

Calculus VCT plc Half Yearly Report for the six months ended 31 August 2019

INVESTMENT OBJECTIVE

The Company's principal objectives for investors are to:

- invest in a portfolio of Venture Capital Investments that will provide investment returns that are sufficient to allow the Company to maximise dividends and capital growth over the medium to long term;
- generate sufficient returns from a portfolio of Venture Capital Investments that will provide attractive long-term returns within a tax efficient vehicle;
- review and pay the appropriate level of dividends annually taking account of investment returns achieved and future prospects; and
- maintain VCT status to enable qualifying investors to retain their income tax relief of up to 30 per cent. on the initial investment and receive tax-free dividends and capital growth.

FINANCIAL REVIEW

Ordinary share fund

Financial Highlights	6 months to 31 August 2019	6 Months to 31 August 2018	12 Months to 28 February 2019
Total return per new Ordinary share ¹	(0.28p)	(1.63p)	(7.27p)
Net asset value per new Ordinary share	72.20p	81.10p	75.84p

To date, 11.65 pence of dividends have been paid to eligible Ordinary shareholders. In addition, since launch 85.24 pence has been paid to original ordinary shareholders and 75.10 pence to original C shareholders including the equivalent dividends paid since the share class merger that took place on 1 August 2017.

CHAIRMAN'S UPDATE

I am pleased to present your Company's results for the 6 months to 31 August 2019.

¹ Total return per share is a non-GAAP Alternative Performance Measure ("APM"). It is taken from the Income Statement on page 11 and is calculated by taking the total profit or loss for the period and dividing by the weighted average number of shares. This has been selected to provide better understanding of the Company's performance over the period on a per share basis.

Performance summary

The NAV showed a 3.6p per share decrease in the 6 months to 31 August 2019. Of this decrease in value, 3.4 pence per share is attributable to the dividend that was paid in July 2019. The further movement is attributable to the performance of qualifying investments.

I am delighted to report that during the period, the Company's holding in Synpromics Limited was sold achieving an impressive return for investors. Whilst the financial terms of the acquisition are undisclosed, the return achieved significantly exceeds target returns. The deal is further enhanced by the potential to benefit from future licensing fees on Synpromics existing portfolio of licences.

AnTech has performed well in the period, increasing 30% in value since 28 February 2019. This is predominantly due to the growth of its directional drilling tools division. Money Dashboard has increased in value by 20% in the period as it has improved its market position following a funding round in July 2019.

Although many companies in the portfolio showed strong growth, the Company's NAV was hit by the write down of some investments. Terrain Energy was written down by £265,000 due to the disappointing results of the Brockham well test. Solab's equity was written down in full losing £180,000 of NAV value when the company was put in administration in June 2019. The value of Pico's (Benito's Hat) has also been written down as the company is continuing to experience difficult trading conditions. In addition, the current economic and political uncertainty in the UK which has led to weak performance of the public markets has also impacted the few AIM quoted holdings in the portfolio.

The NAV also suffered from the low return earned on cash and near cash balances held by the Company awaiting investment. The Company has an active investment programme and funds are now being put to work.

In the period to 31 August 2019, six new investments were made on behalf of the qualifying portfolio:

- March 2019: the Company invested an additional £100,000 in WheelRight Limited
- April 2019: £300,000 was invested in Wazoku Limited
- April 2019: £300,000 was invested in existing portfolio company Blu Wireless Technologies Limited
- May 2019: the Company invested £340,000 in IPV Limited
- May 2019: the Company invested a further £200,000 in Every1Mobile Limited
- July 2019: the Company invested a further £150,000 in Quai Administration Services Limited

Further information can be found on new investee companies Wazoku Limited and IPV Limited in the Investment Manager's Report.

Buybacks

During the period, the Company bought back and cancelled 78,279 Ordinary shares. The Company continues to review opportunities to carry out share buybacks at a discount of no greater than 10% to NAV.

Dividends

As mentioned above, a dividend was paid on 26 July 2019 of 3.4 pence per eligible Ordinary share.

Board composition

Michael O'Higgins stepped down from the board following the AGM in July 2019 and I was appointed Chairman from that date. I would like to thank Michael for his contribution to the VCT over the past 10 years.

Change of auditor

The Company appointed BDO LLP to take over from Grant Thornton in May 2019 after carrying out a tender process. BDO LLP were then elected by shareholders at the Annual General Meeting on 4 July 2019.

Ordinary share issue

The offer for subscription for Ordinary Shares that opened on 13 September 2018 and closed on 31 August 2019 received aggregate subscriptions from the issue of Ordinary shares of £5.9 million.

On 24 September 2019 a new prospectus was launched for a further offer for subscription for Ordinary Shares, with the shares to be issued in the 2019/20 and 2020/21 tax years.

Developments since the period end

On 6 September 2019, the Company issued 1,334,399 Ordinary Shares under the prospectus approved on 13 September 2019. The Company subsequently launched a new offer 24 September 2019.

Other than mentioned above, there have been no material developments since the period end.

Jan Ward
Chairman
18 October 2019

INTERIM MANAGEMENT REPORT

Venture Capital Investments

Portfolio developments

Calculus Capital Limited manages the Company's portfolio of venture capital investments. In general, Calculus Capital prefers investments to be of a sufficient size to enable them to play an influential role in helping the investee companies develop. Investments by the Company may be by way of equity, and also by way of loan stock and/or preference shares which provide income to assist in paying dividends and provide a measure of risk mitigation.

