

# Pembroke VCT plc

PEMBROKEVCT.COM

## Half-yearly report

for the six months ended  
30 September 2022





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## Investment Objective

Pembroke VCT plc (the “Company”) is a generalist venture capital trust focused on early-stage investments in founder-led businesses.

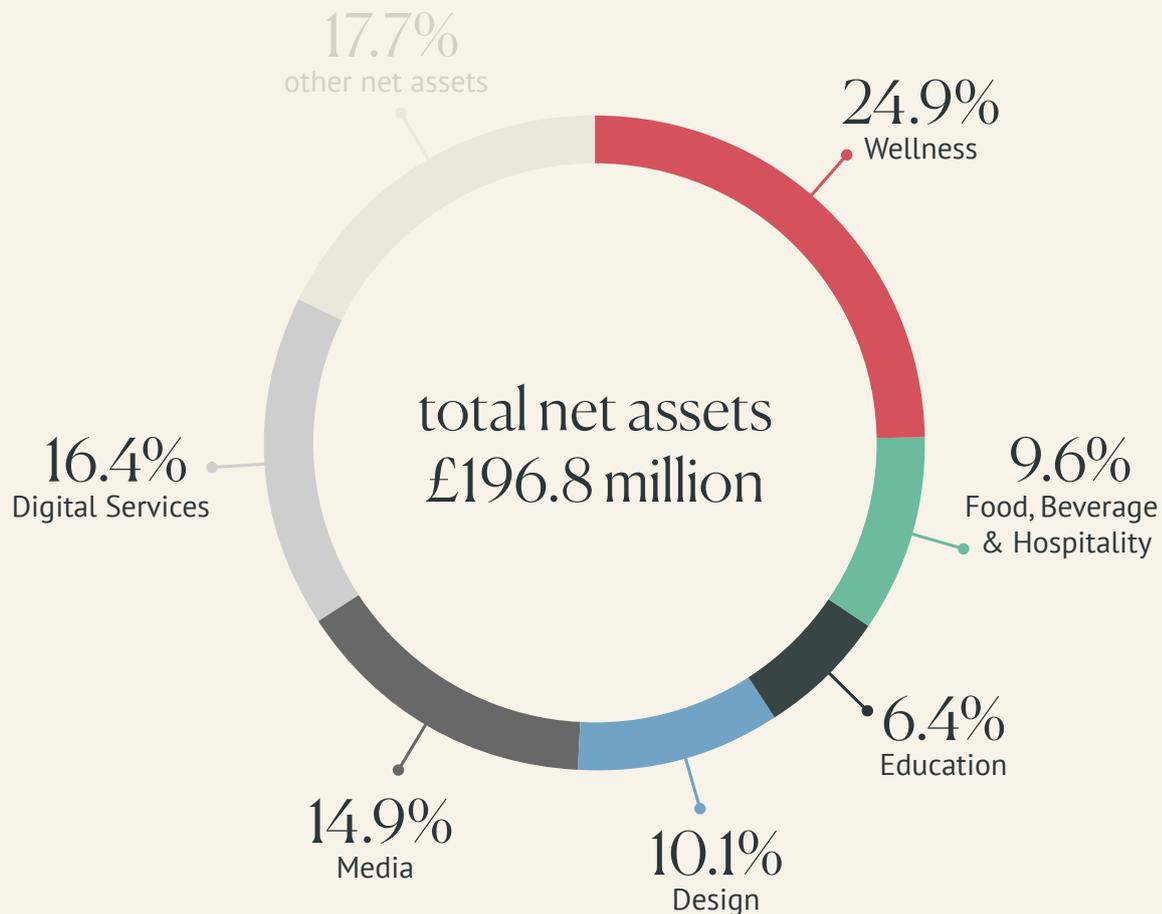
The Company invests in a diversified portfolio of small, principally unquoted companies, and selects those which Pembroke Investment Managers LLP (the “Investment Manager”) believes provide the opportunity for value appreciation.

The Board of Directors of the Company (the “Board”) believes that the Company can benefit from leveraging the previous sector experience of the Investment Manager and also that there are likely to be synergistic advantages from grouping similar businesses. Consequently, most investments fall within one of six sectors:

- Wellness
- Food, Beverage & Hospitality
- Education
- Design
- Media
- Digital Services

## Segment Analysis

Segmental breakdown of the investment portfolio based on net assets at 30 September 2022.



# Financial Summary

<b>Six months ended 30 September 2022 (unaudited)</b>	B Ordinary Shares (‘000)
Net assets	£196,836
Number of shares in issue	167,289
Net asset value per share (pence)	117.7
Total return per share (pence)	147.7
Investment income	£671
<b>Profit before tax</b>	
Revenue	(£223)
Capital	(£4,780)
<b>Total</b>	<b>(£5,003)</b>
<b>Return per share (pence)</b>	
Revenue	(0.1)
Capital	(2.9)
<b>Total</b>	<b>(3.0)</b>

<b>Year ended 31 March 2022 (audited)</b>	B Ordinary Shares (‘000)
Net assets	£200,585
Number of shares in issue	159,235
Net asset value per share (pence)	126.0
Total return per share	151.0
Investment income	£1,635
<b>Profit before tax</b>	
Revenue	(£386)
Capital	£24,494
<b>Total</b>	<b>£24,108</b>
<b>Return per share (pence)</b>	
Revenue	(0.3)
Capital	19.6
<b>Total</b>	<b>19.3</b>

<b>Six months ended 30 September 2021 (unaudited)</b>	B Ordinary Shares (‘000)
Net assets	£159,787
Number of shares in issue	128,698
Net asset value per share (pence)	124.2
Total return per share (pence)	146.2
Investment income	£172
<b>Profit before tax</b>	
Revenue	(£873)
Capital	£16,838
<b>Total</b>	<b>£15,965</b>
<b>Return per share (pence)</b>	
Revenue	(0.7)
Capital	13.1
<b>Total</b>	<b>12.4</b>

# Chair's Statement

## Overview

I am pleased to present the half year report for the six-month period ended 30 September 2022.

Our fundraise to April 2022 raised a record £46 million and we thank the shareholders for their continued support. In September 2022 the Board agreed to launch a new share offer to raise up to £60 million, since the Investment Manager continues to see a strong pipeline of new opportunities, alongside opportunities to invest further into existing portfolio companies.

The Company net assets are in the region of £200 million. In addition, it returned £12.5 million to shareholders in the 12 months to September 2022 with two dividends, of 3 pence per share and 5 pence per share in November 2021 and July 2022 respectively. The dividends represent a tax-free cash yield of 6.8% on the September 2022 NAV per share of 117.7 pence.

The Company's Total Return per share is 147.7 pence (NAV plus cumulative dividends paid) and has decreased by 3.3 pence per share in the six months to 30 September 2022.

## Investment Portfolio Overview

Pembroke VCT has £118.2 million invested in 46 companies which are currently valued at £161.9 million. For further details please see the Investment Manager's Review and Investment Portfolio on pages 7 to 30.

Since the end of September 2022, the Company has invested into two further innovative businesses; Ro&Zo, a sustainable fashion company (£1.5 million) and Vieve, a fast-growing cosmetics business (£1.0 million).

## Results

The Company made a loss of £5.0 million in the six-month period to 30 September 2022. The investment revaluations amounted to a net cost of £3.3 million, the Investment Manager fees were £2.0 million and annual recurring costs were £0.4 million. No performance fee was payable in the period.

The Net Asset Value at 30 September 2022 is £196.8 million, equivalent to 117.7 pence per share.

## Dividends and share buybacks

Following the successful exit of ME+EM in March 2022 the Company paid a 5 pence per share dividend in July 2022, returning £8.3 million to shareholders.

The Company continues with its intention to operate a share buyback in April 2023 and will consider further share buybacks every six months thereafter.

As interests in portfolio companies are sold, the Company intends to continue paying special dividends and conducting share buybacks, but always subject to the requirements and best interests of the Company, the rules and regulations to which it is subject and the Company having sufficient cash resources and distributable reserves.

## Environment, Social and Governance

The Board recognises that sustainability and Environmental, Social and Governance (ESG) topics are important to our investors, investment companies and wider stakeholders. To that end, the Company has adopted and implemented an ESG policy and is actively engaging with ESG\_VC to help us on our journey. We are looking forward to continue integrating ESG further into our investment practices and operations.

## Outlook

We recognise the efforts of the Investment Manager across the portfolio of investments and in securing new investment opportunities. We shall continue to work with them to generate further shareholder returns as they develop the portfolio.

