

Baronsmead Second Venture Trust plc

Half-yearly report for the six months ended 31 March 2025

The Directors of Baronsmead Second Venture Trust plc are pleased to announce the unaudited half-yearly financial report for the six months to 31 March 2025. Copies of the half-yearly report can be obtained from the following website: www.baronsmeadvcts.co.uk.

Our investment objective

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

Investment policy¹

- To invest primarily in a diverse portfolio of UK growth businesses, whether unquoted or traded on the Alternative Investment Market ("AIM").
- Investments are made selectively across a range of sectors in companies that have the potential to grow and enhance their value.

Dividend policy²

- The Board will, where possible, seek to pay two dividends to shareholders in each financial year, typically an interim dividend in September and a final dividend following the Annual General Meeting in February/March.
- The Board will use, as a guide, when setting the dividends for a financial year, a sum representing 7 per cent of the opening net asset value of that financial year.

1. This is a summary of the Company's investment policy that is set out on page 2 of the Company's Annual Report and Financial Statements for the year ended 30 September 2024.

2. This is a summary of the Company's dividend policy that is set out on page 2 of the Company's Annual Report and Financial Statements for the year ended 30 September 2024.

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 interesting 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 that 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.

A more detailed explanation of how the business model is applied is provided in the Other Matters section of the Strategic Report on pages 30 to 33 in the Company's Annual Report and Financial Statements for the year ended 30 September 2024.

Financial highlights

314.3p Net Asset Value total return¹ (as at 31 March 2025)

Net Asset Value ("NAV") total return to shareholders for every 100.0p invested at launch (January 2001).
March 2024 - 329.78p
September 2024 - 337.7p
March 2025 - 314.3p

£13.8mn Funds raised (six months to 31 March 2025)

£13.8mn raised in the period (before costs); and a further £1.2mn raised (before costs) since the period end.

March 2024 - £8.2mn (six months to March)
 September 2024 - £8.2mn (six months to March); £25.0mn (twelve months to September)
 March 2025* - £13.8mn (six months to 31 March)
 *includes amounts allotted on 3 April 2025.

-7.1%Change in net asset value per share^{1,2} (six months to 31 March 2025)

NAV per share decreased 7.1 per cent to 51.3p, before the deduction of dividends, in the six months to 31 March 2025.

March 2024 - 57.7p

September 2024 - 55.2p

March 2025* - 51.3p

*Excludes interim dividend of 1.75p

£3.8mn New investments³ (six months to 31 March 2025)

Investments made into two new and nine follow-on opportunities during the period. (Unquoted: £2.9mn, Quoted: £0.9mn).

March 2024 - £7.3mn (six months to March)

September 2024 - £7.3mn (six months to March); £13.4mn (twelve months to September)

March 2025 - £3.8mn (six months to March)

1. Alternative Performance Measures ("APM")/Key Performance Indicators ("KPIs") - please refer to glossary on page 29 of the full Half-yearly Report for definitions.

2. Please refer to table on page 6 of the full Half-yearly Report for breakdown of NAV per share movement.

3. Direct investments only - please refer to glossary on page 29 of the full Half-yearly Report for definitions.

Chair's statement

The election of President Trump in November 2024 heralded a period of domestic and global political uncertainty which has continued to weigh on market sentiment during the 6 months to 31 March 2025. As a result of these ongoing macroeconomic challenges, the Company's net asset value (NAV) decreased by 3.9p per share to 51.3p despite some value uplifts from many investments. As described more fully below, the equity price declines in the Company's listed portfolio outweighed the resilience in the performance of the Company's unquoted investments. Once again though, this highlights the benefits of the Company's investment policy of having a combination of unquoted and listed assets. Performance in recent periods shows how this diversification across private and public equity markets supports the Company's aim of providing a more consistent total return to shareholders over the medium to long term. After the period end, the NAV has increased to 54.1p per share by the 31 May 2025 through a recovery of value within the listed portfolio despite the increased level of volatility evidenced in April, as reported on below.

Consumer and business confidence has remained fragile since the end of the period with further macroeconomic and geopolitical headwinds driving market volatility. However, your Board continues to believe that, in aggregate, the fundamentals of the underlying portfolio companies remain robust. Having said that, it is in the nature of VCT qualifying investments that some portfolio companies will continue to require more capital to scale and generate value.

