

THAMES VENTURES VCT 1 PLC

UNAUDITED HALF-YEARLY
FINANCIAL REPORT

30 September 2023

Foresight
FOR A SMARTER FUTURE

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Shareholder Information

Financial Summary

	30 Sep 2023 pence Unaudited	31 Mar 2023 pence Audited	30 Sep 2022 pence Unaudited	Nov 2013 pence Unaudited
Net Asset Value per share ("NAV")	48.5	51.8	58.8	100.4
Cumulative dividends paid since Nov 2013	45.5	44.5	43.0	-
Total Return (NAV plus cumulative dividends paid per share)	94.0	96.3	101.8	100.4

Dividend Policy

The Company has a stated target of paying a dividend of at least 4% of net assets per annum.

Forthcoming Dividends

	Date payable	Pence per share
Interim dividend	2 February 2024	1.0p

Dividends will be paid by the Company's registrar, The City Partnership, on behalf of the Company. Shareholders who wish to have dividends paid directly into their bank account, rather than by cheque to their registered address, can update their instructions at the Investor Hub currently at:

thames-ventures-vcts.cityhub.uk.com/login

A Dividend Mandate Form is also available from this site that can be completed and emailed to registrars@city.uk.com or sent to The City Partnership (UK) Limited, The Mending Room, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. If you have any queries, The City Partnership can be contacted by the email address above or on 01484 240910.

The Company operates a Dividend Reinvestment Scheme to allow Shareholders to reinvest their dividends in new shares and obtain income tax relief on that new investment. Shareholders can opt-in to the Dividend Reinvestment Scheme through the Investor Hub using the details shown above.

Share Scam Warning

We are aware that a significant number of shareholders of VCTs managed by Foresight and other VCT managers continue to receive unsolicited telephone calls from a company purporting to be acting on behalf of a client who is looking to acquire their VCT shares at an attractive price. We believe these calls to be a "Boiler Room Scam". **Shareholders are warned to be very suspicious if they receive any similar type of telephone call.**

The FCA has published information about such scams at www.fca.org.uk/scamsmart

If you have any concerns, please contact Foresight at investorrelations@foresightgroup.eu on 020 3667 8181.

Chairman's Statement

I present the Company's unaudited Half-Yearly Financial Report for the six months ended 30 September 2023.

Following an eventful year ended 31 March 2023 for the Company, with the main Investment Adviser changing from Downing LLP to Foresight Group LLP, the six-month period ended 30 September 2023 has been more settled from a management perspective. However, performance has been disappointing, with the UK investment environment continuing to remain challenging.

Net asset value and results

As at 30 September 2023, the Company's NAV stood at 48.5p, a decrease of 2.3p (or 4.4%) compared to the 31 March 2023 year-end position, after adding back the 1.0p dividend paid during the period.

The loss attributable to equity shareholders for the period was £4.4 million, comprising a revenue gain of £0.2 million and a capital loss of £4.6 million.

Investment activity and performance

Over the last six months the Company has made new and follow-on investments totalling £2.4 million, as well as receiving proceeds of £3.3 million from exit events across the portfolio.

At the period end, the Company held a portfolio of 63 active investments, with 54% in unquoted growth (by value), 26% held in quoted growth and 20% in unquoted yield focused investments. A total of 31 investments are held in the quoted growth category which are either quoted on AIM, the Main Market or the AQSE Growth Market and have a value of £16.9 million. This includes one investment in new company, DXS International Plc. The 32 unquoted investments have a value of £48.9 million.

The reduction in value of the Company's investments over the period was driven by a large reduction (£4.1 million) in the valuation of Cornelis Networks Inc., with the Company's position being heavily diluted as a result of being unable to participate in the most recent funding round, as the portfolio company no longer meets the gross assets test in order to be VCT qualifying. Limitless Limited also experienced a decrease in valuation of £625,000, due to a co-investor remaining on the UK sanctions list. Furthermore, the valuation of the quoted portfolio fell by £1.9 million during the period, following the trend of the FTSE AIM All Share market.

Offsetting the valuation decreases above, there were some positive valuation movements seen from Carbice Limited, Cambridge Touch Technologies and FundingXchange Limited. Further details can be found in the Investment

Adviser's Report on pages 4 to 6.

Dividends

The Company has a stated policy of seeking to pay dividends equivalent to at least 4% of NAV each year. The Board has declared an interim dividend of 1.0p (equivalent to 2.1% of NAV at 30 September 2023) which will be paid on 2 February 2024 to Shareholders on the register as at 29 December 2023.

The above interim dividend will take the total dividends paid since the merger in November 2013 to 46.5p per share.

Running costs

Shareholders are reminded that the Company benefits from a running cost cap provided by the Investment Adviser, whereby any costs above 2.6% of net assets per annum are met by the Adviser by way of a reduction in their fees.

