

# Albion Development VCT PLC

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**AGM May 2023**

**Results for the year to 31 December 2022**



# AGENDA

Financial summary

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Performance data

Highlights in the year

Investment portfolio

Realisations

Investment strategy

ESG & responsible investing

Prospects, Q1 results and shareholder events

# FINANCIAL SUMMARY TO DEC 2022

**88.65p**

Net asset value (NAV)  
per share as at  
31 December 2022

**202.22p**

Total shareholder value  
as at 31 December 2022

**-1.71%**

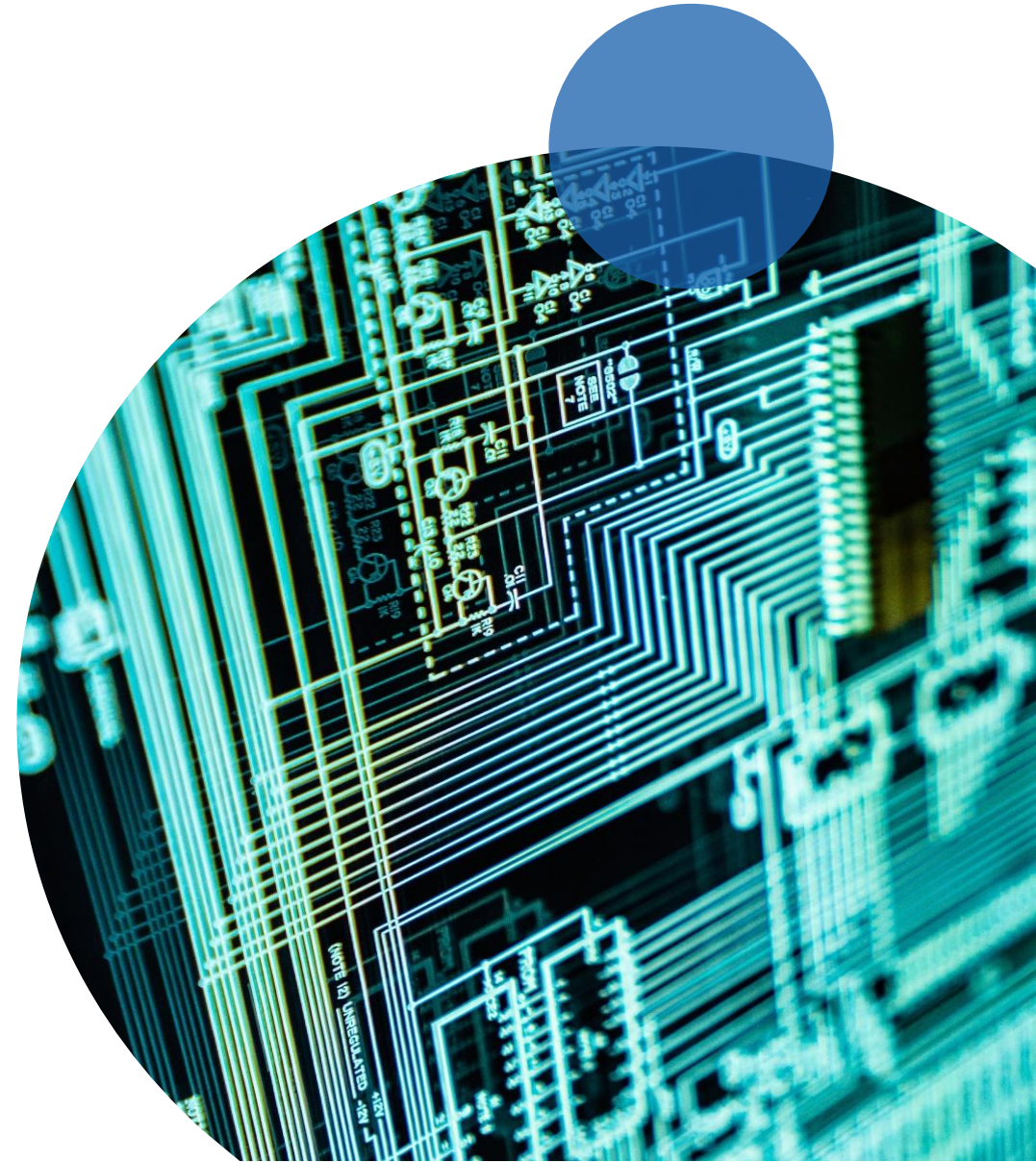
Shareholder return for  
the year ended 31  
December 2022