Results

During the six months to 31 March 2025, the Company's NAV per share decreased 7.1 per cent from 55.2p to 51.3p after the payment of the final dividend of 2.25p per share on 17 March 2025. The table below breaks down the movement in NAV over the 6 months.

	Pence per ordinary share
NAV as at 1 October 2024	55.2
(after deducting the final dividend of 2.25p, paid on 17 March 2025)	(3.9)
NAV as at 31 March 2025	51.3

Dividends

The Board has declared an interim dividend of 1.75p per share to be paid on 8 September 2025 to shareholders on the register as of 8 August 2025. The Board is aware that dividends are an important part of the total return to the shareholders' investment in the Company. As such, the Board is aiming to achieve its dividend policy objective of an annual yield of 7.0 per cent based on the NAV at the beginning of the financial year. I must of course remind shareholders this is not a guarantee and that payment dates and the amount of future dividends depend on the level and timing of profitable realisations.

Portfolio review

The table below provides a summary of each asset class and the return generated during the period under review.

Asset class	NAV (£mn)	% of NAV*	Number of investee companies	% return in the period†
Unquoted	57	28	47	(0)
AIM- traded companies	77	38	38	(12)
WS Gresham House Equity Funds [†]	54	26	75	(7)
Liquid assets [#]	17	8	N/A	3
Total	205	100	160	(7)

*By value at 31 March 2025.

† Return includes interest received on unquoted realisations during the period.

† Excludes investee companies with holdings by more than one fund.

Represents cash, O&Cs and net current assets. % return in the period relates only to the cash liquidity funds.

The value of the unquoted portfolio remained flat for the six months to 31 March 2025. 35 per cent of the portfolio registered an increase in value during the period, 35 per cent remained flat and 30 per cent registered reductions in value. The main drivers of positive movements in value were the investments in CitySwift and Panthera Biopartners, with both showing good trading momentum and increases in revenue during the period. The main detractors from performance were the investments in Ori, despite further funding, and Huma Therapeutics, with both facing difficult trading conditions and reduced revenues. The impact of both consumer and business confidence has continued to be seen in a reticence in decision making leading to extending sales cycles. This has been particularly evident in

sectors where Government spending plays a significant part, such as health and defence. The Manager continues to focus on improving and sustaining unquoted performance.

Disappointingly, the value of the Company's portfolio of investments directly held in AIM-traded companies decreased 11.6 per cent in the six months to 31 March 2025. For reference, the AIM market in the UK decreased 7.1 per cent for the same period. The value of the Company's investments into the WS Gresham House UK Micro Cap Fund decreased by 3.5 per cent and the WS Gresham House UK Smaller Companies Fund decreased by 7.5 per cent compared to the IA UK Smaller Companies sector which decreased by 9.1 per cent. The WS Gresham House UK Multi Cap Income Fund decreased by 11.5 per cent in the period compared to the IA UK Equity Income sector that decreased by 0.1 per cent. These were as a result of a number of factors affecting UK smaller companies including the national insurance and minimum wage increases and despite over 80 per cent of the trading update announcements made by companies within the WS Gresham House Equity Funds portfolios being in line or ahead of expectations.

Following the end of the period under review, the Board was pleased to see that the Company's portfolio of AIM traded companies rebounded and increased by 4.8 per cent in the month to 30 April 2025 compared to the AIM market which increased by 1.5 per cent. This was subsequently followed up with a further increase of 5.3 per cent in the month to 31 May 2025.

Investments

I am pleased to report that the Company made two new unquoted investments totalling £1.5mn and nine follow-on investments with a combined value of £2.3mn in the six months to 31 March 2025.

- **Mobility Mojo** (unquoted) - a disability access assessment platform
- **Much Better Adventures** (unquoted) - a marketplace offering exclusive guided and bespoke global travel experiences

Following the period end, a total of £3.2mn was invested into three new unquoted companies, Penfold Technology, Nu Quantum, and Spinners; and a follow-on investment into one unquoted company, Airfinity.

