

Baronsmead Venture Trust plc
Annual Report and Audited Financial Statements
for the year ended 30 September 2024

The Directors of Baronsmead Venture Trust plc are pleased to announce the Annual Financial Report for the year ended 30 September 2024. The Annual Report and Financial Statements can be obtained from the following website: www.baronsmeadvcts.co.uk

Financial Highlights

- Net Asset Value ("NAV") per share increased 6.9 per cent to 56.6p, before the deduction of dividends, for the financial year ended 30 September 2024.
- NAV total return of 421.5p to shareholders for every 100.0p invested at launch (April 1998).
- Annual tax free dividend yield of 7.1 per cent based on 3.75p dividends paid (including proposed final dividend of 2.0p) and opening NAV of 52.9p.
- £13.0million of investments made into seven new and twelve follow-on opportunities during the year.

Investment policy

Baronsmead Venture Trust plc's ("the Company") investment policy is to invest primarily in a diverse portfolio of UK growth businesses, whether unquoted or traded on AIM, which are substantially based in the UK, although many of these investees may have some trade overseas.

Investments are made selectively across a range of sectors in companies that have the potential to grow and enhance their value and which will diversify the portfolio.

The Company will make investments in accordance with the prevailing VCT legislation which places restrictions, inter alia, on the type and age of investee companies as well as the maximum amount of investment that such investee companies may receive.

Investment securities

The Company invests in a range of securities including, but not limited to, ordinary and preference shares, loan stocks, convertible securities, and permitted non qualifying investments as well as cash. Unquoted investments are usually structured as a combination of ordinary shares and loan stocks or preference shares, while AIM-traded investments are primarily held in ordinary shares. No single investment may represent more than 15 per cent (by VCT value) of the Company's total investments.

Liquidity

Pending investment in VCT qualifying investments, the Company's cash and liquid funds are held in permitted non-qualifying investments.

Investment style

Investments are selected in the expectation that the application of private equity disciplines, including active management of the investments, will enhance value and enable profits to be realised on the sale of investments.

Co-investment

The Company typically invests alongside Baronsmead Second Venture Trust plc in unquoted and quoted companies sourced by the Manager. Following the Manager's acquisition of the Mobeus VCTs in September 2021, the Company now also co-invests alongside the Mobeus VCTs in new unquoted VCT qualifying investments. All new qualifying AIM dealflow will continue to be exclusively allocated between the Company and Baronsmead Second Venture Trust plc.

As detailed in the Management retention section of the Strategic Report in the full Annual Report and Accounts the Manager's staff and portfolio consultants are entitled to invest in unquoted investments alongside the Company. This arrangement is in line with current practice of private equity houses and its objective is to attract, recruit, retain and incentivise the Manager's team and is made on terms which align the interests of shareholders and the Manager.

Borrowing powers

Should it be required, the Company's policy is to use borrowing for short term liquidity purposes only up to a maximum of 25 per cent of the Company's gross assets, as permitted by the Company's Articles of Association.

Investment objective

The Company is a tax efficient listed company which aims to achieve long-term positive investment returns for private investors, including tax-free dividends.

Dividend policy

The Board will decide the annual dividends each year and the level of the dividends will depend on investment performance, the level of realised returns and available liquidity. The dividend policy guidelines below are not binding and the Board retains the ability to pay higher or lower dividends relevant to prevailing circumstances and actual realisations. However, the Board confirms the following two guidelines that shape its dividend policy:

realisations. However, the Board confirms the following two guidelines that shape its dividend policy:

- The 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; and
- The Board will use, as a guide, when setting the dividends for a financial year, a sum representing 7 per cent of the opening NAV of that financial year.

About Baronsmead Venture Trust Plc

Key elements of the business model

Access to an attractive, diverse portfolio

The Company gives shareholders access to a diverse portfolio of growth businesses.

The Company will make investments in growth businesses, whether unquoted or traded on AIM, which are substantially based in the UK in accordance with the prevailing VCT legislation. Investments are made selectively across a range of sectors.