As at 31 August 2019, the portfolio had 31 Qualifying Investments. An update on some of the portfolio companies has been provided below.

AnTech Limited

AnTech is a specialist engineering company in the oil and gas market, manufacturing products for use in oil and gas production, as well as providing directional coiled tube drilling services. The Products Division supplies high specification customised and standard products. The division is on track for a record year, with current sales and the order book bolstered by continued oil price stabilisation. AnTech's Services Division has developed a new generation of directional drilling tools, which transforms the manner and efficiency with which oil and gas wells can be drilled with coiled tubing. Following a period of slowly gaining market acceptance, the division is showing promising signs of growth, with a bigger and better pipeline than previously. AnTech has managed its resources, including cash, well and is optimistic about the prospects for both its divisions.

Arcis Biotechnology Holdings Limited

Arcis has developed an innovative way of extracting DNA and potentially RNA which has significant advantages over other techniques. Arcis' patented sample preparation system simply and rapidly opens up human cells, microorganisms, viruses and fungi to release the DNA / RNA and, unlike competitor processes, the Arcis chemistry more effectively protects the DNA / RNA from degradation. Arcis has signed its first commercial license agreement providing its technology in the development of a rapid diagnostic test. The initial progress of this collaboration has been positive. In July 2019 Arcis received a £1.2m investment from new and existing investors. The funds will be used to further support the company's product development and commercialization efforts.

Arecor Limited

Arecor, with a proprietary technology platform, partners with major global pharmaceutical and biotech companies in a licencing model to deliver superior reformulations of their proprietary products, which would not be possible using conventional formulation science. Arecor is also leveraging its platform to develop its own portfolio of products, initially focused on improving the treatment of diabetes. Since the investment by Calculus VCT, as part of a £6m round, the company has appointed a new CFO, Susan Lowther, who has significant experience across both private and public fast-growing life science companies. In March 2019, in line with its plan, Arecor announced that its Phase I clinical trial application for its ultra-rapid acting insulin product has been approved by the Austrian regulator. The trial is being conducted in Austria at an internationally recognised centre of excellence in the field of diabetes research and results are expected later in 2019.

Blu Wireless Technology Limited

The Company invested £300,000 in Blu Wireless Technology (BWT) in April 2019. BWT is a key player in the development of high frequency (mmWave) wireless communication, which allows for multi-gigabit per second data transfer with low latency has been heralded as the future for ultra-fast wireless technology. Key market applications include: reducing the cost of building dense 5G networks by providing backhaul through fixed wireless access (FWA); and reliable high-speed connectivity for high speed trains and vehicles. BWT is a key part of two UK government contracts as part of the UK's 5G Strategy, including in Liverpool to support the NHS and its high-speed transport technology is being used in the Auto Air Testbed. In February 2019, BWT announced a partnership with FirstGroup, to deliver high speed internet to trains both in the UK and overseas. In April 2019, BWT completed a £12.6m funding round, in which Calculus VCT participated alongside ARM (formerly Arm Holdings) and other new institutional investors.

Cloud Trade Technologies Limited

Cloud Trade is a software company providing technology that allows businesses to automate the invoice handling process in a way that is completely invisible to the supplier. Invoices are simply directed to a new email address, allowing Cloud Trade's patented software to automatically extract the relevant data and inject it directly into the accounting system. Today, Cloud Trade's software is primarily used to automate the accounts payable process, but the technology is applicable to any computer-generated document. With the rise of robotic process automation (RPA) systems, Cloud Trade's addressable market is expected to expand significantly. Since the investment by Calculus, the company has appointed a new Chairman, Philip Padfield, and a new Chief Revenue Officer, Steve Emecz, established a US entity (Cloud Trade Inc.) and launched Cloud Trade Logistics; a specialised product for the US freight logistics industry. Cloud Trade has progressed well over recent months with new customers won in the US (Cloud Trade Logistics), the UK and Europe. In June 2019, Cloud Trade launched on the Systems Applications and Products ("SAP®") App Center, the digital marketplace for SAP partner offerings, which is expected to be an important future sales channel.

Essentia Analytics Limited

Essentia Analytics provides decision analytics in order to improve the performance of active asset managers. Essentia's proprietary software conducts full algorithmic analysis of all past investment decisions, and using machine learning identifies each individual portfolio manager's behavioural biases. The software then continuously monitors their portfolio including individual stock performance and trading and creates proactive behavioural 'nudges' to help the fund manager improve his or her performance. Quarterly consultation sessions are also provided to reinforce change in behavioural trading biases at an individual and team level. Its customers include large US, UK and European asset management companies as well as hedge funds. In January 2019, Calculus invested £2.5m in the company, which is being used to expand their product offering, in particular for asset allocators (CIOs), and to drive growth by strengthening the US and European sales and marketing capability.

Every1Mobile Limited

The Company invested £200,000 in Every1Mobile ('E1M') in May 2019 bringing the total investment to £400,000. In 2018, E1M grew revenues by 60%, and won several major contracts, including its first Software-as-a-Service (SaaS) licensing contract for delivery of online business education services to micro-entrepreneurs across Unilever's worldwide emerging markets. Its platform also connects 3,200 shopkeepers and 13,000 consumers in Kenya and Nigeria as part of public-private partnership between Unilever, DFID and the Bill & Melinda Gates Foundation. These partnerships are designed to build the businesses of low-income shopkeepers via education and access to services, such as consumer vouchering. In February 2019, DeafKidz International and E1M announced a partnership to develop an online platform for emerging markets worldwide that will enable professionals, such as teachers, police, social workers and health workers, to access online training and resources and access peer and expert support through their mobile phone.