Realisations

In the listed portfolio, the Manager continued to take profits from partial sales of the Company's holdings of Cerillion and SEEN resulting in proceeds of £0.1mn and £0.2mn respectively, and gross money multiples of 25.7x and 0.2x of original cost. There were also partial realisations of MXC Capital, following a tender offer, and Crossword Cybersecurity following it entering administration during the period.

There were no realisations in the unquoted portfolio during the period.

Fundraising

In the 2024/25 tax year, the Company successfully raised £13.8mn (before costs) through an offer for subscription. The Board decided to extend the offer into the 2025/26 tax year in April 2025 with a further £0.6mn being successfully allotted to date. A fourth and final allotment is expected to take place on or around 3 July 2025. The Directors want to welcome the 526 new shareholders who invested for the first time and also thank the 508 existing shareholders who continue to support the Company.

The Board will consider whether to raise additional funds in the 2025/26 tax year. This will be determined by the Company's cashflow, the overall balance of the Company's portfolio, and its anticipated requirements and opportunities to fund new and follow-on investments over the next two to three years. The Board appreciates that shareholders would like plenty of notice of its fundraising intentions and will ensure that shareholders are informed of the Board's intention to raise new funds, as soon as it becomes practical.

Consumer Duty

The FCA's Consumer Duty came into force on 31 July 2023 and, in summary, requires firms to which this applies to, to act to deliver good outcomes for their retail customers. The Consumer Duty regulations apply to the regulated and ancillary activities of all FCA authorised firms under the Financial Services and Markets Act 2000, the Payment Services Regulations 2017 and the Electronic Money Regulations 2011. The Company is not a FCA authorised firm and accordingly does not fall within scope of these regulations. However, the Company's Manager, Gresham House Asset Management Ltd, being an FCA authorised firm, is covered by the regulations and the Board is cognisant of the Manager's obligations to comply with the Consumer Duty. The Board receives regular updates from the Manager on the delivery of its obligations under the Consumer Duty and is satisfied that the Manager is complying with all appropriate regulation.

Succession planning

As reported in the Annual Report and Accounts, Adriana Stirling joined the Board on 1 December 2024 replacing Malcolm Groat as the Chair of the Company's Audit & Risk Committee. Adriana qualified as a chartered accountant with PricewaterhouseCoopers LLP ("PwC") and developed extensive organisational and anti-financial crime technical expertise over her 17 years at PwC, leading client engagements across financial and non-financial service industries, spanning the public and private sectors. In 2014, she became the Managing Director of a private family office. She has overall responsibility for the investment and operational aspects of the office, including managing significant shareholder positions in several unquoted companies.

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 is 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.

Outlook

The period since 31 March has seen the implementation of many of the policies brought in by the new Labour government in the Autumn Budget which, together with the almost daily developments regarding the imposition of trade tariffs by the US Government, has created much uncertainty and volatility in public markets and a decline in the US dollar. Whilst the direct impact of the currently proposed tariffs on the unquoted companies in the portfolio is minimal, there is likely to be an indirect impact driven by the weakening in global trade.

There is widespread concern about the prospect of the US, UK and some European economies moving into recession. Furthermore, consumer and business confidence both domestically and globally may have been materially damaged and could take a significant amount of time to repair. The Board expects that this elevated macroeconomic and geopolitical risk landscape will continue to impact our investments beyond the risks that would normally be associated with investing in smaller companies. Added to this, the exit environment remains subdued in comparison to recent years.

However, the Company's portfolio remains highly diversified and the hybrid nature of our investment portfolio helps to mitigate those uncertainties. In addition, it is largely positioned in sectors which the Manager expects to provide long-term growth potential. We remain committed to investing through the economic cycle, as experience suggests that this can produce superior returns over the longer term. This environment can also provide an opportunity for the Company to make high quality investments and build strategic stakes in businesses with great potential at good

Company to make high quality investments and build strategic stakes in businesses with great potential, at good prices. This applies to both new investments and follow-on investments in the portfolio. Although the AIM market remains depressed with limited near-term visibility of new quoted dealflow opportunities, the Manager sees a good pipeline of potential unquoted investments in the short term, pending a recovery in listed UK small companies. UK quoted takeover activity remains elevated - which may provide enhanced opportunities for exits and for valuation upside from the existing AIM portfolio.

