

# Albion Technology & General VCT PLC

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**AGM June 2024**

**Results for the year to 31 December 2023**



# AGENDA

Financial summary

Background

Performance data

Highlights in the year

Investment portfolio

Realisations

Investment strategy

ESG & responsible investing

Prospects, Q1 results and shareholder events

# FINANCIAL SUMMARY TO DEC 2023

**71.99p**

Net asset value (NAV)  
per share as at  
31 December 2023

**199.33p**

Total shareholder value  
as at 31 December 2023

**3.83%**

Shareholder return for  
the year ended 31  
December 2023

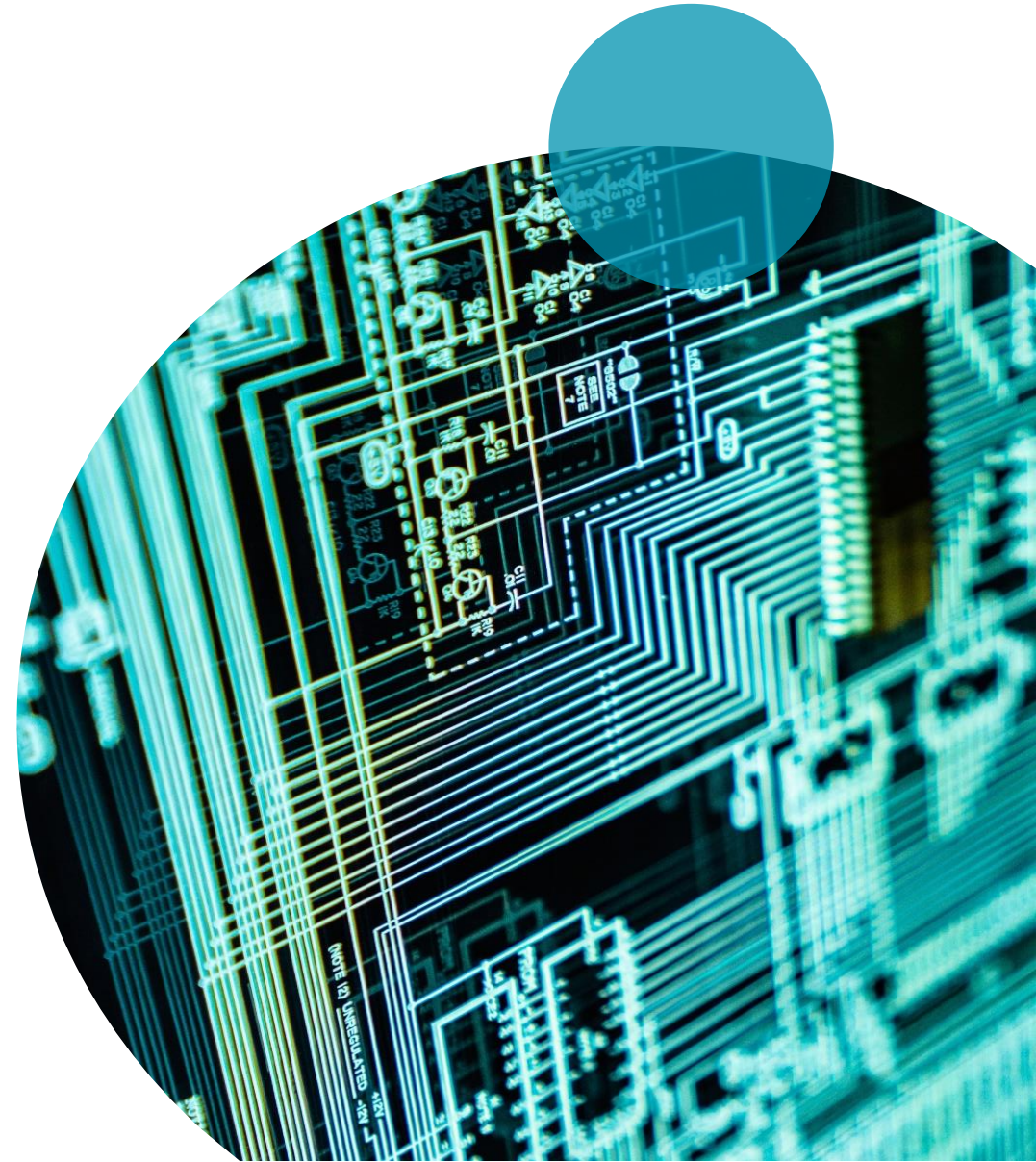
**3.72p**

Tax-free dividends  
per share paid  
during the year

