

Pembroke Newsletter

July 2024



+ Pembroke invests £3m in activewear brand TALA, leading the round alongside existing investors Venrex and Active Partners

+ Pembroke sells shareholding in BOAT International Media

+ Plus highlights from the portfolio, including:

- Beryl
 - Bloobloom
 - LYMA
- and more...

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Pembroke VCT

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Welcome

We are delighted to bring you some exciting updates from Pembroke VCT. Our assets under management are over £220 million, featuring a diverse portfolio of over 40 growth-stage companies, including 9 companies valued over £50 million, with 3 of those valued over £100 million.

At Pembroke, our 'milestone' approach is focused on delivering long-term stable capital growth, accompanied by annual dividends and special dividends upon profitable exits. We provide strategic investment, mentorship and resources to visionary entrepreneurs. Our aim is to empower them to enhance their growth, innovation and long-term success in the ever-evolving landscape of consumer, technology and business services.



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and gain exclusive
insights!

Follow Pembroke VCT
on social media to get
real-time updates about
us and our portfolio.

Pembroke

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The Power of Human Capital

People first

What sets a successful early-stage business apart from the rest is not just the uniqueness of its idea or business model, but the strength and quality of its human capital.

The most transformative ventures are invariably led by exceptional individuals. Running a business is incredibly challenging, with most facing a relentless daily grind. This makes it crucial to be surrounded by talented individuals and supportive mentors who can help you persevere in the face of adversity and challenge. In the turbulent early stages of development, human capital is the bedrock of an enterprise.

Fundraising does not happen on its own, and while securing investment is vital, it is important to have the right people to drive and unlock that funding. However, even with a remarkable team leading your business, growth is impossible without the capital to get it off the ground. This cyclical process continues: once financial capital is secured, success ultimately hinges on the people – the human capital.

Pembroke's approach

At Pembroke, we look after 'souls' because we understand the immense faith and commitment it takes to grow a business. Our senior leadership team comprises of serial entrepreneurs who know firsthand the challenges of growing a business. We are involved in and committed to over 40 businesses day in and day out, continually learning from their market interactions and feeding this knowledge back into the wider portfolio.

Pembroke has long invested time in mentoring and nurturing our founders and the community around them through challenging times. Regular introductions, roundtable discussions and networking events bring our community together to share experiences and support each other. Being surrounded by mentors is invaluable to Pembroke and the businesses, and the depth of our support and personal interaction is a differentiator not commonly found in the market.

Building networks

For venture capital, early-stage investments are increasingly hands-on. The premise is that every venture capital investor thinks they are unique, but I believe Pembroke offers a clear variation in the market. Founders approach us initially for capital, but as the relationship develops and grows, the human capital we provide is often worth much more. By forming and promoting networks rich in expertise and influence, fostering strategic partnerships, and offering market insights, we continue to provide the crucial support that often makes a material difference between success and failure. Our role extends far beyond funding; we cultivate the human assets indispensable for enduring success.



Jamie Kennell
Chief Investment Officer,
Pembroke



New Investment

Consumer

£3m investment into activewear brand TALA

We are thrilled to announce our £3 million investment in the activewear brand TALA, as part of a £5 million funding round alongside existing investors Venrex and Active Partners.

Founded by the visionary entrepreneur Grace Beverley and led by CEO Morgan Fowles, the activewear brand has scaled significantly, documenting a tenfold increase in its revenue. This period of expansion has seen the brand expand into new categories like outerwear and shapewear, enter new markets, and establish new channels – all while staying profitable.

TALA plans to use the investment to support plans for international expansion, primarily focusing on the US market. The business has already achieved significant customer and social media traction in the US, highlighting a growing demand. As investors since 2021, this further investment underscores our confidence in the team and its vision, emphasising our role not only as investors but as strategic partners in TALA's next growth phase.