IPV Limited

The Company invested £340,000 in IPV during the period: £40,000 of equity and £300,000 of loan notes. IPV's proprietary software enables companies to access, store, modify, tag and transfer video content quickly and efficiently, significantly improving internal processes and creating more routes to market. IPV's

products are designed to create a “Content Factory” experience for the users, streamlining the creative editorial process and the delivery of content to multiple platforms. IPV has an established, blue chip customer base in the media and broadcast industry, including Turner, Sony Entertainment, the Oscars (AMPAS) and Sky. IPV continues to move from its historical “perpetual licence” model to a subscription and hosted, recurring revenue model. The change has resulted in relatively flat total revenues over recent periods, but strong growth in the more valuable, recurring revenue stream. In 2018, total revenues fell slightly compared to the prior year, but more valuable recurring revenue increased by 60% from £1m to £1.6m over the same period. Focus for the next twelve months is to continue increasing the recurring revenues.

MicroEnergy Generation Services Limited

MicroEnergy Generation Services owns and operates a fleet of 147 small onshore wind turbines (<5kW). Revenues from the fleet of turbines come from two sources, firstly, there is the Government backed feed-in tariff paid by the electricity suppliers for every kilowatt of electricity generated. Secondly, there is an export tariff for any surplus electricity not used by the site owner that is exported to the grid. Full year generation to 31 March 2019 was in line with the previous year despite a lower wind resource due to efforts being focused on optimising the performance of the fleet. This included the recent replacement of nine of its Chinese manufactured Huaying HY5 turbines with Elance R9000s which do not suffer from reliability issues. The company is actively investigating exit opportunities.

Money Dashboard Limited

Money Dashboard offers its users a free view of their finances (from bank accounts, credit cards, store cards, etc.) in one secure place. The company’s proprietary transaction tagging technology analyses the user’s spending into categories, providing an automatically updating, consolidated view of their financial lives. Money Dashboard’s principal revenue stream is based upon aggregating its users’ data on an anonymous basis to analyse consumer spending trends, which can be sold to institutional investors and others. In August 2019, Calculus Capital invested a further £1.0m (as part of a £4.6m round) which will be used to support additional recruitment, as well as to further develop the company’s technological offering, helping cement the company’s market leading position.

Open Orphan plc (formerly Venn Life Sciences)

In May 2019 the Board of Directors of Venn Life Sciences, an integrated Contract Research Organisation providing drug development, clinical trial management and resourcing solutions, recommended the company enter into a reverse takeover transaction with Open Orphan, a services platform for pharmaceutical and biotechnology companies with a particular focus on drugs for rare diseases, which have been designated as “Orphan Drugs”. Open Orphan has built a database connecting over 4,000 rare disease specialist physicians with over 500 pharmaceutical companies with orphan drugs in development or on the market across Europe. Open Orphan has also begun establishing a patient health data platform, with a focus on rare diseases. Venn Life Sciences’ service offerings will enable the combined group to assist the developers of rare disease and orphan products from pre-clinical development through to commercialisation. The combined group aims to build a leading, European-focussed, rare and orphan drug consulting services platform, building on its existing capability through strategic and targeted acquisitions.

Oxford BioTherapeutics Limited

Oxford BioTherapeutics (OBT) is a clinical stage oncology company committed to the discovery and development of novel therapies for various cancer types. OBT has a number of partnered programs, as well as a strong pipeline of proprietary immune-oncology (IO) therapies, which are used to re-engage and recruit the body’s immune system to attack cancer cells. In June 2019, OBT received a milestone payment from Boehringer Ingelheim (BI) in relation to the advancement of one of two pre-clinical stage candidates, which BI is developing. In addition, the most advanced of OBT’s two clinical stage assets, which are both being funded by The Menarini Group through to completion of Phase II, has begun clinical development in the US for patients with high risk breast cancer and other solid tumours. In August 2019, OBT received an investment of \$5m from ALSA Ventures, a life sciences investor focused on novel therapeutics.

Park Street Shipping Limited

In February 2017, Park Street Shipping purchased MV Nordic London, a 2010 South Korean built 35,000 dwt Handysize dry bulk carrier, taking advantage of the attractive investment environment in the sector. The company recently secured a 7-10-month charter with Cargill, the largest privately held corporation in the United States in terms of revenue, at USD 10,300 per day. This is the same day rate as the previous charter which was secured when the market was stronger suggesting that the vessel is performing well and in demand. Mid-term prospects for the sector are encouraging with fleet growth expected to be approximately 2% versus dry bulk demand growth of 3%, although ongoing risks to the sector persist due to international trade disputes. The valuation has been increased since the last valuation date due to the strength of the USD against the GBP as the vessel earns income in USD.