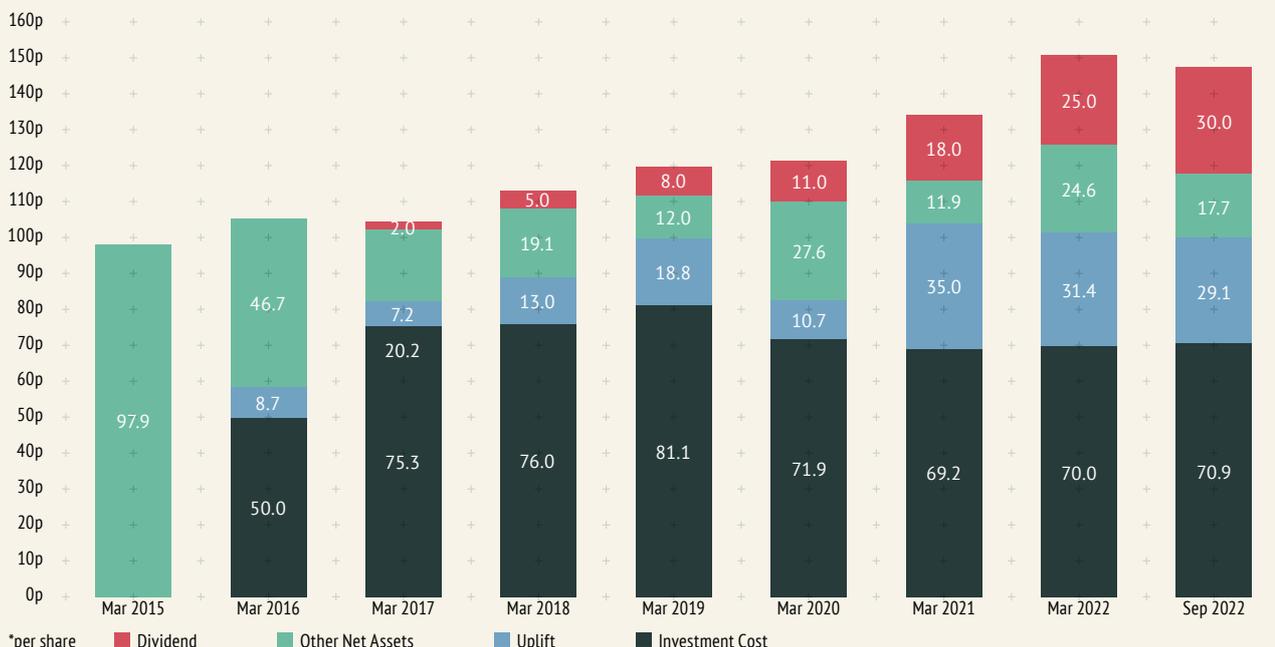
Jonathan Djanogly

Chair

16 November 2022

If you have any questions relating to your investment, please contact the Company Secretary on 01484 240 910 or email [info@pembrokevct.com](mailto:info@pembrokevct.com). For further information refer to the Company's website [www.pembrokevct.com](http://www.pembrokevct.com).

## NAV total return performance\*



# Investment Manager's Review

## for the six months ended 30 September 2022

### Overview

The Company has invested a total of £10.7 million this period, making three new investments totalling £5.8 million, and seven follow-on investments totalling £4.9 million through a combination of debt and equity. The Company's focus continues to span the wellness, food, beverage & hospitality, education, design, media and digital services sectors.

At the end of the period the portfolio comprised 46 investments with a cost of £118.2 million and a valuation of £161.9 million, representing 37% increase over cost.

### Investment Activity

The Company has made three new investments into new and innovative businesses: My Expert Midwife (£1.5 million), Auddy (£1.8 million) and Bloobloom (£2.5 million). These are unquoted equity investments which capitalise on our insights into the sectors in which we invest.

#### My Expert Midwife

My Expert Midwife is a pregnancy, post-birth and baby brand offering award-winning products and midwife-led educational services. My Expert Midwife was launched in 2016 by registered midwife Lesley Gilchrist, who has experience in both private and NHS care provision, and Claire Charlton, a pre- and post-natal baby massage specialist.

#### Auddy

Auddy was launched in 2021 to help companies and podcasts build and distribute audio content, including careful placement of targeted advertisements. Auddy delivers end-to-end premium audio podcast publishing solutions for both creators and organisations. The business is focused on targeted audiences, highly responsive advertising solutions and deep analytics.

#### Bloobloom

Bloobloom sells premium glasses and sunglasses at a fair price, via a seamless buying experience. Bloobloom sells direct to consumer both online and offline through a growing store network and offers a free Home Try On service for online customers who select five styles to be sent to their homes.

Several further investments are in due diligence and we continue to see a strong pipeline of opportunities.

During the period, the Company also invested £4.9 million of further capital to seven of its existing portfolio companies (Bella Freud, Eave, Kinteract, Peckwater Brands, Rubies in the Rubble, Stitch & Story, and Smartify) to support the management teams with their continued growth plans.

Since the period-end, the Company has made investments into two further innovative businesses; Ro&Zo, a sustainable fashion company (£1.5 million) and Vieve, a fast-growing cosmetics business (£1.0 million). In total, the Company has also invested further capital of £2.8 million to six of its portfolio companies (Bella Freud, Heist, Dropless, Floom, Kat Maconie and Hackney Gelato).

### Investment performance

There have been several investment revaluations to the portfolio. The valuations of six companies were increased during the period as a result of improved performance of the underlying businesses: Five Guys, Hackney Gelato, Kat Maconie, Lyma, N is for Nursery and StillKing.

During the period, United Fitness Brands received further third-party equity funding which has diluted the Pembroke holding. We have therefore decreased the valuation accordingly.

We have also reduced the valuations for six companies as their performance is currently behind our expectations: Chucs Restaurants, Kinteract, Stitch & Story, Heist, Floom and Dropless. The Company's equity investment in Second Home has been reduced to a nil valuation as the controlling third party debt holder has taken over the business.

Recent investments have been held at cost as they have so far performed in line with our expectations. Please refer to the individual company profiles below for further details on performance.

### Valuation

Investments held by the Company have been valued in accordance with the International Private Equity and Venture Capital (IPEVC) valuation guidelines December 2018 developed by the British Venture Capital Association and other organisations. Through these guidelines, investments are valued as defined at 'fair value'.

In determining fair value, the Investment Manager uses various valuation approaches, including a combination of the price of recent investment and a market-based approach. The market approach ascribes a value to a business interest or shareholding by comparing it to similar businesses, using the principle of substitution: that is, that a prudent purchaser would pay no more for an asset than it would cost to acquire a substitute asset with the same utility and income earning potential. Price of recent value will only be used as fair value after careful consideration of all the facts and circumstances concerning the underlying investment.

The portfolio valuations are prepared by the Investment Manager, before being reviewed by the Board each quarter, and are subject to audit annually.

Details of the investments can be found on pages 8 to 30.

Andrew Wolfson  
*Chief Executive Officer*  
 Pembroke Investment Managers LLP  
 16 November 2022