“

Pembroke VCT's investment in TALA reaffirms our confidence in the brand's innovative approach and strong market appeal. Grace Beverley, Morgan Fowles and the team have a unique ability to tap into their consumer base, leveraging organic channels to expand TALA's presence and reinforce its core values. ”

Andrew Wolfson

CEO of Pembroke

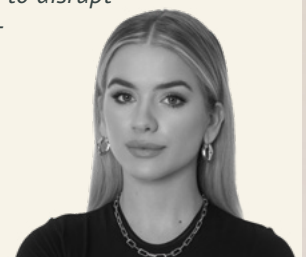


“

This new funding round led by Pembroke marks an incredibly exciting milestone in TALA's growth. I am hugely optimistic for the next stage of our journey, and look forward to continuing to disrupt the industry with well-thought-through wardrobe favourites and problem-solving pieces for women, by women. ”

Grace Beverley

Founder of TALA



Sale of shareholding in BOAT International Media

Pembroke VCT has exited Boat International Business Media as it becomes part of Informa Group. Following an investment of £3.3 million, Pembroke has received exit proceeds of £4.6 million.

The agreement comes at an exciting time for BOAT International Media, which has seen significant growth across its print, events, digital and data businesses in recent years.

Boat is an international media group serving the superyacht industry through the publication of BOAT International and BOAT International US Edition, the definitive guides to luxury yachts and yachting lifestyle. The company also owns the award-winning data provider BOAT Pro, and organises globally renowned events ranging from the World Superyacht Awards to the Superyacht Design Festival.

LUXURY WATCHES SPECIAL

August 2024 boatinternational.com

BOAT

PRACTICAL MAGIC

Big-boat features abound on Custom Line's new 38-metre

+ GLOBAL UPDATE

Australia's rise as a superyacht powerhouse – and why "Made in America" could be back

2024'S BEST NEW TIMEPIECES

From the deck to dinner, we present the ultimate wristwear line-up

LISBON

The foodie haven you should add to your cruising programme

Portfolio Highlights

Technology

Honoured with the King's Award for Enterprise for sustainable development

Beryl is the first shared sustainable transport operator to win one of the country's most prestigious business awards. Beryl is a UK bike-share scheme that developed the life-saving Laserlight, still visible among bike rental fleets in London, New York and Montreal. The business was based on founder Emily Brooke's research – that cyclists were 32% more visible to drivers with a Laserlight. Today, its expansive UK-wide bicycle-sharing programme offers an integrated selection of bicycles, e-bikes, e-scooters and cargo bikes.

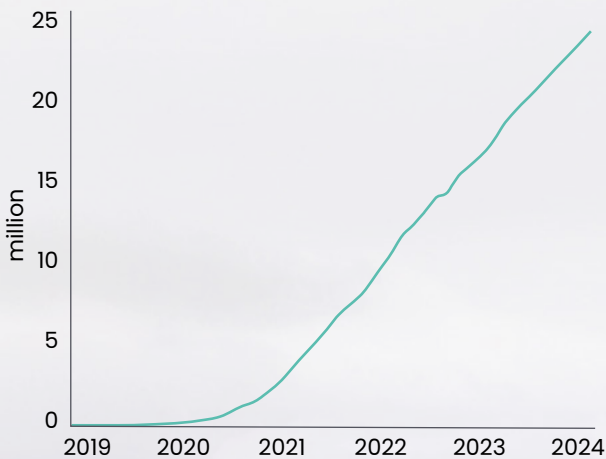
Since launching its first shared transport scheme in 2019, the company has run schemes in partnership with over 20 different local and regional transport authorities, powering millions of sustainable journeys and encouraging people to swap four wheels for two.

The King's Award for Enterprise is a phenomenal accolade for any young business. Not only does it recognise the company's commitment to its purpose and to the planet – it is also an affirmation of the solidity of Beryl's business model.

