to assess any risks and implement appropriate measures. The highly experienced team understands how to invest during various economic cycles. The Company's focus on investment in growth companies in the technology, life sciences and media sectors, all of which are key expansion areas for the UK economy, will continue to provide opportunities for profitable investment.

Despite the challenging market conditions, the Company ended the year strongly with an uplift in total return to shareholders and several notable uplifts in value within our current portfolio. We are pleased to announce that the VCT has successfully fundraised over £5.7 million in the current financial year. VCTs provide a compelling opportunity for UK investors to provide funding for businesses in a tax-efficient way, and we look forward to continuing to do so in the coming year.

Jan Ward  
Chairman  
30 June 2023

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