

Investing in the heart

The people, the ideas and the companies
behind our Private Investing service

Newable

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Introduction

Newable works with businesses at the heart of the UK economy, helping them start-up and grow and giving them the confidence to explore new horizons and marketplaces.

A large part of our work is focused on investment, bringing promising companies the cash injection and patient support they need to make an idea come to life.

To do this, we advise, mentor and encourage entrepreneurs in Britain's exciting technology sector. We connect them to our 500 strong group of early stage Angels and co-investment partners. We help them unlock grant funding and we invite individuals and organisations to invest in them through our scale-up fund.

This is an introduction to our investment philosophy. It showcases some of the businesses we've backed, the ideas that matter to us and the people who make it all happen.



Chris Manson on Newable's investor vision

“We want to unleash the extraordinary potential at the heart of the economy.”

Chris Manson
CEO, Newable

Chris has over 20 years' experience in the start-up and sale of SMEs, with the creation, development and sale of three businesses. Awarded EU Entrepreneur of the year for London in 2005. Previously a Chartered Accountant with PWC.

At Newable, we've been supporting young businesses across Britain for over 35 years, bringing a mix of hands on experience and expertise, market connections and financial support. We see it as our mission to give people the confidence boost they need to take the next step, to start, sustain and grow their companies.

As part of our work, and particularly through our partnerships with Innovate UK and the Department for International Trade, we get to meet and help thousands of the UK's most ambitious start-ups and dynamic young companies every year. We see their potential, we see the challenges they face and we see an opportunity for investors to play a bigger part – to help bridge the funding gap and, in return, benefit from the extraordinary explosion of innovation and enterprise at the heart of our economy.

We're building a range of innovative investment products to unlock this potential; using our insight and influence, our scale and experience to offset some of the risks of early stage investment while coordinating government grants and public sector support to build momentum around these exciting young companies.

Our EIS/SEIS Funds are the cornerstone of our strategy, the centre-piece of our portfolio of products seeking to supercharge growth for businesses and investors alike.



Rezatec
Analyzing Earth Data

The idea

Space technology today is as much about the data coming down as it is about the hardware going up. Rezatec has created a cloud-based analytics software platform that can digest and distil huge satellite data sets with multiple features, in real time and to a high degree of accuracy. This means big infrastructure companies, agriculture, forestry, utilities and governments can understand the lie of the land faster and better and plan ahead more effectively.

The people

Patrick Newton CEO
Philip Briscoe COO
Andrew Carrel CTO

SECTOR

Space technology,
Satellite data processing

CUSTOMERS

Water, Agriculture,
Forestry, Infrastructure,
Commodities

FOUNDED

2012

INVESTORS

Newable – £220k

FOOTPRINT

UK (HQ), USA, Europe,
Asia Pacific

Other investors –
Run Capital, Harvard
Business School Angels,
Caphaven Partners

STATUS

Revenue generating

NEXT STEPS

Expansion into foreign
markets and looking to become
a leading Earth observation
data analytics company



Charles Breese on the 4th Industrial Revolution

“As technologies converge, young British businesses are setting the pace of innovation.”

Charles Breese
Director

Director at Largent Newton. Director of Hygea VCT and inventor of SmartCo investing. Previous Director at Octopus Investments. Following qualifying as a Chartered Accountant, he worked for KPMG for 13 years.

We've been at it in Britain for a very long time... innovation, invention, turning new technologies into business ideas. We were there, leading from the front, in the first Industrial Revolution and I believe we're right back in the driving seat now, at the beginning of the fourth.

Today, we're witnessing an acceleration in progress, driven by the convergence of a whole range of different innovation cycles – digital, physical and biological. We're seeing an explosion of new ideas, markets and businesses in the ever-evolving space between healthcare, genetics, AI, materials science and space technology.

Big corporations know the way things are heading, they know serious disruption is on the horizon but it's hard for them to change fast enough. That's why they're looking to invest in new companies and new concepts to bring them the innovation they need.

And that's where we come in. The Fund is here looking to boost these exciting new companies and concepts at the beginning of their journey – seeking to identify the winning ideas and winning teams operating in the 4IR space and work with them to realise their growth potential.