# Investment Portfolio

	As at 30 September 2022			As at 31 March 2022			As at 30 September 2021		
	Cost £'000	Valuation £'000	% of net assets	Cost £'000	Valuation £'000	% of net assets	Cost £'000	Valuation £'000	% of net assets
<b>Wellness</b>									
United Fitness Brands	5,276	1,524	0.8	5,276	2,891	1.4	4,276	4,276	2.7
KX Gym	700	1,654	0.8	700	1,654	0.8	700	1,349	0.8
Beryl	553	1,889	1.0	553	1,889	0.9	553	1,889	1.2
KX Urban	1,034	790	0.4	1,034	790	0.4	1,034	790	0.5
LYMA Life	2,000	25,433	12.9	2,000	19,613	9.8	2,001	9,910	6.2
ThriVa	1,330	10,376	5.3	1,330	10,376	5.2	1,330	10,775	6.7
Eave	3,250	2,666	1.4	2,750	2,166	1.1	2,000	2,000	1.3
Cydar	3,000	3,000	1.5	3,000	3,000	1.5	-	-	-
My Expert Midwife	1,500	1,500	0.8	-	-	-	-	-	-
	18,643	48,832	24.9	16,643	42,379	21.1	11,894	30,989	19.4
<b>Food, Beverage and Hospitality</b>									
Chilango	635	-	-	635	-	-	635	-	-
Five Guys UK	3,311	9,498	4.8	3,311	8,048	4.0	2,083	6,929	4.3
Chucs Restaurants	2,220	3,641	1.8	2,220	3,762	1.9	2,220	2,220	1.4
Second Home	-	-	-	1,485	294	0.1	1,485	123	0.1
Sourced Market	7,447	-	-	7,447	-	-	7,097	3,200	2.0
Secret Food Tours	2,000	1,637	0.8	2,000	1,637	0.8	1,000	1,000	0.6
Rubies in the Rubble	1,078	1,078	0.4	732	732	0.4	732	732	0.4
Hackney Gelato	2,700	3,468	1.8	2,700	2,800	1.4	2,700	2,800	1.8
	19,391	19,322	9.6	20,529	17,272	8.6	17,952	17,004	10.6
<b>Education</b>									
N is for Nursery	3,000	7,297	3.7	5,200	9,273	4.6	3,200	5,220	3.3
Kinteract	3,135	1,564	0.8	2,935	2,958	1.5	2,435	1,802	1.1
Stitch & Story	4,100	100	0.1	4,000	1,592	0.8	3,500	6,014	3.8
Toucantech	1,000	1,431	0.7	1,000	1,431	0.7	1,000	1,000	0.6
Smartify	1,500	1,500	0.8	1,000	1,000	0.5	1,000	1,000	0.6
Annie Mals	500	500	0.3	500	500	0.2	-	-	-
	13,235	12,392	6.4	14,635	16,755	8.4	11,135	15,036	9.4
<b>Design</b>									
Kat Maconie	1,850	2,769	1.4	1,850	2,550	1.3	1,850	3,384	2.1
Troubadour Goods	2,540	4,274	2.2	2,540	4,274	2.1	2,040	2,964	1.9
Bella Freud	3,527	6,618	3.4	3,227	6,318	3.2	3,227	6,318	4.0
ME+EM	-	-	-	-	-	-	955	13,104	8.2
Alexa Chung	4,122	-	-	4,122	-	-	4,123	250	0.2
Heist Studios	6,249	1,329	0.7	6,249	2,658	1.3	5,049	4,115	2.6
PlayerLayer	5,852	-	-	5,852	-	-	4,851	2,429	1.5
JustWears	2,000	2,000	1.0	2,000	2,000	1.0	2,000	2,000	1.3
TALA	200	200	0.1	200	200	0.1	-	-	-
BlooBloom	2,500	2,500	1.3	-	-	-	-	-	-
	28,840	19,690	10.1	26,039	18,000	9.0	24,095	34,564	21.8
<b>Media</b>									
Auddy	1,800	1,800	0.9	-	-	-	-	-	-
Boat International Media	3,250	6,950	3.5	3,250	6,950	3.5	3,250	6,890	4.3
Stillking Films	1,452	6,075	3.1	1,452	5,720	2.9	1,452	4,957	3.1
Popsa	5,200	13,684	7.0	5,200	13,684	6.8	4,400	13,311	8.3
Roto VR	1,750	774	0.4	1,750	774	0.4	1,750	1,547	1.0
	13,452	29,283	14.9	11,652	27,128	13.5	10,852	26,705	16.7
<b>Digital services</b>									
Rated People	641	1,058	0.5	641	1,058	0.5	641	993	0.6
Wishi Fashion	153	1,143	0.6	153	1,143	0.6	153	284	0.2
Unbolted	400	553	0.3	400	553	0.3	400	500	0.3
HotelMap	1,500	1,500	0.8	1,500	1,500	0.7	1,500	1,500	0.9
Floom	4,415	479	0.2	4,415	5,915	3.0	4,415	5,914	3.7
Dropless	3,750	3,474	1.7	3,750	3,750	1.9	1,750	1,750	1.1
OnePlan	3,750	7,426	3.8	3,750	7,426	3.7	1,750	1,750	1.1
Coat	3,000	5,260	2.7	3,000	5,260	2.6	1,000	1,000	0.6
PeckWater Brands	4,000	7,486	3.8	1,000	4,486	2.2	1,000	1,000	0.6
Credentially	3,000	3,962	2.0	3,000	3,962	2.0	1,000	1,000	0.6
	24,609	32,341	16.4	21,610	35,053	17.5	13,609	15,691	9.7
<b>Total Portfolio before interest</b>	<b>118,170</b>	<b>161,860</b>	<b>82.3</b>	<b>111,108</b>	<b>156,587</b>	<b>78.1</b>	<b>89,537</b>	<b>139,989</b>	<b>87.6</b>
Interest rolled up in fixed income investments*	-	5,351	2.7	-	4,858	2.4	3,630	3,630	2.3
<b>Total Portfolio including interest</b>	<b>118,170</b>	<b>167,211</b>	<b>85.0</b>	<b>111,108</b>	<b>161,445</b>	<b>80.5</b>	<b>93,167</b>	<b>143,619</b>	<b>89.9</b>
<b>Other Net Assets</b>	<b>29,625</b>	<b>29,625</b>	<b>15.0</b>	<b>39,140</b>	<b>39,140</b>	<b>19.5</b>	<b>16,168</b>	<b>16,168</b>	<b>10.1</b>
<b>Net assets</b>	<b>147,795</b>	<b>196,836</b>	<b>100.0</b>	<b>150,248</b>	<b>200,585</b>	<b>100.0</b>	<b>109,316</b>	<b>159,787</b>	<b>100.0</b>

\*Added to Investments in the Financial Statements.

# Portfolio Performance



All figures in £'000

Cost of investment
  Fair value as at 31 March 2022
  Increase in fair value
  Decrease in fair value

# + Wellness



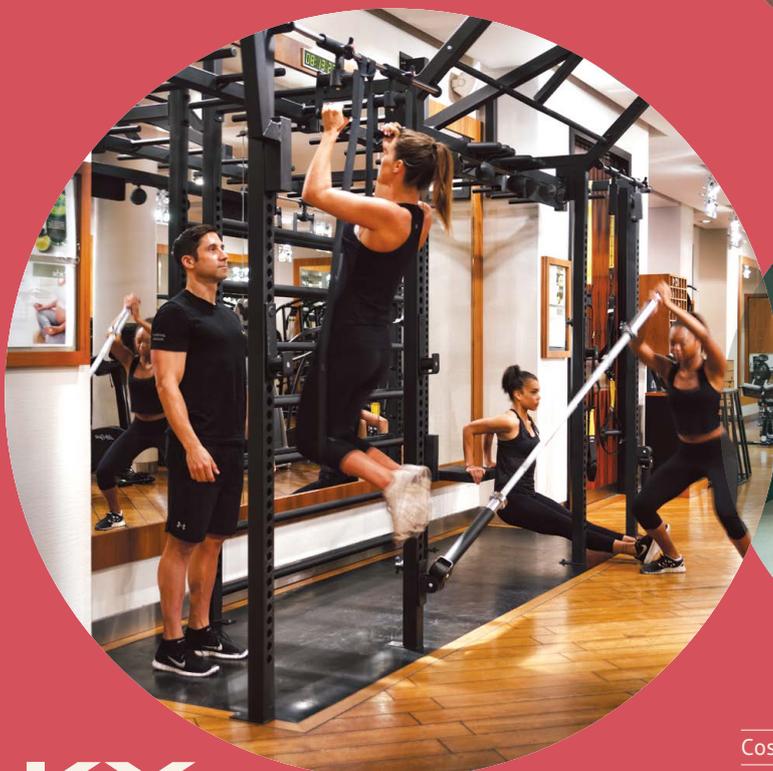
## 24.9%

of net assets

### UNITED • FITNESS • BRANDS

United Fitness Brands (UFB) offers best-in-class fitness verticals and support them through national and international growth. It was formed in early 2021 through the merger of Boom Cycle, an indoor cycling concept which offers a fun, high-intensity cardiovascular workout, and KOBBOX, a gym group focused on making boxing accessible to everyone. The group has gone on to acquire Barrecore which offers Barre classes from 13 locations across the UK and merged with Triyoga by the end of 2021. The company is currently looking to raise funds.

Cost (£'000)	5,276
Valuation (£'000)	1,524
Interest rolled up in fixed income investment (£'000)	141
Basis of valuation	Multiples
Equity holding	10.6%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## KX

KX Gym, founded in 2002, is a private members' gym and spa, which includes a restaurant and clubroom, located in Chelsea, London. KX offers members an exclusive holistic approach to wellbeing, incorporating fitness, diet and relaxation.

Cost (£'000)	700
Valuation (£'000)	1,654
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	11.8%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## beryl

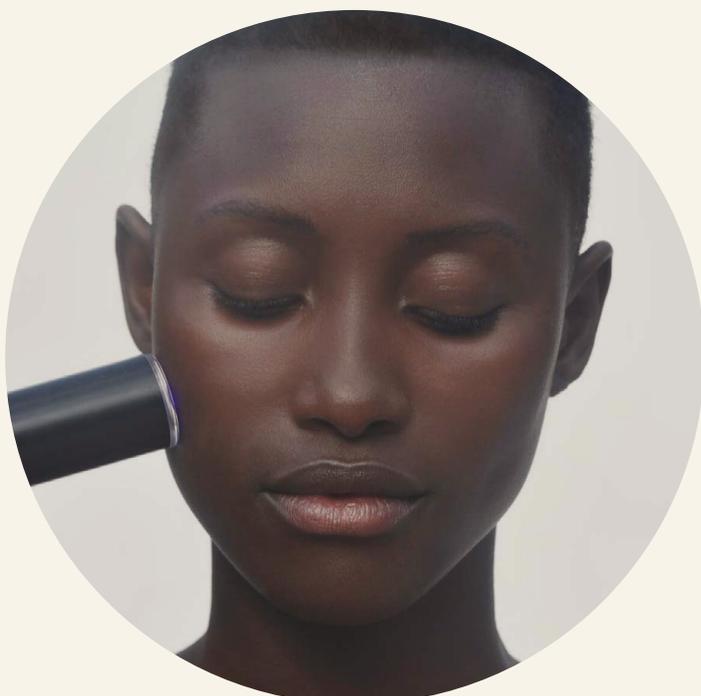
Beryl is focused on changing the way cities move. The company offers bike and e-scooter sharing schemes in towns across the UK, including Bournemouth, Poole, Hereford, Norwich, Watford and the Isle of Wight. Beryl was appointed by Transport for Greater Manchester to design, deliver and operate its own cycle hire scheme.