Pico's Limited ("Benito's Hat")

Benito's Hat is a Mexican-themed fast casual restaurant business with eight sites. As has been widely reported, trading in the casual dining market is challenging at present. A new site model was established to adapt to the current environment, reducing new build costs and giving the brand the ability to open smaller stores. Whilst this work has been necessary, it has meant that the business incurred a number of one-off costs. Combined with the slower than expected maturity of newly opened stores, this led to a deterioration in cashflow. Having taken advice from restructuring experts the company took the decision to pursue a Company Voluntary Arrangement ("CVA"). The proposal was approved with 93% of creditors voting in favour. While negotiations with landlords are ongoing and will be key to building a sustainable business, the company is focusing on initiatives to protect revenues in the current volatile consumer spending environment. Management is focused on achieving a sustainable level of profitability before pursuing an exit opportunity for shareholders.

Quai Administration Services Limited

The Company invested £150,000 in Quai in July 2019. Quai's platform administers thousands of individual savings plans at a fraction of the cost incurred by established insurance companies and wealth managers, with the company's compliant and efficient administration systems providing clients with the ability to drive operational efficiencies. Quai's systems focus on the provision of two core administration services: Product Administration for mass-market consumer offerings and Portfolio Administration for private client and portfolio managers. Since Calculus' initial investment, Quai's revenues have grown by nearly 300% (over 30% compound annual growth). Quai now has 11 customers live on its platform including PJMilton, Punter Southall, Digital Moneybox and Tavistock Investments. In the coming year Quai is reviewing the possibility of applying for its own FCA permissions, which would expand the company's range of services, increase margins and reduce reliance on third parties for a key service.

Terrain Energy Limited

Terrain has interests in four production licences and seven exploration licences. Terrain's most promising assets are its 100% owned and operated exploration licences in Germany with recoverable resources estimated at 23 billion cubic feet (bcf) of gas and 3.1 million barrels of oil. Three geothermal wells have been drilled on and adjacent to these licences in recent years targeting water and have made significant hydrocarbon discoveries thus de-risking the assets for Terrain. Terrain's near-term focus is maximising cash flow from its production and development assets in order to support the delivery of its German appraisal blockbuster in the mid-term, but it is not without risk. The Brockham well was tested in June 2019 with the conclusion that oil could not be produced from the Kimmeridge formation at commercial levels. This, alongside continuing operational issues at the Whisby field, has reduced the company's value. The Directors are examining the prospect of an exit event in the short-medium term, depending on market conditions.

Wazoku Limited

Calculus VCT invested £300,000 in Wazoku Ltd in April 2019 as part of £2.5m investment round. Wazoku has developed a market leading platform and suite of support services to enable firms to innovate at scale. The core product, Idea Spotlight, is a Global Home for Ideas. It is a customisable off-the-shelf solution offering collaborative idea management modules to meet the diverse set of innovation requirements that global businesses have. Successful innovation requires not only capturing ideas, but also collating, analysing and implementing them. The platform provides the process and structure to capture, evolve, evaluate,

develop, measure, select and implement the best ideas from internal or external stakeholders. Wazoku has an impressive client list including John Lewis, Aviva, HSBC, Oxford University and Bristol-Myers Squibb.

Weeding Technologies Limited (“Weedingtech”)

Weedingtech is a cleantech company focused on replacing toxic herbicides, particularly in the municipal market. Weedingtech’s technology treats weed and moss using environmentally friendly hot foam (which keeps the heat on long enough to kill the weed or moss). The last twelve months have seen increased legal and public focus on the use of chemical herbicides, particularly in public areas. There have been a number of very large court awards against Monsanto in relation to the use of glyphosate and an estimated 11,000 further US cases are pending. In April 2019, with Calculus Capital’s support, Weedingtech secured a £2.2m funding round from a new institutional investor specialising in environmental sustainability. The funds will be used for the continued expansion into the US, sales and marketing and operational improvements.

Developments since the period end

Other than as disclosed above, there have been no developments since the period end.

Calculus Capital Limited
18 October 2019

INVESTMENT PORTFOLIO AS AT 31 AUGUST 2019
- TOTAL FUND

% of Net Assets

Unquoted - loan stock	10%
Quoted and unquoted - ordinary and preference shares	37%
Unquoted - liquidity funds	38%
Net current assets	15%
	100%

Asset class - % of Portfolio

Quoted and unquoted - Qualifying Investments	55%
Unquoted - other non-Qualifying Investments	45%
	100%

