

Vala EIS Portfolio

Investments due for completion before 5 April 2019

This document introduces some of the companies that the Vala EIS Portfolio is considering for investment. Each company is on track to conclude our due diligence and investment committee processes. This will allow us to complete all of these investments before the end of the current tax year, giving investors the option of carrying EIS Income Tax relief back to the 2017/18 tax year.

Please note:

- This is not an exhaustive list. There are other companies in which the Vala EIS Portfolio might invest.
- For some of the companies introduced in this document, due to commercial sensitivities, we cannot yet reveal the name of the business.
- Investments marked as 'follow-ons' are companies that were previously invested in by the UK Challenger Fund, the predecessor to the Vala EIS Portfolio. 'New' investments are companies in which we will be investing for the first time.

Important notice

This document is not financial advice and should be distributed only to qualified financial advisers.

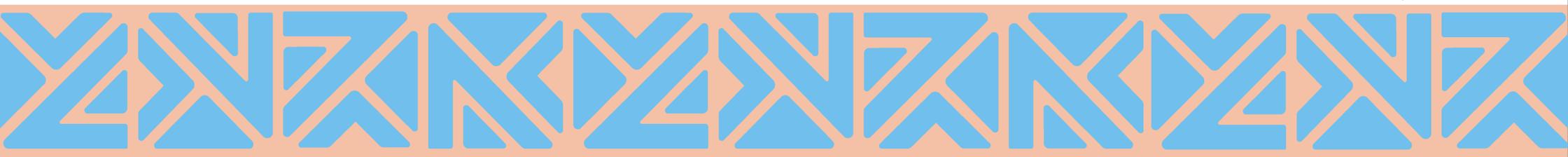
These investments will only take place if the companies successfully clear due diligence and obtain investment committee approval. This includes confirming that the companies have obtained Advance Assurance of EIS qualification from HMRC.

There is no guarantee that a client's subscription to the Vala EIS Portfolio will be invested in any or all of these companies, or that subscriptions will be invested into EIS-qualifying shares before the end of the 2018/19 tax year.

Information about the companies' activities, achievements to date and future plans are summarised based on preliminary information gathered during our investment process and may be subject to revision.

This document should not be used to make a decision to invest in the Vala EIS Portfolio. Investments should only be made with reference to the relevant Information Memorandum, Application Pack and Key Information Document.

The availability of tax reliefs depends on individual circumstances and tax legislation is subject to change.





[Follow-on]

Semi-autonomous explorer vessels for go-anywhere adventures. Think Land Rover of the sea, with the tech of a Tesla.

Arksen is developing a unique and innovative range of semi-autonomous explorer vessels for pleasure, research and commercial purposes. The vessels will have the range and capability to operate anywhere in the world, in the harshest of environments, safely and comfortably. Arksen's vision is to pioneer the technology that will define the marine industry over the next decade.

Use of funds

The company launched its brand and showcased designs for its first vessels at the Dusseldorf boat show in January 2019. Arksen generated considerable press attention and enquiries from 25 individuals who might place orders. The potential order book now stands at around £40m. Securing those orders will be subject to Arksen building and testing a prototype vessel, and funds raised in this round will contribute to the cost of doing so. The prototype will be built by Wight Shipyard. Work is due to start in May and scheduled for completion in June 2020.



[Follow-on]

Bringing the wearables revolution to the medical device market.

Quvium is a technology and data company, creating devices to help with the management of respiratory diseases. The company's first product, Sonasure, is designed to be worn by people with chronic and acute respiratory conditions, such as asthma. It monitors the wearer's coughs and analyses the data collected to allow medical intervention before a respiratory attack takes place.

Use of funds

Quvium's next round of fundraising will contribute to the development of manufacturing capabilities, as well as putting the Sonasure cough monitor through clinical validation and gaining the necessary certification to sell the product in markets including the EU. If Quvium successfully achieves these objectives, its valuation should increase significantly in a relatively short timeframe.



[Follow-on]

Creating games for playing within instant messaging apps.

PlayWorks is a games development company focused on producing titles for mobile messaging platforms such as Facebook Messenger. The company also runs a social networking games agency and a TV games platform in partnership with Samsung, LG, Free, Roku and others. Turnover has increased from £1.2m to £2.1m over the last year and the company is now profitable.

Use of funds

PlayWorks is currently in discussions with Facebook about developing a global games service with the platform. The company is now raising funds to scale up its business development resources, license further content and expand its marketing and production services.



