

Calculus VCT Plc (the 'Company')
Legal Entity Identifier: 2138005SMDWLMMNPVA90

Final results for the period ended 31 March 2024

Publication of Circular (the "Circular")

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 period ended 31 March 2024 and the Notice of Annual General Meeting, together with the Circular, will be sent 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 <https://calculuscapital.com/investment-opportunities/calculus-vct/investor-information/>, a website maintained by the Company's Investment Manager, Calculus Capital Limited. A copy of the Annual Report and Accounts and the Circular 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

	Period to 31 March 2024	Year to 28 February 2023
Total net assets	£39.06m	£34.32m
Net Asset Value per share	61.58p	65.63p
Final dividend proposed	2.77p	2.95p
Annual yield*	4.50%	4.50%
Total return per share*	(0.89)p	1.30p
Dividend yield***	7.42%	7.30%
Share price	60.00p	62.50p
Shares in issue	63,441,389	52,296,457

Key Dates

- Annual General Meeting: 22 August 2024
- Dividend reinvestment scheme application deadline: 19 August 2024
- Final dividend payment date: 29 August 2024
- Company's half year end: 30 September 2024
- Unaudited half yearly results: to be announced November 2024
- Annual results for year to 31 March 2025: to be announced July 2025

Recommended Proposals to approve entry into a revised Performance Incentive Scheme with Calculus Capital Limited (the "Performance Incentive Scheme")

The Board has stated previously that the purpose of any performance fee arrangement with a fund manager is to incentivise that Manager to perform, to enable it to attract and retain key staff and to align the interests of the manager with those of investors. It is now proposed that the existing agreements be revised as follows and a resolution will be put to Shareholders at the upcoming Annual General Meeting:

1. that the quantum of Calculus Capital's entitlement to a performance fee in respect of excess realised gains be reduced from 20% to 10%; and

2. that a co-investment syndicate ("Syndicate") structure be put in place to facilitate the individual members of the Calculus Capital investment team and other key members of its staff ("Syndicate Members") putting their own money into each investment that the Company makes, with Syndicate Members receiving a junior class of shares to those received by the Company.

It is the Board's view that these revisions go even further in aligning the interests of investors with those persons most closely engaged in originating investments for the Company's portfolio and managing them through to the point of exit - the investment team themselves. Allowing those team members to have direct 'skin in the game', and to risk their own capital alongside investors' in the pursuit of success of the Company portfolio, serves to reinforce the ultimate purpose of the performance incentive arrangements.

For Syndicate Members, the arrangements allow them to benefit directly from the successes achieved on the back of their hard work and skill in selecting and managing the Company's portfolio, with the added bonus of the attractive EIS tax reliefs which are likely to be available to them, subject to their personal circumstances.

The Circular contains further details of the proposed performance scheme, which is a related party transaction under the listing rules (the "Related Party Transaction"), has been approved by the Financial Conduct Authority and is being sent to shareholders today.

Change of accounting reference date

In June 2023, the Board changed the accounting reference date of the Company to achieve greater operational efficiency. The accounting reference date changed from 28 February to 31 March, resulting in a 13-month period-end. The unaudited half-yearly results for the six-month period ending 30 September 2024 will be released in November 2024.

Chairman's Statement

I am pleased to present Calculus VCT plc's (the Company) results for the period ended 31 March 2024. I am pleased to report another year of encouraging performance and progress for the Company despite the challenges presented by global events. Throughout the period, we remained committed to our investment strategy, focusing on identifying and supporting promising businesses with high growth potential. The two new investments and £8.4 million worth of new Ordinary shares allotted, which equate to a 48 per cent increase from last year, are a testament to the strength of our investment strategy, the hard work and expertise of the team and the growing popularity of the Calculus VCT across the adviser and investor space.

Venture Capital Investments

The Company invested £1.7 million in two new investments and £3.2 million in six follow-on investments during the period ended 31 March 2024.

Issue of new Ordinary shares

The Company issued 13.2 million shares in the financial period to 31 March 2024 at an average issue price of 64.11 pence per share. Of these shares issued, 9.8 million shares were issued under the offer that launched on 14 September 2022 and closed on 31 August 2023.

The Company launched a further offer on 22 September 2023 and issued 3.4 million shares under this offer in the financial period under review.

