

BARONSMEAD

Baronsmead Second Venture Trust plc
Quarterly update for the three-month period from
1 October 2019 to 31 December 2019

Investment Objective

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



Headlines

- £6.0 million proceeds realised from the sale of investments.
- NAV per share increased by 7.5% to 82.85p.
- 3.5p dividend declared payable on 6 March 2020 to shareholders on the register as at 7 February 2020.

Performance Summary

Capital Return	As at 31 December 2019	As at 30 September 2019	Movement
Total net assets	£196.67m	£175.38m	
Net asset value per share	82.85p*	77.05p	7.5%

Total Return	3 month (%)	1 year (%)	Since launch (%)
Net asset value total return ⁽¹⁾	7.53%	12.08%	226.64%

*Note these figures do not reflect the latest NAV that was released to the market as they include updated valuations for unquoted investments.

Key:

⁽¹⁾ NAV total return = NAV + reinvested dividends;
Source: Gresham House Asset Management Ltd.

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 2019, Baronsmead Second Venture Trust's underlying net asset value increased by 7.5%. Over the quarter, the unquoted portfolio valuation increased by 2.1% and the quoted portfolio (including LF Gresham House UK Micro Cap Fund, LF Gresham House UK Multi Cap Income Fund and LF Gresham House Smaller Companies Fund) increased by 14.5%.

Top Ten Investments

(excluding cash and collective investment vehicles)

Position at 31 December 2019	Position at 30 September 2019	Company	Percentage of NAV as at 31 December 2019
1	2	Ideagen plc	4.5
2	1	Carousel Logistics Ltd	4.4
3	6	Cerillion plc	3.5
4	3	Happy Days Consultancy Ltd	3.0
5	5	Pho Holdings Ltd	2.9
6	7	Glide Ltd	2.9
7	10	Netcall plc	2.8
8	9	Inspired Energy plc	2.5
9	4	Bioventix plc	2.5
10	11	Custom Materials Ltd (trading as Moteefe)	2.3
Total			31.3

Analysis of Total Assets

	Percentage of total assets 31 December 2019 %	Percentage of total assets 30 September 2019 %
Unquoted investments	27	28
AIM	38	41
Collective investment vehicles	25	26
Net current assets/(liabilities)	10	5
Total Assets	100	100

Past performance is not necessarily a guide to future performance. Portfolio investments in smaller companies typically involve a higher degree of risk.

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Analysis of Investment Portfolio by Sector

(excluding cash and collective investment vehicles)

Percentage of
total investments
at 31 December 2019



Technology, Media & Telecommunications	44%
Business Services	25%
Healthcare & Education	17%
Consumer Markets	14%

Percentage of
total investments
at 30 September 2019



Technology, Media & Telecommunications	41%
Business Services	28%
Healthcare & Education	18%
Consumer Markets	13%

Investment Activity

Investments made	Date	Cost (£'000)
Glisser Ltd	Nov 19	662
Storyshare Holdings Ltd†	Oct 19	530
Funding Xchange Ltd	Nov 19	398
Tribe Digital Holdings Pty Ltd†	Oct 19	279
Munnypot Ltd†	Dec 19	273
Total investments		2,142

† Follow on investment.

Realisations Activity

Realisations	Date	Proceeds (£'000)	Multiple
Synnovia plc	Nov 19	3,182	1.3x
Ideagen plc	Oct 19	2,321	4.9x
Synectics plc	Dec 19	286	0.6x
STM Group	Oct / Nov 19	161	0.8x
APC Technology Group plc	Nov 19	33	0.3x
Brady plc	Oct 19	22	0.0x
CR7 Services Ltd	Oct 19	0	0.0x
Total realisations		6,005	



Net Asset Value as at 31 January 2020

The net asset valuation as at 31 January 2020 was 83.64p per share.

Events after the Period End

The Company announced on 20 November 2019 that 11.6 million new shares would be issued at an issue price of 78.90p pursuant to the first allotment under the Offer. Under the second allotment of the current offer, 6 million shares were issued on 24 January 2020 at an allotment price of 84.80p.

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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