The Manager's approach to investing

The Manager endeavours to select the best opportunities and applies a distinctive selection criteria based on:

- Primarily investing in parts of the economy which are experiencing long term structural growth.
- Businesses that demonstrate, or have the potential for, market leadership in their niche.
- Management teams that can develop and deliver profitable and sustainable growth.
- Companies with the potential to become an attractive asset appealing to a range of buyers at the appropriate time to sell.

In order to ensure a strong pipeline of opportunities, the Manager invests in building deep sector knowledge and networks and undertakes significant proactive marketing to target companies in preferred sectors. This approach generates a network of potentially suitable businesses with which the Manager maintains a relationship ahead of possible investment opportunities.

The Manager as an influential shareholder

The Manager is an engaged and supportive shareholder (on behalf of the Company) in both unquoted and significant quoted investments.

For unquoted investments, representatives of the Manager often join the investee board.

The role of the Manager with investees is to ensure that strategy is clear, the business plan can be implemented and the management resources are in place to deliver profitable growth. The intention is to build on the business model and grow the company into an attractive target which can be sold or potentially floated in the medium term.

STRATEGIC REPORT

CHAIR'S STATEMENT

I am pleased to report that over the 12 months to 30 September 2024 the Net Asset Value per share increased by 3.65p per share (an increase of 6.9 per cent), from 52.94p to 56.59p before taking account of the payment of the interim dividend of 1.75p per share paid on 9 September 2024. This follows several years of disappointing results and occurred during a fairly mixed and uncertain economic and political environment.

The increase in the Company's NAV is attributable to the positive performances of our AIM and other listed investments. The value of the Company's unquoted portfolio continued to exhibit weakness due to a combination of both difficult trading conditions and lengthening of sales cycles. Overall, however, the Company's 'hybrid' investment strategy of investing in both AIM-listed and unquoted VCT qualifying companies has contributed significantly to this year's investment performance. Your Board believes this strategy can provide greater consistency of investment returns over the medium to long term.

Results

	Pence per ordinary share
NAV as at 1 October 2023 (after final dividend)	52.94
Valuation increase (6.9 per cent)	3.65
NAV as at 30 September 2024 before dividends	56.59
Less:	
Interim dividend paid on 9 September 2024	(1.75)
Proposed final dividend of 2.0p payable, after shareholder approval, on 17 March 2025	(2.00)
Illustrative NAV as at 30 September 2024 after proposed dividend	52.84

*The final dividend is payable on 17 March 2025, subject to shareholder approval

Portfolio Review

At 30 September 2024 the Company's investment portfolio was valued at £117.2 million and comprised a diverse

At 30 September 2024, the Company's investment portfolio was valued at £177.2 million and comprised a diverse portfolio of 41 investments in unquoted companies and 44 direct investments in AIM-listed companies. The Company's investments in three WS Gresham House Equity Funds were valued at £68.5 million at 30 September. These investments provide further diversity through indirect investments in a further 76 companies.

The Company's portfolio of AIM-listed and other listed investments increased by 16.5 per cent during the year. This compared favourably to the FTSE AIM All Share Index which increased by 2.0 per cent over the same period. Significant contributors to this performance were Cerillion, which increased by 47.7 per cent during the year, and Property Franchise Group, which increased by 54.5 per cent.

The value of the Company's unquoted investments however decreased by 8.6 per cent during the year. This is clearly very disappointing and stems from continued difficult trading conditions and lower valuations where the valuations are based on the valuation of comparable listed companies and affected by higher discount rates. The largest detractors from performance were eConsult in the healthcare sector and RevLifter in the technology sector. These are covered in more detail in the Manager's Review in the full Annual Report and Accounts.