Cost (£'000)	553
Valuation (£'000)	1,889
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	3.5%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

## KXU

KX Urban (KX U) is a pay-as-you-go development of the established KX luxury gym brand. It offers a range of gym classes, including Hiit & Run, Body Barre, yoga, boxing and spinning, within a high-quality gym environment with a healthy food and beverage offering.

Cost (£'000)	1,034
Valuation (£'000)	790
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	10.3%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## LYMA

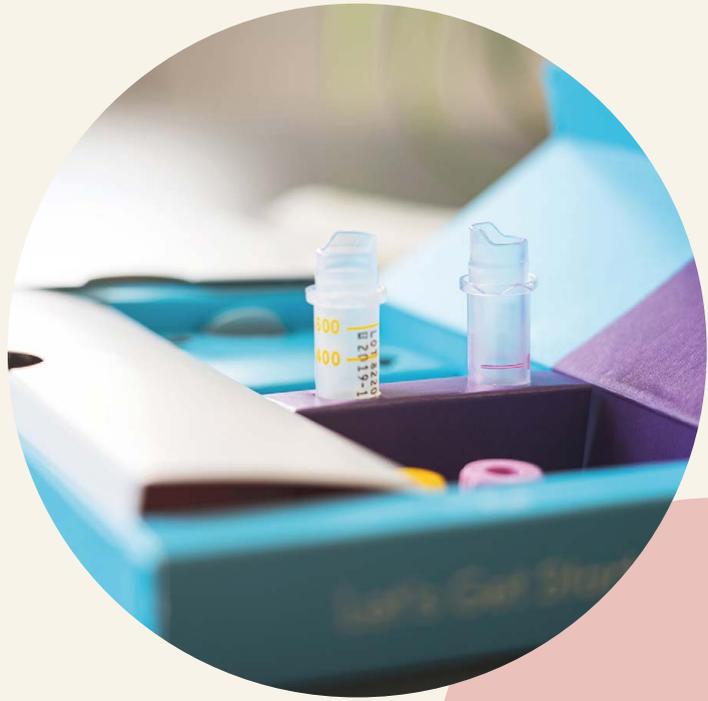
LYMA is a luxury wellness brand. The company worked closely with the world's leading nutritional scientists, combining intensive R&D with the latest technological advances to produce a unique and high-quality, evidence-based nutritional supplement. It has recently launched a world first medical grade laser which can be used safely at home in conjunction with a newly formulated serum and mist.

Cost (£'000)	2,000
Valuation (£'000)	25,433
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	19.8%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



Thrive is a proactive healthcare service, which offers at-home blood tests for a range of health markers such as Vitamin B12, Vitamin D, liver function, omega, and iron. Consumers receive the testing kit in the post with NHS-grade results. The company also offers a range of supplements it can recommend and offer to you based on your test results. The company is working with several government agencies in conducting tests to support their programmes.

Cost (£'000)	1,330
Valuation (£'000)	10,376
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	5.2%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## EAVE

Eave aims to help prevent avoidable deafness through the monitoring of, and protection against, damaging noise levels. Its first product is a pair of smart ear defenders designed for the construction industry.

Unlike traditional passive hearing protection, these work as part of a complete solution to protect workers from hearing damage, as well as to detect and report noise levels.

Cost (£'000)	3,250
Valuation (£'000)	2,666
Interest rolled up in fixed income investment (£'000)	35
Basis of valuation	Most recent round
Equity holding	25.9%
Investment in the period at cost (£'000)	500
Total income recognised in the period (£'000)	-



Cydar is a medical software company that improves patient outcomes by providing a 'sat nav for surgeons' which uses Artificial Intelligence (AI) to enhance image-guided surgery. The first application of the software is in the field of endovascular surgery.

Cost (£'000)	3,000
Valuation (£'000)	3,000
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	6.6%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



**NEW**

## my expert midwife.

My Expert Midwife (MEM) is a pregnancy, post-birth and baby brand offering award-winning products and midwife-led educational services. MEM was launched in 2016 by registered midwife Lesley Gilchrist, who has experience in both private and NHS care provision, and Claire Charlton, a pre- and post-natal baby massage specialist.

Cost (£'000)	1,500
Valuation (£'000)	1,500
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	13.6%
Investment in the period at cost (£'000)	1,500
Total income recognised in the period (£'000)	-

# Food, Beverage + Hospitality

9.6%

of net assets



## FIVE GUYS® UK

Five Guys was founded in 1986 in the US. The company serves a range of hand-made burgers made with fresh locally sourced beef and cooked on a grill, along with fresh-cut fries, served with unlimited toppings. It now has over 150 outlets in the UK and is expanding in Europe.

Cost (£'000)	3,311
Valuation (£'000)	9,498
Interest rolled up in fixed income investment (£'000)	3,024
Basis of valuation	Multiples
Equity holding	1.0%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



Chucs is a restaurant concept reflecting the style and branding of the Italian Riviera. The first restaurant opened on Dover Street in Mayfair, London in 2014 and has since expanded to Westbourne Grove, Belgravia, St John's Wood, Kensington, and Chelsea.

Cost (£'000)	2,220
Valuation (£'000)	3,641
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	25.0%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## Secret Food Tours

Secret Food Tours is a rapidly growing food and beverage tour company that has developed a scalable and profitable approach to global expansion. Its flagship events centre on high-end food tours, culinary events, and nightlife tours. The company operates tours across five continents.

Cost (£'000)	2,000
Valuation (£'000)	1,637
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	20.5%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

## RUBIES IN THE RUBBLE

Rubies in the Rubble was founded in 2012 and produces sustainable condiments. Every Rubies product makes use of otherwise discarded ingredients: aesthetically rejected fruit and vegetables, or under-utilised by-products of food production. The business has focussed on the OOH (out of home) market, whilst also being stocked in leading supermarkets. Its range includes mayo, relishes and ketchup that contains three times more fruit and 50% less sugar than competitors.

Cost (£'000)	1,078
Valuation (£'000)	1,078
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	12.6%
Investment in the period at cost (£'000)	346
Total income recognised in the period (£'000)	-



Hackney Gelato was established in 2015 by two chefs, Sam and Enrico, who learned the craft from the master Gualtieri of Sicily. It is now one of the leading suppliers to high-end London restaurants, and retail customers through multiple channels including Ocado, Waitrose, Tesco, Whole Foods and Gorillas. Hackney Gelato has won 40 Great Taste awards in five years.

Cost (£'000)	2,700
Valuation (£'000)	3,468
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	34.7%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

# + Education

**6.4%**  
of net assets

## n family club

N Nursery & Family Club is a seven-day-a-week neighbourhood club, which offers a nursery (N Nursery) during the week and a family club space (N Family Club) at weekends. N Nursery & Family Club is open 51 weeks per year, closing only between Christmas and New Year and, to provide parents with a flexible offering, the nursery is open from 7am to 7pm. The business has more than 25 live sites including its latest additions.

Cost (£'000)	3,000
Valuation (£'000)	7,297
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	6.7%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## Kinteract

Kinteract is a digital education platform that enables collaboration between teachers, students and parents, and provides guidance to aid child development. It is aimed at those throughout the schooling and learning sector, both in the UK and internationally. Kinteract is delivered through a simple and elegant interface on desktop, tablet and mobile versions, and allows practitioners, parents and students to record events linked to their learning and development collaboratively.

Cost (£'000)	3,135
Valuation (£'000)	1,564
Interest rolled up in fixed income investment (£'000)	2
Basis of valuation	Most recent round
Equity holding	42.4%
Investment in the period at cost (£'000)	200
Total income recognised in the period (£'000)	-

# STITCH & STORY<sup>®</sup>

Stitch & Story is a modern craft brand selling all-in-one DIY kits, accompanied by bespoke online tutorials to teach viewers knitting and crafting techniques. Stitch & Story sells its products in the US and UK, both online and through third-party retailers such as John Lewis, Liberty and Fenwick, alongside over 100 boutique gift stores nationwide.