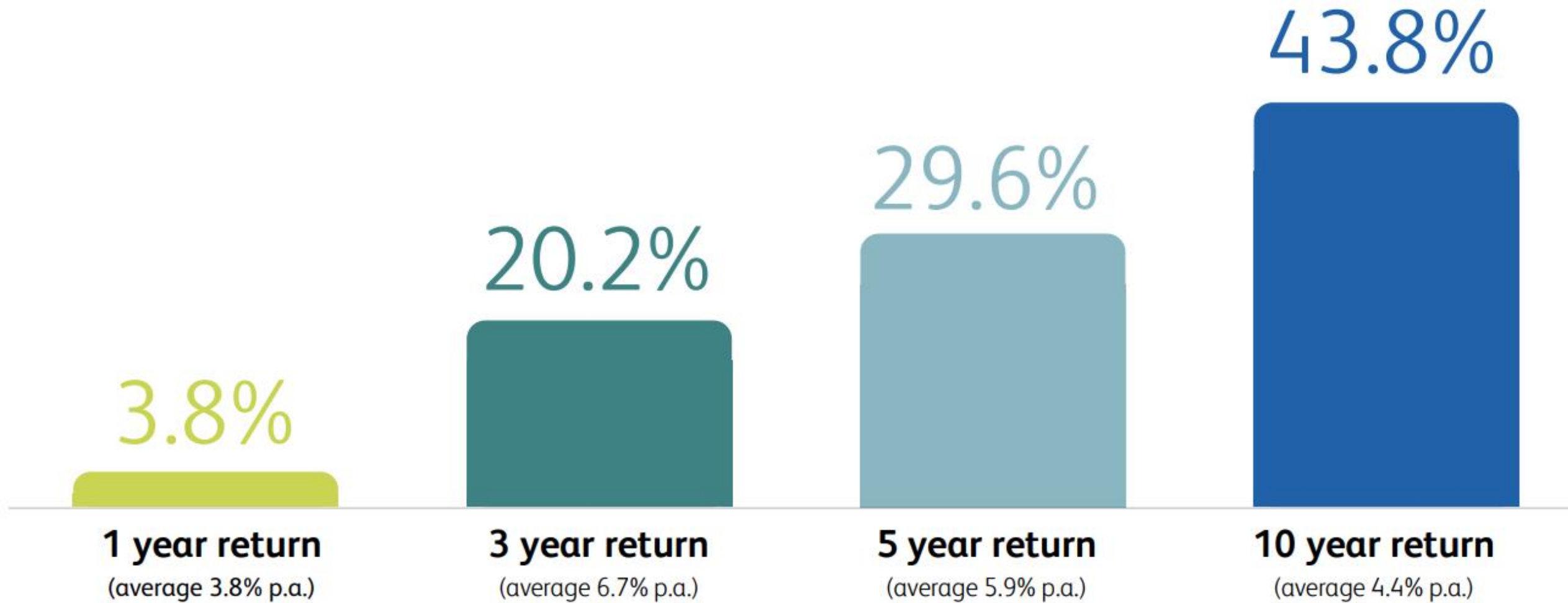


# BACKGROUND

- Heightened global macro and geo-political uncertainties
- Falling inflation but high interest rates remain
- Portfolio focus on mission critical products and services is designed to provide resilience
- A small return for the year due to challenging market conditions
- Positive Q1 performance



## PERFORMANCE DATA



# HIGHLIGHTS IN THE YEAR

	2022	2023	Notes
Fundraising	£28.5m	£10.1m	2022 fundraising included allotments under two offers.
Exits	£11.5m	£5.9m	2023 included sale of Ophelos and a part disposal of Quantexa
Investment rate	£16.7m	£7.3m	£2.5m in 5 new companies and £4.8m into the existing portfolio
Share buybacks	£2.5m	£2.8m	
Dividends	£6.5m	£6.6m	