Special Administration of the Company's Custodian of Quoted Assets

Since September 2020, the Company has used IBP Markets Limited ("IBP") as custodian for its quoted investments. Appointing a custodian is a requirement of the FCA, and IBP is an FCA authorised and regulated wholesale broker, providing custody services and access to equity and fixed income securities for non-retail clients (which includes the Company). On 13 October 2023, the FCA published a supervisory notice under section 55L(3)(a) of the Financial Services and Markets Act 2000, imposing certain restrictions on IBP. On the same date, IBP applied to the High Court and special administrators were appointed. The special administrators have yet to publish an estimated outcome statement and therefore the full impact is currently unknown. The Investment Adviser is actively collaborating with the special administrators to reach a resolution and will communicate with Shareholders when further information becomes available. Whilst this is being resolved, the Company is unable to trade any of its AIM and fully listed portfolio on the quoted market.

The Investment Adviser is in regular dialogue with the special administrators. The outcome remains subject to change particularly as additional claims may be made on custody assets and client money and there remains a risk to the positions. However, considering the information made available to the Company at the date of this report, there is currently little indication that there will be a materially adverse impact to Shareholders with respect to the custody assets. The position with respect to client money remains to be determined, but total cash at IBP represented less than 1.5% of NAV as at 30 September.

Chairman's Statement (continued)

Fundraising

With the uncertainty brought about by the special administration of the custodian of the Company's quoted stocks, we have not been in a position to launch a fundraise so far this year. Once clarity is achieved on the IBP situation, the Board will be able to consider options for fundraising and will communicate this with Shareholders.

Share buybacks

The Company usually operates a policy of buying back its own shares that become available in the market, subject to regulatory and liquidity factors. The Board review these on a regular basis and will make appropriate adjustments as it sees fit.

Historically, we have been able to rely on the fact that we could liquidate part of our quoted portfolio if there was ever a shortage of cash. Unfortunately, given the IBP situation noted above, we would not currently be able to do this if required in the short term. Although our cash position remains reasonably healthy at the moment, the Board have reviewed the investment pipeline and cash flow forecast for the next 12 months and deem it prudent to be cautious with regard to the Company's uninvested funds and not undertake any buybacks. The Board will review this decision at the end of February 2024 when the IBP situation is clearer.

Sunset clause

A "sunset clause" applies to the current approved scheme for EIS and VCT tax reliefs. This clause provides that income tax relief will expire on subscriptions made for VCT shares on or after 6 April 2025, unless the legislation is amended to make the scheme permanent, or the "sunset clause" is extended.

The UK Chancellor confirmed in the autumn statement that the government remains committed to ensuring early-stage, innovative companies have access to the investment they need to grow and develop. As a result it was announced on 22 November 2023 that the government will legislate to extend the Enterprise Investment Scheme ('EIS') and Venture Capital Trusts ('VCT') to 2035.

Directorate

It was earlier communicated that within this period, Stuart Goldsmith, the last remaining founding Director of the Company, would be stepping down from the Board. My fellow Directors and I express our gratitude for his dedicated work throughout the years. On December 12, 2022, as part of a planned succession, Atul Devani officially joined the Board, contributing his VCT experience and expertise in the technology sector, enriching the Board's capabilities going forward.

Change of Company Secretary and Registered Office

I am pleased to announce that Foresight Group LLP was appointed as Company Secretary effective from 1 September 2023, succeeding Grant Whitehouse. I would like to take this opportunity to thank Grant for his many years of dedication and service to the Company.

Outlook

Businesses continue to face multiple challenges in the UK and internationally. The investment team will continue to monitor the existing portfolio companies closely to ensure management address the macroeconomic challenges appropriately and have the support that they need to do so. The Board hopes to see the ventures investment team continue to leverage the full benefits of the regional office network and other resources of Foresight Group.



Chris Kay
Chairman
21 December 2023

Investment Adviser's Report

We present our Investment Adviser's Report for the six-month period to 30 September 2023.

Unquoted Portfolio

Investment focus

In line with the current VCT regulations, the Company focus has for some years now been on young unquoted growth businesses. This focus will continue and other areas of Thames Ventures VCT 1's portfolio are expected to continue to reduce in size as suitable exit opportunities arise and proceeds are reinvested in the core area.

Investment activity

During the period, the Company invested a total of £1.9 million as further funding into two existing unquoted portfolio companies.

There were no investments made into new unquoted companies during the period, however, shortly after the period-end, £1.4 million was invested in a new company, Inoviv Limited. Inoviv has a long-term data play in drug discovery and trials, having developed novel precision biomarker technology which helps pharmaceutical customers run drug trials more efficiently. This investment will enable Inoviv to further accelerate their commercial plans, including facilitating the development of tests across more diseases.

The above excludes activity in the quoted portfolio, which is detailed in isolation on page 5 of this report.

The two follow-on investments are summarised as follows:

A further £1.75 million was invested into existing portfolio company, **Cambridge Touch Technologies Limited**, a company developing pressure sensitive multi touch technology.

A total of £150,000 was invested into **Cambridge Respiratory Innovations Limited** (now trading as Tidal Sense) who have developed a patent-protected ultrahigh sensitivity handheld capnometer to provide actionable insights at the point of care for the diagnosis, monitoring and management of cardiorespiratory conditions.