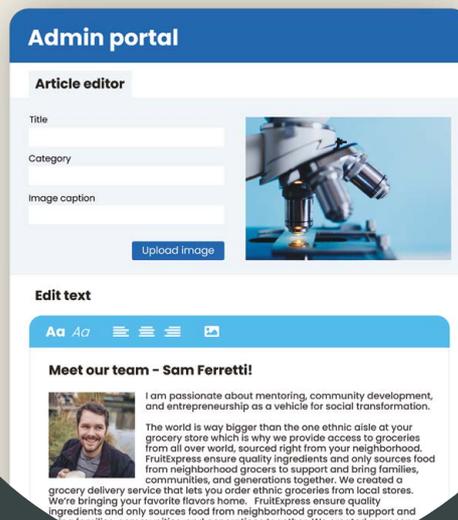
Cost (£'000)	4,100
Valuation (£'000)	100
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Market value
Equity holding	34.5%
Investment in the period at cost (£'000)	100
Total income recognised in the period (£'000)	-



## toucantech

ToucanTech is a software-as-a-service (SaaS) CRM and website-builder used by schools, charities and companies to run their communities. It allows organisations to manage marketing, fundraising, alumni communications and events in one easy-to-use, vertically integrated platform. ToucanTech has created a user-friendly, cost-effective community management software platform that encompasses a wide range of features.

Cost (£'000)	1,000
Valuation (£'000)	1,431
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	12.2%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## SMARTIFY



Smartify is an award-winning digital platform used by some of the world's most popular art and cultural institutions to bring their content to life. Smartify gives its users access to audio tours, a 'Shazam for art' feature covering over two million artworks, and a suite of distance learning tools which have been produced in association with the world's leading cultural institutions. Smartify was launched in 2017 by Tate trustee Anna Lowe and digital entrepreneur Thanos Kokkiniotis. The company's app is the #1 UK museum app.

Cost (£'000)	1,500
Valuation (£'000)	1,500
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	20%
Investment in the period at cost (£'000)	500
Total income recognised in the period (£'000)	-



Annie Mals was incorporated in 2021 by Emily Samuels, an award-winning charity fundraiser and Oxbridge classics graduate. Emily has drafted a series of 15-20 illustrated children's books for 4-6-year-olds. Once the first books have been published, Emily plans to license the characters for television animation and short-form YouTube content, with toys, clothing, and accessories also in the proposed pipeline.

Cost (£'000)	500
Valuation (£'000)	500
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	20%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

# +Design

10.1%  
of net assets



## KAT MACONIE

Kat Maconie, founded in 2008, designs and manufactures distinctive ladies' boots and shoes, which are sold online, in department stores and boutiques globally. In the summer of 2017, the company collaborated with a Korean cosmetic major, resulting in a significant expansion in sales in the Asian market which led to the launch of the Kat Maconie make-up range in 2019. The company opened its first retail concept store in Bermondsey in early 2019, which offers shopping and women's beauty treatments.

Cost (£'000)	1,850
Valuation (£'000)	2,769
Interest rolled up in fixed income investment (£'000)	361
Basis of valuation	Multiples
Equity holding	24.8%
Investment in the period at cost (£'000)	–
Total income recognised in the period (£'000)	5



## TROUBADOUR

Troubadour Goods is a London-based luxury men's and women's accessories brand specialising in designing and creating superior handcrafted leather and textile goods, including an affordable range of products. Troubadour has recently opened its first London store in Beak Street, with the entire collection on display.

Cost (£'000)	2,540
Valuation (£'000)	4,274
Interest rolled up in fixed income investment (£'000)	155
Basis of valuation	37.4%
Equity holding	Most recent round
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## BELLA FREUD

Bella Freud is a fashion designer label producing a range of high-end men's and women's clothing and homeware. The collections are available at the Flagship store on Chiltern Street in London, online and through a range of luxury retail boutiques and department stores in the UK, and around the world.

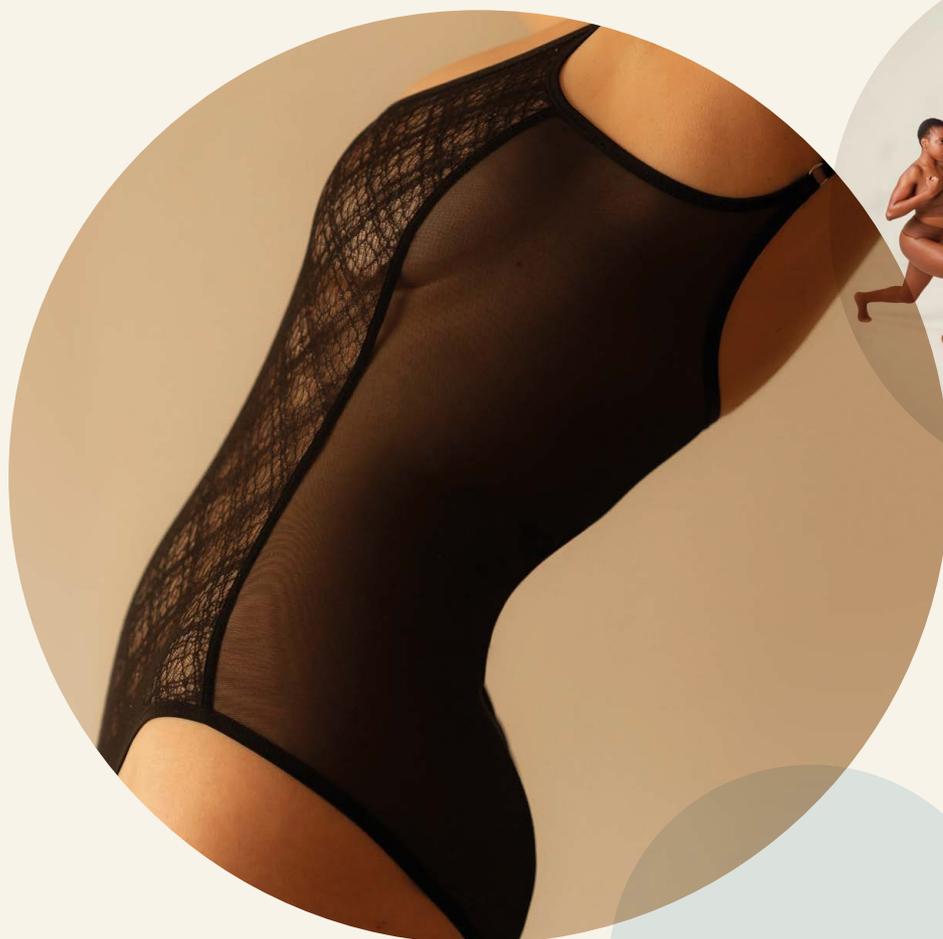


Cost (£'000)	3,527
Valuation (£'000)	6,618
Interest rolled up in fixed income investment (£'000)	126
Basis of valuation	Most recent round
Equity holding	44.1%
Investment in the period at cost (£'000)	300
Total income recognised in the period (£'000)	5

# Heist

Established in 2015, Heist is a premium hosiery and shapewear manufacturer that seeks to redefine how these products can feel and wear, using an innovative combination of technology from sports and space. The business has expanded its original range, launching more products into its shapewear and underwear line.

Cost (£'000)	6,249
Valuation (£'000)	1,329
Interest rolled up in fixed income investment (£'000)	208
Basis of valuation	Most recent round
Equity holding	32.7%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



## JustWears™

JustWears is a men's basics brand looking to disrupt a £31 billion category that is dominated by stagnant legacy brands and unsustainable products. JustWears is currently selling its maiden product, men's underwear. The brand prides itself on the use of innovative materials, with a focus on ergonomic designs and comfort, made using sustainable, biodegradable, high-performance fabrics.

Cost (£'000)	2,000
Valuation (£'000)	2,000
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	15.3%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



# T / A L A

We Are Tala (TALA) is a sustainable activewear brand focused on 'Gen Z' (the generation that was born between 1997-2012) females. TALA was founded by fitness influencer Grace Beverley, who has amassed a loyal social media following of over a million on her personal Instagram account.

Cost (£'000)	200
Valuation (£'000)	200
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	1.2%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



**NEW**



## bloobloom

Bloobloom sells premium glasses and sunglasses at a fair price, via a seamless buying experience. Bloobloom sells direct to consumer both online and offline through a growing store network and offers a free Home Try On service for online customers who select five styles to be sent to their homes.

Cost (£'000)	2,500
Valuation (£'000)	2,500
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	14.1%
Investment in the period at cost (£'000)	2,500
Total income recognised in the period (£'000)	-

# +Media

# 14.9%

of net assets



## BOAT

Recognised as a significant worldwide media group serving the superyacht industry, Boat International Media provides information and data services across traditional print, digital media, and high-quality events. The company continues to innovate; in 2019 it launched Boat Pro, a superyacht database leveraging its large collection of information on superyachts and the industry.

