

Product

Baronsmead Venture Trust and Baronsmead Second Venture Trust

Tax Status

Venture Capital Trust

Fund Group

Gresham House Asset Management

Risk Warning

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GENERAL RISK WARNINGS

Your attention is drawn to the following risk warnings which identify some of the risks associated with the investments which are mentioned in the Review:

Fluctuations in value of investments

The value of investments and the income from them can go down as well as up and you may not get back the amount invested.

Suitability

The investments may not be suitable for all investors and you should only invest if you understand the nature of and risks inherent in such investments and, if in doubt, you should seek professional advice before effecting any such investment.

Past performance

Past performance is not a guide to future performance.

Legislation

Changes in legislation may adversely affect the value of the investments.

Taxation

The levels and the bases of the reliefs from taxation may change in the future. You should seek your own professional advice on the taxation consequences of

any investment.

ADDITIONAL RISK WARNINGS

Venture capital trusts

1. An investment in a VCT carries a higher risk than many other forms of investment.
2. A VCT's shares, although listed, are likely to be difficult to realise.
3. You should regard an investment in a VCT as a long term investment, particularly as regards a VCT's investment objectives and policy and the five year period for which shareholders must hold their ordinary shares to retain their initial income tax reliefs.
4. The investments made by VCTs will normally be in companies whose securities are not publicly traded or freely marketable and may therefore be difficult to realise and investments in such companies are substantially riskier than those in larger companies.
5. If a VCT loses its Inland Revenue approval tax reliefs previously obtained may be lost.
6. No investment can be made by the VCT in a company whose first commercial sale was more than 7 years prior to date of investment, except where previous State Aid Risk Finance was received by the company within 7 years (10 years for a 'knowledge intensive' company) or where a turnover test is satisfied; and
7. No funds received from an investment by the VCT into a company can be used to acquire another existing business or trade.

Factsheet

Baronsmead Venture Trust & Baronsmead Second Venture Trust	
Type	Hybrid VCT
Size	£15m per VCT (plus £10m over allotment facility). AUM is £440m across the two VCTs as at 31 September 2024
Manager	Gresham House Asset Management Ltd
Sponsor	Howard Kennedy Corporate Services LLP
Registrar	City Partnership (UK) Limited
Focus	To generate tax free capital gains and regular dividend income for its shareholders through a diversified portfolio of VCT qualifying AIM and unquoted investments
Promoter	Gresham House Asset Management & RAM Capital
Funds initially invested	Cash and near cash instruments
Minimum investment	£5,000 per Company (VCT)
Initial Closing dates	3rd April 2025, unless fully subscribed before this date, for the 2024/25 tax year, however, the Directors reserve the right to allow the Offer to remain open for at least part of the 2025/2026 tax year
Issue costs	Direct investments – 3.5%, Investments through an advised IFA – 3.0%
Annual costs	2% BVT / 2.5% BSVT + ongoing charges of 0.2%
Initial advisor charges	If charged, these will be facilitated by the VCT on subscription

Summary

Table 1: Tax Efficient Review summary of offering Pros and Cons

PROs	CONs
The Baronsmead VCTs are large, diverse VCTs with a total of £440m across the two VCTs and 85+ investee companies, and are part of Gresham House, who also oversee the Mobeus VCTs	Despite the positive performance from the AIM portfolios in recent years overall performance of the Baronsmead VCTs has suffered due to the unquoted side of the portfolio. Gresham House would however describe this as a benefit of the hybrid structure.
The hybrid structure of these VCTs means they have the advantage over generalist VCTs of being able to top-slice AIM stocks which are performing well to help fund dividends	A lack of profitable exits on the unquoted side of the Baronsmead VCTs has driven the poor performance with the last profitable unquoted exit being back in June 2023
The Baronsmead VCTs have a long track record of dividend generation for their shareholders and aim for a 7% yield for their investors	The combination of both AIM stocks and Unquoted holdings makes performance comparisons with generalist VCTs (who predominantly hold unquoted companies) difficult, particularly when the AIM market has suffered as it has over the past 2 years

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TER classification

The Baronsmead VCTs have always been classified as generalist VCTs with a track record, but there still remains a higher percentage of AIM quoted stocks within the portfolios of the two Baronsmead VCTs compared to the rest of the generalist VCT peer group.

Within the £440m in assets under management in the Baronsmead VCTs, over £154m is held in AIM investments. For this reason, TER classify the Baronsmead VCTs as:

“VCT Hybrid growth and AIM focused with track record”.

Changes since the last review

On 20 December 2023, Gresham House plc delisted from trading on the London Stock Exchange

following its acquisition by Searchlight Capital Partners L.P.(Searchlight).

The Offer

This review is for the latest fund raising Offer from the Baronsmead VCTs. It looks to raise £15m for each of the two Baronsmead VCTs, plus as further £10m is available for each Baronsmead VCT as an over-allotment facility (should the board decide to utilise it). This gives a total maximum fund raising of £50m across the two VCTs (£15m per VCT plus a £10m over allotment each).

Whilst Baronsmead are one of the oldest VCT names still operating within the market, we should also touch on a reminder that the Baronsmead VCTs were acquired by Gresham House in

2018.

Gresham House also acquired the Mobeus VCTs and one of the significant changes this brought about for the Baronsmead VCTs is that the Mobeus investment team, who focus almost entirely on unquoted companies, would be charged with managing the unquoted element of the Baronsmead VCTs. Ken Wotton would remain responsible for managing the quoted investment element of the Baronsmead VCTs. The dual-investment strategy within Baronsmead is covered in more detail later on in this review, but it does

Table 2: **GRESHAM HOUSE funds under management as at 30 November 2024**

VCT	Net assets £m	Annual fee %	Still to be invested to meet board set 80% invested
VCT funds			
Baronsmead Venture Trust plc	209	2.00%	£Nil
Baronsmead Second Venture Trust plc	224	2.50%	£Nil
Mobeus Income & Growth VCT plc	189	2.00%	£Nil
The Income & Growth VCT plc	234	2.00%	£Nil
Gresham House Private Equity Release ILP	57		
NON VCT funds than can co-invest with VCT Funds			
None			
TOTAL	£913m		£Nil

Source: Gresham House Asset Management

make them one of the few truly hybrid VCT offers remaining in the market.

The minimum investment is £5,000 per Company and investors are able to choose to invest in either Company, or split their investment across both (subject to reaching the minimum £5,000 investment per VCT).

VCT Investment Strategy

The Baronsmead VCT holdings are split across VCT qualifying AIM companies as well as holdings in unquoted companies. This should help provide investors with a good split of investments across these different markets. The sector preferences of the Baronsmead VCT are for healthcare & education, service based businesses and technology companies.

The investment criteria used to filter out potential investee companies are:

- Bias towards contracted or recurring revenue
- Minimum £1m recurring revenue
- Scalable sales model
- Credible path to breakeven

The long term investment strategy over most of the past 20 years, within the unquoted companies, was to participate in MBO-style transactions. This has had to change in recent years. Baronsmead have shifted from making larger investments in more established businesses to making a higher number of smaller initial investments, with the expectation of providing follow-on funding to those which have hit their milestones set at the point of investment.

The recent investments made by the manager in the twelve months to end September 2024 total was £26.4m which includes £11.1m into new unquoted companies, £5.6m into new quoted companies, £7.3m into follow-on unquoted investments and £2.3m in AIM companies.

In discussing the AIM market with Ken Wotton, he remains bullish on the outlook for AIM and has said that the AIM side of the Baronsmead portfolio has held up well in the past 12-18 months. This view may be at odds with other AIM investors who have seen a steady decline in the AIM

All Share Index since the highs seen at the end of 2022.

In the 2 years to November 24, the AIM portfolios performed +10.5% versus the unquoted -19.6%.

The top 10 AIM portfolio holdings have been the main drivers of the positive performance in recent years and these companies represent the larger more established AIM listed stocks. Ken Wotton commented that Gresham House are very selective in their stock picking and focus on growth companies at or close to profitability whilst at the same time buying at sensible valuations and avoiding the more speculative higher risk areas of the AIM market.