There were 11 full exits of unquoted investments in the period, as summarised below:

Imagen Limited, a Software as a Service ("SaaS") video management platform which holds both current and archive footage for major sporting organisations and news outlets. The company was sold for initial cash consideration of £1.7 million at a gain over cost of £0.7 million. There is also £0.2 million deferred consideration, taking total proceeds to £1.9 million and a total gain over

cost of £0.9 million. **DiA Imaging Analysis**, a leading provider of advanced Artificial Intelligence based solutions for ultrasound analysis, was also sold in the period for initial proceeds of £0.2m versus cost invested of £0.2m. There is also a deferred element of consideration meaning a gain over cost will be realised on this exit.

There were further proceeds of £0.3 million received in relation to the winding up of two investments in the unquoted yield-focused portfolio, **Downing Pub EIS ONE Limited** and **Pearce & Saunders Limited**. No further proceeds are anticipated on these investments.

Portfolio valuation

Excluding the portfolio of quoted investments, there were net valuation losses of £2.5 million over the period, which included £0.1 million of unrealised foreign exchange gains.

Eleven companies in the portfolio recorded a combined valuation gain of £3.7 million in the period. However, this was offset by a number of companies reporting combined valuation losses totalling £6.2 million. This is driven by the ongoing challenges for businesses operating in the UK and associated restriction on access to capital. The £3.7 million of uplift in valuation over the period is driven by the following investments.

Carbice Limited (£1.6 million), the developer of a suite of products based on its carbon material called Carbice Carbon which is primarily used as thermal management solutions to enable greater thermal conductivity, has continued to progress well during the period, with recurring revenues continuing to grow and continued progress on fundraising. This movement includes the impact of FX as this is a USD-denoted investment.

Cambridge Touch Technologies Limited (£862,000), a company developing pressure sensitive multi touch technology. The value of this investment was uplifted to reflect the valuation of the round which completed during the period.

FundingXchange Limited (£718,000), an SME funding platform and B2B technology provider which enables online lending. After a challenging twelve months, this company has negotiated additional funding to deliver its growth plan. The valuation of this investment has therefore been uplifted to reflect this.

Offsetting these valuation uplifts, are a number of valuation decreases across the unquoted portfolio.

Investment Adviser's Report (continued)

Portfolio valuation (continued)

Cornelis Networks, Inc. (£4.1 million) is a technology provider delivering purpose-built high-performance fabrics for High Performance Computing, Analytics and Artificial Intelligence to leading commercial, scientific, academic, and government organizations. The valuation was amended to reflect a funding round which closed in the period in which Thames Ventures VCT 1 Plc was unable to participate due to the company not meeting the gross assets test to be VCT-qualifying. Not participating led to a significant dilution of the Company's stake which has been reflected in the movement in valuation. This movement includes the impact of FX as this is a USD-denoted investment.

Limitless Limited (£625,000), the developer of a crowdsourced customer service platform, was subject to a valuation reduction as a result of one of the co-investors being on the UK Sanctions List giving rise to a funding risk.

CommercelQ Inc. (£394,000), the pioneer in helping brands win on retail ecommerce channels. Their unified platform applies machine learning and automation across marketing, supply chain, and sales operations to help brands gain market share profitably. This valuation movement is simply a reflection of current market conditions. The company continues to perform well growing revenues during the period and supported by a very strong balance sheet. This movement includes the impact of FX as this is a USD-denoted investment.

Data Centre Response Limited (£344,000), a provider of uninterruptable power supply systems. A discount has been applied to the EBITDA multiple approach to reflect the challenging market conditions which has led to an unrealised fair value loss on this investment.

There are a number of smaller valuation movements which partially offset one another for the half-year period, ultimately resulting in an additional net decrease in value of £238,000.

Quoted Portfolio

Investment focus

The Company continues to hold a portfolio of quoted investments, most of which are quoted on the AIM market. The team at Downing LLP continue to provide management services in respect of these investments under a subcontract agreement with Foresight.

Investment activity

At 30 September 2023, the quoted portfolio comprised 31 investments with a value of £16.9 million. There was only one material transaction in the period – the part sale of

Tracsis plc realising a gain £548,000. The decision to take profits in this holding was to reduce the large exposure to the Company after the share price had performed well. Tracsis remains one of the larger positions in the portfolio, reflecting our confidence in this niche transport software business.

There were two investments made into quoted assets during the period: new investment **DXS International Plc** (£300,000) and existing investment **Deepmatter Group Plc** (£159,000).

Portfolio valuation

The quoted portfolio continued to be volatile in the period, following the trend of the FTSE AIM All Share market which was down 11.6%, which drove a £1.9 million fall in net valuation in the period.