[Follow-on]

Real-time sensors for detecting toxic compounds in aircraft cabin air supplies – a hot topic in the aviation industry.

VN Aerotoxic Detection Solutions has developed the world's first real-time sensor capable of detecting chemical compounds present aircraft cabin air supplies. Crucially, the sensor can detect Tricresyl Phosphate (TCP). TCP is a harmful chemical that has been found in aircraft cabins in a number of high profile cases, resulting in public enquiries and legal actions against airlines.

Use of funds

The company requires funding to continue to improve the sensor technology, including increasing sensitivity, adding to the list of compounds that can be detected, and creating pre-production prototypes of the device. The prototypes will then be used for field tests with pilots and cabin crew.



[Follow-on]

British biscuit maker taking on the giants of the Italian bakery game.

Based in Dorset, GBBC was founded in 2013 and initially focused on selling biscuits at farmers' markets in the New Forest area. Today the company's product range includes a variety of different sweet and savoury flavours available in different types of packaging, ranging from single biscuit packs for the airline industry, through to 1kg boxes of loose biscuits for the food service industry. The company has also recently won a major contract to supply Asda, and is in discussions with other large supermarket chains.

Use of funds

GBBC needs further funding to invest into its production facilities. Upgrading the production lines and adding a new mezzanine level will allow the company to significantly increase its output whilst maintaining the quality of its product. This will be crucial as the company begins to supply supermarkets.



[New]

Developing software to help independent financial advisers run their businesses and manage client investments.

This company is a new FinTech software business that has been spun out of a successful IFA practice. It aims to turn the bespoke platform developed by the practice into commercially available software for use by other IFAs. The software is an FCA-compliant platform for managing investments across multiple clients and providers. It is designed with a focus on increasing adviser productivity and reducing risk, through a range of automated workflows.

Use of funds

The funds will be used to support the new company as it refines the software platform and builds its sales and marketing capabilities.



Land development
technology
company

[New]

Maximising the value of undeveloped land around the world.

This company is developing a technology-supported process for maximising the value of land. The goal is to identify land that has development potential, and then unlock its value by taking the owners through the steps needed to make it developable. There are vast tracts of land in many countries that could stand to benefit from the company's technology and processes.

Use of funds

Using funding invested by its founders, the company has spent several years developing its technology and laying the foundations for taking its product to market in key territories. This funding round will be used to support the company as it finalises its software platform and builds a team to help grow the business. A public launch is planned for July 2019.



[New]

Accelerating the monetisation of video games.

PlayStack's mission is to help games developers play to their strengths by focusing on creating fun and engaging games. The company achieves this by helping developers with the process of publishing and marketing their games. At the centre of this service is a proprietary technology platform that uses Artificial Intelligence to analyse millions of data points in order to promote games to the right consumers at the right moment. The company achieved turnover of £1.1m in 2018 and is forecasting sales of £5m this year. The growth potential for PlayStack is significant. The mobile gaming market is worth more than \$60bn a year, and if the company achieves its ambition of supporting a stand-out game, turnover could grow exponentially.

Use of funds

The company will use funds raised to further develop its technology platform and extend its engagement with developers, brands and other strategic partners who could make use of the technology to maximise their revenues.

Nautical entertainment
and leisure brand

[New]

Mass-participation video game that lets players take part in virtual yacht races from the comfort of their armchairs.

This business runs a successful virtual regatta game, which allows thousands of players to compete against each other in famous yacht races, simulating real-world weather conditions. The game currently generates revenues in excess of £1m a year, and has the potential to grow significantly by penetrating the US and Asian gaming markets. The company is also now considering expansion through new products and services, all connected to the world of yachting.

Use of funds

The company is raising a funding round to develop and refine its game and support global marketing efforts. The funds may also support plans to offer real-world yachting experiences to players.



[New]

Artisan distillery brand making Vodka using sugar beets grown in East Anglia and water from Yorkshire.

Renaissance Vodka is a distiller based in Cambridge, making vodka in copper stills using English ingredients. The vodka is made in numbered batches using a traditional single distillation technique that gives it a smooth taste. Distributed through a partnership with Enotrioa, Renaissance Vodka can be found behind the bar at many exclusive bars and clubs, including Soho House. The product has won a silver award at the International Wine and Spirits Competition.

Use of funds

The company is raising further funds to support the growth of its distribution capabilities and increase its production capacity.