**4.71p**

Tax-free dividends  
per share paid  
during the year

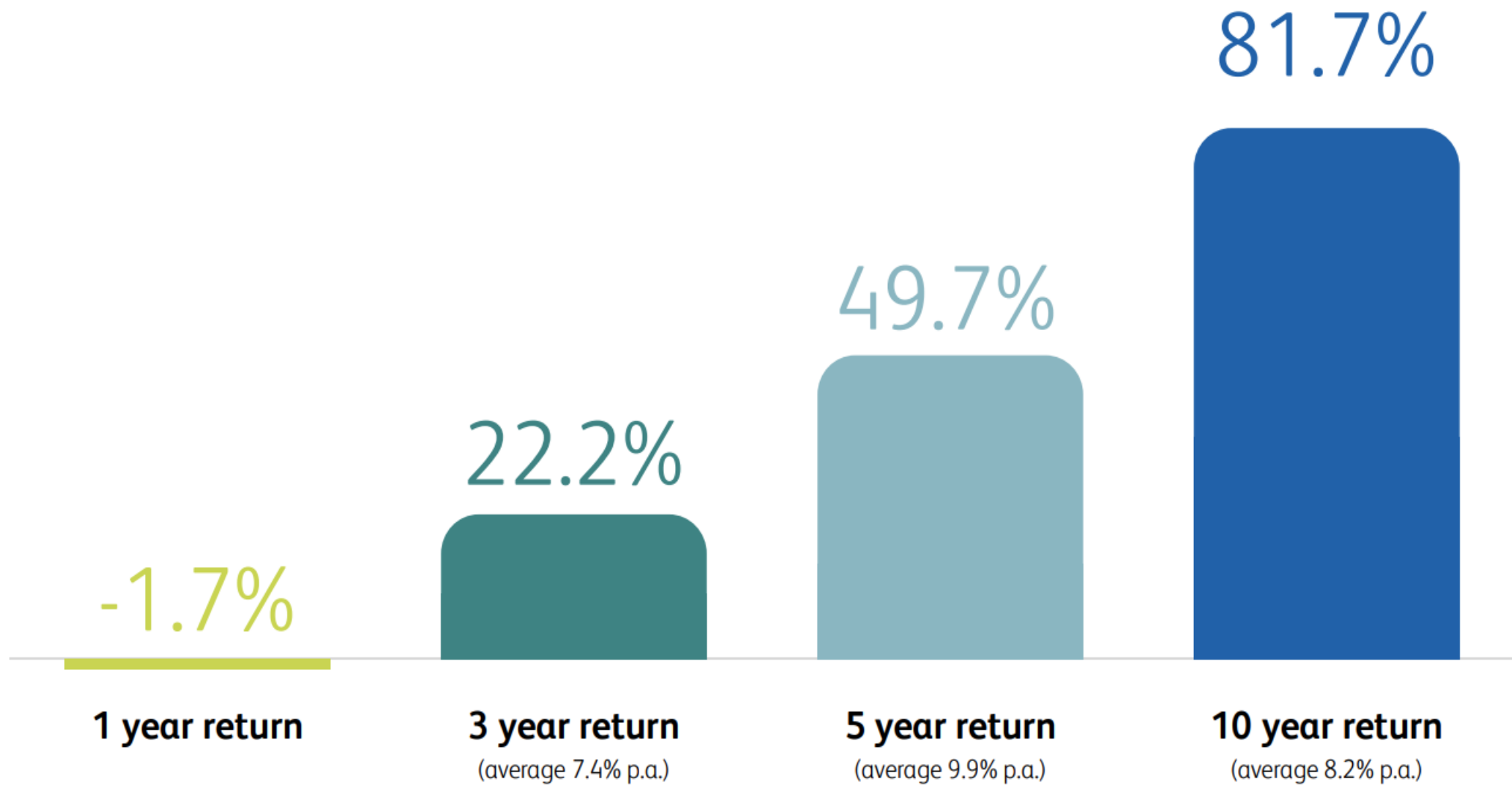
# BACKGROUND

- Continued global macro and geo-political uncertainties
- Inflationary environment
- Prospect of further interest rate rises
- A small loss for the year due to challenging market conditions
- Portfolio focus on mission critical products and services is designed to provide resilience
- Strong Q1 performance





## PERFORMANCE DATA



# HIGHLIGHTS IN THE YEAR

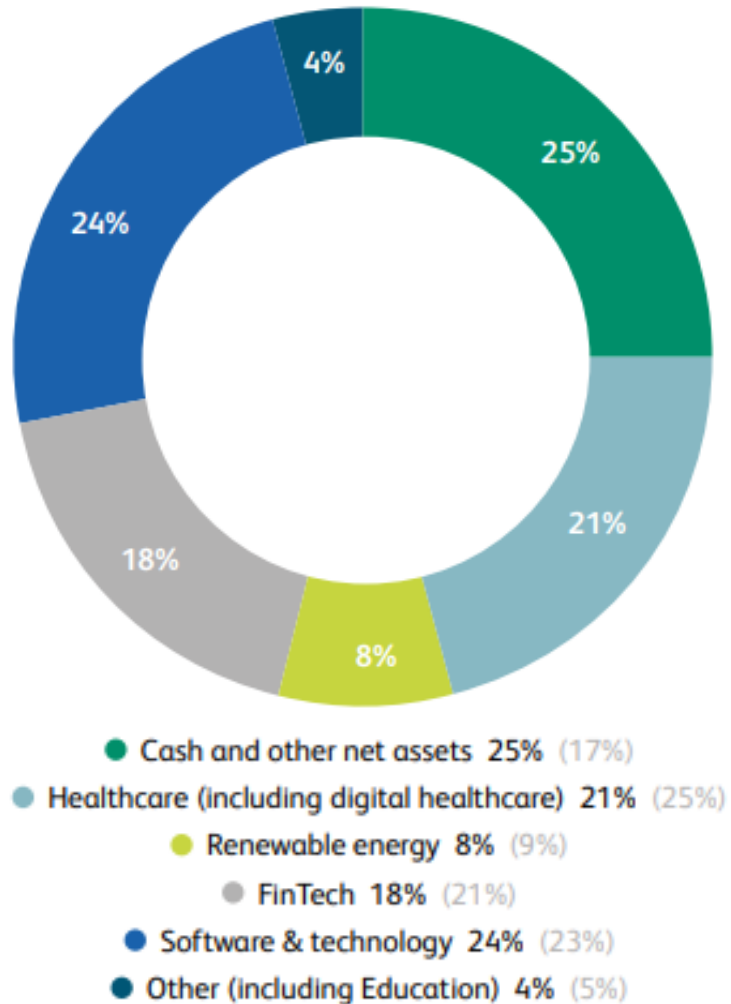
	2021	2022	Notes
Fundraising	£9.8m	£26.1m	2022 fundraising included allotments under two offers: 2021/22 & 2022/23 Top Up Offers
Exits	£6.3m	£7.7m	Including MyMeds&Me, Phrasee and Credit Kudos
Investment rate	£7.0m	£15.6m	£8.7m in 15 new companies and £6.9m into existing portfolio
Share buybacks	£1.7m	£2.2m	
Dividends	£4.5m	£5.8m	
Performance Incentive Fee	£1.8m	-	

# KEY VALUE DRIVERS IN THE YEAR

	2022	Notes
MyMeds&Me	£1.7m	Sold for 3.3x cost
Convertr Media	£0.9m	Strong trading
Black Swan	(£1.6m)	Slower growth
Oviva	(£1.1m)	Slower growth
Other – write ups	£4.1m	Including: Solidatus, Runa Network (WeGift) and Panaseer
Other – write downs	(£4.6m)	Including: uMotif, Cisiv and Oxsensis
TOTAL	(£0.6m)	