Investments and Divestments

Your Board is once again pleased to report that the Manager continues to see attractive opportunities for investment. During the year, the Company deployed a total of £13.0 million in 19 companies in both new and follow-on investments. Further details of these investments are included in the Manager's review in the full Annual Report and Accounts. As we have communicated to shareholders previously, the requirement to make investments in earlier stage companies may result in greater volatility of returns over time. However, the more mature, established portfolio of existing investments should assist in sustaining returns and dividends for shareholders as the new portfolio develops and grows.

Commensurate with a challenging valuation environment, divestments from the unquoted portfolio were somewhat muted with only one minor full realisation and a small amount received in deferred consideration arising from a previous realisation (proceeds from these sources totalling approximately £0.1 million).

In contrast, in the AIM portfolio, the Manager has continued its approach of profitable partial realisations of Cerillion. Over the course of the Company's financial year, this resulted in the receipt of proceeds of £6.7mn at an aggregate of 21.1x original invested cost. Additionally, it's worth noting that following the takeovers of Gresham House and Gama Aviation, the Company received £0.4 million for a gross money multiple of 3.9x cost and £0.4 million for a gross money multiple of 0.6x cost respectively.

Dividends

The Board is pleased to declare a final dividend of 2.0p per share for the year to 30 September 2024, payable on 17 March 2025, subject to shareholder approval. The final dividend is payable to shareholders on the register as at 14 February 2025. An interim dividend of 1.75p per share was paid in September and means that the total dividends for the year are 3.75p. Thus, once again, the Board is pleased to have paid or declared dividends representing a yield of 7.1 per cent based on the opening NAV of 52.9p, which is in line with its dividend policy objective.

Principle Risks and Uncertainties

The Company faces a number of risks and uncertainties including macro-economic and geopolitical uncertainties. The outlook for the UK economy in particular as well as factors influencing the global economy including political uncertainties and armed conflicts can influence UK government policies, corporate spending and investment plans and consumer confidence. These factors provide a significant source of risk for our existing investment portfolio as well as the number and quality of future investment opportunities for future. The Company seeks to mitigate these risks by investing in a diverse portfolio of VCT qualifying companies which operate in different sectors and which have different stages of maturity. Further detail on the Risks and Uncertainties faced by the Company are set out in the full Annual Report and Accounts.

VCT Regulations - Retirement Date of the UK Government's Venture Capital Schemes

During the summer we were pleased to see the European Commission approve the extension of the VCT scheme until 5 April 2035. This was formalised by UK legislation on 3 September 2024. The regulations bring into effect the extension of the Enterprise Investment Scheme (EIS) and the Venture Capital Trust (VCT) Scheme sunset clause to 2035.

The Board welcomes this news and would like to thank the Manager, the Venture Capital Trust Association ("VCTA"), the Association of Investment Companies ("AIC") and other parties involved for their help in getting the new legislation enacted. We were particularly pleased with the commitment to maintaining the Government's Venture Capital Schemes on the part of both the previous and current governing parties.

Autumn Budget 2024

On 30 October 2024, the Chancellor of the Exchequer presented her Autumn Budget to Parliament. Whilst there were no direct changes to VCT legislation, there were certain changes to inheritance and the capital gains tax regimes. It is possible that there may be increased demand from investors for other tax efficient forms of investing such as VCTs. However, the much heralded change to the inheritance tax treatment of AIM listed shares had the potential to severely impact the demand for these investments from retail investors. The reduction of the relief from 100 to 50 per cent proved to be somewhat of a relief to the AIM market as a whole.

Succession planning

During the year, Susannah Nicklin, the Senior Independent Director and Chair of the Nomination Committee retired from the Board. Susannah served as a director of the Company from February 2018 until June 2024 and I would like to thank Susannah for her dedication and hard work and wish her all the best in her future endeavours.

The Board has commenced the process of recruiting an additional Director to replace Susannah and we expect to finalise this process in early 2025.

In the meantime, the Board has consisted of 3 non-executive directors. Following Susannah's retirement from the Board, Michael Probin became the Company's Senior Independent Director and I became the Chair of the Nomination Committee.

