

BARONSMEAD

Baronsmead Second Venture Trust plc
Quarterly update
For the three month period from
1 October 2017 to 31 December 2017



Headlines

- **NAV per share increased to 95.66p**
- **£23.2m raised from fundraising during 2017 (before costs)**
- **£14.5m realised from the redemption of loan notes and sale of investments**
- **£1.8m invested in 2 new and 2 follow on investments**

Performance Summary

	As at 31 December 2017	As at 30 September 2017	Movement
Total net assets	£209.55m	£186.69m	
Net asset value per share	95.66p	94.60p	1.1%
Share price	89.63p	89.50p	0.1%

Total return	3 months (%)	1 year (%)	Since launch (%)
Net asset value total return ⁽¹⁾	1.1	6.4	217.0

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 2017, Baronsmead Second Venture Trust's underlying net asset value per share increased by 1.1%. Over the quarter, the unquoted portfolio valuation increased by 3.2% and the quoted portfolio (including LF Livingbridge UK Micro Cap Fund and LF Livingbridge UK Multi Cap Income Fund) increased by 1.1%. The Company's net assets as at 31 December 2017 were £209.6m. This figure takes into account the valuation of the Company's investments as at 31 December 2017.

Top Ten Investments

(excluding cash and collective investment vehicles)

Position at 31 December 2017	Position at 30 September 2017	Company	Percentage of NAV as at 31 December 2017
1	2	Netcall plc	3.3
2	9	Ideagen plc	2.9
3	4	Dods (Group) plc	2.7
4	21	Wey Education plc	2.7
5	13	Create Health Ltd	2.6
6	5	Inspired Energy plc	2.5
7	8	Happy Days Consultancy Ltd	2.5
8	3	Bioventix plc	2.4
9	10	Carousel Logistics Ltd	2.4
10	6	Pho Holdings Ltd	2.3
Total			26.3

Analysis of Total Assets

	Percentage of total assets 31 December 2017	Percentage of total assets 30 September 2017
Unquoted investments	25	33
AIM	41	47
Collective investment vehicles	31	21
Net current assets/(liabilities)	3	(1)
Total Assets	100	100

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Analysis of Investment Portfolio by Sector

(excluding cash and collective investment vehicles)

	Percentage of total investments at 31 December 2017	Percentage of total investments at 30 September 2017
Business Services	27	27
Consumer Markets	16	17
Healthcare & Education	20	16
Technology, Media & Telecommunications	37	40
Total Assets	100	100

Investment Activity

Investments made	Date	Cost (£'000)
CloudCall Group plc	Dec 17	550
Fusion Antibodies plc	Dec 17	550
Beeks Financial Cloud Group plc	Nov 17	412
SilkFred Ltd	Nov 17	275
Total investments		1,787

Realisations Activity

Realisations	Date	Proceeds[‡] (£'000)	Multiple[**]
Crew Clothing Holdings Ltd	Dec 17	5,362	2.3
Eque2 Ltd	Nov 17	5,129	3.0
EG Solutions plc†	Nov 17	2,728	1.4
Kirona Ltd*	Oct 17	1,201	0.6
Ubisense Group plc	Oct 17	28	0.2
Total realisations		14,448	

During the period, deferred consideration of £9,000 was received in respect of Kingsbridge Risk Solutions.

† Scheme of arrangement

‡ Proceeds at time of realisation including redemption premium and interest.

** Includes interest/dividends received, loan note redemptions and partial realisations accounted for in prior periods.

* Partial loan note redemption.

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 2017 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.

Net Asset Value as at 31 January 2018

The net asset value as at 31 January 2018 was 91.87p per share.

Events after the period end

The Board is not aware of any significant events or transactions which have occurred between 1 January 2018 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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