Ten companies in the portfolio recorded a combined valuation gain of £0.8 million, however this was offset by a number of companies reporting combined valuation losses totalling £2.7 million. Driving the gains in the period were uplifts in **Anpario Plc** (£402,000) and **Craneware Plc** (£243,000) however material unrealised losses include **Tracsis Plc** (£547,000), **Genincode Plc** (£292,000), **Libertine Holdings Plc** (£254,000), **Inland Homes Plc** (£210,000) and **Impact Healthcare REIT Plc** (£210,000). The remaining portfolio recorded a total unrealised loss of £1.0 million. Whilst the companies continued to trade resiliently, this was not necessarily reflected in share prices. Since the period end, share prices have begun to recover into the December pre-Christmas trading period.

Although our view continues to be that the coming months are likely to remain challenging from a macroeconomic perspective, there is certainly renewed interest in UK smaller companies with the FTSE AIM All Share up over 9% since the beginning of November. The Investment Adviser is pleased to note that at the date of this report, the quoted portfolio had recovered by £0.7 million since the period end, representing a 4.4% uplift. We reiterate that the quoted portfolio contains good quality companies, with plenty of scope for self-help, strong balance sheets, and significant prospects for growth over the long-term which we hope will translate into an improved longer term share price performance.

Investment Adviser's Report (continued)

Outlook

The six months to 30 September 2023 has continued to see increasingly challenging market conditions, with inflation and global interest rates still high, which has had an inevitable impact on the portfolio.

Further to this, there have been a number of events impacting the valuation of unquoted investments which have been unavoidable, as detailed above, and the volatility of the quoted portfolio remains in line with FTSE AIM All Share market trends.

Despite this, we continue to see improved performance from certain portfolio companies and anticipate this will continue. Further to this, the economic situation has recently seen its first glimpse of hope with the UK's annual inflation rate falling sharply in October, its lowest level for two years. This being said, we are cognisant that the market has been, and will continue to be, tough for many of these companies. The portfolio companies that survive this economic turbulence may be better placed than beforehand, due to tighter cost and cash management.

We continue to expand our team to enable us to take full advantage of the opportunities we are seeing, whilst continuing to support the existing portfolio companies.

Thames Ventures Team

Foresight Group LLP

21 December 2023

Unaudited Income Statement

For the six months ended 30 September 2023

	Note	Six months ended 30 September 2023 (Unaudited)			Six months ended 30 September 2022 (Unaudited)			Year ended 31 March 2023 (Audited)
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Total £'000
Income		1,065	-	1,065	2,710	-	2,710	3,031
Losses on investments	10	-	(4,175)	(4,175)	-	(3,728)	(3,728)	(12,351)
		1,065	(4,175)	(3,110)	2,710	(3,728)	(1,018)	(9,320)
Investment management fees		(449)	(449)	(898)	(275)	(275)	(550)	(1,598)
Other expenses		(376)	-	(376)	(388)	-	(388)	(812)
Return/(loss) on ordinary activities before tax		240	(4,624)	(4,384)	2,047	(4,003)	(1,956)	(11,730)
Tax on total comprehensive income and ordinary activities		(24)	24	-	(78)	78	-	-
Return/(loss) attributable to equity shareholders	5	216	(4,600)	(4,384)	1,969	(3,925)	(1,956)	(11,730)
Basic and diluted return per share		0.1p	(2.5)p	(2.4)p	1.1p	(2.2)p	(1.1)p	(6.5)p

The total column within the Income Statement represents the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS102"). There are no other items of comprehensive income. The supplementary revenue and capital return columns are prepared in accordance with the Statement of Recommended Practice issued in November 2014 and updated in July 2022 by the Association of Investment Companies ("AIC SORP").

Unaudited Balance Sheet

as at 30 September 2023

Company number: 03150868

		30 Sep 2023 £'000 (Unaudited)	30 Sep 2022 £'000 (Unaudited)	31 Mar 2023 £'000 (Audited)
	Note			
Fixed assets				
Investments	10	65,871	81,130	71,227
Current assets				
Debtors		7,393	5,896	6,828
Cash at bank and in hand		13,580	20,051	15,282
		20,973	25,947	22,110
Creditors: amounts falling due within one year		(1,077)	(1,298)	(1,354)
Net current assets		19,896	24,649	20,756
Net assets		85,767	105,779	91,983
Capital and reserves				
Called up share capital	8	1,770	1,799	1,774
Capital redemption reserve	9	71	1,711	32
Share premium account	9	2,252	81,236	428
Funds held in respect of shares not yet allotted	9	-	16	-
Special reserve	9	85,122	15,873	88,813
Capital reserve realised	9	(5,627)	-	-
Revaluation reserve	9	3,619	6,024	2,592
Revenue reserve	9	(1,440)	(880)	(1,656)
Equity shareholders' funds		85,767	105,779	91,983
Basic and diluted net asset value per share	7	48.5p	58.8p	51.8p

Statement of Changes in Equity

For the six months ended 30 September 2023

	Called up share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Special reserve £'000	Capital reserve realised £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
For the six months ended 30 September 2023								
At 1 Apr 2023	1,774	32	428	88,813	-	2,592	(1,656)	91,983
Total comprehensive income	-	-	-	-	(5,627)	1,027	216	(4,384)
<i>Transactions with owners</i>								
Dividend paid	-	-	-	(1,779)	-	-	-	(1,779)
Issue of new shares	29	-	1,556	-	-	-	-	1,585
Share issue costs	-	-	(7)	-	-	-	-	(7)
Shares issued under the dividend reinvestment scheme	6	-	275	-	-	-	-	281
Purchase of own shares	(39)	39	-	(1,912)	-	-	-	(1,912)
At 30 Sept 2023	1,770	71	2,252	85,122	(5,627)	3,619	(1,440)	85,767

