

BARONSMEAD

Baronsmead Second Venture Trust plc
Quarterly update
For the three month period from
1 October 2016 to 31 December 2016



Headlines

- **£185.3m Net Asset Value following successful merger with Baronsmead VCT 5 plc in November 2016**
- **Net Asset Value per share increased by 0.7% to 92.84p**

On 30 November 2016, Baronsmead Second Venture Trust plc (the "Company" or "BSVT") acquired the assets of Baronsmead VCT 5 plc ("BVCT5") in consideration for the issue of New Shares to BVCT5 Shareholders. As a result, the comparative figures in this Quarterly Update relate to the Company prior to the merger unless otherwise noted.

Performance Summary

Capital return	BSVT as at 31 Dec 2016	BSVT as at 30 Sep 2016	BVCT5 as at 30 Sep 2016	Movement*
Total net assets	£185.26m	£140.91m	£43.04m	
Net asset value per share	92.84p	92.17p	76.68p	0.7%
Share price	86.00p	87.13p	72.75p	(1.3%)

* BSVT movements only.

Total return	3 months (%)	1 year (%)	5 years (%)	10 years (%)
Net asset value total return ⁽¹⁾	0.73	3.30	57.01	75.99

Key:

⁽¹⁾ NAV total return = NAV + reinvested dividends; Source: Livingbridge VC LLP.

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 the 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.

Investment Performance

In the three months to 31 December 2016, BSVT's underlying net asset value per share increased by 0.7%. Over the quarter, the unquoted portfolio valuation increased by 0.5% and the quoted portfolio (including Wood Street Microcap Fund) increased by 2.3%.

The Company's net assets as at 31 December 2016 were £185m. This figure takes into account the valuation of the Company's investments as at 31 December 2016 and is stated after taking account the transfer of assets from BVCT5 following the merger on 30 November 2016.

Top ten Investments

BSVT Position at 31 Dec 2016	Company	BSVT Percentage of NAV as at 31 Dec 2016
1	Netcall plc	5.0
2	IDOX plc	3.9
3	Tasty plc	3.8
4	Create Health Ltd	3.3
5	Dods (Group) plc	3.1
6	Happy Days Consultancy Ltd	2.7
7	Crew Clothing Holdings Ltd	2.6
8	Pho Holdings Ltd	2.6
9	Ideagen plc	2.3
10	Cerillion plc	2.1
Total		31.4

Analysis of Total Assets

	BSVT Percentage of total assets 31 Dec 2016 %	BSVT* Percentage of total assets 30 Sep 2016 %
Unquoted investments	32	32
AIM and collective investment vehicle	54	52
Listed interest bearing securities	9	-
Net current assets	5	16
Total liquid assets	14	16
Total Assets	100	100

* For comparison combined BSVT & BVCT5 as at 30 September 2016.

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Analysis of Investment Portfolio by Sector

(excluding cash and interest bearing securities)

	BSVT Percentage of total investments at 31 Dec 2016 %	BSVT* Percentage of total investments at 30 Sep 2016 %
Business Services	27	28
Consumer Markets	19	21
Healthcare & Education	13	13
Technology, Media & Telecommunications	41	38
Total	100	100

* For comparison combined BSVT & BVCT5 as at 30 September 2016.

Investment Activity

During the 3 months to 31 December 2016, BSVT invested a total of £1,386,000 in two AIM-traded companies as shown in the table below. On 30 November 2016 BSVT, acquired BVCT5's investment portfolio totalling £39,138,000.

Investments made	Date	Cost (£'000)
Cloudcall Group plc	Oct 16	599
Freeagent Holdings plc	Nov 16	787
Total investments		1,386†

† All investments were made prior to BSVT acquiring the assets of BVCT5 on 30 November 2016. Hence the book cost of the new investments shown relate only to the investments made by BSVT.

Net Asset Value as at 31 January 2017

The net asset value as at 31 January 2017 was 93.49 per share.

Events after the period end

The Board is not aware of any significant events or transactions which have occurred between 1 January 2017 and the date of publication of this statement which would have a material impact on the financial position of the Company.

Investment objective

Baronsmead Second Venture Trust plc is a tax efficient listed company which aims to achieve long-term investment returns for private investors.

Further information

Further information regarding the Company, including net asset values published since the end of the period and quarterly factsheets, can be found at the Company's website www.baronsmeadvcts.co.uk.

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Baronsmead Second Venture Trust plc is managed by Livingbridge VC LLP, which is Authorised and regulated by the Financial Conduct Authority (FCA). Livingbridge VC LLP also manages Baronsmead Venture Trust plc.

All information sources are provided by Livingbridge VC LLP and all figures are as at 31 December 2016 unless otherwise stated. Livingbridge VC LLP does not give investment advice. Past performance is not necessarily a guide to future performance. Stock markets and currency movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount they originally invested. Where investments are made in unquoted securities or smaller companies, their potential volatility may increase the risk to the value of, and income from, the investment. Investors should take their own financial and tax advice before investing, based on their own individual circumstances. VCTs should be regarded as a long term investment and are only suitable for private investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result.



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