Since the period-end, the Company has issued a further 5.3 million shares on 5 April 2024 at an average price of 60.42 pence per share.

Share Buybacks

During the period, 2.0m 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 and assess opportunities for buybacks in the coming year. The total shares bought back represented 3.35 per cent of the weighted average number of shares in issue during the period ended 31 March 2024. The Company has 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 2.77 pence per Ordinary share to be paid to all Ordinary shareholders.

Subject to shareholder approval, the Ordinary share dividend will be paid on 29 August 2024 to shareholders on the register on 9 August 2024. The deadline for the scheme administrator (City Partnership) to receive any applications under the dividend reinvestment scheme is 19 August 2024.

Developments since the year end

On 26 April 2024, C4X Discovery Holdings plc (now C4X Discovery Holdings Limited) de-listed from the AIM market. The board of C4X took this strategic decision because the LSE AIM valuation has not reflected the underlying potential of the business for some time. Whilst the AIM-market has provided the Company with valuable opportunities to enrich its portfolio and stimulate growth and visibility, we believe the de-listing of C4X will allow the Company to provide a more accurate and fair valuation of C4X's progress.

Continuing a successful fundraising period for the Company, a further £3.2m shares were issued on the 5 April 2024. This was made up of 5,257,265 shares at 60.42p. On 24 April 2024, 833,854 shares were bought back by the Company for £472,378.

On 29 May 2024, Blu Wireless Technology Limited ("BWT") raised new equity from a strategic investor, Westermo, and other financial investors. As part of the equity issue, the convertible loan note ("CLN") held by the Company was converted into equity alongside other CLNs issued by BWT.

On 4 June, the Company invested £666k in Engaging Works Holding Limited ("WorkL"). WorkL helps over 1,000 businesses globally improve the happiness and engagement of their teams and is also the powerhouse behind the UK's most prestigious business awards, "The Sunday Times Best Places to Work". This investment will enable WorkL to accelerate and expand its domestic and international operations, which already include the UK, Ireland, the UAE, Australia and South Africa.

Manager's Review

The Company, through its Investment Manager, Calculus Capital Limited ("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

We are pleased with the overall resilience shown across the Company's portfolio despite ongoing political and financial uncertainties and the resulting inflationary environment and disruption in global supply chains.

The top 5 performing portfolio companies in terms of valuation growth cover the range of sectors which make up the Company's investment strategy (this includes both media and technology) highlighting the effectiveness of the Company's well diversified portfolio and unique sector focus. Collectively, these five companies contributed to £1.09m of NAV growth.

The most substantial movement in the qualifying portfolio across the period was the £0.33m value increase of Optalitix Limited ("Optalitix"). Optalitix offers a low-code SaaS product to insurers and financial institutions which allows business processes based on Excel to be transformed into robust online systems. The company has a strong customer base in the UK and internationally, including notable insurance names such as Vitality Health, Dale Underwriting Partners, GoCompare and Lloyd's of London. The company experienced good growth in H2 2023 which continued into Q1 2024. It is likely the company will use this sales growth to launch a further funding round in 2024.

Riff Raff Entertainment Limited ("Riff Raff") contributed £0.3m to the Company's NAV despite the lengthy US writers' and actors' strikes that took place last year. As a co-founder, Jude Law is actively involved in the creative process, collaborating with talented filmmakers and writers to develop TV and film projects with strong narratives. Riff Raff has made strong progress since receiving first investment from funds managed by Calculus Capital in 2022 due to projects such as *Black Rabbit*, a major eight part TV series developed by Riff Raff and currently shooting in New York for Netflix with Jude Law, Jason Bateman (*Ozark*), Laura Linney and directed by Jason Bateman.

Quai Administration Services Limited ("Quai") has enjoyed a considerable increase in demand for its platform and services since becoming authorised by the Financial Conduct Authority (FCA) in 2021. Revenues in the year to October 2023 grew by over 40% compared to the prior year and growth of a similar level is expected in the year to October 2024. This last year of promising growth within Quai has provided the VCT with an additional £0.3m in the Company's NAV.