Statement of Changes in Equity

For the year ended 31 March 2023

	Called up share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Funds held in respect of shares not yet allotted £'000	Special reserve £'000	Capital reserve realised £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
For the year ended 31 March 2023									
At 1 April 2022	1,776	1,697	79,035	78	16,328	-	11,303	(744)	109,473
Total comprehensive income	-	-	-	-	-	(1,204)	(11,718)	1,192	(11,730)
Realisation of revaluations from previous years*	-	-	-	-	-	2,438	(2,438)	-	-
Realisation of impaired valuations	-	-	-	-	-	(5,445)	5,445	-	-
Transfer between reserves*	-	(1,710)	(81,236)	-	74,984	7,962	-	-	-
<i>Transactions with owners</i>									
Dividends paid	-	-	-	-	-	(3,751)	-	(2,104)	(5,855)
Utilised in share issue	-	-	-	(78)	-	-	-	-	(78)
Issue of new shares	43	-	2,680	-	-	-	-	-	2,723
Share issue costs	-	-	(51)	-	-	-	-	-	(51)
Purchase of own shares	(45)	45	-	-	(2,499)	-	-	-	(2,499)
At 31 March 2023	1,774	32	428	-	88,813	-	2,592	(1,656)	91,983

* A transfer of £nil representing previously recognised unrealised gains on disposal of investments during the period ended 30 September 2023 (year ended 31 March 2023: £2.4m) has been made from the revaluation reserve to the capital reserve - realised.

A transfer of £nil representing realised gains on disposal of investments, less the excess of capital expenses over capital income and capital dividends in the period (year ended 31 March 2023: losses £8.0m) has been made from the capital reserve - realised to the special reserve.

Unaudited Cash Flow Statement

For the six months ended 30 September 2023

	Six months ended 30 Sep 2023 (Unaudited) £'000	Six months ended 30 Sep 2022 (Unaudited) £'000	Year ended 31 Mar 2023 (Audited) £'000
Cash flow from operating activities			
Loss on ordinary activities before taxation	(4,384)	(1,956)	(11,730)
Loss on investments	4,175	3,728	12,351
Increase/(decrease) in creditors	82	635	(60)
Increase in debtors	(891)	(2,596)	(3,529)
Cash from operations			
Corporation tax paid	-	-	-
Net cash outflow from operating activities	(1,018)	(189)	(2,968)
Cash flow from investing activities			
Purchase of investments	(2,209)	(5,673)	(11,758)
Proceeds from disposal of investments	3,295	6,769	14,134
Proceeds from deferred consideration	419	-	-
Net cash inflow from investing activities	1,505	1,096	2,376
Cash flows from financing activities			
Proceeds from share issue	1,586	2,289	1,781
Funds held in respect of shares not yet allotted	-	(63)	(78)
Share issue costs	(7)	(51)	(51)
Purchase of own shares	(2,270)	(729)	(1,723)
Equity dividends paid	(1,498)	(3,158)	(4,911)
Net cash outflow from financing activities	(2,189)	(1,712)	(4,982)
Decrease in cash	(1,702)	(805)	(5,574)
Net movement in cash			
Beginning of period	15,282	20,856	20,856
Net cash outflow	(1,702)	(805)	(5,574)
End of period	13,580	20,051	15,282

Summary of Investment Portfolio as at 30 September 2023

	Cost £'000	Valuation £'000	Additions / (disposals) £'000	Valuation movement in period† £'000	% of portfolio by value
Top twenty venture capital investments (by value)					
Tracsis Plc*	1,297	5,541	(694)	(547)	7.0%
Doneloans Limited	3,631	4,146	-	(10)	5.2%
Cambridge Touch Technologies Limited	2,709	4,078	1,750	862	5.1%
Downing Strategic Micro-cap Investment Trust Plc**	5,699	3,559	-	(181)	4.5%
Carbice Corporation Inc	3,020	3,532	-	1,649	4.4%
Ayar Labs Inc	1,280	3,173	-	46	4.0%
Baron House Developments LLP	2,695	2,961	-	(57)	3.7%
Hackajob Limited	2,284	2,568	-	(18)	3.2%
Virtual Class Limited	1,164	2,183	-	(112)	2.8%
Cadbury House Holdings Ltd	3,082	2,162	-	-	2.7%
Data Centre Response Limited	557	2,022	-	(344)	2.5%
Maestro Media Limited	1,320	1,868	-	-	2.4%
Trinny London Limited	443	1,813	-	(76)	2.3%
Rated People Limited	1,582	1,743	-	(78)	2.2%
Anpario Plc*	1,448	1,608	-	402	2.1%
Parsable Inc	1,532	1,529	-	23	1.9%
Vivacity Labs Limited	1,289	1,443	-	-	1.8%
Bulbshare Limited	749	1,349	-	67	1.7%
CommercelQ Inc	1,749	1,337	-	(394)	1.7%
FundingXchange Limited	1,335	1,279	-	718	1.6%
	38,865	49,894	1,056	1,950	62.8%
Other venture capital investments	38,772	15,977	(1,992)	(6,370)	20.1%
Total investments	77,637	65,871	(936)	(4,420)	82.9%
Cash at bank and in hand		13,580			17.1%
Total investments and cash		79,451			100.0%

All venture capital investments are unquoted unless otherwise stated.

