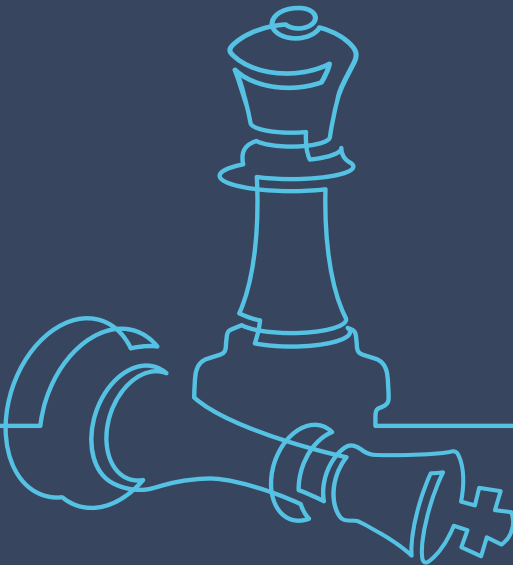


# Unaudited Half-Yearly Report

---

For the Six Months Ended 30 June 2023

Company No: 04221489



Seneca Growth Capital VCT Plc (the "Company") is a venture capital trust ("VCT") which aims to provide shareholders with attractive tax-free dividends and long-term capital growth, by investing in a diverse portfolio of both unquoted and AIM/AQSE quoted companies. The Company is managed by Seneca Partners Ltd ("Seneca" or the "Manager").

# Contents

<b>Financial Headlines</b> .....	<b>01</b>
Financial Summary .....	03
Chair's Statement .....	04
Investment Policy .....	08
Dividend Policy .....	08
<b>Investments</b> .....	<b>09</b>
Investment Portfolio – B Shares .....	10
Investment Portfolio – Ordinary Shares .....	12
Responsibility Statement .....	13
<b>Financial Statements</b> .....	<b>15</b>
Income Statement – Combined .....	16
Income Statement – Ordinary Shares .....	17
Income Statement – B Shares .....	18
Balance Sheet – Combined .....	19
Balance Sheet – Ordinary Shares .....	20
Balance Sheet – B Shares .....	21
Statement of Changes in Equity – Combined .....	22
Statement of Changes in Equity – Ordinary Shares .....	24
Statement of Changes in Equity – B Shares .....	26
Statement of Cash Flows – Combined .....	28
Statement of Cash Flows – Ordinary Shares .....	29
Statement of Cash Flows – B Shares .....	30
Notes to the Half-Yearly Report .....	31

# Financial Headlines

## B Shares

**69.4p**

Net Asset Value per share at 30 June 2023

**13.5p**

Cumulative dividends paid to date

**82.9p**

Total return per share since launch

## Ordinary Shares

**22.9p**

Net Asset Value per share at 30 June 2023

**73.3p**

Cumulative dividends paid to date

**96.2p**

Total return per share since launch

# Financial Summary

	Six months to 30 June 2023		Six months to 30 June 2022		Year to 31 December 2022	
	Ordinary share pool	B share pool	Ordinary share pool	B share pool	Ordinary share pool	B share pool
Net assets (£'000s)	<b>1,858</b>	<b>14,131</b>	2,426	14,966	3,008	15,122
Return on ordinary activities after tax (£'000s)	<b>(988)</b>	<b>(1,882)</b>	(731)	(1,809)	13	(2,762)
Earnings per share (p)	<b>(12.2)</b>	<b>(9.7)</b>	(9.0)	(11.5)	0.2	(16.5)
Net asset value per share (p)	<b>22.9</b>	<b>69.4</b>	29.9	87.5	37.1	80.7
Dividends paid since inception (p)	<b>73.25</b>	<b>13.50</b>	69.25	10.50	71.25	12.00
<b>Total return (NAV plus cumulative dividends paid) per share (p)</b>	<b>96.15</b>	<b>82.90</b>	99.15	98.00	108.35	92.70
<b>Dividends declared for the period (p)</b>	<b>2.0</b>	<b>1.5</b>	0.0	1.5	2.0	3.0

# Chair's Statement

I am pleased to present the unaudited results for the six months to 30 June 2023 and report on the continued progress of the Company. I would also like to welcome all new investors and thank existing shareholders who have continued to support the Company.