We are confident that the Manager is suitably positioned to provide the necessary levels of support to our portfolio companies and remains focused on retaining, recovering and helping to grow value in existing and future investee companies.

Sarah Fromson
Chair
10 June 2025

Investments in the period

Company	Location	Sector	Activity	Book cost £'000
Unquoted investments				
New				
Gentianes Solutions Ltd (trading as Much Better Adventures)	Bristol	Consumer markets	Adventure travel marketplace	1,025
Mobility Mojo (UK) Ltd	Dublin	Technology	Provider of software to evaluate the accessibility of building environments	447
Follow-on				
SecureCloud+ Ltd	Berkshire	Technology	Defence and public sector IT systems	530
Orri Ltd	London	Healthcare & education	Provider of intensive day care treatments for eating disorders	250
Branchspace Ltd	London	Technology	Specialist digital retailing consultancy and software provider to the aviation and travel industry	203
Revlifter Ltd	London	Technology	AI platform using advanced behavioural analytics to deliver tailored promotions to users	182
Counting Ltd	London	Business services	Banking and accounting software for small businesses	132
Focal Point Positioning Ltd	Cambridgeshire	Technology	Research and development focused technology business focusing on global navigation and satellite systems	91
Total unquoted investments				2,860
AIM-traded investments				
Follow-on				
IXCO plc	London	Healthcare & education	Provides technology enabled services to the biopharmaceutical industry worldwide	578
SEEN plc [#]	London	Technology	A video technology business	168
Oberon Investments Group plc	London	Business services	Wealth advisory service for individuals and businesses	164
Total AIM-traded investments				910
Total investments in the period*				3,770

Investment into unquoted convertible loan note
* Includes unquoted and AIM investments only

Realisations in the period

Company	First investment date	Original book cost [#] £'000	Proceeds [‡] £'000	Overall multiple return (x)	IRR (%)
Unquoted realisations					
MXC Capital Ltd	Tender offer May 15	64	30	0.5 -	
Total unquoted realisations		64	30		
AIM-traded realisations					
SEEN plc	Market sale Sep 19	798	192	0.2	-
Cerillion plc	Market sale Nov 15	2	54	25.7	41.3
Crossword Cybersecurity plc*	Written off July 21	2,322	-	-	-

Total AIM - traded realisations	3,122	246
Total realisations in the period**	3,186	276

Residual book cost at realisation date.

† Proceeds at time of realisation including interest.

* Only equity written off. Convertible loan note still held.

** Includes unquoted and AIM investments only.

Responsibility statement of the Directors in respect of the half-yearly report

Half-yearly report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chair's statement and the Strategic report.

The principal risks facing the Company are unchanged since the date of the Company's Annual Report for the financial year ended 30 September 2024 and continue to be as set out in that Report on pages 24 and 25.

Risks faced by the Company include but are not limited to; loss of approval as a Venture Capital Trust, legislative risk, investment performance risk, risk of economic, political and other external factors, regulatory and compliance risk and operational risk. The Board considers the conflicts in Ukraine and the Middle East to be factors which permeate these risks, and their impacts for the remaining six months of the year continue to be kept under review.

Responsibility statement

Each Director confirms that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with FRS 104 Interim Financial Reporting Standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company.
- This half-yearly report includes a fair review of the information required by:
 - a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last annual report that could do so.

The half-yearly report was approved by the Board of Directors on 10 June 2025 and was signed on its behalf by Ms Sarah Fromson, Chair.