But he did also point out that 2024 has seen a large amount of uncertainty stalk the AIM market. Particularly with the large number of elections taking place within 2024, the new government taking over in the summer of 2024 and the changes to the Inheritance Tax status of AIM companies in the October Budget of 2024. But now that the market has adjusted to these changes, they expect to be deploying more into AIM companies over the course of 2025.

For the AIM portion of the portfolio, a private equity approach to AIM investing is adopted. This means undertaking due diligence on both the investee company and its management (with the manager using its knowledge from national and regional connections to assess the trading relationships and competitors of AIM-traded companies), focusing on the Investment team preferred sectors and seeking to identify attractive growing niches. As part of this approach, the manager focuses on businesses that are expected to be attractive acquisition targets to realise investments through trade sales / acquisition. The AIM quoted holdings are also regularly reviewed to see if the investment team at Baronsmead still consider the company a strong long term investment prospect.

As two of the largest and longest established VCTs, BVT and BSVT each has an established portfolio comprising the same 41 unquoted investments and 44 AIM-traded investments for BVT and 42 for BSVT at 30 September 2024. As "evergreen" VCTs, their strategy is to continually replace investments that are sold with new investments in unquoted and AIM -traded companies to provide long-term investment returns to their

shareholders through regular payments of tax-free dividends.

The unquoted part of the Baronsmead VCT portfolio is still in the process of being re-engineered following on from when Mobeus took over responsibility for it. It was expected that this process would be a lengthy one due to the nature of unquoted investing.

There have been some redemptions of unquoted companies such as Funding Xchange which was previously valued at zero, but was sold last year for £94,000. Also eConsult, a primary care market company was sold to a larger competitor in exchange for stock (unquoted) and a return of the loans. It will also take time for new investments originated from within the Mobeus team to start forming a larger percentage of the unquoted companies within the Baronsmead VCTs.

Dividend and Share Buy-Back Policy

Each Board will, wherever possible, seek to pay two dividends to Shareholders in each calendar year, typically an interim in September and a final dividend following the AGM in February/March;

The Boards will use, as a guide when setting the dividends for a financial year, a yield representing 7% of the opening NAV of that financial year. This is a major change from the previous policy which was based on aiming to sustain a minimum annual dividend level at an average of 6.5p per share.

The breakdown of the recent dividend history of the Baronsmead VCTs is as follows:

Dividends in 12-month period to the 30 September	Baronsmead VCT	Baronsmead Second VCT
2018	7.5p	7.5p
2019	6.5p	6.5p
2020	6.5p	6.5p
2021	6.5p	6.5p
2022	5.75p	6.0p
2023	4.25p	4.5p

2024*	1.75p	1.75p
Total	38.75p	39.25p
<i>*Does not include final dividends for the year to be paid in March 2025</i>		

Over the past 10 years, the Baronsmead Venture Trust has declared an average dividend of 7.23p per share, and the Baronsmead Second Venture Trust has declared an average dividend of 7.35p.

As can be seen in the the table above, there has been an long track record of strong dividends for shareholders within these VCTs, however, some of the dividends from the earlier years in this table would have been generated under the previous investment style. In past reviews, Tax Efficient Review have pointed out whether this can be maintained going forwards?

There has been a decline in the amount of dividends in pence paid over 2023 and it looks like this will continue for 2024, but given the drop in the NAV per share over these times, this is probably in keeping with the percentage targets which have been set for the dividends.

This is something which should be watched going forwards. Needless to say an improvement in the fortunes of the AIM market over the coming years would certainly help, as Baronsmead VCTs have the benefit (which generalist VCTs do not have of) being able to top-slice good performing AIM stocks to help fund their dividends for shareholders.

Baronsmead have paid attention to developing a healthy secondary market for the existing shares. This, together with Dividend Reinvestment Plans, whereby participants dividends buy existing shares and a share buy-back scheme at 5% below net asset value is offered to investors wishing to exit, should help reduce any discounts of the share prices to the VCTs' net asset values.

Tax Efficient Review Strategy rating: 29 out of 30

Track Record

Our approach to comparing track records be-

tween providers is to use 3,5 & 10 year measures

Table 3: Generalist VCT provider 3,5 & 10 year performance comparison

VCT manager (alphabetical order)	VCT name	Data as at	Annual return over last 3 years	Annual return over last 5 years	Annual return over last 10 years
ALBION	Albion VCT (converted to Albion Crown VCT New share)	30/09/2024	-1.2%	0.6%	5.1%
	Albion Technology & General VCT	30/09/2024	1.6%	3.9%	5.0%
	Kings Arms Yard VCT (converted to Albion Technology & Growth VCT)	30/09/2024	1.6%	4.5%	6.6%
	Albion Development VCT (converted to Albion Enterprise VCT)	30/09/2024	7.5%	9.2%	10.2%
	Albion Crown VCT	30/09/2024	2.2%	4.3%	6.8%
	Albion Enterprise VCT	30/09/2024	5.6%	7.1%	9.7%
BARONSMEAD	Baronsmead Second Venture Trust	30/09/2024	-5.6%	2.4%	2.5%
	Baronsmead Venture Trust	30/09/2024	-4.6%	2.1%	2.9%
BERINGEA	ProVen Growth & Income New	31/08/2024	-0.6%	1.7%	
	ProVen VCT	31/08/2024	-0.2%	1.6%	
BLACKFINCH	Blackfinch Spring VCT	30/09/2024	6.3%		
CALCULUS	Calculus VCT plc New Ord share	30/06/2024	1.9%	0.4%	
FORESIGHT	Foresight VCT	30/06/2024	11.1%	10.3%	5.9%
	Foresight Enterprise VCT	30/06/2024	8.5%	6.7%	1.9%
MAVEN	Maven Income & Growth VCT	31/08/2024	1.2%	2.0%	3.5%
	Maven Income & Growth VCT 4	30/06/2024	0.3%	2.4%	2.7%
	Maven Income & Growth VCT 3	31/08/2024	0.4%	2.9%	3.5%
	Maven Income & Growth VCT 5	31/08/2024	0.9%	3.7%	4.5%
MERCIA	Northern Venture Trust VCT	30/09/2024	-1.3%	4.7%	4.8%
	Northern 3 VCT	30/09/2024	-1.2%	5.0%	5.3%
	Northern 2 VCT	30/09/2024	-1.0%	4.8%	4.7%
MOBEUS	Income & Growth VCT	30/06/2024	0.4%	10.5%	5.9%
	Mobeus Income & Growth VCT	30/06/2024	0.5%	9.5%	6.1%
MOLTEN	Molten Ventures VCT	30/09/2024	-5.0%	0.6%	1.6%
OCTOPUS	Octopus Apollo VCT	31/07/2024	6.3%	9.1%	3.0%
	Octopus Titan VCT	30/06/2024	-11.9%	-1.9%	2.2%
PEMBROKE	Pembroke VCT B share	30/09/2024	-1.6%	3.0%	
PUMA	Puma Alpha VCT	30/09/2024	-2.3%		
	Puma VCT 13	30/09/2024	3.7%	12.9%	
SENECA	Seneca Growth Capital VCT B shares	30/06/2024	-12.3%	-5.5%	
TRIPLE POINT	Triple Point Venture VCT Venture shares	31/05/2024	1.8%	1.9%	
YFM	British Smaller Companies VCT	30/09/2024	4.5%	10.7%	7.0%
	British Smaller Companies VCT 2	30/09/2024	3.4%	9.3%	6.4%

Source: Tax Efficient Review calculation based on dividend and Net Asset Value data from public accounts

Calculation: (Closing period NAV less Opening period NAV plus dividends paid in the period) divided by number of years in the period

Figures do not include tax relief

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Table 4: Provider results comparison

PROVIDER	AVERAGE SCORE BASED ON PLACE IN PEER GROUP (lower is better)
YFM	5
FORESIGHT	8
ALBION	10
OCTOPUS APOLLO	10
MOBEUS	11
MERCIA	18
MOLTEN	19
OCTOPUS TITAN	18
MAVEN	20
BERINGEA	22
BARONSMEAD	24

Calculation as at 21/12/2024 and based on results in Table 3 for providers with ten year performance. In order to reduce the data down to one figure, each VCTs' position in the Table 3 results is scored from 1 (first in the year) to the total number of VCTs in the analysis for the period (lower numbers are better), added together and then averaged over the three periods being measured

Table 5: Baronsmead VCTs Sectors data as at 31/10/24 (excluding cash the equity funds and quoted AIM investments)

Sector name	
Technology	59%
Healthcare & Education	32%
Consumer Markets	5%
Business Services	4%
TOTAL	100%

Source: Gresham House Asset Management

of the annual increase in total return (calculated as closing net asset value less opening net asset value plus dividends paid during the period divided by the number of years in the period).