Shareholder friendly policies

The Company has established various policies aimed at providing shareholders long term investment returns as well as financial planning opportunities. These include the Company's dividend policy as noted above, the share price discount management and associated share buy-back policies as well as regular new fundraisings.

Fundraising

On 1 October 2024 the Company announced its intention to fundraise new funds in the 2024/25 tax year. It is the Board's current intention to launch its offer for subscription to raise £15 million (before costs) with an additional £10 million over allotment facility during January 2025 in a joint offer for subscription alongside our sister VCT, Baronsmead Second Venture Trust plc. The full terms and conditions as they pertain to these offers will be published in the prospectus and we will ensure shareholders are notified accordingly.

Share price discount and buy back policies

The Board intends to continue with the policy of seeking to maintain a share price discount to NAV of 5 per cent and to buy back shares at that level from time to time with the objective of maintaining liquidity in the market for its existing shares. To that end it will also sell shares out of Treasury in certain circumstances. The day-to-day management of these policies is undertaken by the Manager on behalf of the Board and are subject to the prevailing market circumstances and on the basis that the Company has adequate resources to make new and follow-on investments and pay dividends to shareholders. More details regarding the number of shares bought in and out of Treasury during the year can be found in the Director's report in the full Annual Report and Accounts.

Annual General Meeting ("AGM")

The Company intends to hold the next AGM on 12 March 2025. Shareholders are invited to attend the Shareholder Event starting at 10.30am. This will include presentations from myself, members of the Manager's team, case studies and presentations from a number of portfolio companies as well as a Q&A session. This will be followed by lunch. The formal business of the AGM will start at 1.15pm.

We anticipate that this year's AGM will provide shareholders with greater opportunities to engage with the Board and the Manager and I would encourage as many shareholders as possible to attend. Please see the inside cover for more details and how to register to attend. Registration details will also be included in the Notice of AGM and on the Baronsmead Venture Trust website. In a slight change to recent AGM's which have been 'live-streamed' at considerable cost but with very few people logging in to the event, the event will be recorded and made available on the Company's website for those unable to attend in person.

Outlook

As we look beyond the turn of the year, the geopolitical and economic uncertainties which have prevailed for the past few years see no signs of abating. The cautious optimism of just a few months ago would appear to have been replaced by the prospects of trade disputes and a subdued UK economic recovery.

The portfolio remains highly diversified and the hybrid nature of our investment portfolio helps to mitigate those uncertainties. Through its team of portfolio managers and highly experienced portfolio consultants, the Manager is working with our investee companies to help them focus on investment fundamentals, conserve cash where necessary and grow value.

The Board continues to believe it is a good time to be investing in earlier stage, innovative and high growth potential businesses. The Manager is actively seeking to complete new investments, believing that this is an attractive time to invest in the economic cycle.

We remain confident that the Manager is suitably positioned to provide the necessary levels of support to the portfolio companies and remains focussed on retaining, recovering and helping to grow value in existing and future investee companies. The Board also believes that the Company's 'hybrid' investment strategy will continue to be a strength and help deliver greater consistency of returns through the economic cycle.

Fiona Miller Smith
Chair
23 December 2024

MANAGER'S REVIEW

Despite high levels of uncertainty and volatility, equity markets delivered modest growth during the year to 30 September 2024. Inflation and interest rates appear to have peaked, but concerns regarding geo-political tensions in Europe and the Middle East persist. Against this backdrop, it is encouraging that the portfolio, which is well diversified, with exposure to over 160 quoted and unquoted companies, has delivered an increase in net asset value of 6.9 per cent over the year.

PORTFOLIO REVIEW

Overview

The net assets of £212 million were invested as follows:

Asset class	NAV (£mn)	% of NAV*	Number of investee companies	% return in the year**
Unquoted	50	23	41	(9)
AIM-traded companies	67	32	44	17
WS Gresham House Equity Funds***	68	32	76	18
Liquid assets [†]	27	13	N/A	4
Totals	212	100	161	7

* By value as at 30 September 2024.