Sarah Fromson

Chair

10 June 2025

Financial Statements

Condensed income statement

For the six months to 31 March 2025 (Unaudited)

Notes	Six months to 31 March 2025			Six months to 31 March 2024			Year to 30 September 2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments 5	-	(14,718)	(14,718)	-	8,029	8,029	-		15,024
Income	1,869	-	1,869	2,100	-	2,100	3,804	-	3,804
Investment management fee	(611)	(1,834)	(2,445)	(593)	(1,779)	(2,372)	(1,252)	(3,757)	(5,009)
Other expenses	(383)	-	(383)	(387)	-	(387)	(721)	(1)	(722)
Profit/(loss) before taxation	875	(16,552)	(15,677)	1,120	6,250	7,370	1,831	11,266	13,097
Taxation	-	-	-	-	-	-	-	-	-
Profit/(loss) for the period, being total comprehensive income for the period	875	(16,552)	(15,677)	1,120	6,250	7,370	1,831	11,266	13,097
Return per ordinary share:									
Basic and									
Diluted 2	0.22p	(4.19p)	(3.97p)	0.31p	1.71p	2.02p	0.48p	2.95p	3.43p

All items in the above statement derive from continuing operations.

There are no recognised gains and losses other than those disclosed in the Income Statement.

The revenue column of the Income Statement includes all income and expenses. The capital column accounts for the realised and unrealised profit or loss on investments and the proportion of the management fee charged to capital.

The total column of this statement is the unaudited Statement of Total Comprehensive Income of the Company prepared in accordance with the Financial Reporting Standard ("FRS"). The supplementary revenue return and capital return columns are prepared in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies ("AIC SORP").

Condensed statement of changes in equity

For the six months to 31 March 2025 (Unaudited)

	Non-distributable reserves			Distributable reserves		
	Called-up share capital £'000	Share premium £'000	Revaluation reserve £'000	Capital Reserve* £'000	Revenue reserve £'000	Total £'000
At 1 October 2024	43,742	20,193	33,476	126,093	3,940	227,444
Profit after taxation	-	-	(12,018)	(4,534)	875	(15,677)
Net proceeds of share issues, share buybacks & sale of shares from treasury	1,203	5,330	-	(4,832)	-	1,701
Dividends paid	-	-	-	(7,833)	(980)	(8,813)
At 31 March 2025	44,945	25,523	21,458	108,894	3,835	204,655

For the six months to 31 March 2024 (Unaudited)

	Non-distributable reserves			Distributable reserves		
	Called-up share capital £'000	Share premium £'000	Revaluation reserve £'000	Capital Reserve* £'000	Revenue reserve £'000	Total £'000
At 1 October 2024	39,628	-	23,062	144,092	2,877	209,659
Profit after taxation	-	-	5,700	550	1,120	7,370
Net proceeds of share issues, share buybacks & sale of shares from treasury	1,347	6,666	-	(1,627)	-	6,386
Dividends paid	-	-	-	(7,965)	(371)	(8,336)
Share premium cancellation costs-	-	-	-	(4)	-	(4)
At 31 March 2024	40,975	6,666	28,762	135,046	3,626	215,075

For the year ended 30 September 2024 (Audited)

	Non-distributable reserves			Distributable reserves		
	Called-up share capital £'000	Share premium £'000	Revaluation reserve £'000	Capital Reserve* £'000	Revenue reserve £'000	Total £'000
At 1 October 2023	39,628	-	23,062	144,092	2,877	209,659
Profit after taxation	-	-	10,414	852	1,831	13,097
Net proceeds of share issues, share buybacks & sale of shares from treasury	4,114	20,193	-	(4,325)	-	19,982
Dividends paid	-	-	-	(14,522)	(768)	(15,290)
Share premium cancellation costs	-	-	-	(4)	-	(4)
At 30 September 2024	43,742	20,193	33,476	126,093	3,940	227,444

* Of the distributable reserves noted above £52,321,000 (31 March 2024 - £79,777,000; 30 September 2024 - £52,321,000) is not available for dividend distribution due to HMRC VCT rules.

Condensed balance sheet

As at 31 March 2025 (Unaudited)

Notes	As at 31 March 2025 £'000	As at 31 March 2024 £'000	As at 30 September 2024 £'000

Fixed assets			
Unquoted investments	5	56,869	54,585
Traded on AIM	5	76,600	81,557
Collective investment vehicles	5	71,294	79,077
Investments	5	204,763	215,219
Current assets			
Debtors		549	565
Cash at bank and on deposit		689	674
		1,238	1,239
Creditors (amounts falling due within one year)		(1,346)	(1,383)
Net current (liabilities)/assets		(108)	(144)
Net assets		204,655	215,075
			227,444
Capital and reserves			
Called-up share capital	3	44,945	40,975
Share premium		25,523	6,666
Capital reserve		108,894	135,046
Revaluation reserve	5	21,458	28,762
Revenue reserve		3,835	3,626
Equity shareholders' funds		204,655	215,075
Net asset value per share		51.3p	57.7p
Number of ordinary shares in circulation		399,201,045	372,888,416
			396,183,675

