

Baronsmead Second Venture Trust plc

Quarterly update for the three months ended 31 December 2022

Overview

Baronsmead Second Venture Trust plc (the Company) is a tax-efficient listed company which aims to achieve long-term investment returns for private investors, including tax-free dividends.

Quarter highlights

- Net Asset Value (NAV) per share increased **1.5%** to **66.1p**
- £0.7mn** invested into one follow-on in a quoted company

Investment performance

In the three months to 31 December 2022, the Company's underlying NAV per share increased by 1.5%. Over the quarter, the unquoted portfolio valuation decreased by 7.7% and the quoted portfolio (including the LF Gresham House UK Micro Cap Fund, LF Gresham House UK Multi Cap Income Fund and LF Gresham House UK Smaller Companies Fund) increased by 6.9%.

The UK economic backdrop remains challenging, however the quoted portfolio delivered strong value growth in the quarter as markets recovered from the decline seen earlier in the year. In the unquoted portfolio, some evidence of the impact on trading performance with a general softening of growth rates began to emerge and one portfolio company, CMME Group Limited, went into administration in the period.

Fundraising

On 9 January 2023, Baronsmead Venture Trust plc and Baronsmead Second Venture Trust plc launched offers for subscription (the "Offers") to raise up to £40mn in aggregate, with the discretion to utilise over-allotment facilities to raise up to a further £10mn in aggregate. Full details of the Offers are contained in the prospectus published on 16 December 2022.

Performance summary

These total returns are stated before the inclusion of VCT tax reliefs which are designed to mitigate the higher risks and costs associated with investing in smaller companies and the constraints of VCT legislation. The tax reliefs given at the time of subscription have varied between 20% and 40%, so any adjusted performance measure including this relief will vary depending on the date of subscription. There is the additional benefit of receiving VCT dividends tax free.

Analysis of total assets

% of total assets	31 Dec 2022	30 Sep 2022
Unquoted	23%	25%
Quoted*	38%	35%
Collective investment vehicles	23%	21%
Liquid assets	16%	19%
Total assets	100%	100%

* Companies whose shares are listed on AIM and LSE

Top ten investments¹

● Quoted ● Unquoted

Position at 31 Dec 2022	Position at 30 Sep 2022	Company	% of NAV at 31 Dec 2022
1	1	Cerillion plc ●	11.0
2	2	Netcall plc ●	6.5
3	4	IDOX plc ●	3.3
4	3	eConsult Health Ltd ●	2.4
5	6	Anpario plc ●	2.2
6	7	Bioventix plc ●	2.1
7	5	Airfinity Ltd ●	1.9
8	8	Patchworks Ltd ●	1.7
9	9	Popsa Holdings Ltd ●	1.6
10	10	IWP Holdings Ltd ●	1.5
Total			34.2

1. Direct investments only, does not include investments in funds.

Capital return	31 Dec 2022	30 Sep 2022	Change
Total net assets	£215.3mn	£213.0mn	
NAV per share	66.1p*	65.1p*	1.5%
Share price	63.0p	65.0p	-3.1%

Total return	Three month	One year	Since launch
NAV total return ²	1.6%	-15.8%	234.2%

* Includes final dividend of 3.0p per share paid on 3 March 2023

2. NAV total return = NAV + reinvested dividends

Source: Gresham House Asset Management



Publication date: 16 March 2023

Investment activity³

● Quoted ● Unquoted

Investments made	New / follow-on	Date	Cost (£'000)
SEEEEN plc	Follow-on	Dec 22	659
Total investments			659

3. Direct investments only, does not include investments in funds.

Events after the period end

Since 31 December 2022 and the publication of this statement (16 March 2023), the Company has:

- In January 2023, Glisser Ltd, was placed into administration with zero return anticipated for the Company
- Announced on 30 January 2023 that 11,978,695 shares will be issued at an issue price of between 67.64p and 71.49p under the current Offer
- Completed a new unquoted investment (£0.5mn) and two follow-on investments, one quoted (£0.5mn) and one unquoted (£2.1mn)
- 3.0p dividend paid on 3 March 2023 to shareholders on the register as at 3 February 2023

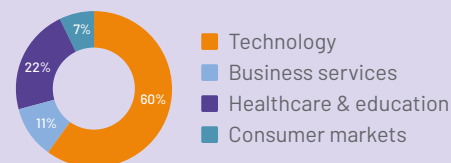
Risks to be aware of

- The value of the Company and the income from it is not guaranteed and may fall as well as rise
- As your capital is at risk you may get back less than you originally invested
- Past performance is not a reliable indicator of future performance
- Any tax reliefs are dependent on your individual circumstances and may be subject to change
- Funds investing in smaller, younger companies may carry a higher degree of risk than funds investing in larger, more established companies. Investments in smaller companies may be less liquid than investments in larger companies

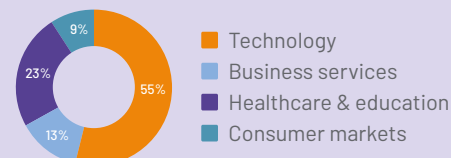
Portfolio analysis

Direct investments only

Portfolio breakdown by sector - 31 Dec 2022



Portfolio breakdown by sector - 30 Sep 2022



Most recent NAV

62.84p per share

Unaudited data as at 28 February 2023



Get in touch

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Baronsmead

Board

Sarah Fromson - Chair
Tim Farazmand - Director
Malcolm Groat - Director
Graham McDonald - Director

Brokers

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Key dates

Financial Year End: 30 September
Interim: 31 March

Dividends

September 2022 3.0p
March 2023 3.0p



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Specialist asset management