Investors will recall that the B share class is the more active of the Company's two share classes, with the Company's Investment Manager, Seneca, completing two further investments in the six months to 30 June 2023 totalling £0.9m. Seneca continues to raise funds under the current Offer and remains focused on securing further realisations for this share class. In parallel and in line with the investment strategy for the Ordinary share pool, the Board continues to seek opportunities to realise the Company's Ordinary share investments.

As announced on 18 May 2023 following the AGM at which Richard Roth did not seek re-election, I am delighted to welcome Mary Anne Cordeiro to the Board. Full details of her experience in VCTs and growth capital investment are included in the announcement. In addition, Alex Clarkson has been appointed Chair of the Audit Committee and Richard Manley has resigned from the Audit Committee so that the Audit Committee now consists of independent directors only.

## Key points in the period include:

- Continued fundraising for the Company's B share pool with a further 1,641,263 B shares allotted raising £1.2m;
- Deployment of £0.9m into two new investments from the B share pool;
- Successful realisation of B share holding in unquoted company Qudini Ltd;
- Payment of a further B share dividend of 1.5p per share taking the total B share dividends paid since launch to 13.5p per B share; and
- Payment of a further Ordinary share dividend of 2.0p per share.

The Company's B share pool has now raised a total of £19.6m and we expect to issue a further prospectus shortly to enable the Company to continue to raise funds for the ongoing development of the B share portfolio.

Further details in relation to the Company's B share and Ordinary share portfolios are set out below.

## B share portfolio

### Results

Due to continued softening in the AIM market, combined with the B share dividend paid during the period, the Company reports a reduction in the Net Asset Value ("NAV") per B share. Whilst the decrease in the B share NAV was driven principally by the reduction in the majority of bid prices for the B share pool's quoted investments, our relatively high percentage cash holding and unquoted company portfolio continues to dilute any such impact.

The B share pool held £5.2m in cash as at 30 June 2023 equivalent to 37% of the B share pool's NAV. As such, the Company's B share pool is well placed to take advantage of some of the current AIM quoted and private company investment opportunities being reviewed by Seneca.

The AIM market, known for the dynamic and entrepreneurial nature of the businesses seeking to be quoted there, continues to attract innovative and high-growth businesses. It remains an attractive route for many companies seeking capital to fuel their expansion plans and achieve their strategic objectives. Seneca remains committed to identifying and investing in the most attractive AIM quoted businesses which benefit from access to capital markets, improved liquidity, stronger reporting and governance requirements.

Seneca continues to believe that the recent softening in AIM prices can create attractive entry points for investors. As valuations adjust, the B share pool has the opportunity to acquire shares in promising companies at more favourable valuations, enhancing the potential for capital appreciation when market sentiment rebounds. Seneca also recognises the importance of a diversified portfolio in managing risk and delivering returns. Seneca continues to exercise a disciplined investment approach which focuses on carefully selecting a range of companies across sectors and equity types to give the Company access to the best possible opportunities to deliver returns to B shareholders.

**Portfolio review**

Key points for the Company's B share investment portfolio during the period include:

▶ **Two new investments totalling £0.9m:**



**Investment date:** March 2023

**New investment:** £376k

**Engage XR Holdings Plc ("Engage XR")**

Engage XR is a professional Metaverse platform used by large Fortune 500 companies looking for an immersive way to engage employees in remote events, training/ development and collaboration. The company raised €9.9 million which provides them with a robust cash runway through to 2025 when the company expects to hit profitability.



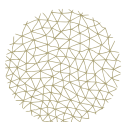
**Investment date:** April 2023

**Follow-on investment:** £500k

**Old St. Labs (t/a "Vizibl")**

The B share pool originally invested in Vizibl in March 2019. Vizibl provides cloud based supplier collaboration tools for large blue-chip customers. Despite macro-economic pressures, Vizibl has successfully grown their customer base in 2023 and increased annual recurring revenue. Our follow-on investment will help the company to embark on their next growth phase, which includes the development of a Decarbonisation-as-a-Service offering to help companies work with their suppliers to achieve their net-zero goals.