* Quoted on AIM

** Listed and traded on the Main Market of the London Stock Exchange

† The valuation movement in the period includes unrealised foreign exchange gains of £110,000.

Summary of Investment Movements

For the six months ended 30 September 2023

Additions

	£'000
<i>Quoted investments</i>	
DXS International Plc	300
Deepmatter Group Plc	159
	459
<i>Unquoted investments</i>	
Cambridge Touch Technologies Limited	1,750
Tidalsense Limited	150
	1,900
Total additions	2,359

Disposals

	Cost £'000	Value at 31/03/23 £'000	Proceeds £'000	Valuation movement in period £'000	Realised gain/(loss) £'000
<i>Quoted growth investments</i>					
Tracsis Plc	146	686	694	8	548
Let's Explore Group Plc	325	276	375	99	50
Genincode Plc	26	23	18	(5)	(8)
	497	985	1,087	102	590
<i>Unquoted yield focused investments</i>					
Pearce & Saunders Ltd	1,122	-	172	172	(950)
Downing Pub EIS ONE Limited	68	94	87	(7)	19
Pearce & Saunders Devco Ltd	84	70	-	(70)	(84)
Quadrate Spa Ltd	372	-	-	-	(372)
Top Ten Holdings Plc	399	-	-	-	(399)
Quadrate Catering Ltd	1,500	-	-	-	(1,500)
Yamuna Renewables Limited	2,500	-	-	-	(2,500)
	6,045	164	259	95	(5,786)
<i>Unquoted growth investments</i>					
Imagen Limited	1,000	1,703	1,746	43	746
DIA Imaging Analysis Limited	207	282	196	(86)	(11)
Ludorum Plc	177	-	7	7	(170)
Live Better With Limited	990	-	-	-	(990)
	2,374	1,985	1,949	(36)	(425)
	8,916	3,134	3,295	161	(5,621)

Notes to the Unaudited Financial Statements

For the six months ended 30 September 2023

1. General information

Thames Ventures VCT 1 plc (“the Company”) is a Venture Capital Trust established under the legislation introduced in the Finance Act 1995 and is domiciled in the United Kingdom and incorporated in England and Wales.

2. Basis of accounting

The unaudited half-yearly financial results cover the six months to 30 September 2023 and have been prepared in accordance with the accounting policies set out in the statutory accounts for the year ended 31 March 2023, which were prepared in accordance with the Financial Reporting Standard 102 (“FRS102”) and in accordance with the Statement of Recommended Practice “Financial Statements of Investment Trust Companies” issued in November 2014 and updated in July 2022 (“SORP”).

3. The Company has only one class of business and derives its income from investments made in shares, securities and bank deposits.

4. The comparative figures were in respect of the six months ended 30 September 2022 and the year ended 31 March 2023 respectively.

5. Return per share

	Weighted average number of shares in issue	Revenue return £'000	Capital loss £'000
Six months ended 30 September 2023	179,310,912	216	(4,600)
Six months ended 30 September 2022	180,153,252	1,969	(3,925)
Year ended 31 March 2023	179,972,333	1,192	(12,922)

6. Dividends paid in the period

Date paid	Six months ended 30 September 2023			Year ended 31 March 2023	
	Revenue £'000	Capital £'000	Total £'000	Total £'000	
2023 Final	Sep 2023: 1.0p	-	1,779	1,779	-
2023 Interim	Jan 2023: 1.5p	-	-	-	2,699
2022 Final	Aug 2022: 1.75p	-	-	-	3,156
		-	1,779	1,779	5,855

Notes to the Unaudited Financial Statements (continued)

For the six months ended 30 September 2023

7. Basic and diluted net asset value per share

	Shares in issue No.	Net assets £'000	NAV per share Pence
30 September 2023	176,968,887	85,767	48.5
30 September 2022	179,899,225	105,779	58.8
31 March 2023	177,441,775	91,983	51.8

8. Called up share capital

	Shares in issue	£'000
30 September 2023	176,968,887	1,770
30 September 2022	179,899,225	1,799
31 March 2023	177,441,775	1,774

9. Reserves

The Special reserve is available to the Company to enable the purchase of its own shares in the market without affecting its ability to pay dividends/capital distributions.