The results are in Table 3 which shows how the Baronsmead VCTs have compared over the same time period to other VCTs. As can be seen, the results have not been particularly good when compared with the generalist VCT peer group. This is also shown in Table 4, which collates the average performance, and this shows the Baronsmead VCTs being last in the table.

But one could argue that it's not fair to compare the performance of the hybrid Baronsmead VCTs to that of the generalist VCTs. The generalist VCTs typically value their portfolio twice a year when they submit annual and interim accounts. But the AIM stocks in the Baronsmead portfolio can be valued daily.

It's also been a perfect storm for small cap markets in general. Even large generalist VCTs like Octopus Titan have seen falls in their NAV per share of over 30% since the end of 2021. The AIM market has witnessed a long decline in performance since that time also.

The benefit of having a hybrid of both unquoted and quoted investments within the Baronsmead VCTs is that it gives investors a broad spread of investments. Also, the AIM stocks within the portfolio allow for the top-slicing of profits from these holdings, which is something not typically available to the unquoted holdings of the other generalist VCTs.

Since Bevan Duncan, the long term manager of the unquoted side of the Baronsmead VCT portfolios departed in 2022, the Mobeus VCT team have taken on responsibility for the unquoted holdings. Also, that all new investments within the unquoted part of the portfolio will be made in conjunction with the Mobeus VCTs. Whilst this will take time to bear fruit, one could view the long term future of the Baronsmead VCTs as being a version of the Mobeus VCTs but with AIM Investments alongside.

But even taking the unpredictable nature of the AIM stocks within the Baronsmead VCTs into account, the two other areas - the unquoted holdings and the equity funds - have also seen movements of around -9% and 18% respectively in the past 12 months.

In common with other VCTs, the way the Baronsmead VCTs structure their unquoted investments is with a high degree of reliance upon preference shares within the structure of the investment. To be clear, this is not a debt structure, but as the name suggests, it does give the investor in the preference shares a preference (or priority) on returns in the event of a sale.

For example, a Venture Capital investor may invest £5m into a company as preference share which have a priority on the first £5m in the event of the sale of that company to a trade purchaser. So if the company is sold for only £5m, the investor will get their investment back but the other equity holders will get nothing. But if the company were sold for, say £15m, then the preference shareholder would receive their £5m preference first and then the remaining £10m would be split across the remaining shareholders as a normal equity participation.

Clearly, there are many, many ways in which preference shares can be structured in terms of the rights and return profile they give the investor/shareholder, and it's part of the negotiation of an investor when they come to put money into a Venture Capital/Private Equity company.

But TER would like to point out that these preference share structures do not provide any form of safety net or guarantees. If a company with preference shares in its equity structure folds with a nil value, then there is no recourse to take any preference on any remaining value.

Whilst preference shares typically help to give a priority recoupment on a sale of a company, they also can have a reduced upside in exchange for this priority return.

One unarguable area of VCT performance is in exits from investee companies. Between September 2023 and September 2024, there were 4 realisations from across both the unquoted and quoted portfolio. The exits are as follows:

- Gresham House plc (quoted) invested £249,999 in 2014 and resulted in proceeds of £962,875 in December 2023
- Funding Xchange Limited (unquoted) invested £1,499,998 in 2019 and exited with proceeds of £94,404 in February 2024
- Gama Aviation (quoted) invested £1,779,999 in 2010 and exited with proceeds of

£1,013,333 in June 2024

- eConsult (unquoted) invested £7,499,014 in 2020 and exited with unquoted equity in Huma Therapeutics, which Baronsmead say was equivalent to proceeds of £5,370,344 in September 2024

None of the above realisations are much to write home about when looking at the losses incurred. Baronsmead themselves say they look more favourably on what they received from Funding Xchange as it was previously written down to a zero holding in the accounts.

One thing which Tax Efficient Review would like to point out is that the exit proceeds described above for eConsult was not a cash exit. Instead this company was sold to a larger competitor in the primary care market called Huma Therapeutics. So it is a swap of unquoted equity and not a cash exit as we would see it or which would be able to be paid in dividends to shareholders.

Table 6 shows the exits which have occurred over

The Manager

The first Baronsmead VCT was launched in 1995 and they now manage £440m of VCT assets across the two VCTs. In November 2018, the management of the Baronsmead stable of VCTs moved from Livingbridge VC LLP to Gresham House Asset Management.

This made sense from the points of view of both companies; Livingbridge were moving more towards larger, institutional private equity deals and Gresham House is an AIM quoted specialist asset manager providing funds, direct investments and tailored investment solutions, including co-investment across a range of highly differentiated alternative investment strategies.

In recent years Gresham House has acquired Hazel Capital in 2017, FIM in 2018, the VCT and Equity fund management contracts from Livingbridge in 2018 and Mobeus VCTs in 2021. Mobeus VCTs last reported AUM was £336m in September 2024, which is highly significant, although less than the £440m managed by Baronsmead.

All of these together combine to make Gresham House one of the largest VCT managers in the UK

the past 3 years. There have been 19 companies realised in the past 3 years to 30th November 2024 which have realised £50m.

Within the existing unquoted portfolios shown in Tables 8 & 10, there are also substantial investments in Patchworks and eConsult.

In summary, the track record of the Baronsmead VCTs have continued to disappoint in recent years. It's easy to cite the performance of the AIM market and the re-engineering of the unquoted side of the portfolio by the Mobeus Ventures team as reasons for this. But time is ticking and financial advisers will grow impatient in waiting to see a recovery in the track record.

Whilst the dividend track record has remained strong, a strong recovery in the AIM market in 2025 and some profitable exits from the unquoted portfolio are desperately needed.

Tax Efficient Review Track Record rating: 31 out of 40

in the space of only five years.

As mentioned above, TER understand from Gresham House that all AIM dealflow goes to the quoted team at Baronsmead and the unquoted investments are split across the four VCTs (two Baronsmead and two Mobeus ones).

The investment team managing the VCT portfolios within Gresham House remains one of the largest in the industry consisting of 30+ investment professionals including operating partners and portfolio management consultants.

As the Baronsmead and Mobeus VCTs settle within the Gresham House stable, there will undoubtedly be some synergies which can be achieved from running the 4 separate VCTs (2 Mobeus and 2 Baronsmead).

Ken Wotton is responsible for the AIM listed side of the Baronsmead VCT portfolio and Ed Wass and James Hendry are now running the unquoted portfolio. Ed is a portfolio partner at Gresham House and has worked on the Mobeus VCTs. James is an Investment Director that sits across both Baronsmead and Mobeus

Furthermore, TER understand that, going forwards, all the new unquoted investments made by the Baronsmead VCTs will be made in conjunction with the Mobeus VCTs. So over time, there will be an increasing level of homogeneity between the unquoted side of the Baronsmead VCTs and the Mobeus VCTs.

The VCT team also can tap into the resources of the Gresham House Group, which has £8.8bn in funds under management (pro forma at 30 June 2024 and 228 employees as at 30th September 2024.)

The investment team managing the VCT portfolios within Gresham House remains one of the largest in the industry consisting of 31 investment professionals including operating partners and portfolio management consultants focused on finding and making new investments for the Baronsmead VCTs and the time allocation of

members with at least three years VCT investing experience is indicated in Table 11.

The size of the investing challenge for an investment team depends on: funds already raised and requiring investing, forthcoming exits that will require re-investing and the impact of new funds being raised.

The Baronsmead VCTs have £26m (12% of NAV) and £25m (10% of NAV) in cash/liquid holdings respectively as at 30 September 2024. Yet, they are seeking a further £50m across the two companies, if the over-allotment facility is utilised during this fund raising. This would create a high level of cash within both trusts, and upon which the manager still insists on charging the full 2% annual management charge.