▶ **Whilst their carrying values remain unchanged in the period, a number of B share unquoted portfolio companies have made good progress in the period:**



**SolasCure**

**SolasCure**, an innovative chronic wound care business, successfully completed its first in-human clinical trial in H1 2023, reporting positive data for its lead asset Aurase. The company also completed a funding round totalling £2.3m in the period, providing a cash runway into 2024 and allowing sufficient time and headroom to assess strategic options off the back of the successful clinical trial.



**Fabacus**, a SaaS provider enabling global brands and retail platforms to eradicate counterfeit products and manage licenses, successfully completed an oversubscribed fund raise of £4.5m and continues to scale revenue.



**Bright Network**, the talent attraction and recruitment business focussed on the graduate sector, is projecting significant revenue growth over its current financial year as it continues international expansion and investment in its technology platform.

- ▶ Whilst the AIM market has remained subdued with a general softening of share prices, the B share pool has seen increases in three of the B share AIM quoted investee companies' share prices in the period:

The share prices for Celadon Pharmaceuticals Plc ("Celadon") and Poolbeg Pharma Plc ("Poolbeg") increased by 186% and 37% respectively in the period to 30 June 2023 with a 92% increase in the share price in the period for the B share pool's modest holding in Abingdon Health Plc.



**Celadon** obtained its pivotal Home Office licence in the period to become the first GMP registered UK pharmaceutical facility to grow and manufacture high THC cannabis and one of a small number of companies globally with the capability to produce an EU-GMP grade high-THC cannabinoid. The company held £5.1m of cash as at 31 December 2022 enabling it to deliver on its inaugural supply contract secured in May 2023.



**Poolbeg**, a leading biopharmaceutical company working to develop treatments for common and severe infectious diseases, such as the flu, announced positive results from its latest human challenge clinical trial for its lead asset which treats deadly systemic inflammatory responses seen in severe cases of disease. It is a groundbreaking treatment with wide ranging uses and the company remains well capitalised with a cash balance of £16.2m at the end of December 2022.

- ▶ Small AIM-listed businesses continue to experience significant economic pressures.

Twelve of our sixteen AIM quoted investee companies have decreased in value in the period as significant withdrawals from UK small cap markets continued in the period. Access to growth capital on the AIM market has been extremely difficult as a result of the 30% decline in the FTSE AIM All-Share Total Return index in 2022 (9% decline since 31 December 2022 to 30 June 2023) and the sharp decrease in IPO activity since 2021. It is therefore unsurprising that early-stage, high-growth businesses are struggling to generate value for shareholders against a rising tide of inflation, increased interest rates and high input costs such as wages and raw materials. That being said, we remain optimistic about the prospects of our AIM portfolio as we start to see signs of economic improvement as inflation appears to be slowing, stemming any need for further significant interest rate hikes, and the UK economy looks to be on track to avoid a recession. We believe that the Company's AIM and private company investment portfolios are well placed to provide investors with the ability to participate more directly in any market recovery as and when these positive trends begin to gain momentum. Despite the overall poor performance of the AIM market, Seneca continues to remain focused on achieving realisations for shareholders and I am pleased to report two further exits in the period.

- ▶ Two Exits:



The Company successfully exited B share portfolio holding in unquoted investee company **Qudini Ltd** in January 2023. This was the result of the sale of the company to US software business, Verint Systems, a leader in workforce engagement management. The consideration comprised an upfront payment equal to the B share pool's initial investment and the potential to receive up to a further 0.44x of the initial investment subject to Qudini's trading performance in the three years following the sale.



We have also received £0.28m as part of deferred consideration from our full exit of the B share pool holding in unquoted investee company **ADC Biotechnology Limited** which was acquired by **Sterling Pharma Solutions** in 2021. These additional proceeds, together with the initial payment of £0.27m equates to a total weighted average return of 3.6x on original investment cost. The further payment was contingent upon the company obtaining MHRA approval, which they were able to secure in April 2023.



## Ordinary share portfolio

### Results and Portfolio Review

There has been a reduction in the NAV per Ordinary share during the period principally as a result of the impact of a reduction in the share price of the Ordinary share pool's AIM quoted investment Scancell Holdings Plc ("Scancell"), combined with a dividend of 2.0p per Ordinary share.