Condensed statement of cash flows

For the six months to 31 March 2025 (Unaudited)

	Six months to 31 March 2025	Six months to 31 March 2024	Year to 30 September 2024
	£'000	£'000	£'000
Net cash outflow from operating activities	(1,893)	(1,799)	(3,504)
Net cash inflow/(outflow) from investing activities	9,336	3,775	(1,480)
Net cash inflow/(outflow) before financing activities	7,443	1,976	(4,984)
Net cash (outflow)/inflow from financing activities	(7,111)	(1,972)	4,671
Increase/(decrease) in cash	332	4	(313)
Reconciliation of new cash flow to movement in net cash			
Increase/(decrease) in cash	332	4	(313)
Opening cash at bank and on deposit	357	670	670
Closing cash at bank and on deposit	689	674	357
Reconciliation of (loss)/ profit before taxation to net cash outflow from operating activities			
(loss)/ Profit before taxation	(15,677)	7,370	13,097
Losses/ (gains) on investments	14,718	(8,029)	(15,024)
Changes in working capital and other non-cash items	(934)	(1,140)	(1,577)
Net cash outflow from operating activities	(1,893)	(1,799)	(3,504)

Notes to the financial statements

For the six months to 31 March 2025 (Unaudited)

1 Basis of preparation

The condensed financial statements for the six months to 31 March 2025 comprise the unaudited financial statements set out on pages 15 to 18 together with the related notes on pages 19 to 22 of the full Half-Yearly Report. The Company applies FRS 102 and the AIC SORP for its annual financial statements. The condensed financial statements for the six months to 31 March 2025 have therefore been prepared in accordance with FRS 104 'Interim Financial Reporting' and the principles of the AIC SORP. They have been prepared on a going concern basis. The financial statements have been prepared on the same basis as the accounting policies set out in the Company's Annual Report and Financial Statements for the year ended 30 September 2024.

The financial information contained in this half-yearly report does not constitute statutory accounts as defined in sections 434 - 436 of the Companies Act 2006. The half-yearly report for the six months ended 31 March 2025 and for the six months ended 31 March 2024 have been neither audited nor reviewed by the Company's Auditor. The information for the year to 30 September 2024 has been extracted from the latest published audited financial statements, which have been filed with the Registrar of Companies. The report of the Auditor for the audited financial statements for the year to 30 September 2024 was: (i) unqualified; (ii) did not include a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. No statutory accounts in respect of any period after 30 September 2024 have been reported on by the Company's Auditor or delivered to the Registrar of Companies.

The Company's half yearly report has been made available on the Company's website (www.baronsmeadvcts.co.uk) and sent to shareholders where requested.

2 Performance and shareholder returns

Return per share is based on a weighted average of 395,163,475 ordinary shares in issue (31 March 2024 - 365,445,232 ordinary shares; 30 September 2024 - 381,575,206 ordinary shares).

Earnings for the first six months to 31 March 2025 should not be taken as a guide to the results of the full financial year to 30 September 2025.

3 Called-up share capital

The below table details the movement in called-up share capital during the period.

Allotted, called-up and fully paid:

Ordinary shares	£'000
437,415,822 ordinary shares of 10p each listed at 30 September 2024	43,742
12,028,256 ordinary shares of 10p each issued during the period	1,203
449,444,078 ordinary shares of 10p each listed at 31 March 2025	44,945
41,232,147 ordinary shares of 10p each held in treasury at 30 September 2024	(4,124)
9,010,886 ordinary shares of 10p each repurchased during the period and held in treasury	(901)
50,243,033 ordinary shares of 10p each held in treasury at 31 March 2025	(5,025)
399,201,045 ordinary shares of 10p each in circulation* at 31 March 2025	39,920

* Carrying one vote each.