** Return includes interest received on unquoted realisations during the year

Return measured in net outflow or in quoted realisations during the year.
 *** Excludes investee companies with holdings by more than one fund.
 # Represents cash, OEICs and net current assets. % return in the period relates only to the OEICs.

The tables in the full Annual Report and Accounts show the breakdown of new investments and realisations over the course of the year and below is a commentary on some of the key highlights in both the unquoted and quoted portfolios.

Investment activity - unquoted and quoted

The Company's investment strategy is primarily focused on companies operating in parts of the economy that we believe are benefiting from long-term structural growth trends and in sectors where we have deep expertise and network. The amount of capital invested in each business is matched to the scale, maturity and underlying risk profile of the company seeking investment.

During the year, £13.0 million was invested into 19 companies including 7 new additions to the portfolio and 12 follow-on investments.

Five new unquoted investments were completed during the year.

- Ozone API is a software developer providing banks and financial institutions with low-cost, compliant APIs
- CitySwift is a software business that works with bus operators to analyse data from their networks
- Azarc.io specialises in business process automation, notably automating custom declaration forms
- SciLeads is a data-intelligence platform that enables companies operating within Life Science verticals to identify, track and convert potential customers
- OnSecurity Technology is a B2B cybersecurity services business which has built a technology platform to automate the scoping, scheduling, and reporting of human-based penetration tests

Two new AIM quoted investments were made during the year:

- IntelliAM is a provider of a machine learning platform enabling manufacturing organisations to leverage their data and maximise the value and efficiency of their assets
- Eamz is a consolidator in the blue collar energy services sector created by an experienced Executive Chairman which the Manager has successfully backed in previous ventures

The Company made additional investments totalling £4.6 million into twelve existing portfolio companies, 3 quoted and 9 unquoted, across the year. This is consistent with the investment strategy of continuing to back our high potential assets with further capital to support future growth. We anticipate the level of follow-on investment will continue to grow as the earlier stage portfolio continues to mature.

Investment diversification at 30 September 2024 by value

Sector*

Technology	63%
Healthcare & education	21%
Business services	9%
Consumer markets	7%

Total assets

WS Gresham House Equity Funds	32%
AIM	32%
Unquoted	24%
Cash liquidity funds	12%

Length of time investments held*

Greater than 5 years	56%
Between 3 and 5 years	24%
Between 1 and 3 years	13%
Less than 1 year	7%

* Direct investments only, not held by the WS Gresham House Equity Funds.

Quoted portfolio (AIM-traded investments)

Performance

The quoted portfolio delivered positive absolute performance of 16.5 per cent during the year, despite the ongoing elevated levels of geopolitical and macroeconomic uncertainty in the markets. For reference, the AIM market in the UK increased 2.0 per cent over the same period. The AIM portfolio remains in good financial health and is exposed to structural growth areas providing some insulation from the uncertain economic conditions.

The software sector provided the largest positive contributor to performance with Cerillion, a provider of billing and charging software to the telecoms industry, continuing to deliver strong revenue and profit growth. Property Franchise Group, a franchised estate agency business focussed primarily on lettings, also performed positively during the year following its takeover of Belvoir Lettings.

The largest detractors from performance were Crossword Cybersecurity, a cyber consultancy and software provider, which was subscale and exhibited a challenging cash runway; and Inspired, an energy procurement and optimisation consultancy, which announced the potential for certain large customer projects to be delayed impacting current year revenue and profits.

We continue to closely monitor our AIM portfolio with a rolling programme of independent reviews of top AIM holdings and broadly continue to be positive on the long-term investment prospects of these companies. Many of the larger quoted investments have been long-term holdings. These companies are typically profitable, cash generative businesses with low levels of financial gearing and continue to have attractive long-term growth prospects.