Cost (£'000)	3,250
Valuation (£'000)	6,950
Interest rolled up in fixed income investment (£'000)	1,110
Basis of valuation	Multiples
Equity holding	17.9%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	20

## STILLKING

Stillking Films is a prolific producer of commercials, TV series, feature films and music videos. The company has created commercials for almost all Dow Jones and FTSE advertisers. It has co-produced a number of successful feature films, including Spider-Man: Far from Home, The Falcon and the Winter Soldier and Quantum of Solace, and created music videos for artists including Beyoncé, Kanye West, Blur, Madonna, and One Direction.

Cost (£'000)	1,452
Valuation (£'000)	6,075
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	4.9%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-





## Popsa

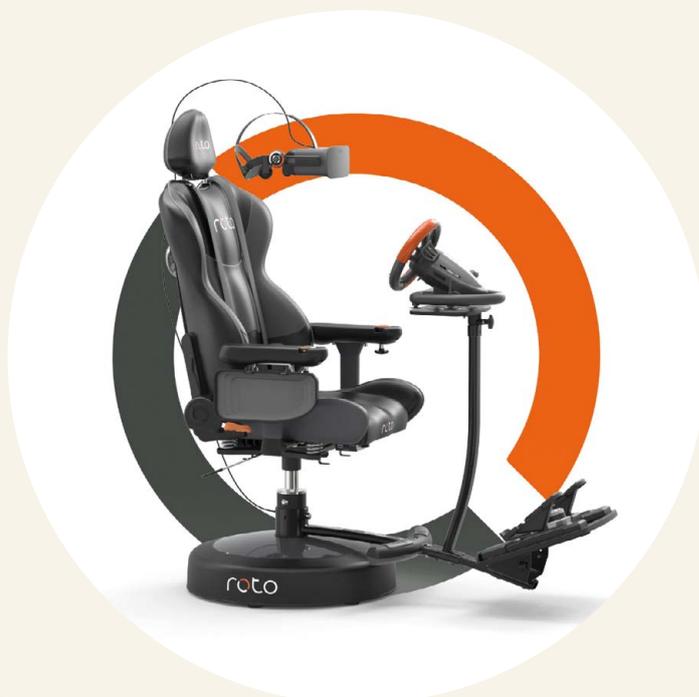
Popsa is a photobook app that, using proprietary machine learning algorithms, has reduced the time it takes for customers to produce photobooks from two hours, to an average of just five minutes. Popsa operates in a billion-dollar global industry that has been built on a clunky and frustrating process. By automating the selection of a customer's most relevant photos, Popsa's disruptive software removes this frustration.

Cost (£'000)	5,200
Valuation (£'000)	13,684
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	18%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

## roto<sup>®</sup>

Roto VR's flagship product is an interactive virtual reality (VR) chair. The chair syncs what users feel with what they see, by auto-rotating wherever the user looks. This phenomenon, known as gravitational presence, is achieved by incorporating accelerometers, gyroscopes and magnetometers inside the Roto Head tracker, a small device that clips onto the user's own VR headset.

Cost (£'000)	1,750
Valuation (£'000)	774
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	22.1%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



**NEW**

## AUDDY

Auddy was launched in 2021 to help companies and podcasts build and distribute audio content, including careful placement of targeted advertisements. Auddy delivers end-to-end premium audio podcast publishing solutions for both creators and organisations. The business is focused on targeted audiences, highly responsive advertising solutions and deep analytics.

Cost (£'000)	1,800
Valuation (£'000)	1,800
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	8.7%
Investment in the period at cost (£'000)	1,800
Total income recognised in the period (£'000)	-

# + Digital services

16.4%

of net assets



## rated people

Rated People, founded in 2005, is one of the UK's leading online marketplaces for homeowners to find tradesmen for home improvement jobs. Trustpilot review Rated People as "Excellent" with a rating of 4.5 out of 5.

Cost (£'000)	641
Valuation (£'000)	1,058
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Multiples
Equity holding	1.1%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

## WISHI

Wishi is an innovative fashion technology business that brings together personal styling and online wardrobe management functionality to help fully exploit an individual's current wardrobe and provide new clothing suggestions personalized to their look. The business has recently launched its first white-label partnership with a major international online fashion retailer.

Cost (£'000)	153
Valuation (£'000)	1,143
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	1.2%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-





# FLOOM

Founded in July 2015, Floom is a curated global marketplace platform for independent florists; its mission is to become the primary destination for customers looking to send flowers worldwide. It also encompasses FloomX, which provides a complete back-office function for independent florists to make their work more streamlined, efficient, and ultimately enjoyable. Floom is expanding its US operations by working with small independent florists and seeking to secure increased subscriptions.

Cost (£'000)	4,415
Valuation (£'000)	479
Interest rolled up in fixed income investment (£'000)	36
Basis of valuation	Market value
Equity holding	21.7%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

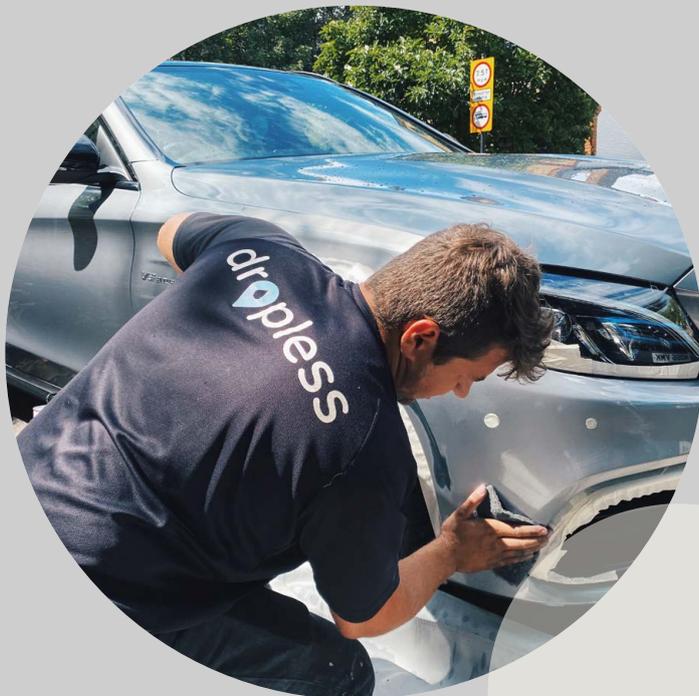


## credenially

Credentially is aiming to ease the administrative burden placed on both medical and clerical staff when applying for and filling job vacancies in health and social care. This application process is resource intensive and can take up to six months. To reduce this burden, Credentially has developed software that automates the sign-up, verification, and ongoing compliance of employees in health and social care. With the success in the UK market, they are currently expanding in the US.

Cost (£'000)	3,000
Valuation (£'000)	3,962
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	17.5%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

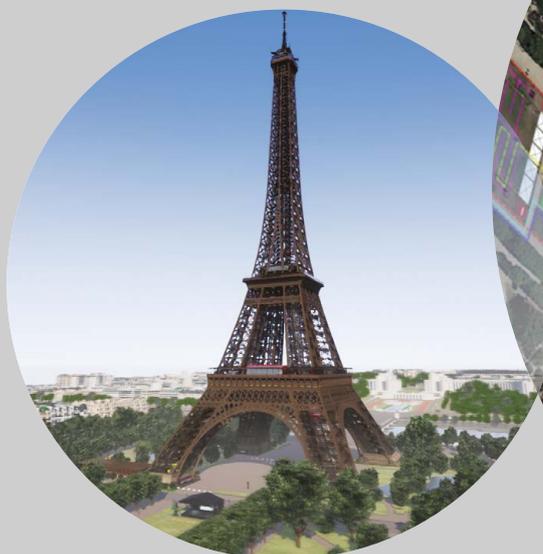




## dropless

Droplless is aiming to become the go-to destination for automobile care for both individual consumers and businesses across the UK. The business has expanded beyond London to Bristol and Manchester through its regional B2B customers. Using its eco-friendly, non-hazardous nano-solutions, Droplless helps save over 150L of water every wash. It launched a scratch and dent repair service in November 2020 and has recently completed the development of Droplless Hydroloop, the world's first closed loop HGV and LCV wash system.

Cost (£'000)	3,750
Valuation (£'000)	3,474
Interest rolled up in fixed income investment (£'000)	117
Basis of valuation	Most recent round
Equity holding	16.0%
Investment in the period at cost (£'000)	117
Total income recognised in the period (£'000)	-



## OnePlan

OnePlan has built a collaborative, easy-to-use, real-time platform for event and venue planning. OnePlan combines the world's best selection of 2D, 3D, satellite, and aerial maps into its platform to provide planners with fully customizable solutions to suit their event planning needs. The user-friendly design allows employees of all skill levels to use the platform without specialist training. The company has recently been awarded a contract for planning the 2024 Olympic Games in Paris.