During the six months to 31 March 2025 the Company issued 12,028,256 shares at net proceeds of £6,481,000 (after costs). During the same period, the Company purchased 9,010,886 shares to be held in treasury at a cost of £4,756,000 (including costs). The Company sold no shares from treasury. At 31 March 2025, the Company held 50,243,033 ordinary shares in treasury. Shares may be sold out of treasury below Net Asset Value as long as the discount at issue is narrower than the average discount at which the shares were bought into treasury.

Excluding treasury shares, there were 399,201,045 ordinary shares in circulation at 31 March 2025 (31 March 2024 - 372,888,416 ordinary shares; 30 September 2024 - 396,183,675 ordinary shares).

4 Dividends

The final dividend for the year ended 30 September 2024 of 2.25p per share (2.00p capital, 0.25p revenue) was paid on 17 March 2025 to shareholders on the register on 14 February 2025. The ex-dividend date was 13 February 2025.

During the year to 30 September 2024, the Company paid an interim dividend on 9 September 2024 of 1.75p per share (1.65p capital, 0.10p revenue).

An interim dividend of 1.75p per share has been declared for the year to 30 September 2025 and is payable on 8 September 2025 to shareholders on the register as of 8 August 2025. The ex-dividend date is 7 August 2025.

5 Investments

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

The methods of fair value measurement are classified into a hierarchy based on reliability of the information used to determine the valuation.

- Level 1 - Fair value is measured based on quoted prices in an active market.
- Level 2 - Fair value is measured based on directly observable current market prices or indirectly being derived from market prices.
- Level 3 - Fair value is measured using a valuation technique that is not based on data from an observable market.

The valuation of unquoted investments contained within level 3 of the Fair Value hierarchy involves key assumptions dependent upon the valuation methodology used. The primary methodologies applied are:

- Cost of recent investment.
- Multiple basis.
- Offer less 10 per cent.

The multiple basis approach involves more subjective inputs than the cost of recent investment and offer approaches and therefore presents a greater risk of over or under estimation. Key assumptions for the multiple basis approach are the selection of comparable companies and the use of either historic or forecast revenue or earnings, as considered most appropriate. Other assumptions include the appropriateness of the discount magnitude applied for reduced liquidity and other qualitative factors. These assumptions are described in more detail in note 2.3 in the Company's Report and Financial Statements for the year to 30 September 2024. The techniques used in the valuation of unquoted investments have not changed materially since the date of that report.

	Level 1	Level 2	Level 3		
	Traded on AIM £'000	Unquoted £'000	Collective investment vehicles £'000	Unquoted £'000	Total £'000
Opening book cost	64,469	-	66,213	64,011	194,693
Opening unrealised appreciation/(depreciation)	21,166	-	21,735	(9,425)	33,476
Opening fair value	85,635	-	87,948	54,586	228,169
Movements in the period:					
Transfer between levels	(5,623)	2,972	-	2,651	-
Purchases at cost	742	-	7,098	3,028	10,868
Sale - proceeds	(246)	-	(19,280)	(30)	(19,556)
Sale - realised (losses)/gains	(86)	-	(438)	30	(494)
Unrealised (losses)/gains realised	(2,790)	-	656	(72)	(2,206)

Decrease in unrealised appreciation	(1,032)	(2,478)	(4,690)	(3,818)	(12,018)
Closing fair value	76,600	494	71,294	56,375	204,763
Closing book cost	56,466	2,972	54,249	69,618	183,305
Closing unrealised appreciation/(depreciation)	20,134	(2,478)	17,045	(13,243)	21,458
Closing fair value	76,600	494	71,294	56,375	204,763
Equity shares	76,600	494	-	6,957	84,051
Preference shares	-	-	-	39,606	39,606
Loan notes	-	-	-	9,812	9,812
Collective investment vehicles	-	-	71,294	-	71,294
Closing fair value	76,600	494	71,294	56,375	204,763

In the 6 months ending 31 March 2025, two investments held, I-nexus Global plc and Merit Group plc previously Level 1 were transferred to Level 3 following their delistings from AIM.

One investment held, Scholium Group plc previously level 1 was transferred to level 2 as it is now being priced using JP Jenkins, a platform for trading unlisted assets, following its delisting from AIM.