Divestments

There were two full realisations during the year, both corporate actions, in Gresham House and Gama Aviation whose proceeds of £0.4 million each represented gross multiples of 3.9x and 0.6x cost respectively. Our investment in DeepVerge, an environmental and life sciences group, was written off during the year although the NAV impact of this was limited during the year as the value of this investment had largely decreased in previous years.

The opportunity to crystallise further profits was taken for Cerillion; over the course of the year proceeds of £6.7 million were realised at a 21.1x cost multiple.

In addition to this, liquidation proceeds of £0.1 million were received for InterQuest, which was written off in September 2023.

Unquoted portfolio

Performance

The unquoted portfolio decreased in value by 8.6 per cent during the year. The macroeconomic environment remained challenging for our portfolio companies with many experiencing difficult trading conditions and lengthening of product and services sales cycles, most notably consumer related businesses.

This was a disappointing performance which reflects the immaturity of the unquoted portfolio. Earlier stage investment delivered lower levels of growth than had been forecast resulting in shortened cash runways. With this increased risk profile it is appropriate to have reduced the holding value of a number of the companies within our portfolio. Gresham House's experienced Non-Executive Directors and consultants continue to support the portfolio companies during these turbulent times with the expectation that a number of these companies will recover value as they trade out of difficult conditions and / or raise further capital.

Panthera Biopartners and Ozone API were the two investments that made the biggest positive contribution in the year. Panthera, a provider of recruitment services for clinical trials, delivered impressive sales growth and profitability during the year as a result of new contract wins. Ozone API, a software developer providing banks and financial institutions with low-cost, compliant APIs, was a new investment in the year. The company grew in line with expectations and the valuation benefitted from the preference structure of the investment.

The largest detractors from performance were in the healthcare and technology sectors. eConsult, an online consultation provider used by GP practices and hospitals, experienced increased competition during the year and an ongoing challenge of funding for its hospital product, leading to a much reduced cash runway. This led to the decision to seek a new owner for the business and eConsult was acquired by Huma Therapeutics Limited in a share for share transaction in September 2024. Huma is a well funded digital healthcare business which specialises in continuous patient monitoring. RevLifter, an AI platform using advanced behavioural analytics to deliver tailored promotions to users, suffered from its largest customer, a large US retailer, more than halving its spending.

As Manager we remain highly engaged with the management teams within the portfolio, sharing insight and best practice to help them both manage risk and spot opportunities in a quickly changing environment. We have continued to invest in our portfolio and in-house talent teams, which alongside our extensive network of earlier stage, high growth company experts, ensure we are well positioned to help the companies we invest in to navigate the challenges they face whilst also continuing to develop and scale.

Divestments

There was one full realisation in the unquoted portfolio during the year with proceeds of £0.04 million received from the realisation of FundingXchange, for a gross multiple of 0.1x cost. In addition to this, earn out proceeds were received on Evotix of £0.1 million with a gross money multiple of 0.8x cost. Our investment in Armstrong Craven, a provider of executive search and business intelligence services, was written off during the year although the value of this investment had largely decreased in previous years.

Collective investment vehicles

The Company's investments in the WS Gresham House UK Micro Cap Fund ("Micro Cap"), WS Gresham House UK Multi Cap Income Fund ("Multi Cap") and WS Gresham House UK Smaller Companies Fund ("Small Cap") remain a core component of the Company's portfolio construction. These investments provide shareholders with additional diversification through exposure to an additional 76 underlying companies, as well as access to the potential returns available from a larger and more established group of companies that fall within the Manager's core area of expertise.

Over the year, Small Cap and Micro Cap delivered returns of 28.1 per cent and 9.8 per cent respectively, compared to the IA UK Smaller Companies sector which returned 16.1 per cent. Multi Cap delivered a return of 22.9 per cent, compared to the IA UK Equity Income sector which returned 15.0 per cent.