Tax Efficient Review Team rating: 18 out of 20

Costs

Initial Costs:

- Direct investments – 3.5%
- Investments through an advised IFA – 3.0%
- Execution only broker – 3.0%

These initial costs are the same as was charged under the previous fund raising in the 2022/2023 tax year.

Annual Costs:

- BVT - 2% Annual Management Charge
- BSVT - 2.5% up to £209.7m and 2% thereafter

Annual running costs of both VCTs are capped at 3.5% of net assets (excluding performance fees and irrecoverable VAT).

Performance Fees:

- **BVT** - 10% of the total return that exceeds an annual threshold of the higher of 4% or base rate plus 2% calculated on a compound basis.
- **BSVT** - 10% of the total return that exceeds an annual threshold of 8% calculated on a simple basis.

The performance fees mentioned above payable in respect of any period for which it is calculated shall not exceed 5 per cent. of the NAV of either VCT for that period and any balance remaining unpaid will be carried forward to the next calculation period. The performance fees used to be at a rate of 20% but was reduced by 50% to 10% following the introduction of a co-investment scheme which provides for the investment team to co-invest in the unquoted companies that the Baronsmead VCTs invest in at the same time and on the same terms and in accordance with a pre-existing agreement.

Tax Efficient Review Cost rating: 8 out of 10

Conclusion

The Baronsmead VCTs are returning for a fund raising in the 2024/2025 tax year seeking £15m for each VCT plus a £10m over-allotment facility, giving a total potential fund raising of £50m across the Offers.

Whilst this sounds like a perfectly reasonable amount for the combined AUM of £440m over the two Baronsmead VCTs, it seems large from a historical perspective. If we go back 10-15 years or so, before the Baronsmead VCTs were acquired by Gresham House, they used to come out for small VCT fund raises which were over-subscribed almost as soon as they were launched. The reason for this was partly down to the limited number of MBO-style investments which the Baronsmead VCTs made back then (and are since no longer permissible), but also because of the demand from advisers which had been generated by the consistent track record they managed to deliver.

There is no argument that the long-term track record of the Baronsmead VCTs is good. If you were lucky enough to be an early shareholder back when they first launched in 1995, you would be very happy with the tax-free returns which have been generated over that time. But the VCT market has changed since then and we need to look at more recent performance to see how things are progressing. The answer, on the face of it, is not good. In the performance table in this report, they are bottom of all the managers.

But one must understand that this is not a fair comparison. The Baronsmead VCTs are relatively unique in this market as proper hybrid VCTs, with around half of the portfolio in AIM companies and around half in unquoted companies. Yet the generalist peer group we are comparing them to are almost entirely invested into unquoted companies. This is important because unquoted companies are typically valued twice a year and the valuations are subjective within the IPEV guidelines. It is only when an exit is achieved on an unquoted company that one can really say what was the true “valuation”. But AIM stocks are on a listed market and are constantly valued by the supply and demand for their shares.

So a large part of the performance of the Baronsmead VCTs is reliant upon the performance of the AIM market, and most know that this has been steadily declining since the highs seen at the end of 2022. But what these AIM holdings do allow the Baronsmead VCTs is the ability to top-slice holdings which are performing well to help fund dividends. This is something the generalist VCTs are unable to do with their unquoted holdings. The unquoted side of the Baronsmead VCTs are also being re-engineered by the Mobeus VCT team (who are also part of the Gresham House stable) since the departure of long-term manager Bevan Duncan in 2022.

But time is ticking and financial advisers will grow impatient in waiting to see a recovery in the track record. The dividend track record has remained strong, and the boards of the Baronsmead VCTs still target a 7% yield. A strong recovery in the AIM market in 2025 and some profitable exits from the unquoted portfolio are desperately needed to restore the Baronsmead name to what it was before.

Tax Efficient Review rating: 86 out of 100 (for “Hybrid VCT offer with track record”)

Table 6: Exits achieved in the last 3 years by BVT and BSVT as at 30/11/2024 (sorted by date of exit)

Company	Activity	Date of investment	Date of exit	Total invested £000	Total Proceeds includes interest received, total proceeds over the life of the investment £000
Mi-Pay Group plc	Business Services	02/12/2005	12/11/2021	1,600	21
Cloudcall Group plc	Technology, Media & Telecommunications	04/04/2014	09/02/2022	5,840	5,273
Carousel Logistics	Business Services	02/10/2013	28/02/2022	4,245	18,648
Ideagen plc	Technology, Media & Telecommunications	07/01/2013	08/07/2022	1,256	17,014
Happy Days Consultancy Ltd	Healthcare & Education	04/04/2012	25/07/2022	7,600	5,789
Rainbird Technologies Ltd	Technology, Media & Telecommunications	01/02/2019	01/09/2022	1,489	0
Storyshare Holdings Ltd	Technology Hardware & Equipment	12/02/2019	17/05/2023	2,141	1,624
Key Travel Holdings Ltd	Support Services	23/05/2018	09/06/2023	497	750
Hawkwing plc	Support Services	25/11/2023	25/09/2023	3,604	0
Gresham House plc	Business Services	07/11/2014	19/12/2023	250	963
Funding Xchange Ltd	Business Services	25/06/2019	14/02/2024	1500	94
Gama Aviation	Business Services	03/11/2010	30/05/2024	1780	1013

Source: Gresham House Asset Management

BARONSMEAD VENTURE TRUST AND BARONSMEAD SECOND VENTURE TRUST

Table 7: Baronsmead Venture Trust Listed portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Cost £000	Valuation £000	% of NAV
Cerillion plc	£879.51	£20,714.85	9.9%
Netcall plc	£1,737.77	£9,705.27	4.6%
Property Franchise Group plc (The)	£1,438.00	£4,984.59	2.4%
IDOX plc	£613.77	£4,073.27	1.9%
Bioventix plc	£252.57	£3,565.69	1.7%
PCI Pal plc	£1,296.32	£2,319.16	1.1%
Diaceutics plc	£1,410.05	£2,170.73	1.0%
Beeks Financial Cloud Group plc	£337.50	£1,782.00	0.9%
IntelliAM AI plc	£2,117.50	£1,464.23	0.7%
Anpario plc	£303.53	£1,451.67	0.7%
hVIVO plc	£1,181.93	£1,265.62	0.6%
Vianet Group plc	£1,292.86	£1,056.33	0.5%
Begbies Traynor Group plc	£433.87	£965.18	0.5%
Oberon	£1,373.24	£938.76	0.4%
Eden Research	£1,857.34	£904.30	0.4%
Ixico plc	£1,148.28	£887.12	0.4%
Pulsar Group plc	£586.13	£834.17	0.4%
Skillcast	£753.85	£814.97	0.4%
Tan Delta Systems plc	£918.81	£812.79	0.4%
Inspired plc	£574.80	£620.42	0.3%
Sysgroup plc	£1,292.61	£580.07	0.3%
Diales plc	£1,126.83	£567.60	0.3%
Earnz plc	£702.44	£515.13	0.2%
Everyman Media Group plc	£782.93	£490.51	0.2%
Seen plc	£2,018.64	£464.71	0.2%
One Media iP Group plc	£824.94	£430.96	0.2%
Dods (Group) plc	£2,021.61	£301.64	0.1%
TPXimpact Holdings plc	£585.00	£292.50	0.1%
Scholium Group Plc	£900.00	£270.00	0.1%
Crimson Tide plc	£592.20	£187.53	0.1%
Staffline Recruitment Group plc	£174.05	£173.69	0.1%
PoolBeg Pharma	£42.07	£142.15	0.1%
Science in Sport plc	£287.16	£126.55	0.1%
KRM22 plc	£450.00	£121.50	0.1%
Zoo Digital Group plc	£787.90	£33.02	0.0%
Totally plc	£70.88	£32.40	0.0%
Fusion Antibodies plc	£540.00	£27.25	0.0%
Tasty plc	£1,188.94	£24.11	0.0%
Rosslyn Data Technologies plc	£1,150.82	£22.54	0.0%
I-Nexus Global plc	£562.50	£10.68	0.0%
Aptamer Group plc	£2,205.71	£5.66	0.0%
CloudCoCo Group plc	£437.48	£3.99	0.0%
RUA Life Sciences plc	£508.93	£3.07	0.0%
Fulcrum Utility Services Ltd	£30.85	£0.00	0.0%
Crossword Cybersecurity	£2,143.77	£-	0.0%
Crossword Cybersecurity	£960.00	£-	0.0%
LoopUp Group	£504.00	£-	0.0%
MXC Capital Ltd	£195.78	-£0.00	0.0%
Marwyn Management Partners plc	£1,050.00	-£0.00	0.0%
TOTALS	£44.6m	£66.2m	32%