The idea

The world of medicine and health is going through a revolution, driven by major advances in genomics and data processing. Sphere Fluidics is riding the wave of this change with technology that allows researchers and biopharma companies to analyse millions of individual cells at a rate of over 100,000 per minute.

Their new methodology means more cells can be selectively screened more quickly; facilitating the search for therapeutic research candidates and the ideal clones for bio-production.

The people

- Dr Frank F. Craig MBA CEO
- Dr Rob Marchmont Sales & Marketing Director
- John Mayfield Finance Director
- Dr Marian Rehak Director of Research & Development

SECTOR
Life Sciences & HealthTech

FOUNDED
2010

FOOTPRINT
UK (HQ), Europe, Asia

STATUS
Early revenues

PATENTS
35

CUSTOMERS
Major pharma and academic research institutes

INVESTORS
Newable – £380k
Other investors – Parkwalk Advisors, 24Haymarket, Cambridge Enterprise

NEXT STEPS
Scaling up revenues



Hitesh Thakrar on the Fund proposition

“It’s about giving more of us the confidence to explore early stage investing.”

Hitesh Thakrar
Director

Venture Partner at Syncona (Wellcome Trust). Previously top rated Innovation Fund Manager in global equities for Abu Dhabi Investment Authority and New Star Asset Management. Degree in Chemistry, King’s College London, MBA Cranfield and CFA Charter holder. Innovation Fellow at Cambridge University.

Our Funds address an investment gap in the UK market between post seed and pre series A. It’s a space where start-ups have moved from concept to a working model but haven’t yet achieved the numbers to attract institutional investment from VCs or Private Equity. For investors, it’s a particularly exciting time to get involved because the potential for growth can be very high indeed.

Of course, the investment gap exists because the risks are also high, with around 80% of early stage businesses failing to progress. Angel investing therefore demands serious commitment and, even with the Government’s EIS tax incentives, it’s not for the faint hearted.

Our Funds are designed to function in a similar risk area as typical angel investors might, giving suitable investor candidates the opportunity to include early stage opportunities in their investment portfolio. We look to spread the risk by investing across 7 to 10 young businesses in order to achieve overall target returns of 2 times capital.

We select these businesses from a rich and well researched deal flow, generated by Newable’s national network of contacts. And we use the powerful combined intelligence and judgement of our 500-strong angel investor group to assist with the evaluation process.



The idea

5G is the next tech frontier for mobile telecommunications and businesses across the spectrum are gearing up to take advantage of the opportunities this new infrastructure will bring. Blu Wireless works with leading companies in the global technology and semi-conductor markets, helping them get ready for 5G.

Their IP systems look to allow their customers to go to market faster and deliver smarter and more powerful services to their customers.

The people

Henry Nurser CEO
 Ray McConnell CTO
 Mark Barrett CMO

SECTOR
Semi-conductors

FOUNDED
2009

FOOTPRINT
**UK (HQ), USA,
 China, Japan**

STATUS
Revenue generating

PATENTS
6 granted

CUSTOMERS
**Cisco, TATA Consultancy
 Services, Accenture,
 Land Securities**

INVESTORS
**Newable – £1.1m
 Other investors – ARM
 Holdings, Calculus Capital,
 Wren Capital**

NEXT STEPS
**Scaling up
 licensing income**



Alex Sleigh on our selection methodology

“If you want to pick winning businesses, five hundred brains are better than one.”

Alex Sleigh
Investment Director

Responsible for overseeing investments across the Fund and has been involved in over 50 Investments since 2011. MA (Hons) in Economics and Modern History from the University of St. Andrews and Masters in General Management from Vlerick Leuven Ghent Management School, Belgium. 'Investor in Residence' at King's College London.

The Fund is perfect for investors who want exposure to the exciting scale-up asset class but don't have either the time or experience to take on the heavy lifting of finding investable businesses or negotiating terms.

For us, it all starts with deal flow. Newable's 30 years' experience and our public/private connections put us in contact with thousands of ambitious young British businesses. Typically, around 1,500 a year fit our disruptive tech profile. My team and I review them in detail and pick out 80 to 100 that really inspire us. We meet the people behind the businesses. We go through their plans and help them articulate their propositions.