Two investments held, Fulcrum Utility Services Ltd and LoopUp Group plc previously level 3 following their delistings from AIM were transferred to Level 2 as they are now being priced using JP Jenkins, a platform for trading unlisted assets.

6 Other required disclosures

6.1 Segmental reporting

The Company has one reportable segment being investing in primarily a portfolio of UK growth businesses, whether unquoted, traded on AIM or collective investment vehicles.

6.2 Principal risks and uncertainties

The Company's assets consist of equity and fixed interest investments, shares in collective investment schemes, cash and liquid resources. Its principal risks are therefore market risk, price risk, credit risk and liquidity risk. Other risks faced by the Company include loss of approval as a Venture Capital Trust, legislative, investment performance, economic, political and other external factors, regulatory and compliance and operational risks. These risks, and the way in which they are managed, are described in more detail in the principal risks and uncertainties table within the Strategic report section in the Company's Annual Report and Financial Statements for the year ended 30 September 2024. The Board continues to regularly review the risk environment in which the Company operates.

6.3 Related parties

Gresham House Asset Management Ltd (the "Manager") manages the investments of the Company. The Manager also provides or procures the provision of secretarial, accounting, administrative and custodian services to the Company. Under the management agreement, the Manager receives a fee of 2.5 per cent per annum of the net assets of the Company up to and including £209,658,860 (being the total net assets of the Company as at 30 September 2023) and 2.0 per cent per annum of the amount by which the net assets of the Company exceed £209,658,860. This is described in more detail under the heading 'The management agreement' within the Strategic Report in the Company's Annual Report and Financial Statements for the year ended 30 September 2024.

During the period, the Company incurred the following fees payable to the Manager:

	Six months to 31 March 2025 £'000	Six months to 31 March 2024 £'000	Year to 30 September 2024 £'000
Management fees	2,445	2,372	5,009
Secretarial and accounting fees	92	89	178
Performance fees	-	-	-

The performance fee is described in more detail under the heading 'Performance fees' within the Strategic Report in the Company's Annual Report and Financial Statements for the year to 30 September 2024.

Under the terms of an Offer for Subscription, launched on 13 January 2025, the Manager was entitled to fees of 4.50% of the investment amount received from investors. This amount totalled £161,000, out of which all the costs associated with the allotments were met.

6.4 Going concern

After making enquiries, and bearing in mind the nature of the Company's business and assets, the Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Directors have considered the Company's cash balances, the liquidity of the Company's investments and the absence of any gearing. The Directors are therefore also satisfied that the Company has adequate financial resources to continue in operation for at least the next 12 months and that, accordingly, it is appropriate to adopt the going concern basis in preparing the financial statements.

6.5 Post balance sheet events

The following events occurred between the balance sheet date and the signing of these financial statements:

- The 30 April 2025 NAV of 52.2p was announced on 7 May 2025 and the 31 May 2025 NAV of 54.1p was announced on 5 June 2025. At the date of publishing this report, the Board is unaware of any matter that will have caused the NAV per share to have changed significantly since the latest NAV.
- Issued 12.6mn Ordinary Shares of 10.0p on 3 April 2025 at an average price of 56.0p per share.
- Issued 1.2mn Ordinary Shares of 10.0p on 1 May 2025 at an average price of 53.2p per share.
- Three new investments, into Penfold Technology, Spinners and Nu Quantum, completed between April and May 2025, totalling £2.8mn.
- One follow-on investment, into Airfinity, completed in April 2025, totalling £0.4mn.
- Totally plc announced on 6 June 2025 their intention to appoint administrators and requested a suspension of trading in the company's shares with immediate effect.

Corporate Information

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Sarah Fromson (Chair)[†]
Adriana Stirling*
Graham McDonald^Δ
Tim Farazmand[#]

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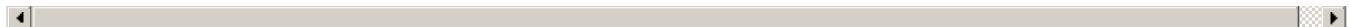
[†] Chair of the Nomination Committee.

* Chair of the Audit & Risk Committee.

^Δ Senior Independent Director

[#] Chair of the Management Engagement and Remuneration Committee.

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