The UK's Leading Shared Micromobility Player

Beryl's Leading Position In The UK Is Demonstrated By Increasing App Use & Larger Contract Values

Journeys on Beryl Platform



£199 million

cumulative contract value awarded in 2023



c.700,000

active users, Beryl boasts a growing community of individuals relying on its fleet of bikes, e-bikes, e-scooters & e-cargo bikes to get around town



64%

of all Beryl journeys were with e-vehicles in 2023



Consumer

3x revenue growth year-on year

Recognised as one of the most stylish eyewear brands on the market, Bloobloom is accelerating its growth strategy with impressive momentum. Committed to enhancing its physical presence, Bloobloom has opened four new stores in the past year and launched an international website aimed at the European and US markets. This expansion is complemented by an exciting collaboration with sustainable womenswear brand Omnes, resulting in a fresh collection of sunglasses featuring new frame shapes and unique colours, all rooted in a shared dedication to sustainability.

Staying true to its mission of providing clear sight to everyone, Bloobloom has served 94,000 active customers and distributed nearly 100,000 pairs of glasses through its Pair for Pair program to those in need in Rwanda, Ghana and Southeast Asia.

Bloobloom exemplifies the principle that doing good goes hand-in-hand with doing well. Like many of our portfolio companies, it operates with a purpose beyond profit. Its innovative virtual stylist, which allows customers to find and virtually try on their perfect spectacles or sunglasses, has been a game-changer, driving revenue to triple year-on-year. Investing in Bloobloom means supporting a brand that combines style, purpose and cutting-edge technology to achieve remarkable growth and social impact.



Bloobloom is an independent eyewear brand refocusing the industry and offering premium prescription glasses and sunglasses at a fair price.

4 new stores
in the past 12 months

94,000
active customers

Portfolio Snapshots

Events

Leveraging AI for Business Success

In June, we hosted an event for a few of our portfolio companies featuring AI expert Douglas Squirrel on “Leveraging AI for Your Business.” Prior to the event, we gathered insights from our businesses to tailor the session to their specific AI challenges.

Douglas Squirrel’s presentation on the “Three Laws of AI” provided valuable insights:

1. Keep Your Bot Offstage:

Use AI for behind-the-scenes tasks rather than direct customer interactions to avoid miscommunications.

2. Ownership of AI-generated Content:

Be aware of legal complexities around AI-created content.

3. Trust but Verify:

Combine human intuition with AI outputs to ensure accuracy and creativity.

The event underscored the importance of strategically integrating AI into business processes while remaining mindful of its limitations and potential pitfalls. By following the “Three Laws of AI,” businesses can leverage AI effectively, mitigate risks and enhance their operations.

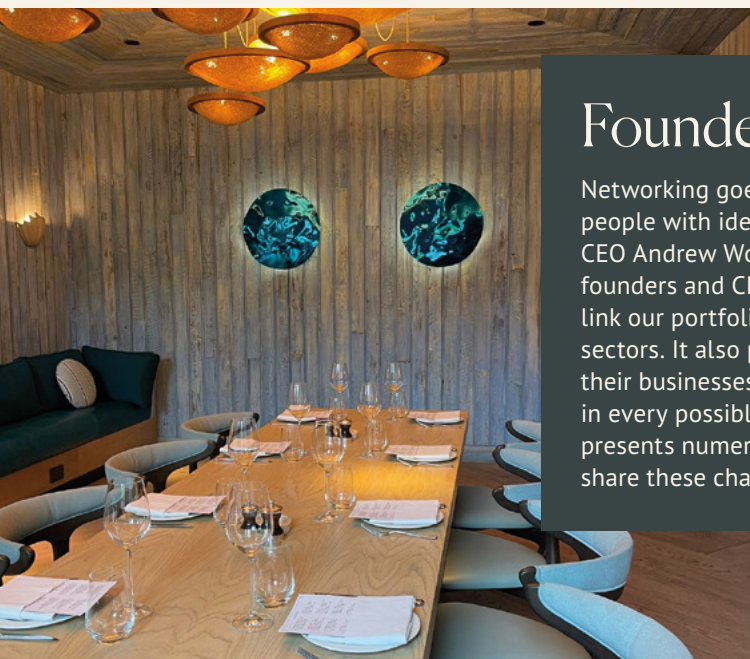
For more details, see Douglas Squirrel’s Tech . We extend our thanks to Douglas and our participating companies for a successful session.