Cumulative dividends per Ordinary share now total 73.3p which, when added to the 30 June 2023 NAV, results in a Total Return per Ordinary share of 96.2p as at 30 June 2023 (June 2022: 99.2p).

99% of the Ordinary share pool NAV as at 31 December 2022 was represented by the Ordinary share pool's two AIM quoted investments with Scancell Holdings Plc being the largest of these holdings representing 80% on its own. As such, the Ordinary share pool NAV moves in line with movement in the share prices of these two AIM quoted companies and in line with the Scancell share price in particular.

The bid price of Scancell continues to see significant volatility, with a decrease from 24p as at 31 December 2022 to 13p as at 30 June 2023. Arecor Therapeutics Plc has decreased slightly from 230p as at 31 December 2022 to 220p as at 30 June 2023.

The Ordinary share pool also held £0.2m in cash as at 30 June 2023. In line with the investment strategy for the Ordinary share pool, it retains a modest amount of cash to support investee companies in very limited circumstances but also to cover the Ordinary share pool's contribution to the running costs of the VCT. It remains our intention to continue to return the proceeds of any further realisations to shareholders via dividends.

## Fundraising

The Company has raised £19.6m to date for the B share pool, including £1.2m raised in the six-month period to 30 June 2023 under the current Offer.

The Company will shortly launch the next offer for B shares to raise a further £10 million (with an over-allotment facility of an additional £10 million) to enable Seneca to continue to increase the number and diversity of investments in the B share pool.

Information on how to invest under the current Offer can be found on the Company's website: [www.senecavct.co.uk/current-offer/](http://www.senecavct.co.uk/current-offer/).

Investors are recommended to consult their financial adviser before making any investments.

## Share buybacks

The Company operates a policy of buying back its own B shares that become available in the market at no more than a 5% discount to NAV (subject to liquidity and any regulatory restrictions). During the period, the Company purchased 19,860 shares (equal to 0.11% of the opening number of B shares in issue) at a price of 68.7p per share.

The Company does not currently operate a share buyback scheme for its Ordinary shares.

## Presentation of half-year report

As previously noted, in order to simplify this report and to reduce costs, we are making the half-year report available exclusively online and have omitted details of the Company's Advisers and Registrars and how to buy and sell shares in the Company. These details are all included in the latest Annual Report and can be accessed on the Company's website at [www.senecavct.co.uk](http://www.senecavct.co.uk) along with a copy of this report.

In order to ensure that shareholders receive regular information in respect of their investment in the Company, we intend to continue to provide a virtual presentation of the interim and annual results as well as a general portfolio update at least twice annually. The details of this year's virtual interim results shareholder update presentation will be announced via a regulatory news service (RNS) announcement on the London Stock Exchange and will be made available on our website in due course. Please visit [www.senecavct.co.uk](http://www.senecavct.co.uk) to find out more information.

## Pipeline and Outlook

We are satisfied with the progress of the B share pool and Seneca's continued efforts to support B share pool investee companies amidst challenging market conditions. This progress is reflected in the stability of the unquoted portfolio company valuations and the uplift in three quoted investee companies despite the overall 9% decrease in the FTSE AIM All-Share Total Return index from 1 January 2023 to 30 June 2023. We remain alert to AIM market sentiment in relation to the Company's quoted investments given the material impact they have on both share pools.

We maintain our confidence in the portfolio's potential to deliver attractive returns for B shareholders in the medium term. Additionally, we are pleased with the strides Seneca has made as the Investment Manager since their appointment in 2018. They have successfully developed a diverse portfolio of growth capital investments and facilitated several exits from the B share pool, which has contributed to enhancing the Company's reputation in the market.

Looking ahead to the next six months, we anticipate an increase in funds raised through the current B share Offer and the addition of new growth capital investments to the B share portfolio. Seneca has several investments in the later stages of due diligence, indicating their active pursuit of new opportunities. These plans demonstrate our commitment to further expanding the portfolio and capitalising on potential growth prospects.

We also continue to monitor the Ordinary share portfolio for opportunities to continue to provide profitable returns for Ordinary shareholders through dividends following the realisation of holdings.