Source: Gresham House Asset Management

BARONSMEAD VENTURE TRUST AND BARONSMEAD SECOND VENTURE TRUST

Table 8: Baronsmead Venture Trust Unquoted portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Share class name (one share class per row)	Amount invested	Current Value	Date of first investment	Structure of investment (Equity/Participating equity/non participating Equity/Debt)	Industry sector	Valuation method	Multiple of cost
Airfinity	A ords	9	75	28/07/2021	Equity	Healthcare & Education	Note 1	8.48
Airfinity	A Prefs	2,390	3,585	28/07/2021	Non-Participating Equity	Healthcare & Education	Note 1	1.50
Airfinity	Ordinary Shares	288	10	28/07/2021	Equity	Healthcare & Education	Note 1	0.03
Airfinity	Loan Notes	624	624	28/07/2021	Debt	Healthcare & Education	Note 1	1.00
Airfinity	Convertible Loan Note	600	600	28/07/2021	Debt	Healthcare & Education	Note 1	1.00
Azarc	A Ords	2	1	22/12/2023	Equity	Technology	Partial Provision	0.50
Azarc	A Prefs	657	329	22/12/2023	Non-Participating Equity	Technology	Partial Provision	0.50
Bidnamic	A Ords	6	-	05/05/2022	Equity	Technology	Note 1	-
Bidnamic	A Prefs	944	944	05/05/2022	Non-Participating Equity	Technology	Note 1	1.00
Branchspace Ltd	A Ordinary shares	2	255	01/08/2023	Equity	Technology	Note 1	123.94
Branchspace Ltd	A Preference Shares	657	657	01/08/2023	Non-Participating Equity	Technology	Note 1	1.00
Branchspace Ltd	Loan Notes	220	220	01/08/2023	Debt	Technology	Note 1	1.00
Cisiv Ltd	A Ordinary Shares	700	0	30/10/2018	Equity	Technology	Full Provision	0.00
CitySwift	C Ordinary Shares	2	2	21/11/2023	Equity	Technology	Note 1	1.00
CitySwift	C Preference Shares	947	980	21/11/2023	Non-Participating Equity	Technology	Note 1	1.04
Clarilis Ltd	H1 Shares	4	-	31/07/2020	Equity	Technology	Note 1	-
Clarilis Ltd	G1 Shares	1,676	2,514	31/07/2020	Equity	Technology	Note 1	1.50
Cognassist	B Ordinary Shares	4	-0	22/03/2023	Equity	Healthcare & Education	Note 1	-0.00
Cognassist	B Preference Shares	892	1,008	22/03/2023	Non-Participating Equity	Healthcare & Education	Note 1	1.13
Connect Earth	Ordinary Shares	4	3	07/03/2023	Equity	Business Services	Partial Provision	0.75
Connect Earth	S2 Shares	444	333	07/03/2023	Equity	Business Services	Partial Provision	0.75
Counting Up	A2 Ordinary	3	4	19/02/2021	Equity	Business Services	Note 1	1.14
Counting Up	A2 Preferred	936	936	19/02/2021	Non-Participating Equity	Business Services	Note 1	1.00
Counting Up	A2 Prime Ordinary Shares	3	4	19/02/2021	Equity	Business Services	Note 1	1.14
Counting Up	A2 Prime Preferred Shares	466	466	19/02/2021	Non-Participating Equity	Business Services	Note 1	1.00
Custom Materials Ltd	A Ordinary Shares	225	0	17/03/2017	Equity	Technology	Note 1	0.00
Custom Materials Ltd	B Ordinary Shares	591	-	17/03/2017	Equity	Technology	Note 1	-
Custom Materials Ltd	B1 Ordinary Shares	1,178	-	17/03/2017	Equity	Technology	Note 1	-
Custom Materials Ltd	A1 Ordinary shares	0	0	17/03/2017	Equity	Technology	Note 1	1.00
Custom Materials Ltd	Super Prefs	536	-0	17/03/2017	Participating Equity	Technology	Note 1	-0.00
Dayrize B.V	Investor Ordinary Shares	5	1	03/05/2023	Equity	Technology	Partial Provision	0.25
Dayrize B.V	Investor Preference shares	752	188	03/05/2023	Non-Participating Equity	Technology	Partial Provision	0.25
Dayrize B.V	Convertible Loan Note	161	40	03/05/2023	Debt	Technology	Partial Provision	0.25
Equipsme (Holdings) Ltd	A Ordinary Shares	513	0	22/08/2018	Equity	Business Services	Full Provision	0.00
Equipsme (Holdings) Ltd	AA ords	325	-	22/08/2018	Equity	Business Services	Full Provision	-
Equipsme (Holdings) Ltd	AB ords	3	0	22/08/2018	Equity	Business Services	Full Provision	0.00
Focal Point Positioning Ltd	C Ordinary Shares	5	4	09/09/2022	Equity	Technology	Cost	0.75

BARONSMEAD VENTURE TRUST AND BARONSMEAD SECOND VENTURE TRUST

Table 8: Baronsmead Venture Trust Unquoted portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Share class name (one share class per row)	Amount invested	Current Value	Date of first investment	Structure of investment (Equity/Participating equity/non participating Equity/Debt)	Industry sector	Valuation method	Multiple of cost
Focal Point Positioning Ltd	C Preference Shares	1,127	845	09/09/2022	Non-Participating Equity	Technology	Cost	0.75
Fu3e	A Ords	4	-0	21/06/2022	Equity	Technology	Note 1	-0.00
Fu3e	A Prefs	1,676	1,982	21/06/2022	Non-Participating Equity	Technology	Note 1	1.18
Huma Therapeutics IWP	Ordinary Shares	2,578	2,324	16/09/2024	Equity	Technology	Note 1	0.90
IWP	A Ordinary Shares	22	0	26/07/2019	Equity	Business Services	Partial Provision	0.00
IWP	Preference Shares	119	0	26/07/2019	Non-Participating Equity	Business Services	Partial Provision	0.00
IWP	Loan Notes	1,266	352	26/07/2019	Debt	Business Services	Partial Provision	0.28
Mable Therapy	A Ordinary shares	4	4	26/07/2023	Equity	Healthcare & Education	Note 1	1.00
Mable Therapy	A Preference shares	666	666	26/07/2023	Non-Participating Equity	Healthcare & Education	Note 1	1.00
Much Better Adventures	A Ordinary shares	1,052	1,052	12/11/2024	Equity	Consumer Markets	Note 1	1.00
Metrion	A Ords	7	0	31/03/2021	Equity	Healthcare & Education	Note 1	0.00
Metrion	A Prefs	1,536	1,773	31/03/2021	Non-Participating Equity	Healthcare & Education	Note 1	1.15
Mobility Mojo	A Ords	2	2	25/10/2024	Equity	Technology	Note 1	1.00
Mobility Mojo	A Prefs	457	457	25/10/2024	Non-Participating Equity	Technology	Note 1	1.00
Munnypot Ltd	A Ordinary Shares	223	-0	18/05/2018	Equity	Technology	Full Provision	-0.00
Munnypot Ltd	B Preference Shares	237	0	18/05/2018	Non-Participating Equity	Technology	Full Provision	0.00
OnSecurity Technology Ltd	A Ords	2	159	04/06/2024	Equity	Technology	Note 1	79.20
OnSecurity Technology Ltd	A Prefs	658	658	04/06/2024	Non-Participating Equity	Technology	Note 1	1.00
OnSecurity Technology Ltd	Loan Notes	550	825	04/06/2024	Debt	Technology	Note 1	1.50
Orri Ltd	A Ordinary Shares	4	-	13/09/2022	Equity	Healthcare & Education	Note 1	-
Orri Ltd	A Preference Shares	789	813	13/09/2022	Non-Participating Equity	Healthcare & Education	Note 1	1.03
Orri Ltd	Loan notes	340	521	13/09/2022	Debt	Healthcare & Education	Note 1	1.53
Orri Ltd	A1 Prefs	227	238	13/09/2022	Non-Participating Equity	Healthcare & Education	Note 1	1.05
Ozone API	A Preference	1,865	2,028	14/12/2023	Non-Participating Equity	Technology	Note 1	1.09
Ozone API	A Ordinary	2	369	14/12/2023	Equity	Technology	Note 1	163.13
Panthera Biopartners	A Ordinary Shares	4	-	22/09/2020	Equity	Healthcare & Education	Note 1	-
Panthera Biopartners	A Preference Shares	236	628	22/09/2020	Non-Participating Equity	Healthcare & Education	Note 1	2.66
Panthera Biopartners	A1 Ords	11	-	22/09/2020	Equity	Healthcare & Education	Note 1	-
Panthera Biopartners	A1 Prefs	2,388	2,628	22/09/2020	Non-Participating Equity	Healthcare & Education	Note 1	1.10
Panthera Biopartners	B Ordinary shares	0	0	22/09/2020	Equity	Healthcare & Education	Note 1	1.00
Panthera Biopartners	B Preference shares	443	443	22/09/2020	Non-Participating Equity	Healthcare & Education	Note 1	1.00
Patchworks	A Ords	4	-0	28/07/2021	Equity	Technology	Note 1	-0.00
Patchworks	A Prefs	900	900	21/12/2018	Non-Participating Equity	Technology	Note 1	1.00