A further £0.24m NAV growth was delivered across the qualifying portfolio by Fiscaltec Group Limited ("Fiscaltec"). Fiscaltec solutions empower procurement teams across the globe to protect their organisational spend. Its NXG Forensics® enterprise solution provides continuous protection through transactional risk analysis, supplier risk profiling, anti-fraud controls and ongoing reporting. In the year to November 2023, Fiscaltec grew revenues by 14%. The company continues to manage its costs and was able to achieve this growth whilst delivering a breakeven EBITDA result for the second consecutive year. Fiscaltec is well positioned as a software provider to the "office of the CFO" and now has the scale to

capitalise on this position. As a result, the investment team believe a material uplift in valuation (25%) to be appropriate.

Wonderhood Studios Limited ("Wonderhood") experienced further valuation growth, contributing £0.16m to the overall Company NAV growth. Wonderhood consists of five studios comprising a full-service advertising agency, social media studio, TV production division, data insights unit and design studio. In the period to March 2024, Studio A (Advertising) won major new clients, including FTSE 100 companies, Coral and Hargreaves Lansdown. Additionally, Wonderhood has been asked to handle the account of the Princess of Wales' Early Learning Foundation which is a small but prestigious client. Studio C (TV production business) has sold programming to every UK public service broadcaster plus Sky and Paramount +.

Negative investor sentiment towards the LSE Alternative Investment Market (AIM) remains a challenge for the quoted companies held within the Company portfolio. In the same period as the Company's FYE, the FTSE AIM All Share declined by -13.6%, highlighting the suppressed sentiment. Lack of liquidity and the higher risk profile of AIM means a large majority of the market constituents remain considerably undervalued. Arecor Therapeutics plc, one of the Company's healthcare/ drug discovery portfolio companies, is now being held at a market value which is £0.46m lower than its closing value for the FYE 2023 notwithstanding considerable progress in the development of its portfolio of treatments. Other listed companies, including Destiny Pharma plc and Scancell Holdings plc lost an aggregate of £0.27m, again despite considerable scientific progress.

Exits

In July 2023, the Company received a capital distribution from Park Street Shipping Limited ("Park Street"). 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 final payment to the Company which concluded our involvement with the business took place in October 2023.

In October 2023, Tollan Energy Limited received the clearances from HMRC to proceed with distributing remaining assets to shareholders and liquidating the company. The Company received its final payment in October 2023 and the company was dissolved in February 2024.

Following the sale of Mologic Limited in July 2021, there was a deferred element of the consideration that was paid to the Company in February 2024. There are still additional deferred amounts due to the Company but at the year end, all realisation proceeds received to date represents a 2.1x return on equity.

A final payment of deferred consideration was paid to the Company from Money Dashboard Limited in February 2024.

New Investments

Investments	Date	Sector	Investment cost £'000	Website
Laverock Therapeutics Limited	September 2023	Healthcare	744	https://www.laverocktx.com/
Tagomics Limited	February 2024	Healthcare	909	https://tagomics.com/

Laverock Therapeutics Limited ("Laverock")

Laverock is developing new approaches to regenerative medicine and oncology treatment using its Gene Editing induced Gene Silencing (GEiGS) technology and cutting-edge bioinformatics platform. GEiGS uses universal gene editing tools to minimally edit the host's own non-coding genes and redirect their silencing activity (RNAi) towards any desired target gene or gene family. This should allow for stable, tuneable and programmable gene silencing functionality and deliver improved safety, efficacy and accessibility for these therapies.

Tagomics Limited ("Tagomics")

Tagomics' proprietary multitopic platform unlocks disease-associated biomarkers from a range of biological sources including genetic, epigenetic, and fragmentomic features. In combination with its advanced bioinformatic and machine learning approaches, Tagomics' platform provides unique biological insights and offers a step change in genomics-based disease profiling and diagnosis.

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.

Follow-on Investments

Investments	Date	Sector	Investment cost* £'000	Website
Blu Wireless Technology Limited	March 2023	Technology	350	https://www.bluwireless.com/
Brouhaha Entertainment	December 2023	Creative	250	https://www.brouhahaent.com/

Limited				
Riff Raff Entertainment Limited	August 2023	Creative	450	https://riffraffentertainment.com/
Rotageek Limited	November 2023	Creative	250	https://www.rotageek.com/
Quai Administration Services Limited	March 2023	Technology	550	https://www.quai-digital.co.uk/
WheelRight Limited	March - June 2023	Industrials	1,312	https://www.wheelright.co.uk/

Blu Wireless Technology Limited ("Blu Wireless")

Blu Wireless specialises in wireless technology that enables data transmission at exceptionally high speeds, comparable to fibre-optic connections. Currently, Blu Wireless is focused on providing reliable, fibre-like connectivity for high-speed transport, perimeter security, and secure vehicle-to-vehicle applications in the defence and security industries.