	30 Sep 2023 £'000	30 Sep 2022 £'000	31 Mar 2023 £'000
Capital redemption reserve	71	1,711	32
Share premium account	2,252	81,236	428
Funds held in respect of shares not yet allotted	-	16	-
Special reserve	85,122	15,873	88,813
Capital reserve realised	(5,627)	-	-
Revaluation reserve	3,619	6,024	2,592
Revenue reserve	(1,440)	(880)	(1,656)
Total reserves	83,997	103,980	90,209

Distributable reserves are calculated as follows:

	30 Sep 2023 £'000	30 Sep 2022 £'000	31 Mar 2023 £'000
Special reserve	85,122	15,873	88,813
Capital reserve	(5,627)	-	-
Revenue reserve	(1,440)	(880)	(1,656)
Unrealised losses (excluding unrealised unquoted gains)	(12,622)	(11,434)	(9,973)
	65,433	3,559	77,184

Notes to the Unaudited Financial Statements (continued)

For the six months ended 30 September 2023

10. Investments

	Unquoted investments £'000	Quoted on Aquis Growth Market £'000	Quoted on Main Market £'000	Quoted on AIM £'000	Total £'000
Opening cost at 1 April 2023	60,855	48	7,216	16,074	84,193
Unrealised gains/(losses) at 1 April 2023	6,195	(47)	(2,056)	(1,500)	2,592
Permanent impairment losses at 1 April 2023	(15,288)	-	-	(270)	(15,558)
Opening fair value at 1 April 2023	51,762	1	5,160	14,304	71,227
Movements in the year:					
Purchased at cost	1,900	300	-	159	2,359
Disposals - proceeds	(2,208)	-	-	(1,087)	(3,295)
- realised (losses)/gains on disposals*	(6,211)	-	-	590	(5,621)
Unrealised foreign exchange gains	110	-	-	-	110
Unrealised gains/(losses)*	3,590	(94)	(391)	(2,014)	1,091
Closing value at 30 Sept 2023	48,943	207	4,769	11,952	65,871
Closing cost at 30 Sept 2023	54,336	348	7,216	15,736	77,636

*Losses on investments in the Income Statement include realised gains relating to the deferred consideration receipts totalling £419,000 from ADC Biotechnology Limited (£310,000), StorageOS Inc (£89,000) and Black & White Hospitality Limited (£20,000).

* Losses on investments in the Income Statement also include unrealised gains which are a result of the deferred consideration debtor decrease of £174,000. The debtor movement reflects the recognition of amounts receivable in respect of DIA Imaging Analysis Limited (£47,000) and Imagen Limited (£156,000), offset by receipts in respect of ADC Biotechnology Limited (£310,000) and StorageOS Inc (£89,000) and FX uplifts made against balances in respect of Efundamentals Group Limited (£5,000) and StorageOS Inc (£17,000).

The fair value of investments is determined using the detailed accounting policy as shown in the audited financial statements for the year ended 31 March 2023. The Company has categorised its financial instruments using the fair value hierarchy as follows:

Level 1	Reflects financial instruments quoted in an active market (quoted companies and fixed interest bonds);
Level 2	Reflects financial instruments that have prices that are observable either directly or indirectly; and
Level 3	Reflects financial instruments that use valuation techniques that are not based on observable market data (investments in unquoted shares and loan note investments).

	Level 1 £'000	Level 2 £'000	Level 3 £'000	30 Sep 2023 £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	31 Mar 2023 £'000
Quoted on AIM	11,952	-	-	11,952	14,304	-	-	14,304
Quoted on Aquis	207	-	-	207	1	-	-	1
Quoted on main market	4,769	-	-	4,769	5,160	-	-	5,160
Unquoted loan notes	-	-	10,467	10,467	-	-	10,467	10,467
Unquoted equity	-	-	38,476	38,476	-	-	41,295	41,295
	16,928	-	48,943	65,871	19,465	-	51,762	71,227

Notes to the Unaudited Financial Statements (continued)

For the six months ended 30 September 2023

10. Investments (continued)

The unaudited financial statements set out herein do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 and have not been delivered to the Registrar of Companies. The figures for the year ended 31 March 2023 have been extracted from the financial statements for that year, which have been delivered to the Registrar of Companies; the Auditor's report on those financial statements was unqualified.

11. Going concern

The Directors have reviewed the Company's financial resources at the period end and concluded that the Company is well placed to manage its business risks.

The Directors confirm that they are satisfied that the Company has adequate resources to continue to operate for the foreseeable future. For this reason, the Directors believe that the Company continues to be a going concern and that it is appropriate to apply the going concern basis in preparing the financial statements.

12. Risks and uncertainties

Under the Disclosure and Transparency Rules, the Board is required, in the Company's half-year results, to report on principal risks and uncertainties facing the Company over the remainder of the financial year. The lingering impact of the coronavirus pandemic and the consequential behavioural changes still creates uncertainty for some businesses but has not changed the nature of these risks.

The Board has concluded that the key risks are:

- (i) compliance risk of failure to maintain approval as a VCT; and
- (ii) investment risk associated with investing in small and immature businesses.

The Company's compliance with the VCT regulations is continually monitored by the Investment Adviser, who regularly reports to the Board on the current position. The Company also retains Philip Hare & Associates LLP to provide regular reviews and advice in this area.