Micro Cap and Multi Cap continue to be both highly rated by independent ratings agencies. Micro Cap's cumulative performance is currently second quartile within the IA UK Smaller Companies sector over the past 10 years. Multi

performance is currently second quartile within the IA UK Smaller Companies sector over the past 10 years. Multi Cap's cumulative performance has remained the top quartile within the IA UK Equity Income sector since launch in June 2017 and is the best performer over five years. Small Cap has also achieved top quartile cumulative performance since launch in 2019 and is the third best performing fund over the past five years within the IA UK Smaller Companies sector.

Liquid assets (cash and near cash)

The Company held cash and liquidity OEICs of approximately £27.3 million at the year-end. This asset class is conservatively managed to take minimal or no capital risk. The average 7 day yield on the liquidity OEICs was 4.9 per cent at the end of the year.

Third party independent valuations

During the year, the Company engaged the services of Lincoln International and Kroll to conduct independent third party valuations as a means of managing the Board's risk in respect of a systematic error regarding the valuation of one or more of the material VCT portfolio assets. The responsibility for the preparation of draft valuations lies with the Manager, and this does not constitute outsourcing of any part of the valuation, and the Board is responsible for the approval of valuations. The Manager uses these independent valuations in conjunction with their own valuations to provide independent assurance and risk mitigation to the Board and the Board continues to support this. Four unquoted investments were selected, focussing on the higher valued assets in the portfolio, which also covered different characteristics such as value based on both revenue and EBITDA multiples and those with a range of both equity and loan instruments. In July 2024, the Board assessed the use of the third party valuations and concluded that the process had provided comfort on the Manager's controls and the quality of the Manager's processes compared to the market. Furthermore, the Board agreed to reassess the use of third party independent valuations on a regular basis.

Outlook

Geo-political flux is likely to persist throughout 2025, although the UK and US election results will hopefully allow more clarity on the future economic and political landscape. That being said, the impact of the UK Government's first budget has caused an element of short term market turbulence, potential inflationary pressures and pausing of interest rate reductions.

This environment should present attractive opportunities with the advantage of being able to take a longer-term view of both new and portfolio follow-on investments. The early stage cohort of investments are taking on the challenges presented and are expected to accelerate their funding plans, however this should also produce some compelling follow-on investment opportunities.

Gresham House's seasoned investment managers are a vital source of knowledge and experience available to support the Company's portfolio of management teams. In this respect, Gresham House is well placed by having one of the largest and most experienced portfolio teams in the industry.

Looking into 2025, the Manager remains cautiously optimistic that the combination of a somewhat improving economic backdrop, greater political stability and a more attractive valuation environment will produce attractive investment opportunities when viewed with a long- term perspective.

Gresham House Asset Management Ltd

Manager

23 December 2024

Investments in the year*

Company	Location	Sector	Activity	Book Cost £'000
Unquoted investments				
New				
Ozone Financial Technology Ltd	London	Technology	Open banking infrastructure provider	1,867
OnSecurity Technology Ltd	Bristol	Technology	A B2B cybersecurity services business which has built a technology platform to automate the scoping, scheduling, and reporting of human-based penetration tests	1,210
Huddl Mobility Ltd (trading as CitySwift)	Ireland	Technology	SaaS product for bus operators and local authorities to aggregate, cleanse and access insight from data from across their bus networks	949
SciLeads Ltd	London	Technology	A data-intelligence platform that enables companies operating within Life Science verticals to identify, track and convert potential customers	942
Azarc.io inc	London	Technology	Automating customs declarations	659
Follow-on				
Patchworks Integration Ltd	London	Technology	Leading integration platform for fast-growing retail and ecommerce businesses	840