Company	Nature of Business	Book Cost £'000	Valuation £'000	Movement since 28 Feb 19 %	% of Portfolio
Qualifying Investments					
Air Leisure Group Limited	Leisure	200	-	-	-
AnTech Limited	Oil services	120	186	30%	1
Arcis Biotechnology Holdings Limited	Med Tech	275	275	-	2
Arecor Limited	Biotech	100	114	14%	1
Blu Wireless Technology Limited	Technology Hardware	450	745	67%*	6
C4X Discovery Holdings plc	Pharma Services	199	84	(42%)	1
Cloud Trade Technologies Limited	Software	200	249	8%	2
Cornerstone Brands Limited	E-commerce	150	150	-	1
Duvas Technologies Limited	Oil & Gas Services	208	198	(5%)	1
Essentia Analytics Limited	Technology Services	200	219	9%	2
Every1 Mobile Limited	Technology Services	400	430	-*	3
Genedrive plc	Biotech	144	44	(35%)	-
Infrastrata plc	Gas Utilities	2	1	(66%)	-
IPV Limited	Technology Software	340	340	New	3
MicroEnergy Generation Services	Energy	148	77	7%	1
MIP Diagnostics	Biotech	200	240	-	2
Mologic Limited	Med Tech	200	266	-	2
Money Dashboard Limited	Personal Finance	277	332	20%	2
Open Energy Market Limited	Technology Services	200	230	-	2
Open Orphan plc	Clinical Research	55	15	87%	-
Oxford Bio Therapeutics Limited	Biotech	200	243	21%	2
Park Street Shipping Limited	Shipping	150	218	9%	2
Pico's Limited	Leisure	199	103	(43%)	1
Quai Administration Services Limited	Technology	370	370	-*	3
Scancell Holdings plc	Biotech	378	178	(3%)	1
Solab Group Limited	Cosmetics	479	295	(38%)	2
Terrain Energy Limited	Oil & gas production	967	616	(30%)	5
Tollan Energy Limited	Energy	13	12	-	-
Wazoku Limited	Technology Software	300	349	New	3
Weeding Technologies Limited	Technology Hardware	216	258	11%	2
WheelRight Limited	Industrials Engineering	300	300	-*	2
Total Qualifying Investments		7,640	7,137		55
Other non-Qualifying Investments					
Aberdeen Sterling Liquidity Fund	Liquidity fund	1,882	1,882		15

Fidelity Sterling Liquidity Fund	Liquidity fund	1,883	1,897	15
Goldman Sachs Sterling Liquidity Fund	Liquidity fund	1,880	1,880	15
Terrain Energy Limited	Oil and gas production	5	3	-
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Total Other non-Qualifying Investments		5,650	5,662	45
Total Investments		13,290	12,799	100
Net Current Assets less Creditors due after one year			2,193	
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Net Non-Current Assets less Creditors due after one year			4	
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Net Assets			14,996	

*Where additions have been made to existing holdings in the period, the movement includes the additional cost as if the additional investment had been held at the year end.

PRINCIPAL RISKS

The principal risks facing the Company remain the same as those detailed on page 25 of the Annual Report and Accounts for the year ended 28 February 2019.

Brexit is still causing uncertainty however it remains our view that our portfolio companies are not experiencing material difficulties as a result of the political situation.

The main risks faced by the Company include, but are not limited to, loss of approval as a venture capital trust and other regulatory breaches, risks of making and realising qualifying investments, liquidity/marketability risk, changes in legislation/taxation, engagement of third party advisers, market price risk and credit risk.

GOING CONCERN

After making enquiries, and having reviewed the portfolio, balance sheet and projected income and expenditure for the next twelve months, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. The Directors have therefore adopted the going concern basis in preparing these condensed financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT

The half-yearly financial report has been reviewed by the Company's auditors. This report is the responsibility of, and has been approved by, the Directors. The Directors confirm that to the best of their knowledge the half-yearly financial report, which has been prepared in accordance with the UK Listing Authority Disclosure and Transparency Rules ("DTR") and in accordance with the Financial Reporting Council's Financial Reporting Standard 104: 'Interim Financial Reporting' gives a true and fair view of the assets, liabilities, financial position and the net return of the Company as at 31 August 2019.

The Directors confirm that the Chairman's Update, the Investment Management report, the disclosures above and notes 10 and 11, include a fair review of the information required by DTR 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year, and DTR 4.2.8R.

The Directors of Calculus VCT plc are:

Jan Ward
Kate Cornish-Bowden
Claire Olsen
John Glencross

By order of the Board

Jan Ward
Chairman, 18 October 2019

**CONDENSED INCOME STATEMENT
FOR THE PERIOD FROM 1 MARCH 2019 TO 31 AUGUST 2019 (UNAUDITED)**

	Note	6 Months Ended 31 August 2019			6 Months Ended 31 August 2018			12 Months Ended 28 February 2019		
		Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
		Return £'000	Return £'000	Total £'000	Return £'000	Return £'000	Total £'000	Return £'000	Return £'000	Total £'000
Investment holding losses	8	-	(50)	(50)	-	(174)	(174)	-	(612)	(612)
Gain/(loss) on disposal of investments	8	-	154	154	-	104	104	-	(88)	(88)
Income		77	-	77	42	-	42	91	-	91
Investment management fee		(32)	(98)	(130)	(24)	(72)	(96)	(49)	(148)	(197)
Other operating expenses		(107)	-	(107)	(93)	-	(93)	(221)	-	(221)
(Loss)/profit on ordinary activities before taxation		(62)	6	(56)	(75)	(142)	(217)	(179)	(848)	(1,027)
Taxation on ordinary activities	3	-	-	-	-	-	-	-	-	-
(Loss)/profit for the period		(62)	6	(56)	(75)	(142)	(217)	(179)	(848)	(1,027)
Basic and diluted deficit per new Ordinary share	2	(0.31)p	0.03p	(0.28)p	(0.56)p	(1.07)p	(1.63)p	(1.27)p	(6.00)p	(7.27)p

The supplementary revenue return and capital return columns are both prepared in accordance with the Association of Investment Companies ("AIC") Statement of Recommended Practice ("SORP"). No operations were acquired or discontinued during the period. All items in the above statements derive from continuing operations. There were no recognised gains or losses other than those passing through the Income Statement. The notes form an integral part of these condensed financial statements.