# PORTFOLIO ANALYSIS

Sector breakdown

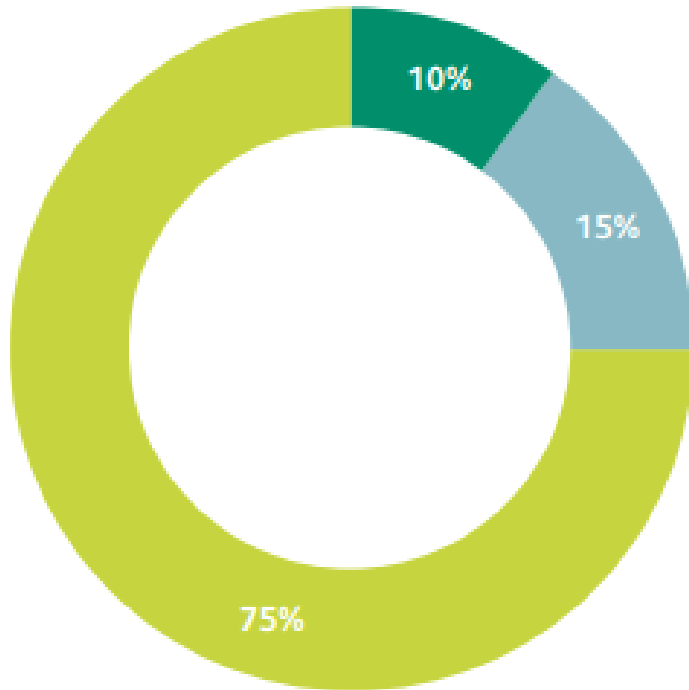


Portfolio of 62 companies employing over 4,700 people predominantly in the UK



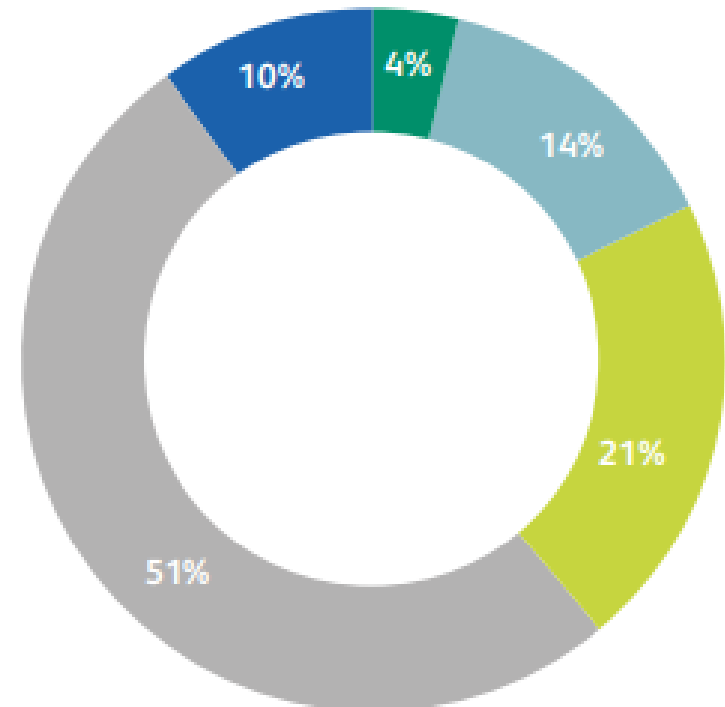
# PORTFOLIO ANALYSIS

## Stage of investment






- Early stage (revenue less than £1 million) 10% (8%)
- Growth (revenue between £1 million and £5 million) 15% (22%)
- Scale up (revenue over £5 million) 75% (70%)

## No. of employees



- Under 20 4% (3%)
- 21 - 50 14% (24%)
- 51 - 100 21% (13%)
- 101+ 51% (50%)
- Renewable energy\* 10% (10%)