“

Don't leave AI on its own; pair it with a human to form a 'centaur,' you then have a creative brain that can crank out insights at an incredible rate.”

Douglas Squirrel



Founder & CEO Dinners

Networking goes beyond simply connecting individuals. It is about linking people with ideas, opportunities and each other. As part of a new initiative, our CEO Andrew Wolfson and our investment team host quarterly dinners for our founders and CEOs. The purpose of this series is to create new connections and link our portfolio companies with others in similar stages of growth and industry sectors. It also provides us with an opportunity to learn more about them and their businesses. As investors, we are committed to supporting all our companies in every possible way to help bring their visions to fruition. Managing a startup presents numerous challenges for founders and CEOs, so providing a space to share these challenges and successes is essential.

ESG

We support the transparent reporting of the portfolio companies to promote positive and social impact. The following companies in our portfolio are registered B Corp organisations.

Certified



RUBIES IN THE RUBBLE



TROUBADOUR



family club



COAT



beryl



L Y M A



Just Wears



droless



Pembroke is part of the Investing in Women Code

Pembroke has recently become a signatory of the Investing in Women Code. The code is a commitment to support the advancement of female entrepreneurship in the UK by improving female entrepreneurs' access to tools, resources and finance from the financial services sector. Pembroke has been a supporter to female founders since inception, with 37% of our portfolio companies having at least one female founder.

New Pembroke Board Member

We are pleased to share that Chris Allner has joined the Board of Pembroke VCT plc as a non-executive director.

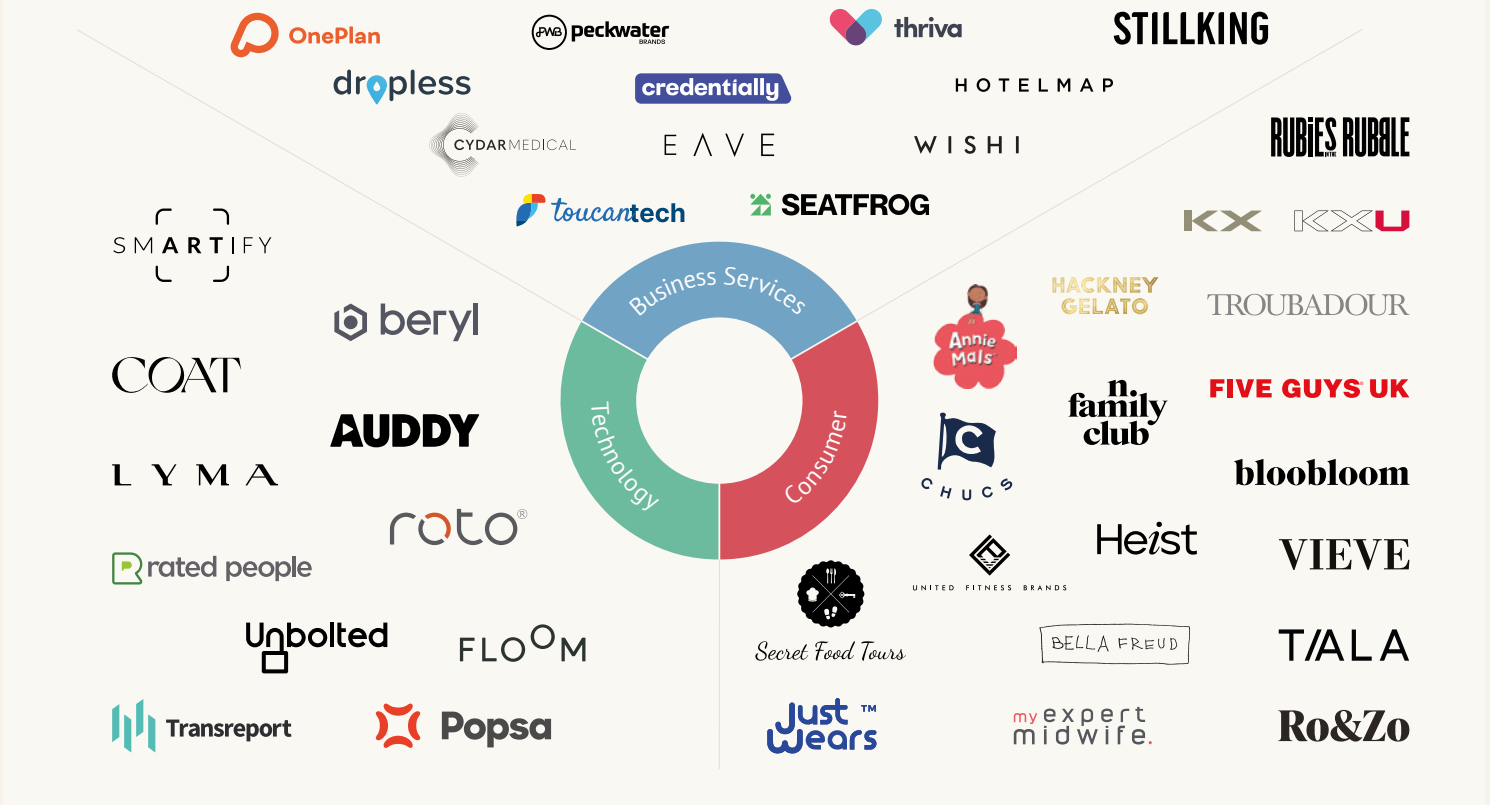
Chris brings extensive industry experience with a career spanning 40 years in venture capital and private equity, having held senior investment roles at Downing, Octopus, Beringea and Bridgepoint.