BARONSMEAD VENTURE TRUST AND BARONSMEAD SECOND VENTURE TRUST

Table 8: Baronsmead Venture Trust Unquoted portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Share class name (one share class per row)	Amount invested	Current Value	Date of first investment	Structure of investment (Equity/Participating equity/non participating Equity/Debt)	Industry sector	Valuation method	Multiple of cost
Patchworks	Loan Notes	1,400	1,673	16/01/2019	Debt	Technology	Note 1	1.19
Patchworks	Convertible Loan note	2,760	3,660	16/01/2019	Debt	Technology	Note 1	1.33
Pointr Ltd	A Ordinary Shares	466	1,116	04/06/2021	Equity	Technology	Note 1	2.39
Popsa	E Ords	4	4	04/06/2021	Equity	Technology	Note 1	1.00
Popsa	E Prefs	3,116	3,116	17/12/2021	Non-Participating Equity	Technology	Note 1	1.00
Proximity	B Ords	3	-	10/02/2022	Equity	Technology	Note 1	-
Proximity	B Prefs	1,145	860	10/02/2022	Non-Participating Equity	Technology	Note 1	0.75
RevLifter	A Ordinary Shares	4	0	03/11/2020	Equity	Technology	Note 1	0.00
RevLifter	A Preference	716	433	03/11/2020	Non-Participating Equity	Technology	Note 1	0.00
RevLifter	Ordinary Shares	0	0	03/11/2020	Equity	Technology	Note 1	0.74
RevLifter	A1 Ordinary Shares	3	-0	03/11/2020	Equity	Technology	Note 1	-0.00
RevLifter	A1 Preference Shares	356	202	03/11/2020	Non-Participating Equity	Technology	Note 1	0.57
RevLifter	Loan Notes	360	199	03/11/2020	Debt	Technology	Note 1	0.55
Rockfish Group Ltd	A Ordinary Shares	875	226	12/09/2019	Equity	Consumer markets	Partial Provision	0.26
Samuel Knight International Ltd	A Ordinary Shares	1	-	12/09/2019	Equity	Business Services	Full Provision	-
Samuel Knight International Ltd	A Preference Shares	704	0	12/09/2019	Non-Participating Equity	Business Services	Full Provision	0.00
SciLeads	A Ordinary shares	2	2	19/03/2024	Equity	Technology	Note 1	1.00
SciLeads	A Preference shares	940	940	19/03/2024	Non-Participating Equity	Technology	Note 1	1.00
Scurri	B2 Ords	3	-	04/06/2021	Equity	Technology	Note 1	-
Scurri	B1 Prefs	2,029	2,499	04/06/2021	Participating Equity	Technology	Note 1	1.23
SecureCloud+ Ltd	A Ordinary Shares	560	1,338	31/08/2018	Equity	Technology	Note 2	2.39
SecureCloud+ Ltd	B Ordinary Shares	140	158	31/08/2018	Equity	Technology	Note 2	1.13
SilkFred	A Ordinary Shares	790	-0	18/08/2017	Equity	Consumer markets	Full Provision	-0.00
TravelLocal Ltd	F Ordinary Shares	4	-	18/04/2019	Equity	Consumer markets	Note 1	-
TravelLocal Ltd	Series A1 Preference Shares	705	704	18/04/2019	Non-Participating Equity	Consumer markets	Note 1	1.00
TravelLocal Ltd	B1 Preference Shares	631	634	18/04/2019	Non-Participating Equity	Consumer markets	Note 1	1.01
TravelLocal Ltd	Series B Shares	470	540	18/04/2019	Equity	Consumer markets	Note 1	1.15
Tribe Ltd	A Ordinary Shares	699	0	10/12/2018	Equity	Technology	Full Provision	0.00
Tribe Ltd	Convertible Pref Shares	499	-0	10/12/2018	Participating Equity	Technology	Full Provision	-0.00
Yappy Ltd	A Ordinary Shares	4	-0	27/06/2019	Equity	Consumer markets	Partial Provision	-0.00
Yappy Ltd	A Preference Shares	1,782	0	27/06/2019	Participating Equity	Consumer markets	Partial Provision	0.00
Yappy Ltd	B1 Ordinary Shares	0	0	27/06/2019	Equity	Consumer markets	Partial Provision	0.00
Yappy Ltd	B Preference Shares	0	-	27/06/2019	Participating Equity	Consumer markets	Partial Provision	-
Yappy Ltd	C Ordinary Shares	0	0	27/06/2019	Equity	Consumer markets	Partial Provision	1.00
Yappy Ltd	Loan Notes	223	120	27/06/2019	Debt	Consumer markets	Partial Provision	0.54
TOTALS		£57.6m	£51.9m					

Note 1: Revaluation based on comparable multiples and revenue
 Note 2: Revaluation based on comparable multiples and earnings
 Source: Gresham House Asset Management

Table 9: Baronsmead Second Venture Trust Listed portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Cost £000	Valuation £000	% of NAV
Cerillion plc	£1,074.96	£25,318.06	11.3%
Netcall plc	£2,615.80	£14,495.98	6.5%
IDOX plc	£1,027.31	£7,014.38	3.1%
Property Franchise Group plc (The)	£1,757.56	£6,092.28	2.7%
Bioventix plc	£308.70	£4,358.08	1.9%
Anpario plc	£661.59	£3,164.04	1.4%
PCI Pal plc	£1,584.39	£2,834.53	1.3%
Diaceutics plc	£1,590.05	£2,447.84	1.1%
Beeks Financial Cloud Group plc	£412.50	£2,178.00	1.0%
Vianet Group plc	£2,092.87	£1,691.53	0.8%
hVIVO plc	£1,444.59	£1,546.87	0.7%
IntelliAM AI plc	£2,117.50	£1,464.23	0.7%
Eden Research	£2,270.08	£1,105.25	0.5%
Ixico plc	£1,403.45	£1,084.25	0.5%
Oberon	£1,548.55	£1,058.60	0.5%
Begbies Traynor Group plc	£545.12	£1,054.02	0.5%
Pulsar Group plc	£716.38	£1,019.55	0.5%
Inspired plc	£862.21	£930.63	0.4%
Skillcast	£816.67	£882.88	0.4%
Tan Delta Systems plc	£956.31	£845.97	0.4%
Diales plc	£1,529.34	£762.51	0.3%
Sysgroup plc	£1,579.85	£708.97	0.3%
Everyman Media Group plc	£956.92	£599.51	0.3%
One Media iP Group plc	£1,008.25	£526.72	0.2%
Earnz plc	£702.44	£515.13	0.2%
Seen plc	£2,249.37	£508.30	0.2%
Dods (Group) plc	£3,267.40	£455.25	0.2%
Scholium Group Plc	£1,100.00	£330.00	0.1%
TPXimpact Holdings plc	£659.68	£329.84	0.1%
Crimson Tide plc	£667.80	£211.47	0.1%
PoolBeg Pharma	£51.41	£173.74	0.1%
Science in Sport plc	£350.98	£154.67	0.1%
KRM22 plc	£550.00	£148.50	0.1%
Tasty plc	£2,033.87	£45.05	0.0%
Totally plc	£86.63	£39.60	0.0%
Zoo Digital Group plc	£817.08	£34.24	0.0%
Fusion Antibodies plc	£660.00	£33.30	0.0%
Roslyn Data Technologies plc	£1,406.56	£27.54	0.0%
I-Nexus Global plc	£687.50	£13.05	0.0%
Aptamer Group plc	£2,389.52	£6.13	0.0%
CloudCoCo Group plc	£534.70	£4.88	0.0%
Crossword Cybersecurity	£1,040.00	£-	0.0%
LoopUp Group	£616.00	£-	0.0%
Fulcrum Utility Services Ltd	£341.74	-£0.00	0.0%
MXC Capital Ltd	£239.29	-£0.00	0.0%
Crossword Cybersecurity	£2,322.42	-£0.00	0.0%
Marwyn Management Partners plc	£1,950.00	-£0.00	0.0%
TOTALS	£55.6m	£86.2m	38%