# KEY VALUE DRIVERS IN THE YEAR

	2023	Notes
Quantexa	£11.4m	Series E fundraising – UK’s first “unicorn” of 2023
Radnor House School	£0.7m	Increased pupil numbers
Black Swan	(£2.2m)	Challenging trading
Chonais River Hydro	(£0.9m)	Re-evaluation of its generation potential
Other – write ups	£3.2m	Including: Egress Software Technologies and Proveca
Other – write downs	(£6.2m)	Including: Solidatus and Speechmatics
TOTAL	£6.0m	



# PORTFOLIO ANALYSIS

## Sector breakdown



- Healthcare (including digital healthcare) 16% (17%)
- Renewable energy 7% (9%)
- FinTech 29% (23%)
- Software & other technology 18% (19%)
- Other (including education) 8% (8%)
- Cash 22% (24%)

Portfolio of c.60 companies employing over 4,700 people predominantly in the UK



# PORTFOLIO ANALYSIS

## Stage of investment



- Early stage (revenue less than £1 million) 7% (9%)
- Growth (revenue between £1 million and £5 million) 17% (20%)
- Scale up (revenue over £5 million) 76% (71%)




## No. of employees



- Under 20 5% (6%)
- 21 - 50 13% (12%)
- 51 - 100 16% (12%)
- 101+ 57% (59%)
- Renewable energy\* 9% (11%)

\*Renewable energy investments have no employees

# TOP 3 ACCOUNT FOR 28.9% OF THE NAV AT DEC 2023






		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	2,678	24,918	>50x	30 to c.600
	European specialist pharmaceutical company focussed on children's medicines	2012	2,007	5,969	Pre revenue to >£16m p.a	4 to c.60
	Operates an independent school, Radnor House Sevenoaks, a co-educational independent school for students aged 2 - 18	2015	2,710	5,915	>3x	Number of students increased 2.5x
			£7.4m	£36.8m		

# QUANTEXA

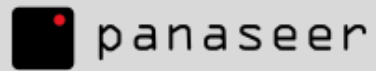
- Established in 2016, Quantexa has grown from 30 people in the UK to c.600 across 14 offices globally
- Largest holding, representing **20%** of NAV (31/12/2023)
- Part sale generated £3.4m, equating to 10.3x return on weighted average cost
- Received £100m investment at a valuation of c.£1.4bn
- The first British unicorn (a firm valued over \$1bn) of 2023



# NEW INVESTMENTS

 OpenDialog		 PHASECRAFT	 kennek	 mondra
£1.0m	£0.6m	£0.5m	£0.2m	£0.2m
AI powered chatbots and virtual assistants	Distributed Energy Resources modelling software	Quantum computer software	Software for non-bank lenders	Supply chain emissions modelling software

# FOLLOW-ONS



**£1.4m**

Provider of cyber security software



**£0.8m**

Provider of a reformulation of medicines for children



**£0.6m**

A cloud platform and infrastructure that enables corporates to issue digital incentives and payouts



**£0.6m**

A next generation API management platform

# 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 ESG performance across the portfolio
- Annual ESG reporting to industry bodies and UN PRI

# ESG AT ALBION

## ENVIRONMENTAL

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- Net zero road mapping plan
- Carbon footprint measuring and offsetting
- Purchased carbon removal permits for 2022/2023 emissions

## SOCIAL

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- Fair HQ score improvement (from 6.1 to 6.6 out of 10) over the year
- Social outreach group launched to encourage students from lower socio-economic backgrounds to enter VC
- Continued support for Whizz Kidz

## GOVERNANCE

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- ESG principles integrated across the full investment cycle
- Completion of 2023 ESG BSC portfolio reporting and plans for 2024
- 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



# ELECTRONIC VOTING

- Online voting is quick and simple
- Notification emails are sent before the AGM with full instructions
- Two options:
  - Before the AGM via notification email or visit [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy)
  - During the AGM via the [Lumi platform](#)
- Any questions, contact us



# Q1 2024 RESULTS & EVENTS

- NAV at 31 March 2024 of 72.44p
  - Increase of 0.6% to the 31 December 2023 NAV
- Virtual AGMs
- Physical annual shareholder seminar
- First dividend of 1.80p per share payable on 28 June 2024
- Top three investments now account for 26.6% of NAV at 31 March 2024

## Shareholder seminar details

 20 November 2024

 No.11 Cavendish Square,  
London W1G 0AN

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

# Thank you

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