# TOP 3 ACCOUNT FOR 27.6% OF THE NAV AT DEC 2022

		Investment date	Cost £000	Book value £000	Revenue growth	Employee growth
	Uses the latest advances in big data analytics and artificial intelligence to help its financial services and government customers detect financial crime	2017	2,101	14,911	>50x	30 to c.600
	The leading cloud encryption platform ensuring data security for email, data transfer and collaboration environments	2014	2,332	9,023	>20x	23 to c.300
	European specialist pharmaceutical company focussed on children's medicines	2012	1,829	7,621	Pre revenue to £15m p.a	4 to 64
			£6.3m	£31.6m		

# NEW INVESTMENTS

**Peppy**

**£1.4m**

An employee digital healthcare platform for underserved health and wellness areas

**TOQIO**

**£1.4m**

Provider of embedded FinTech solutions



**PeakData**

**£0.9m**

Provides insights and analytics to pharmaceutical companies about therapeutic areas

**csgenetics**  
SINGLE-CELL AT SCALE SINGLE-CELL AT SPEED

**£0.7m**

GX Molecular (T/A CS Genetics) develops single-cell sequencing solutions



# NEW INVESTMENT: PEPPY HEALTH

1

Employee digital  
healthcare platform  
for underserved  
health and wellness  
areas



- Launched in 2018 with menopause support as an employee benefit – the first in the world
- £8m invested by Albion VCTs, of which £1.4m from AADV
- Funding will be used to accelerate expansion in the US

# NEW INVESTMENT: TOQIO

2

Toqio Fintech Holdings is a provider of embedded FinTech solutions



- Toqio allows any business to launch embedded finance within days without building and managing complex software
- £7.4m invested by Albion VCTs, of which £1.4m from AADV
- Funding will be used for product development and expansion

# FOLLOW-ONS



**£1.1m**

Healios is a provider of an online platform delivering family centric psychological care primarily to children and adolescents



**£1.1m**

Black Swan Data provides predictive analytics for consumer brands



**£0.8m**

Runa Network (previously WeGift) is a cloud platform and infrastructure that enables corporates to issue digital incentives and payouts



**£0.7m**

TransFICC is a provider of a connectivity solution, connecting financial institutions with trading venues via a single API



1

## REALISATIONS: MYMEDS&ME

- Digital pharma SaaS platform that captures safety data directly from patients and healthcare professionals across multiple channels
- Acquired by Stanley Capital

**£3.3m**

Invested by Albion VCTs

**3.3x**

Cash on cash multiple

**£3.1m**

Albion Development  
VCT proceeds

## REALISATIONS: CREDIT KUDOS

- UK fintech using open banking to provide more accurate credit scoring
- Acquired by Apple