Cost (£'000)	3,750
Valuation (£'000)	7,426
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	15.5%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-

# COAT

Launched in September 2020, COAT Paints is a paint brand seeking to disrupt a market dominated by ageing incumbents. COAT provides premium, environmentally friendly paint at a cost approximately 20% lower than its direct competitors. COAT's entire range is water-based and solvent-free, low VOC (volatile organic compounds), 100% vegan and 100% animal cruelty-free.

Cost (£'000)	3,000
Valuation (£'000)	5,260
Interest rolled up in fixed income investment (£'000)	36
Basis of valuation	Most recent round
Equity holding	28.5%
Investment in the period at cost (£'000)	36
Total income recognised in the period (£'000)	-



Peckwater Brands develops virtual food brands for delivery-only restaurant franchises which are operated by existing restaurant owners, allowing them to increase their revenue from their existing kitchens. Since its commercial launch in 2020, Peckwater has developed multiple brands, ranging from Korean fried chicken wings to a plant-based hot dog brand in partnership with Unilever.

Cost (£'000)	4,000
Valuation (£'000)	7,486
Interest rolled up in fixed income investment (£'000)	-
Basis of valuation	Most recent round
Equity holding	11.7%
Investment in the period at cost (£'000)	-
Total income recognised in the period (£'000)	-



# + Principal Risks and Uncertainties

The principal risks facing the Company are Venture Capital Trust status risk and investment valuation and liquidity risk. The Company's assets consist of equity and fixed interest investments and cash. The main risks arising from the Company's financial instruments are credit risk, investment valuation risk, interest rate risk and liquidity risk. These risks, and the way in which they are managed, are described under the heading Risk Management within the Strategic Report and in Note 21 to the Financial Statements for the year ended 31 March 2022.

The Company's principal risks and uncertainties have not materially changed since the date of that report.



# Statement of Directors' Responsibilities

## in respect of the Half-Yearly Report

We confirm that to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with the FRS 104 'Interim Financial Reporting';
- The Chair's Statement (constituting the interim management report) includes a fair review of the information required by DTR 4.2.7R of the "Disclosure Guidance and Transparency Rules", being an indication of important events that have occurred during the six-month period to 30 September 2022 and their impact on the condensed set of financial statements;
- The statement "Principal Risks and Uncertainties" on page 31 is a fair review of the information required by DTR 4.2.7R, being a description of the principal risks and uncertainties for the remaining six months of the year; and
- The financial statements include a fair review of the information required by DTR 4.2.8R of the "Disclosure Guidance and Transparency Rules", being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the Annual Report for the year ended 31 March 2022, that could do so.

For and on behalf of the Board

Jonathan Djanogly  
Chair

16 November 2022



# + Financial Statements



# Income Statement

## for the six months ended 30 September 2022

	Note	Revenue £'000	Capital £'000	Total £'000
<b>For the six months ended 30 September 2022 (unaudited)</b>				
Realised/unrealised losses on investments		-	(3,266)	(3,266)
Income		671	-	671
Investment Manager's fees		(505)	(1,514)	(2,019)
Other expenses		(389)	-	(389)
Profit before tax		(223)	(4,780)	(5,003)
Tax		-	-	-
Profit attributable to equity shareholders		(223)	(4,780)	(5,003)
Return per share (pence)	3	(0.1)	(2.9)	(3.0)

	Note	Revenue £'000	Capital £'000	Total £'000
<b>For the year ended 31 March 2022 (audited)</b>				
Realised/unrealised gains on investments		-	27,755	27,755
Income		1,635	-	1,635
Investment Manager's fees		(835)	(2,506)	(3,341)
Performance Incentive fee		-	(377)	(377)
Other expenses		(1,186)	(378)	(1,564)
(Loss)/profit before tax		(386)	24,494	24,108
Tax		-	-	-
(Loss)/profit attributable to equity shareholders		(386)	24,494	24,108
Return per share (pence)	3	(0.3)	19.6	19.3

	Note	Revenue £'000	Capital £'000	Total £'000
<b>For the six months ended 30 September 2021 (unaudited)</b>				
Income		172	-	172
Investment Manager's fees		(358)	(1,075)	(1,433)
Other expenses		(687)	-	(687)
(Loss)/profit before tax		(873)	16,838	15,965
Tax		-	-	-
(Loss)/profit attributable to equity shareholders		(873)	16,838	15,965
Return per share (pence)	3	(0.7)	13.1	12.4

The total column of this Income Statement represents the profit and loss account of the Company, prepared in accordance with Financial Reporting Standards ("FRS"). The supplementary revenue and capital return columns are prepared in accordance with the Statement of Recommended Practice for "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP") revised in November 2014 and updated in April 2021. A separate Statement of Comprehensive Income has not been prepared as there is no comprehensive income other than the results for the year discussed above.

All the items above derive from continuing operations of the Company.

The accompanying notes on pages 39 and 40 are an integral part of the Financial Statements.

# + Balance Sheet

as at 30 September 2022

	30 September 2022 (unaudited) £'000	31 March 2022 (audited) £'000	30 September 2021 (unaudited) £'000
<b>Fixed assets</b>			
Investments	167,211	161,445	143,619
<b>Current assets</b>			
Debtors	311	1,580	1,792
Cash at bank and in hand	30,693	39,612	15,407
	31,004	41,192	17,199
Creditors: amounts falling due within one year	(645)	(1,427)	(686)
Net current assets	30,359	39,765	16,513
Creditors: amounts falling due after more than one year	(734)	(625)	(345)
Net assets	196,836	200,585	159,787
<b>Capital and reserves</b>			
Called up share capital	1,673	1,592	1,287
Share premium account	83,614	74,131	37,609
Capital redemption reserve	97	97	96
Special reserve	67,796	76,106	80,278
Capital reserves	44,454	49,234	41,578
Revenue reserve	(798)	(575)	(1,061)
Total shareholders' funds	196,836	200,585	159,787
Net asset value per share (pence)	117.7	126.0	124.2

The accompanying notes on pages 39 and 40 are an integral part of the Financial Statements.

# Statement of Changes in Equity

for the six months ended 30 September 2022

For the six months ended 30 September 2022 (unaudited)	Non-distributable reserves				Restricted Special reserve* £'000	Distributable reserves			Total reserves £'000
	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve £'000		Unrestricted			
						Special reserve* £'000	Capital reserve £'000	Revenue reserve £'000	
Opening balance as at 1 April 2022	1,592	74,131	97	63,248	64,098	12,008	(14,014)	(575)	200,585
Total comprehensive income for the period	-	-	-	(2,979)	-	-	(1,801)	(223)	(5,003)
Shares issued	81	10,099	-	-	-	-	-	-	10,180
Share issue expenses	-	(616)	-	-	-	-	-	-	(616)
Transfer to unrestricted distributable reserves	-	-	-	-	(12,236)	12,236	-	-	-
Investment disposal	-	-	-	1,191	-	-	(1,191)	-	-
Dividends paid	-	-	-	-	-	(8,310)	-	-	(8,310)
Closing balance as at 30 September 2022	1,673	83,614	97	61,460	51,862	15,934	(17,006)	(798)	196,836

For the year ended 31 March 2022 (audited)	Non-distributable reserves				Restricted Special reserve* £'000	Distributable reserves			Total reserves £'000
	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve £'000		Unrestricted			
						Special reserve* £'000	Capital reserve £'000	Revenue reserve £'000	
Opening balance as at 1 April 2021	1,142	11,722	2	36,367	76,145	19,103	(11,627)	(188)	132,666
Investment disposal	-	-	-	(18,296)	-	-	18,296	-	-
Total comprehensive income for the period	-	-	-	40,628	-	-	(16,134)	(386)	24,108
Transfer of unrealised losses to realised losses for the period to 31 March 2021	-	-	-	4,549	-	-	(4,549)	-	-
Shares issued	544	64,726	-	-	-	-	-	-	65,270
Share issue expenses	-	(2,317)	-	-	-	-	-	-	(2,317)
Share bought back	(95)	-	95	-	-	(9,852)	-	-	(9,852)
Transfer to unrestricted distributable reserves	-	-	-	-	(12,047)	12,047	-	-	-
Dividends paid	-	-	-	-	-	(9,290)	-	-	(9,290)
Closing balance as at 31 March 2022	1,592	74,131	97	63,248	64,098	12,008	(14,014)	(575)	200,585

For the six months ended 30 September 2021 (unaudited)	Non-distributable reserves				Restricted Special reserve* £'000	Distributable reserves			Total reserves £'000
	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve £'000		Unrestricted			
						Special reserve* £'000	Capital reserve £'000	Revenue reserve £'000	
Opening balance as at 1 April 2021	1,142	11,722	2	36,367	76,145	19,103	(11,627)	(188)	132,666
Total comprehensive income for the period	-	-	-	18,290	-	-	(1,452)	(873)	15,965
Shares issued	239	26,975	-	-	-	-	-	-	27,214
Share issue expenses	-	(1,088)	-	-	-	-	-	-	(1,088)
Share bought back	(94)	-	94	-	-	(9,852)	-	-	(9,852)
Transfer to unrestricted distributable reserves	-	-	-	-	(12,047)	12,047	-	-	-
Investment disposal	-	-	-	(4,221)	-	-	4,221	-	-
Dividends paid	-	-	-	-	-	(5,118)	-	-	(5,118)
Closing balance as at 30 September 2021	1,287	37,609	96	50,436	64,098	16,180	(8,858)	(1,061)	159,787

\*Special reserve is available for distribution, subject to restrictions tabled in Note 18 of the 31 March 2022 Annual report and financial statements. The accompanying notes on pages 39 and 40 are an integral part of the Financial Statements.