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 MARCH 2019 TO 31 AUGUST 2019 (UNAUDITED)**

	Share Capital £'000	Share Premium Account £'000	Non-distributable reserves			Distributable reserves		Total £'000
			Special Reserve £'000	Capital Redemption Reserve £'000	Capital Reserve Realised £'000	Capital Reserve Unrealised £'000	Revenue Reserve £'000	
For the 6 month period to 31 August 2019								
1 March 2019	184	5,584	9,488	56	215	(441)	(1,115)	13,971
Investment holding losses	-	-	-	-	-	(50)	-	(50)
Gain on disposal of investments	-	-	-	-	154	-	-	154
New share issue	24	1,881	-	-	-	-	-	1,905
Expenses of share issue	-	(37)	-	-	-	-	-	(37)
Share buybacks for cancellation	(1)	-	(54)	1	-	-	-	(54)
Management fee allocated to capital	-	-	-	-	(98)	-	-	(98)
Change in accrual in IFA Commission	-	(24)	-	-	-	-	-	(24)
Revenue return after tax	-	-	-	-	-	-	(62)	(62)
Dividends paid (note 9)	-	-	(709)	-	-	-	-	(709)
31 August 2019	207	7,404	8,725	57	271	(491)	(1,177)	14,996
For the 6 month period to 31 August 2018								
1 March 2018	116	298	9,974	56	451	171	(936)	10,130
Investment holding gains	-	-	-	-	-	(174)	-	(174)
Gain on disposal of investments	-	-	-	-	104	-	-	104
New share issue	30	2,474	-	-	-	-	-	2,504
Expenses of share issue	-	(90)	-	-	-	-	-	(90)
Share buybacks for cancellation	-	-	(7)	-	-	-	-	(7)
Management fee allocated to capital	-	-	-	-	(72)	-	-	(72)
Change in accrual in IFA Commission	-	(38)	-	-	-	-	-	(38)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(75)	(75)
Dividend paid (note 9)	-	-	(451)	-	-	-	-	(451)
31 August 2018	146	2,644	9,516	56	483	(3)	(1,011)	11,831

**CONDENSED STATEMENT OF
CHANGES IN EQUITY
(CONTINUED)**

	Share Capital £'000	Share Premium Account £'000	Non- distributable reserves Special Reserve £'000	Distributable reserves Capital Redemption Reserve £'000	Capital Reserve Realised £'000	Capital Reserve Unrealised £'000	Revenue Reserve £'000	Total £'000
For the 12 months to 28 February 2019*								
1 March 2018	116	298	9,974	56	451	171	(936)	10,130
Investment holding losses	-	-	-	-	-	(612)	-	(612)
Loss on disposal of investments	-	-	-	-	(88)	-	-	(88)
New share issue	68	5,446	-	-	-	-	-	5,514
Expenses of share issue	-	(98)	-	-	-	-	-	(98)
Share buybacks for cancellation	-	-	(35)	-	-	-	-	(35)
Management fee allocated to capital	-	-	-	-	(148)	-	-	(148)
Change in accrual in IFA commission	-	(62)	-	-	-	-	-	(62)
Revenue return after tax	-	-	-	-	-	-	(179)	(179)
Dividends paid	-	-	(451)	-	-	-	-	(451)
28 February 2019	184	5,584	9,488	56	215	(441)	(1,115)	13,971

* These figures are audited.

**CONDENSED BALANCE SHEET
AS AT 31 AUGUST 2019
(UNAUDITED)**

	Note	31 August 2019 £'000	31 August 2018 £'000	28 February 2019* £'000
Fixed assets				
Investments	8	12,799	11,015	11,593
Debtors		92	-	-
		12,891	11,015	11,593
Current assets				
Debtors		136	47	1,417
Cash at bank and on deposit		2,200	950	1,176
		2,336	997	2,593
Creditors: amounts falling due within one year				
Creditors		(143)	(130)	(145)
Net current assets		2,193	867	2,448
Total assets less current liabilities		15,084	11,882	14,041
Creditors: amounts falling due after more than one year				
IFA trail commission		(88)	(51)	(70)
Total net assets		14,996	11,831	13,971
Capital and reserves				
Called-up share capital	6	207	146	184
Share premium account		7,404	2,644	5,584
Special reserve		8,725	9,516	9,488
Capital redemption reserve		57	56	56
Capital reserve – realised		271	483	215
Capital reserve – unrealised		(491)	(3)	(441)
Revenue reserve		(1,177)	(1,011)	(1,115)
Total shareholders' funds		14,996	11,831	13,971
Net asset value per new Ordinary share – basic	4	72.20p	81.10p	75.8p

* These figures are audited. The notes form an integral part of these condensed financial statements.

**CONDENSED STATEMENT OF CASH FLOW
FOR TO THE PERIOD FROM 1 MARCH 2019 TO 31 AUGUST 2019
(UNAUDITED)**

	Note	6 Months Ended 31 August 2019 £'000	6 Months Ended 31 August 2018 £'000	12 Months Ended 28 February 2019* £'000
Cash flow from operating activities				
Investment income received		18	33	47
Deposit interest received		4	2	3
Investment management fees paid		(111)	(87)	(190)
Other cash payments		(144)	(114)	(213)
Net cash flow from operating activities	5	(233)	(166)	(353)
Cash flow from investing activities				
Purchase of investments		(1,390)	(3,357)	(6,057)
Sale of investments		196	254	1,746
Net cash flow from investing activities		(1,194)	(3,103)	(4,311)
Cash flow from financing activities				
Shares issued		3,262	2,504	4,157
Expenses of share issues		(41)	(90)	(94)
IFA trail commission		(7)	(4)	(4)
Share buybacks for cancellation		(54)	(7)	(35)
Equity dividend paid	9	(709)	(451)	(451)
Net cash flow from financing activities		2,451	1,952	3,573
Increase/(decrease) in cash and cash equivalents		1,024	(1,317)	(1,091)
Opening cash and cash equivalents		1,176	2,267	2,267
Net cash increase/(decrease)		1,024	(1,317)	(1,091)
Closing cash and cash equivalents		2,200	950	1,176

* These figures are audited. The notes form an integral part of these Accounts.