**£3.0m**

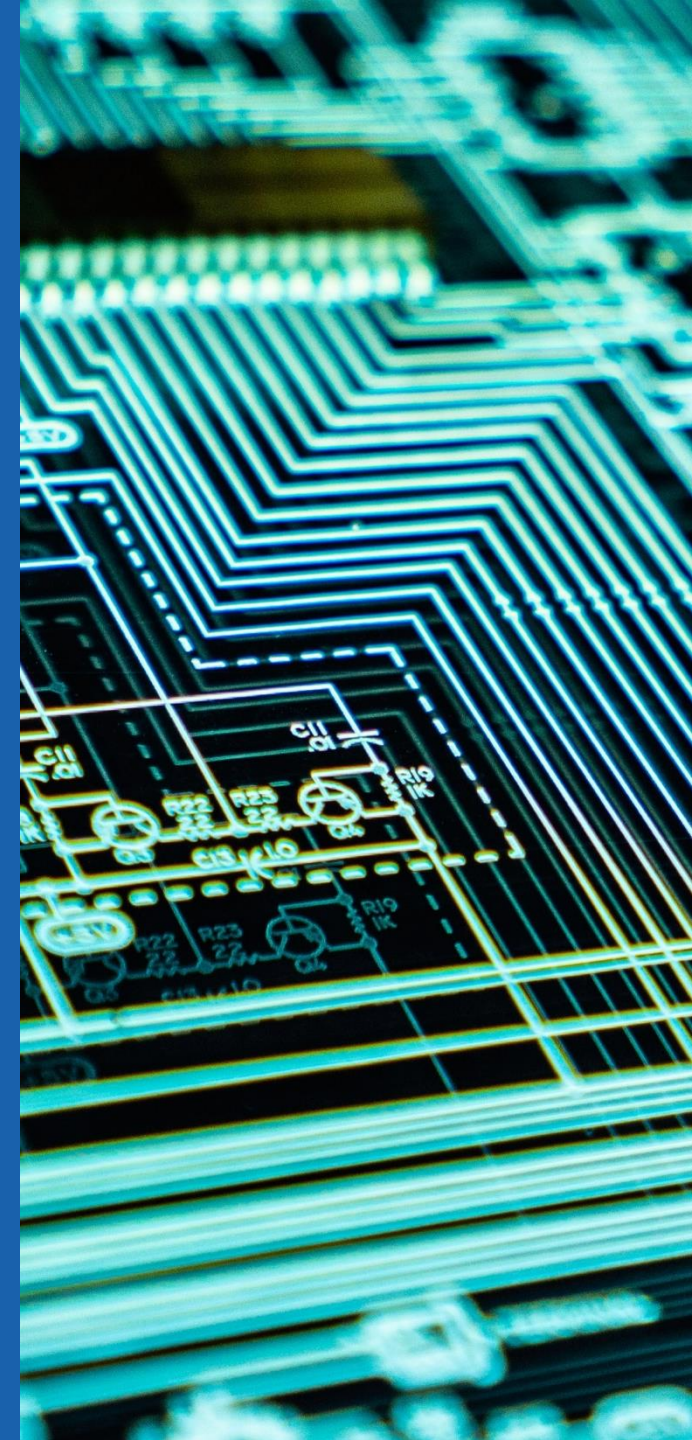
Invested by Albion VCTs

**5.4x**

Cash on cash multiple

**£1.8m**

Albion Development  
VCT proceeds



# INVESTMENT STRATEGY



Seed to Series B  
(early stage  
to growth)



Backing  
Long-term  
trends



Focus on  
B2B



Target  
software and  
healthcare





# ESG AND RESPONSIBLE INVESTING

## Our commitment

- Devise an appropriate risk-return profile for our investments
- Deliver value to our investors
- Develop sustainable long-term strategies for our portfolio companies

## Our process

- Integrates ESG principles at all stages of investment
- Measures the sustainability and societal impact of our investments

# ESG AT ALBION

## ENVIRONMENTAL

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- Net Zero target by 2030
- Measuring carbon footprint with Plan A
- Purchased carbon removal permits for 2021/2022 emissions

## SOCIAL

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- Fair HQ score improvement (from 3.8 to 6.1 out of 10) within a year
- Mentoring for under-represented groups in VC
- Continued support for Whizz Kidz

## GOVERNANCE

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- ESG principles integrated across the full investment cycle
- Completion of 2022 ESG BSC portfolio reporting and targets set for 2023
- UN PRI score 2020/21: 3/5 stars
- Regular ESG updates for all stakeholders

# PROSPECTS

- Ongoing uncertainties but balanced by strong individual portfolio company growth
- Well-balanced portfolio across target sectors and stage of maturity
- Focus on mission critical products and services, designed to provide resilience
- Limited exposure to discretionary consumer facing sectors
- Good level of cash to capitalise on new opportunities



# Q1 RESULTS & EVENTS

- NAV at 31 March 2023 of 94.92p
  - Increase of 7.1% to the 31 December 2022 NAV
- Quantexa valuation has increased by £10m in the quarter
- Virtual AGMs
- Physical annual shareholder seminar
- First dividend of 2.22p per share payable on 31 May 2023
- Top three investments now account for 32.5% of NAV at 31 March 2023

## Shareholder seminar details

 15 November 2023

 Royal College of Surgeons  
Lincoln's Inn Fields, London

 To reserve a place, email  
[info@albion.capital](mailto:info@albion.capital)

# Thank you

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