Chris has served on the boards of portfolio companies in various commercial sectors and facilitated over 50 investments. His dedication to the venture capital and private equity sectors makes him a valuable addition to the Pembroke VCT Board.



Chris Allner
Independent
Non-Executive Director

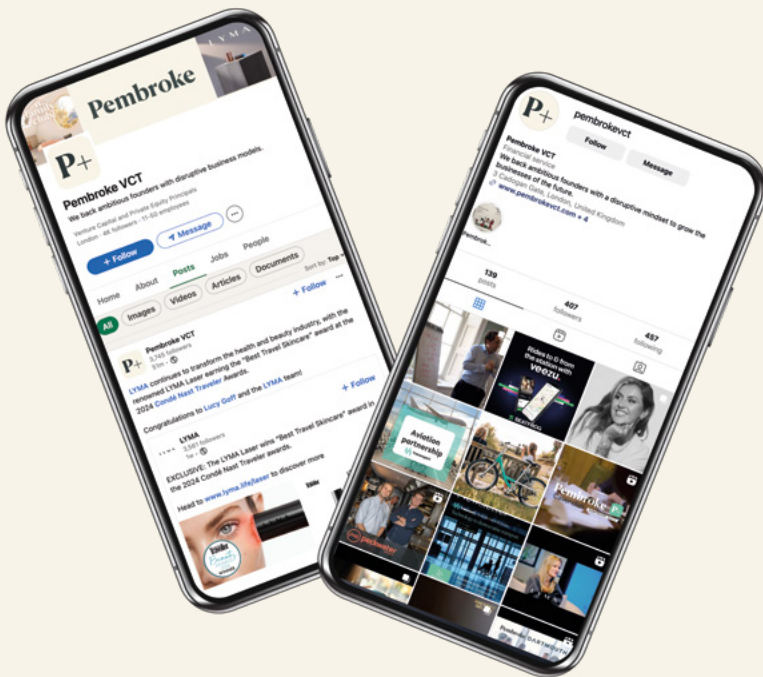
Pembroke's Portfolio



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