CONDENSED NOTES TO THE ACCOUNTS

1. Nature of Financial Information

The unaudited half-yearly financial information does not constitute statutory financial statements as defined in Section 434 of the Companies Act 2006 and has not been reviewed nor audited by the auditors. This information has been prepared on the basis of the accounting policies used in the statutory financial statements of the Company for the year ended 28 February 2019, and in accordance with FRS 104. The statutory financial statements for the year ended 28 February 2019, which contained an unqualified auditors' report, have been lodged with the Registrar of Companies, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain statements under Section 498(2) or (3) of the Companies Act 2006.

2. Return per Share

	6 Months Ended 31 August 2019			6 Months Ended 31 August 2018			12 Months Ended 28 February 2019		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	pence	pence	pence	pence	pence	pence	pence	pence	pence
Return per Ordinary share	(0.3)	-	(0.3)	(0.6)	(1.1)	(1.7)	(1.3)	(6.0)	(7.3)

New Ordinary shares

Revenue return per Ordinary share is based on the net revenue loss on ordinary activities after taxation of £62,180 and on 20,217,168 Ordinary shares, being the weighted average number of Ordinary shares in issue during the period.

Capital return per Ordinary share is based on the net capital gain for the period of £6,118 and on 20,217,168 Ordinary shares, being the weighted average number of Ordinary shares in issue during the period.

Total return per Ordinary share is based on the net loss on ordinary activities for the period of £56,062 and on 20,217,168 Ordinary shares, being the weighted average number of Ordinary shares in issue during the period.

3. Taxation on Ordinary Activities

The estimated effective tax rate at the period end is 0 per cent. This remains unchanged from the prior year end.

4. Net Asset Value per Share

	31 August 2019 pence	31 August 2018 Pence	28 February 2019 Pence
Net asset value per new Ordinary share	72.2	81.1	75.8

The basic net asset value per new Ordinary share is based on net assets (including current period revenue) of £14,996,000 and on 20,770,422 Ordinary shares, being the number of new Ordinary shares in issue at the period end.

5. Reconciliation of Net Profit before Tax to Cash Flow from Operating Activities

	31 August 2019 £'000	31 August 2018 £'000	28 February 2019 £'000
Ordinary Share Fund			
Loss on ordinary activities before tax	(56)	(217)	(1,027)
(Gain)/loss on investments	(104)	70	700
Increase in debtors	(75)	(3)	(16)
Increase/(decrease) in creditors	2	(16)	(10)
Cash flow from operating activities	(233)	(166)	(353)

6. Called up share capital

		31 August 2019 £'000
	Number	
Ordinary shares of 1p each	20,770,422	207

In April 2019 the Company issued 2,076,361 Ordinary shares for a total consideration of £1,630,725. In June 2019, 349,967 shares were issued for total consideration of £274,375.

In August 2019, the Company bought back and cancelled 78,279 shares.

Following the issues and cancellation noted above there were 20,770,422 Ordinary shares in issue as at 31 August 2019.

7. Contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities in existence at 31 August 2019 (31 August 2018: £nil, 28 February 2019: £nil).

8. Fair Value Hierarchy

Investments held at fair value through profit or loss are valued in accordance with IPEV guidelines.

The valuation method used will be the most appropriate valuation methodology for an investment within its market, with regard to the financial health of the investment and the IPEV guidelines. As required by the Standard, an analysis of financial assets and liabilities, which identifies the risk of the Company's holding of such items is provided. The Standard requires an analysis of investments carried at fair value based on the reliability and significance of the information used to measure their fair value.

In order to provide further information on the valuation techniques used to measure assets carried at fair value, we have categorised the measurement basis into a "fair value hierarchy" as follows:

- Quoted market prices in active markets - "Level 1"

Inputs to Level 1 fair values are quoted prices for identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted price is usually the current bid price. The Company's investments in AIM quoted equities and money market funds are classified within this category.

- Valued using models with significant observable market inputs - "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.

- Valued using models with significant unobservable market inputs - "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. The Company's unquoted equities and loan stock are classified within this category. Unquoted investments are valued in accordance with the IPEVCA guidelines.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Ordinary Share Fund				
Opening book cost	6,422	-	5,612	12,034
Opening unrealised depreciation	(362)	-	(79)	(441)
Opening valuation	<u>6,060</u>	-	<u>5,533</u>	<u>11,593</u>
Movements in the period:				
Purchase at cost	-	-	1,390	1,390
Sales – proceeds	-	-	(288)	(288)
Sales – realised gains on sales	-	-	154	154
Unrealised gains realised during the period	-	-	32	32
Unrealised investment losses	(78)	-	(4)	(82)
Closing valuation	<u>5,982</u>	-	<u>6,817</u>	<u>12,799</u>
Closing book cost	6,422	-	6,868	13,290
Closing unrealised depreciation	(440)	-	(51)	(491)
Closing valuation	<u>5,982</u>	-	<u>6,817</u>	<u>12,799</u>

During the period there were no transfers between Levels 1, 2 or 3.