Brouhaha Entertainment Limited ("Brouhaha")

Brouhaha Entertainment is an Anglo-Australian production company founded in 2021. The company made significant progress in the period to March 2024 despite the lengthy US writers' and actors' strikes which had global ramifications for the industry. The TV series *Boy Swallows Universe* was released worldwide on Netflix on 11 January 2024 and achieved a highest position of No. 2 in the USA and the UK, No. 1 in Australia and was in the top 5 in 65 countries worldwide outperforming on a global basis even optimistic expectations. Since launch, Brouhaha has shown itself to be able to develop innovative, commercially attractive content which spans multiple genres and formats and the ability to physically produce film and TV content to a quality that can compete in international markets.

Riff Raff Entertainment Limited ("Riff Raff")

Riff Raff is a film and television production company co-founded by Jude Law and producer Ben Jackson. The company was established with a vision to develop and produce compelling film and television projects. Despite the US writers' and actors' strikes which had global ramifications, progress is ahead of plan. The most advanced projects include: *Black Rabbit*, a major eight part TV series developed by Riff Raff and currently shooting in New York for Netflix with Jude Law, Jason Bateman (*Ozark*) and Laura Linney and directed by Jason Bateman. A number of other projects have been added to a strong and diverse slate and the company remains focused on developing and acquiring new, original IP across diverse genres with broad, inspiring, and informative storylines, guided by Jude's passion for storytelling and commitment to entertaining drama.

Rotageek Limited ("Rotageek")

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 £0.75 million as part of a £2.75 million fundraising, alongside existing investors, as well as new investors. The fundraising will be used to support the company's further expansion into the global workforce management market, primarily across retail and healthcare sectors.

Quai Administration Services Limited ("Quai")

Quai provides platform technology combined with back office administration services for the high-volume personal savings industry. In late 2021 Quai became authorised by the Financial Conduct Authority, hitting a major milestone. Revenues in the year to October 2023 grew by over 40% compared to the prior year and growth of a similar level is expected in the year to October 2024.

WheelRight Limited

WheelRight's cutting-edge drive-through automated tyre safety check system uses advanced technologies and services to provide a simple solution to the problems of performing tyre inspections and capturing tyre diagnostics. The company's board and management team remain actively engaged with several prospective purchasers as they look to realise a viable and lasting funding solution for the business that will enable it to provide a stable platform for the continued growth of WheelRight, its employees and customers.

Outlook

Looking ahead, we remain optimistic about the future opportunities for the Company. Whilst we anticipate a degree of continued market volatility and uncertainty, we believe that our diversified portfolio and Calculus Capital Limited's experienced investment team are well-positioned to navigate these challenges and capitalise on attractive investment opportunities as they arise. 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. The 2024 Spring Budget focused in on three distinct sectors; technology, life sciences and the creative industry and the roles these will play in delivering future sustained economic growth to the UK. This focus further highlights the growth potential provided by the Company's investment strategy and unique sector focus.

As we navigate the evolving political landscape, the recent election of Keir Starmer as the new Prime Minister marks a significant moment of change. His leadership may bring a fresh perspective and

potential policy changes that could stimulate growth in the economy. In September 2023, Labour published their 'Start Up, Scale Up' report which outlined the party's plans to make Britain the high growth, start-up hub of the world. VCT schemes will be vital in delivering this target. Rachel Reeves, the UK's first female Chancellor has, on numerous occasions, made clear her support and appreciation of the importance of the VCT schemes. Reassuringly, tax efficient venture capital managers will continue to play a vital role in stimulating investment and entrepreneurship across the UK and to contribute to delivering sustained economic growth.

The Company ended the period with several notable uplifts in value within our current portfolio despite challenging market conditions. We are pleased to announce that the VCT has successfully fundraised over £8.4 million in the current financial period with a further £3.2m raised in April 2024. The marginal decline in total funds raised across the wider VCT market was not experienced by the Company. VCTs provide a compelling opportunity for UK investors to provide funding for growing businesses in a tax-efficient way, and we look forward to continuing to update you on our progress in the year ahead.

Jan Ward
Chairman
11 July 2024

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