Airfinity Ltd	London	Healthcare & education	Provides real time life science intelligence as a subscription service	600
Metrion BiosciencesLtd	Cambridgeshire	Healthcare & education	Ion channel drug discovery and safety assessment service provider	486
Counting Ltd	London	Business services	Banking and accounting software for small businesses	470
Orri Ltd	London	Healthcare & education	Provider of intensive day care treatments for eating disorders	340
Focal Point Positioning Ltd	Cambridgeshire	Technology	A research and development focused technology business focusing on global navigation and satellite systems	226
Yappy Ltd	Manchester	Consumer markets	Supplier of customisable pet products	222
Rockfish Group Ltd	Devon	Consumer markets	Seafood restaurant chain	175
Dayrize B.V.	Amsterdam	Technology	A rapid product-level sustainability impact assessment software tool for retailers and Consumer Packaged Goods ("CPG") companies	160
Total unquoted investments				9,146

Company	Location	Sector	Activity	Book Cost £'000
AIM-traded investments				
New				
IntelliAM AI plc	South Yorkshire	Technology	Provider of a machine learning platform enabling manufacturing organisations to leverage their data and maximise the value and efficiency of their assets.	2,118
Eamz plc	Gloucestershire	Business services	Specialist energy and heat decarbonisation platform	702
Follow-on				
Eden Research plc	Oxfordshire	Business services	Developer of biological fungicides and bio equivalents	732
PCI-PAL plc	London	Technology	Secure payment service provider	196
Oberon Investments Group plc	London	Business services	Wealth advisory service for individuals and businesses	105
Total AIM-traded investments				3,853
Total investments in the year#				12,999

includes unquoted and AIM investments only.

Realisations in the year

Company		First investment date	Original book cost [#] £'000	Proceeds [‡] £'000	Overall multiple return (x)	IRR (%)
Unquoted realisations						
Funding Xchange Ltd	Full trade sale	Nov 19	705	44	0.1	-
Armstrong Craven Ltd	Written off	Jun 13	543	-	1.1*	1.6
Total unquoted realisations			1,248	44		
AIM-traded realisations						
Cerillion plc	Market sale	Nov 15	317	6,685	21.1	43.4
Gama Aviation plc	Tender offer	Nov 10	776	440	0.6	-
Gresham House plc	Takeover	Nov 14	112	433	3.9	15.9
Deepverge plc	Written off	Jun 21	1,410	-	-	-
Total AIM-traded realisations			2,615	7,558		
Total realisations in the year**			3,863	7,602		

During the year, liquidation proceeds of £114k were received from InterQuest Group plc, which was written off in September 2023; and earn out proceeds of £62k were received from Evotix Ltd, which was realised in May 2023; and liquidation proceeds of £4k were received from Crawshaw Group plc, which was written off in October 2018.

„ Residual book cost at realisation date.

: Proceeds at time of realisation including interest.

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

** Includes unquoted and AIM investments only.

Final Dividend

Subject to shareholder approval at the AGM, a final dividend of 2.0p per share will be paid on 17 March 2025 to shareholders on the register at 14 February 2025. The ex-dividend date will be 13 February 2025, and the last date for registering DRIP instructions will be 24 February 2025.

Annual General Meeting

The AGM will be held on 12 March 2025 at Saddlers' Hall EC2V 6BR. Shareholders are invited to attend the Shareholder Event starting at 10.30am. This will include presentations from the Company Chair, members of the Manager's team, case studies and presentations from a number of portfolio companies as well as a Q&A session. This will be followed by lunch. The formal business of the AGM will start at 1.15pm. The 2025 Notice of Annual General Meeting can be found on the Company's website and will be posted to shareholders shortly.

Further Information

The Annual Report and Accounts for the year ended 30 September 2024 and the 2025 Notice of Annual General Meeting will both be available today on www.baronsmeadvcts.co.uk.

The Annual Report will be submitted shortly in full unedited text to the Financial Conduct Authority's National Storage Mechanism and will be available for inspection at data.fca.org.uk/#/nsm/nationalstoragemechanism in accordance with DTR 6.3.5(1A) of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

LEI: 213800VQ1PQHOJXDDQ88

END

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on this announcement (or any other website) is incorporated into, or forms part of, this announcement.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FR QKNBQNBDBCBB