The next step is critical: we present each of these young companies to our 500-strong angel group in a series of investor events across the year. The entrepreneurs make their pitch. We watch and wait. If our investors are interested enough to follow up, if they're prepared to do the due diligence and commit their own time and money, we know there's real potential.

In most years, around 20 businesses get backing from our angel group. These companies form the short list for our Fund – each one stress-tested by our private investors, backed by a syndicate of angels with serious skin in the game and guided by an experienced lead angel on their board of directors. It's a powerful methodology that looks to give our Fund the highest possible returns and lowest fail rates in the industry.

The idea

Big data, advances in processing and machine learning are combining to unlock new levels of insight into the complex systems that play out across all parts of modern life. This insight is creating opportunities for companies and consumers alike.

Advizzo works in the energy sector, combining customer, operations and third party data and using machine learning and behavioural science to help businesses understand their customers' usage habits, predict levels of demand and tailor their services.

The people

Patrice Guillouziec CEO

Julien Lancha Chief Customer Officer

Pierre-Alain Urban CTO



SECTOR

Machine Learning,
Big Data, Utilities

FOUNDED

2015

FOOTPRINT

UK (HQ), Europe,
Middle East

STATUS

Revenue generating

CUSTOMERS

South East Water,
OfWat, French Water
Partnership

INVESTORS

Newable – £350k

Other investors –
London Co-Investment Fund

NEXT STEPS

Scaling up revenues



Cynthia Nadal on the investor experience

“There’s nothing more exciting than helping a young company with real potential succeed.”

Cynthia Nadal Investor

Cynthia is a member of Newable’s Angel Investor group and a syndicate leader and board member for a number of scale-up businesses. She is also the founder and CEO of Link Forward, a specialist consultancy that helps corporates to drive innovation by harnessing the start-up mind-set.

I studied in The States and began my career over there, working in banking. A few years in, I was lucky enough to be hired by a financial data start-up called Markit. In the 11 years I spent there, we went from a handful of people to 12,000 staff; from the beginnings of a company to a \$12billion valuation on the Nasdaq. It was quite a ride.

I had equity and stock options so, when the company floated, I found myself with some capital. Having set-up a consultancy I started to get involved with angel investing, working with Newable as part of their private investor group.

My first lead investor role came with a company called Night Zookeeper – I met Josh, the CEO, at a Newable investor event and we clicked. It’s a kids’ media business and not really my background, but I quickly realised I had a lot of relevant experience and plenty to offer. I absolutely believe in Josh and his team. I’m always there to bring advice and guidance but I’m also careful to give him the room to do his own thing.

Angel investing is now a big part of my life. It’s rewarding in lots of ways but it’s a big commitment and not for everyone. That’s where opportunities like The Fund come in – it’s a great way for more people to play a part in the growth story of some amazing young businesses. I’d like to think the Fund can also help attract a more diverse range of investors. Start-ups really need different perspectives to thrive in a global economy; different backgrounds and experience, younger points of view and definitely more women in the mix.



The idea

The world continues to become evermore connected, with mobile and wireless communication a key driver of growth, particularly in developing markets.

In this vibrant and competitive landscape, communications businesses are always looking for an advantage to differentiate themselves and give their customers a better experience.

Sofant has developed a smart antenna technology that significantly reduces the cost of producing and operating wireless networks. Their mix of antenna hardware and proprietary algorithms is designed to help customers achieve extraordinary improvements in efficiency and performance.

The people

David Wither CEO

Victor Steel CMO & Technology Lead

SECTOR
5G mobile communications

FOUNDED
2011

FOOTPRINT
UK (HQ)

STATUS
Early stage

PATENTS
6 granted and
8 applications

INVESTORS
Newable – £200k
Other investors –
Scottish Investment Bank,
Kelvin Capital, awarded
€1.97m Horizon2020
commercialisation grant

NEXT STEPS
Product
commercialisation



Andrew Mearns Spragg on the entrepreneur journey

“Newable’s investment and support gave us the confidence to take the next step.”