Source: Gresham House Asset Management

BARONSMEAD VENTURE TRUST AND BARONSMEAD SECOND VENTURE TRUST

Table 10: Baronsmead Second Venture Trust Unquoted portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Share class name (one share class per row)	Amount invested	Current Value	Date of first investment	Structure of investment (Equity/Participating equity/non participating Equity/Debt)	Industry sector	Valuation method	Multiple of cost
Airfinity	A ords	10	92	28/07/2021	Equity	Healthcare & Education	Note 1	9.60
Airfinity	A Prefs	2,589	3,884	28/07/2021	Non-Participating Equity	Healthcare & Education	Note 1	1.50
Airfinity	Ordinary Shares	312	-	28/07/2021	Equity	Healthcare & Education	Note 1	-
Airfinity	Loan Notes	676	676	28/07/2021	Debt	Healthcare & Education	Note 1	1.00
Airfinity	Convertible Loan Note	650	650	28/07/2021	Debt	Healthcare & Education	Note 1	1.00
Azarc	A Ords	2	1	22/12/2023	Equity	Technology	Partial	0.50
Azarc	A Prefs	650	325	22/12/2023	Non-Participating Equity	Technology	Provision Partial	0.50
Bidnamic	A Ords	5	-	05/05/2022	Equity	Technology	Note 1	-
Bidnamic	A Prefs	916	916	05/05/2022	Non-Participating Equity	Technology	Note 1	1.00
Branchspace Ltd	A Ordinary shares	2	236	01/08/2023	Equity	Technology	Note 1	123.94
Branchspace Ltd	A Preference Shares	607	607	01/08/2023	Non-Participating Equity	Technology	Note 1	1.00
Branchspace Ltd	Loan Notes	203	203	01/08/2023	Debt	Technology	Note 1	1.00
Cisiv Limited	A Ordinary Shares	789	0	30/10/2018	Equity	Technology	Full	0.00
CitySwift	C Ordinary Shares	2	2	21/11/2023	Equity	Technology	Provision Note 1	1.00
CitySwift	C Preference Shares	936	969	21/11/2023	Non-Participating Equity	Technology	Note 1	1.04
Clarilis Ltd	H1 Shares	4	-	31/07/2020	Equity	Technology	Note 1	-
Clarilis Ltd	G1 Shares	1,816	2,723	31/07/2020	Equity	Technology	Note 1	1.50
Cognassist	B Ordinary Shares	4	-0	22/03/2023	Equity	Healthcare & Education	Note 1	-0.00
Cognassist	B Preference Shares	898	1,015	22/03/2023	Non-Participating Equity	Healthcare & Education	Note 1	1.13
Connect Earth	Ordinary Shares	4	3	07/03/2023	Equity	Business Services	Partial	0.75
Connect Earth	S2 Shares	447	335	07/03/2023	Equity	Business Services	Provision Partial	0.75
Counting Up	A2 Ordinary	4	4	19/02/2021	Equity	Business Services	Provision Note 1	1.14
Counting Up	A2 Preferred	1,055	1,055	19/02/2021	Non-Participating Equity	Business Services	Note 1	1.00
Counting Up	A2 Prime Ordinary Shares	4	4	19/02/2021	Equity	Business Services	Note 1	1.14
Counting Up	A2 Prime Preferred Shares	526	526	19/02/2021	Non-Participating Equity	Business Services	Note 1	1.00
Custom Materials Limited	A Ordinary Shares	275	0	17/03/2017	Equity	Technology	Note 1	0.00
Custom Materials Limited	B Ordinary Shares	722	-0	17/03/2017	Equity	Technology	Note 1	-0.00
Custom Materials Limited	B1 Ordinary Shares	1,440	0	17/03/2017	Equity	Technology	Note 1	0.00
Custom Materials Limited	A1 Ordinary shares	0	0	17/03/2017	Equity	Technology	Note 1	1.00
Custom Materials Limited	Super Prefs	655	0	17/03/2017	Participating Equity	Technology	Note 1	0.00
Dayrize B.V	Investor Ordinary Shares	5	1	03/05/2023	Equity	Technology	Partial	0.25
Dayrize B.V	Investor Preference shares	751	188	03/05/2023	Non-Participating Equity	Technology	Provision Partial	0.25
Dayrize B.V	Convertible Loan Note	160	40	03/05/2023	Debt	Technology	Provision Partial	0.25
Equipsme (Holdings) Limited	A Ordinary Shares	579	0	22/08/2018	Equity	Business Services	Provision Full	0.00
Equipsme (Holdings) Limited	AA ords	367	-	22/08/2018	Equity	Business Services	Provision Full	-
Equipsme (Holdings) Limited	AB ords	4	0	22/08/2018	Equity	Business Services	Provision Full	0.00
Focal Point Positioning Limited	C Ordinary Shares	5	4	09/09/2022	Equity	Technology	Provision Cost	0.75
Focal Point Positioning Limited	C Preference Shares	1,130	848	09/09/2022	Non-Participating Equity	Technology	Cost	0.75