# Cash Flow Statement

for the six months ended 30 September 2022

	Six months ended 30 September 2022 (unaudited) £'000	Year ended 31 March 2022 (audited) £'000	Six months ended 30 September 2021 (unaudited) £'000
<b>Operating activities</b>			
Investment income received	103	403	161
Deposit and similar interest received	58	3	1
Investment Manager's fees paid	(2,946)	(2,327)	(1,586)
Performance incentive fee	-	(377)	-
Directors' fees	(72)	(115)	(57)
Other cash payments	(120)	(1,293)	(448)
Net cash outflow from operating activities	(2,977)	(3,707)	(1,929)
<b>Cash flow from investing activities</b>			
Purchase of investments	(9,846)	(27,170)	(13,420)
Disposal of investments	1,007	22,574	8,180
Long term loans made	(900)	(9,150)	(1,600)
Long term loans repaid	2,200	834	600
Net cash outflow from investing activities	(7,539)	(12,912)	(6,240)
<b>Cash flow from financing activities</b>			
Share issue proceeds	8,865	65,271	27,214
Share issue expenses	(273)	(2,317)	(1,088)
Share buybacks paid	-	(9,852)	(9,852)
Equity dividend paid	(6,995)	(9,291)	(5,118)
Net cash inflow from financing	1,597	43,811	11,156
Increase/(decrease) in cash and cash equivalents	(8,919)	27,192	2,987
Cash and cash equivalents at the beginning of period	39,612	12,420	12,420
Cash and cash equivalents at the end of period	30,693	39,612	15,407

The accompanying notes on pages 39 and 40 are an integral part of the Financial Statements.

# + Notes to the Financial Statements



# + Notes to the Financial Statements

1. The half-yearly financial report covers the six months ended 30 September 2022. The Company applies FRS 102 and in accordance with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies (issued in April 2021 – "SORP") to the extent that they do not conflict with International Accounting Standards in conformity with the Companies Act 2006 as adopted for its financial year ended 31 March 2022. The financial statements for this six-month period have been prepared in accordance with FRS 104 and on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements for the year ended 31 March 2022.

The comparative figures for the financial year ended 31 March 2022 have been extracted from the latest published audited Annual Report and Financial Statements. Those accounts have been reported on by the Company's auditor and lodged with the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

2. The Board of Directors is satisfied that the Company has adequate availability of funding in order to continue as a going concern. Therefore, the Company continues to adopt the going concern basis in preparing these Financial Statements.
3. Basic revenue return per share is based on the net revenue gain after tax attributable to B Ordinary shareholders for the period and the weighted average number of shares in issue during the period of 30 September 2022: 166,056,542 (30 September 2021: 129,020,555).
4. The net asset value per share at 30 September 2022 is based on net assets of £196,835,556 (30 September 2021: £159,787,214) and the number of shares in issue of 167,289,242 (30 September 2021: 128,698,349).
5. The Company has one reportable segment, being invested primarily in unquoted companies.
6. The Company is required to report the category of fair value measurements used in determining the value of its investments, to be disclosed by the source of inputs, using a three-level hierarchy:

#### Quoted market prices in active markets – "Level 1"

Inputs to Level 1 fair values are quoted prices in active markets for identical assets. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company has no investments classified in this category.

#### Valued using models with significant observable market parameters – "Level 2"

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. The Company has no investments classified in this category.

#### Valued using models with significant unobservable market parameters – "Level 3"

Inputs to Level 3 fair values are unobservable inputs for the asset. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date (or market information for the inputs to any valuation models). As such, unobservable inputs reflect the assumptions the Company considers that market participants would use in pricing the asset. All the Company's investments are classified within this category.

## 7. Related party transactions

The Company retains Pembroke Investment Managers LLP ("PIM") as its Investment Manager and promoter for the 2022/23 share offer.

During the six months ended 30 September 2022, £2,018,088 (30 September 2021: £1,433,408) was payable to PIM for investment management services of which £130,420 (30 September 2021: £108,618 due from PIM) was due to PIM as at the period end. During the six months ended 30 September 2022, PIM acted as promoter for the 2022/23 offer. The related fees in the period amounted to £nil (30 September 2021: £26,298) out of which PIM covers costs of the offer.

PIM acted as promoter for the 2021/22 offer. The related fees in the period amounted to £245,615 (30 September 2021: £616,782) out of which PIM covers the costs of the offer.

During the year, £nil (30 September 2021: £376,588) was payable to PIM in respect of a performance incentive fee.

The number of shares (all of which are held beneficially) by the Directors are:

30 September 2022 shares held		B Ordinary Shares
Jonathan Djanogly	Director	75,992
Laurence Blackall	Director	307,942
David Till	Director	410,437
Mark Stokes	Director	17,888
Louise Wolfson	Director	16,753

## Notes to the Financial Statements continued

8. No asset or liability has been recognised for deferred tax in relation to capital gains or losses on revaluing investments as the Company is exempt from corporation tax in relation to capital gains or losses as a result of qualifying as a Venture Capital Trust. No deferred tax asset has been recognised on surplus expenses carried forward as it is not envisaged that any such tax will be recovered in the foreseeable future. The value of the unrecognised deferred tax asset is £2,860,412 (30 September 2021: £1,586,642). This is calculated using a corporation tax rate of 25% (2021: 19%) which is the rate at which it is deemed that any losses would be utilised.
9. Copies of the Half-yearly report are being sent to all shareholders. Further copies are available free of charge from the Company's registered office and available to be downloaded from [www.pembrokevct.com](http://www.pembrokevct.com).

### 10. Events after the reporting period

#### *Non-adjusting events*

Since the Company's period end, the following transactions have taken place:

- The Company has made follow on investments of £500,000 in Hackney Gelato Limited, £1,000,000 in Kat Maconie Limited, £145,000 in Floom Limited, £250,000 in Droplless Limited, £800,000 in Bella Freud Limited and £100,000 in Carousel Ventures Limited, and new investments of £1,000,000 in Vieve Limited and £1,500,000 in Ro&Zo Limited.
- 2,104,416 shares were allotted under the share offer on 5 October 2022 raising £2,542,985.
- 2,700,907 shares were allotted under the share offer on 26 October 2022 raising £3,270,102.

# Corporate Information

## Directors (all non-executive)

### Independent

Jonathan Djanogly (Chair)  
Laurence Blackall  
Mark Stokes  
Louise Wolfson

### Non-independent

David Till

## All of the registered office and principal place of business

3 Cadogan Gate  
London  
SW1X 0AS  
[www.pembrokevct.com](http://www.pembrokevct.com)

## Investment Manager

Pembroke Investment Managers LLP  
3 Cadogan Gate  
London  
SW1X 0AS

## Company Secretary

The City Partnership (UK) Limited  
The Mending Rooms  
Park Valley Mills  
Meltham Road  
Huddersfield  
HD4 7BH

## Independent Auditor

BDO LLP  
55 Baker Street  
London  
W1U 7EU

## Registrar

The City Partnership (UK) Limited  
The Mending Rooms  
Park Valley Mills  
Meltham Road  
Huddersfield  
HD4 7BH

## Bankers

Barclays Bank plc  
1st Floor, 99 Hatton Garden  
London EC1N 8DN  
Metro Bank PLC  
One Southampton Row  
London WC1B 5HA

## VCT Status Adviser

Philip Hare & Associates LLP  
Suite C, First Floor  
4 – 6 Staple Inn  
London  
WC1V 7QH

## Reporting calendar

for the year ending 31 March 2023

Results announced:

Interim – November 2022

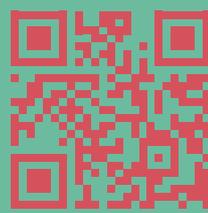
Annual – July 2023





EAT DRINK NAP  
CHARLES & RAY EAMES  
THE INTERIOR DESIGN HANDBOOK  
JASPER  
TASCHEN  
LIVE BEAUTIFUL  
GARDNER  
ELLE  
PEDIAKAPITO  
THE GREENS' US ROAD TRIP  
by &inc.

A guide to  
AMSTERDAM  
The Shop  
Designed by &inc.



**Pembroke VCT plc**  
3 Cadogan Gate, London SW1X 0AS  
  
Incorporated in England and Wales  
with registered number 08307631