Andrew Mearns Spragg
CEO, Jellagen

Professor Spragg is a marine biotechnology entrepreneur with over 10 years commercial experience in developing and growing successful venture backed businesses. He grew his first company, Aquapharm whilst holding a Royal Society of Edinburgh Enterprise Fellowship in biotechnology. Since 2005, he’s successfully raised over £10M in equity finance and secured more than £1.5 million in competitive grants from EU and UK funders.

Ever since I was a boy, I’ve been fascinated by anything to do with the ocean. I ended up in academia, in marine chemistry, that’s where I made the connection between jellyfish and collagen.

Most of the collagen used in the biotech industry comes from cows, pigs and rats – that’s both problematic and unsustainable. Jellyfish, on the other hand, are increasing across the oceans and they’re a brilliant source of high-grade collagen, suitable for all human medical applications. I set up Jellagen to turn this insight into a business.

We launched in 2014. By September 2015, we’d reached scale-up stage and were looking for some more serious investment. That’s when the Government’s Life Science hub connected us to Newable. We met with the team and explained what we do. They liked our story and invited us to pitch to their angel group. Right after our presentation, one of the investors came over and said, “I want to be your lead angel”. It was amazing really.

We met up, did the due diligence and then he reached out to his network to bring together a syndicate of other investors. With that backing in place, Jellagen was put forward and selected for the Fund.

Our £1.8m scale-up injection allowed us to move out of university premises, expand our team, develop our technology and secure vital patents. Now, looking forward, our revenue is growing, our product range is expanding and we’re starting to see exit opportunities on the horizon.

The idea

Farming has been through revolutions in the past and today's converging tech and data advances are set to transform the industry again.

Hummingbird Technologies is part of this latest wave of agri-innovation. This young company uses drones to scan arable land, capturing 34 million data-points per hectare and allowing farmers and land managers to know exactly how their crops are developing on a day-by-day basis.

This level of macro and micro management, made possible by cloud computing and AI enabled processing, is already helping to increase yields worldwide.

The people

Will Wells CEO
Andreas Kater COO
Gordon Skinner CTO



Hummingbird
Technologies

SECTOR

Agriculture, Artificial Intelligence, Big Data, Drone technology

FOUNDED

2015

FOOTPRINT

UK (HQ), Brazil

STATUS

Early revenues

CUSTOMERS

Beeswax Dyson Farming, Velcourt, Worth Farms

NEXT STEPS

Scaling up revenues



Anthony Clarke on why people matter most

“When it comes to investing, they used to say you either do good or you make money. Newable looks to do both.”

Anthony Clarke
Investment Director

Co Founder/Director of £30m Seraphim Capital VC Fund and £50m Seraphim Space VC Fund.
Co Founder and Past Chair of UK Business Angels Association.
President Emeritus of European Business Angel Network.
Qualified as a Chartered Accountant and Chartered Secretary at Deloitte Haskins & Sells (now PWC).

It was back in 2001 when we first came up with the idea for the EIS Scale-up Fund. At that time, the Government was looking for new fund structures to encourage early stage investment. When we presented our concept they loved it and we immediately struck up a co-investment partnership with the British Business Bank. The approach worked, we were able to support growth, stimulate innovation, deliver a return for our investors and pay back the Government's stake. We've never looked back.

If you asked me now what makes us different, I'd say it's that we've always focused on the people behind the businesses we back. Unlike many conventional investment houses, we don't collect money and then go looking for deals. Companies come to us, which means we start with their ideas and their energy.

What do we look for in an entrepreneur? Firstly they have to be madly passionate, If they don't show that total, crazy commitment then forget it. They need to be putting themselves on the line, we're not interested in spinouts with easy money. They need to be part of a genuine team, lone egos just don't work. And most importantly you have to like them and they have to like you. I suppose you could say investing is a bit like a marriage.

Get in touch

If you'd like to find out more about Newable, our work with businesses at the heart of the economy or our private investment philosophy, please visit us at:

newable.co.uk

Or write to us at:
hello@newable.co.uk

Building business confidence