BARONSMEAD VENTURE TRUST AND BARONSMEAD SECOND VENTURE TRUST

Table 10: Baronsmead Second Venture Trust Unquoted portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Share class name (one share class per row)	Amount invested	Current Value	Date of first investment	Structure of investment (Equity/Participating equity/non participating Equity/Debt)	Industry sector	Valuation method	Multiple of cost
Fu3e	A Ords	4	-	21/06/2022	Equity	Technology	Note 1	-
Fu3e	A Prefs	1,816	2,147	21/06/2022	Non-Participating Equity	Technology	Note 1	1.18
Huma Therapeutics IWP	Ordinary Shares	2,792	2,518	16/09/2024	Equity	Technology	Note 1	0.90
	A Ordinary Shares	25	-0	26/07/2019	Equity	Business Services	Partial Provision	-0.00
IWP	Preference Shares	134	0	26/07/2019	Non-Participating Equity	Business Services	Partial Provision	0.00
IWP	Loan Notes	1,428	398	26/07/2019	Debt	Business Services	Partial Provision	0.28
Mable Therapy	A Ordinary shares	4	4	26/07/2023	Equity	Healthcare & Education	Note 1	1.00
Mable Therapy	A Preference shares	615	615	26/07/2023	Non-Participating Equity	Healthcare & Education	Note 1	1.00
Much Better Adventures	A Ordinary shares	1,025	1,025	12/11/2024	Equity	Consumer Markets	Cost	1.00
Metrion	A Ords	8	0	31/03/2021	Equity	Healthcare & Education	Note 1	0.00
Metrion	A Prefs	1,732	1,999	31/03/2021	Non-Participating Equity	Healthcare & Education	Note 1	1.15
Mobility Mojo	A Ords	2	2	25/10/2024	Equity	Technology	Note 1	1.00
Mobility Mojo	A Prefs	445	445	25/10/2024	Non-Participating Equity	Technology	Note 1	1.00
Munnypot Limited	A Ordinary Shares	273	-0	18/05/2018	Equity	Technology	Full Provision	-0.00
Munnypot Limited	B Preference Shares	289	-	18/05/2018	Non-Participating Equity	Technology	Full Provision	-
OnSecurity Technology Ltd	A Ords	2	153	04/06/2024	Equity	Technology	Note 1	79.20
OnSecurity Technology Ltd	A Prefs	636	636	04/06/2024	Non-Participating Equity	Technology	Note 1	1.00
OnSecurity Technology Ltd	Loan Notes	532	797	04/06/2024	Debt	Technology	Note 1	1.50
Orri Ltd	A Ordinary Shares	4	-	13/09/2022	Equity	Healthcare & Education	Note 1	-
Orri Ltd	A Preference Shares	791	815	13/09/2022	Non-Participating Equity	Healthcare & Education	Note 1	1.03
Orri Ltd	Loan notes	341	522	13/09/2022	Debt	Healthcare & Education	Note 1	1.53
Orri Ltd	A1 Prefs	227	239	13/09/2022	Non-Participating Equity	Healthcare & Education	Note 1	1.05
Ozone API	A Preference	1,845	2,005	14/12/2023	Non-Participating Equity	Technology	Note 1	1.09
Ozone API	A Ordinary	2	365	14/12/2023	Equity	Technology	Note 1	163.13
Panthera Biopartners	A Ordinary Shares	4	-	22/09/2020	Equity	Healthcare & Education	Note 1	-
Panthera Biopartners	A Preference Shares	256	680	22/09/2020	Non-Participating Equity	Healthcare & Education	Note 1	2.66
Panthera Biopartners	A1 Ords	12	-	22/09/2020	Equity	Healthcare & Education	Note 1	-
Panthera Biopartners	A1 Prefs	2,587	2,847	22/09/2020	Non-Participating Equity	Healthcare & Education	Note 1	1.10
Panthera Biopartners	B Ordinary shares	0	0	22/09/2020	Equity	Healthcare & Education	Note 1	1.00
Panthera Biopartners	B Preference shares	480	480	22/09/2020	Non-Participating Equity	Healthcare & Education	Note 1	1.00
Patchworks	A Ords	4	0	28/07/2021	Equity	Technology	Note 1	0.00
Patchworks	A Prefs	975	975	21/12/2018	Non-Participating Equity	Technology	Note 1	1.00
Patchworks	Loan Notes	1,517	1,813	16/01/2019	Debt	Technology	Note 1	1.19
Patchworks	Convertible Loan note	2,990	3,965	16/01/2019	Debt	Technology	Note 1	1.33
Pointr Limited	A Ordinary Shares	526	1,259	04/06/2021	Equity	Technology	Note 1	2.39
Popsa	E Ords	4	4	04/06/2021	Equity	Technology	Note 1	1.00
Popsa	E Prefs	3,375	3,375	17/12/2021	Non-Participating Equity	Technology	Note 1	1.00
Proximity	B Ords	3	-0	10/02/2022	Equity	Technology	Note 1	-0.00

BARONSMEAD VENTURE TRUST AND BARONSMEAD SECOND VENTURE TRUST

Table 10: Baronsmead Second Venture Trust Unquoted portfolio analysis for Tax Efficient Review as at 30.11.24

Investee name	Share class name (one share class per row)	Amount invested	Current Value	Date of first investment	Structure of investment (Equity/Participating equity/non participating Equity/Debt)	Industry sector	Valuation method	Multiple of cost
Proximity	B Prefs	1,148	863	10/02/2022	Non-Participating Equity	Technology	Note 1	0.75
RevLifter	A Ordinary Shares	4	0	03/11/2020	Equity	Technology	Note 1	0.00
RevLifter	A Preference	776	469	03/11/2020	Non-Participating Equity	Technology	Note 1	0.00
RevLifter	Ordinary Shares	0	0	03/11/2020	Participating Equity	Technology	Note 1	0.12
RevLifter	A1 Ordinary Shares	4	0	03/11/2020	Equity	Technology	Note 1	0.00
RevLifter	A1 Preference Shares	386	219	03/11/2020	Non-Participating Equity	Technology	Note 1	0.57
RevLifter	Loan Notes	390	215	03/11/2020	Debt	Technology	Note 1	0.55
Rockfish Group Limited	A Ordinary Shares	986	255	12/09/2019	Equity	Consumer markets	Partial Provision	0.26
Samuel Knight International Ltd	A Ordinary Shares	1	0	12/09/2019	Equity	Business Services	Full Provision	0.00
Samuel Knight International Ltd	A Preference Shares	794	0	12/09/2019	Non-Participating Equity	Business Services	Full Provision	0.00
SciLeads	A Ordinary shares	2	2	19/03/2024	Non-Participating Equity	Technology	Note 1	1.00
SciLeads	A Preference shares	913	913	19/03/2024	Equity	Technology	Note 1	1.00
Scurri	B2 Ords	4	-	04/06/2021	Participating Equity	Technology	Note 1	-
Scurri	B1 Prefs	2,288	2,818	04/06/2021	Equity	Technology	Note 1	1.23
SecureCloud+ Limited	A Ordinary Shares	631	1,509	31/08/2018	Equity	Technology	Note 2	2.39
SecureCloud+ Limited	B Ordinary Shares	158	178	31/08/2018	Equity	Technology	Note 2	1.13
SilkFred	A Ordinary Shares	966	0	18/08/2017	Equity	Consumer markets	Full Provision	0.00
TravelLocal Ltd	F Ordinary Shares	4	-	18/04/2019	Equity	Consumer markets	Note 1	-
TravelLocal Ltd	Series A1 Preference Shares	795	794	18/04/2019	Non-Participating Equity	Consumer markets	Note 1	1.00
TravelLocal Ltd	B1 Preference Shares	711	715	18/04/2019	Non-Participating Equity	Consumer markets	Note 1	1.01
TravelLocal Ltd	Series B Shares	530	608	18/04/2019	Equity	Consumer markets	Note 1	1.15
Tribe Limited	A Ordinary Shares	788	0	10/12/2018	Equity	Technology	Full Provision	0.00
Tribe Limited	Convertible Pref Shares	563	-0	10/12/2018	Participating Equity	Technology	Full Provision	-0.00
Yappy Ltd	A Ordinary Shares	-62	-	27/06/2019	Equity	Consumer markets	Partial Provision	-
Yappy Ltd	A Preference Shares	62	-	27/06/2019	Participating Equity	Consumer markets	Partial Provision	-
Yappy Ltd	B1 Ordinary Shares	4	-0	27/06/2019	Equity	Consumer markets	Partial Provision	-0.00
Yappy Ltd	B Preference Shares	2,009	0	27/06/2019	Participating Equity	Consumer markets	Partial Provision	0.00
Yappy Ltd	C Ordinary Shares	0	0	27/06/2019	Equity	Consumer markets	Partial Provision	1.00
Yappy Ltd	Loan Notes	252	136	27/06/2019	Debt	Consumer markets	Partial Provision	0.54

TOTALS **£62.0m** **£55.1m**

Note 1: Revaluation based on comparable multiples and revenue

Note 2: Revaluation based on comparable multiples and earnings

Source: Gresham House Asset Management

Table 11: Matrix of individual responsibilities for Gresham House VCT investment team members with at least two years VCT experience and spending at least 50% on new deal originating and doing

NAMES	Clive Austin	Trevor Hope	Ken Wotton	Hazel Cameron	Maya Ward	Brendan Gulston	James Hendry	Gregory Blin	Joe Krancki	Graham Butler
VCT WORK										
Deal origination		20%	10%	40%	30%	10%	30%	30%	30%	40%
General enquiries										
New deal doing	0%	50%	75%	40%	40%	55%	50%	50%	50%	40%
Fund raising	10%	20%	10%							
Internal issues	10%	10%								
Sitting on Boards/ Monitoring	60%		5%	20%	30%	5%	20%	10%	10%	20%
Exits	20%							10%	10%	
NON VCT WORK										
Non-VCT work						30%				
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Days per week	5	5	5	2	5	5	5	5	5	3
Years in venture capital	27	27	17	12	9	9	5	12	14	11
Years involved with VCTs	16	18	17	4	5	8	5	10	2.5	11
Years with current team	9	8	17	5.5	5	8	5	10	2.5	6

Source: Gresham House Asset Management