9. Dividends

For the year to 28 February 2019, the Ordinary Share Fund declared a final dividend of 3.4p per share on 20,848,701 eligible shares amounting to £708,852. The dividend was paid on 26 July 2019.

10. Transactions with Related Parties

John Glencross, a Director of the Company, is considered to be a related party due to his position as Chief Executive and a director of Calculus Capital Limited, the Company's Investment Manager.

Calculus Capital Limited receives an investment manager's fee from the Company. For the 6 months to 31 August 2019, Calculus Capital Limited earned £130,091 (31 August 2018: £95,748; 28 February 2019: £197,314). Calculus Capital Limited also earned a company secretarial fee of £7,500 (31 August 2018: £7,500; 28 February 2019: £15,000).

Calculus Capital Limited has taken on the expenses cap from 15 December 2015. For the 6 months to 31 August 2019, Calculus Capital Limited contributed £15,705 (31 August 2018: £15,204; 28 February 2019: £nil).

At 31 August 2019, there was £57,427 owed to Calculus Capital Limited (31 August 2018: £55,566; 28 February 2019: £54,445).

11. Transactions with Investment Managers

John Glencross, a Director of the Company, is considered to be a related party due to his position as Chief Executive and a director of Calculus Capital Limited, the Company's Investment Manager. He does not receive any remuneration from the Company. He is a director of Terrain Energy Limited.

Calculus Capital Limited receives a fee from certain portfolio companies. In the year the 31 August 2019, Calculus Capital charged a monitoring fee to , AnTech Limited, Arcis Biotechnology Holdings Limited, Arcor Limited, Blu Wireless Technology, Cloud Trade Technologies, Cornerstone Brands Limited, Duvas Technologies Limited, Essentia Analytics Limited, Every1Mobile Limited, IPV Limited, MicroEnergy Generation Services Limited, Mologic Limited, Money Dashboard Limited, Open Energy Market Limited, Oxford Biotherapeutics Limited, Park Street Shipping Limited, Quai Administration Services, Solab Group Limited, Synpromics Limited, Terrain Energy Limited, Tollan Energy Limited, Wazoku Limited, Weeding Technologies Limited and WheelRight Limited.

Calculus Capital Limited charged a fee for the provision of a director to Cloud Trade Technologies, Cornerstone Brands Limited, Essentia Analytics, Every1Mobile Limited, Open Energy Market, Pico's Limited, Terrain Energy Limited, Wazoku Limited, Weeding Technologies Limited and WheelRight Limited

Calculus Capital Limited charged an arrangement fee for certain portfolio companies. In the year 31 August 2019 Calculus Capital Limited charged an arrangement fee to Every1Mobile Limited and Wazoku Limited.

Calculus Capital Limited also charged Terrain Energy Limited for the provision of office support services.

The amount received by Calculus Capital which relates to the Company's investment was:

	31 August 2019	31 August 2018	28 February 2019
	£	£	£
Air Leisure Group Limited	-	1,189	2,377
AnTech Limited	262	507	255
Arcis Biotechnology Holdings Limited	91	94	187
Arcor Limited	375	-	2,712
Blu Wireless Technology Limited	1,314	-	-
Cloud Trade Technologies Limited	2,080	6,000	7,717
Cornerstone Brands Limited	1,620	1,560	3,120

Duvas Technologies Limited	694	6,249	7,212
Essentia Analytics Limited	1,396	-	4,785
Every1Mobile Limited	1,298	1,364	2,727
IPV Limited	192	-	-
MicroEnergy Generation Services Limited	1,014	967	1,964
MIP Diagnostics Limited	-	-	6,000
Mologic Limited	378	6,177	4,394
Money Dashboard Limited	341	348	696
Open Energy Market Limited	1,387	1,155	2,489
Origin Broadband Limited	-	663	678
Oxford Biotherapeutics Limited	1,550	5,999	8,402
Park Street Shipping Limited	533	475	974
Pico's Limited	557	4,638	5,283
Quai Administration Services Limited	698	559	1,013
Solab Group Limited	1,732	2,093	4,050
Synpromics Limited	180	145	290
Terrain Energy Limited	1,956	1,659	3,708
Tollan Energy Limited	-	1,659	1,669
Wazoku Limited	10,050	-	-
Weeding Technologies Limited	1,013	1,177	1,812
WheelRight Limited	628	-	658

12. Post balance sheet events

On 6 September 2019, the Company issued 1,334,399 Ordinary Shares under the prospectus approved on 13 September 2019. The Company subsequently launched a new offer 24 September 2019.

Other than as disclosed above, there have been no post balance sheet events.

COMPANY INFORMATION

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Kate Cornish-Bowden
John Glencross
Claire Olsen

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Printed copies of the Calculus VCT plc Half Yearly Report for the six months ended 31 August 2019 have not been posted to shareholders. However, a copy can be found on the following website: <http://www.calculuscapital.com/calculus-vct-plc/>

For further information, please contact:

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Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on this announcement (or any other website) are incorporated into, or form part of, this announcement.

END