In order to make VCT qualifying investments, the Company has to invest in small businesses which are often immature. The impact of the coronavirus pandemic has been significant on some portfolio companies and, in many cases, the VCT regulations restrict the Company from making further investment into these businesses, so the Investment Adviser seeks to provide whatever other support they can to these businesses, including encouraging them to take advantage of Government support that may be available. The Company also has a limited period in which it must invest the majority of its funds into VCT qualifying investments. The Investment Adviser follows a rigorous process in vetting and careful structuring of new investments, including taking a charge over the assets of the business wherever possible and, after an investment is made, closely monitoring the business.

Increasing inflation, particularly on wages and other costs has developed into an emerging risk during the period. The Investment Adviser's close relationship with the investee companies allow it to ensure that the businesses properly assess the potential impact of increasing costs and the extent to which these may or may not be able to be passed on to the end customer.

The Board is satisfied that these approaches provide satisfactory management of the key risks.

Notes to the Unaudited Financial Statements (continued)

For the six months ended 30 September 2023

13. Contingent liability

As outlined in the Chairman's Statement on page 2, since September 2020, the Company has used IBP Markets Limited ("IBP") as custodian for its quoted investments. IBP is an FCA authorised and regulated wholesale broker, providing custody services and access to equity and fixed income securities for non-retail clients (which includes the Company). On 13 October 2023, the FCA published a supervisory notice under section 55L(3)(a) of the Financial Services and Markets Act 2000, imposing certain restrictions on IBP. On the same date, IBP applied to the High Court and special administrators were appointed. The special administrators have yet to publish an estimated outcome statement and therefore the full impact is currently unknown. The Investment Adviser is actively collaborating with the special administrators to reach a resolution and will communicate with Shareholders when further information becomes available.

The Investment Adviser is in regular dialogue with the special administrators. The outcome remains subject to change particularly as additional claims may be made on custody assets and client money and there remains a risk to the positions. However, considering the information made available to the Company at the date of this report, there is currently little indication that there will be a materially adverse impact to Shareholders with respect to the custody assets. The position with respect to client money remains to be determined, but total cash at IBP represented less than 1.5% of NAV as at 30 September.

14. The Directors confirm that, to the best of their knowledge, the half yearly financial report has been prepared in accordance with the "Statement: Half-Yearly Financial Reports" issued by the UK Accounting Standards Board as well as in accordance with FRS 104 Interim Financial Reporting and the half-yearly financial report includes a fair review of the information required by:

- (a) DTR 4.2.7R of the Disclosure and Transparency Rules, 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 year; and
- (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place during 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 last annual report that could do so.

15. Copies of the unaudited half-yearly financial results will be sent to Shareholders shortly. Further copies can be obtained from the Company's Registered Office and will be available for download from www.foresightgroup.eu/products/thames-ventures-vct-1-plc

Additional Information

Share price

The Company's share price can be found on various financial websites.

TIDM/EPIC codes	TV1
Latest share price (20 December 2023):	48.0p per share

Selling shares

Information on how to sell your shares can be found on Foresight's website:

www.foresightgroup.eu/products/thames-ventures-vct-1-plc

If you have any queries, Foresight's Customer Team can be contacted at investorrelations@foresightgroup.eu or on 020 3667 8181.

Shareholders are advised to seek advice from their tax adviser before selling shares, particularly if they deferred capital gains in respect of shares acquired prior to 6 April 2004 or purchased shares within the last five years.

The Company is unable to buy back shares direct from Shareholders, so you will need to use a stockbroker to sell your shares. If you are considering selling your shares or wish to buy shares in the secondary market, your broker should contact the Company's Corporate Broker, Panmure Gordon (UK) Limited ("Panmure"). Panmure can be contacted as follows:

Chris Lloyd	Paul Nolan
020 7886 2716	020 7886 2717
chris.lloyd@panmure.com	paul.nolan@panmure.com

Notification of change of address

If you need to update the registered address on your shareholding, this can be done through The City Partnership's Investor Hub, currently at thames-ventures-vcts.cityhub.uk.com/login.

Alternatively, please complete a [Change of Address Form](#) (available from The City Partnership) and send it to The City Partnership (UK) Limited by email registrars@city.uk.com or by post to The City Partnership (UK) Limited, The Mending Room, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH.

Other information for Shareholders

Up-to-date Company information (including net asset values and dividend history) may be obtained from Foresight's website at:

www.foresightgroup.eu/products/thames-ventures-vct-1-plc

If you have any queries regarding your shareholding in Thames Ventures VCT 1 plc, please contact the registrar on the number shown on the back cover or visit the Investor Hub website currently at:

thames-ventures-vcts.cityhub.uk.com/login

Directors

Chris Kay (Chairman)

Chris Allner

Barry Dean

Atul Devani

Stuart Goldsmith (resigned 01 September 2023)

Company Secretary and Registered Office

Foresight Group LLP

The Shard

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Registered No. 03150868

Investment Adviser

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Registrar

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Foresight

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