**John Hustler**  
Chair  
2 August 2023

---

## Investment Policy

The Company's investment objective is to provide shareholders with an attractive income and capital return by investing its funds in a portfolio of both unquoted and AIM/AQSE quoted UK companies which meet the relevant criteria under the VCT rules.

The Company will target well managed businesses with strong leadership that can demonstrate established and proven concepts and which are seeking an injection of growth capital to support their continued development.

At least the minimum required percentage of the Company's assets will be invested in qualifying investments as required by the VCT rules, with the remainder held in cash and money market securities.

---

## Dividend Policy

The Company aims to maintain dividends of at least 3p per annum in relation to the Company's B shares with an ambition to increase this to c.5% per annum of the B share NAV by 2023. This ambition remains but of course is dependent on a number of factors including investment performance and in particular the performance of the B share pool's AIM quoted investments. The Company also seeks to return to Ordinary shareholders over time the proceeds from any Ordinary share pool realisations in the form of dividends or by means of a return of capital.

# Investments

# Investment Portfolio – B Shares

## Unquoted Investments

	Equity held %	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2023 £'000	Movement in the six months to 30 June 2023 £'000
Solascure Limited	2.3	750	333	1,083	-
Old St Labs Limited	2.2	1,000	-	1,000	-
Convenient Collect Ltd	5.8	716	-	716	-
Fabacus Holdings Limited	1.8	500	202	702	-
Alderley Lighthouse Labs Ltd	34.7	500	-	500	-
Bright Network (UK) Limited	1.7	235	222	457	-
Geomiq Ltd	1.1	334	-	334	-
Silkfred Limited	<1.0	500	(250)	250	-
Ten80 Group Limited	7.5	400	(400)	-	-
<b>Total unquoted investments</b>		<b>4,935</b>	<b>107</b>	<b>5,042</b>	<b>-</b>

## Quoted Investments

	Shares held	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2023 £'000	Movement in the six months to 30 June 2023 £'000
Poolbeg Pharma Plc	7,550,000	755	(143)	612	166
Arecor Therapeutics Plc	252,947	620	(64)	556	(25)
Oxford Biodynamics plc	3,500,000	700	(227)	473	(98)
Celadon Pharmaceuticals Plc	320,956	530	(71)	459	298
Polarean Imaging Plc	1,644,070	986	(601)	385	(517)
Engage XR Holdings Plc	9,391,704	376	(47)	329	(47)
Bidstack Group Plc	32,123,391	916	(674)	242	(641)
Northcoders Group plc	100,000	300	(66)	234	(66)
SkinBioTherapeutics Plc	1,857,107	297	(74)	223	(56)
Evgen Pharma Plc	5,000,000	400	(250)	150	(70)
ProBiotix Health Plc	3,722,445 <sup>1</sup>	778	(666)	112	(596)
Verici DX Plc	799,865	280	(192)	88	-
Gelion Plc	250,492	363	(298)	65	(58)
Aptamer Group Plc	495,726	580	(548)	32	(216)
OptiBiotix Health Plc <sup>2</sup>	350,000	103	(75)	28	(18)
Abingdon Health Plc	78,250	75	(66)	9	4
<b>Total quoted investments</b>		<b>8,059</b>	<b>(4,062)</b>	<b>3,997</b>	<b>(1,940)</b>
<b>Total investments</b>		<b>12,994</b>	<b>(3,955)</b>	<b>9,039</b>	<b>(1,940)</b>

<sup>1</sup> Includes 194,135 shares received as a dividend in specie on 31 March 2022 ("Dividend Shares") as a result of the spin out and listing on AQSE of the ProBiotix division of B share pool investee company OptiBiotix Health Plc ("OptiBio") as a standalone entity in addition to the 3,528,310 shares purchased by the B share pool as part of the same transaction. These Dividend Shares were received as a result of the B share pool's shareholding in OptiBio at the point of the ProBiotix IPO.

<sup>2</sup> The cost of the B share pool's remaining holding in OptiBio at the point of the ProBiotix IPO has been split between the Dividend Shares and the remaining OptiBio shares pro-rata to their respective values on 31 March 2022. As a result, the £140k original investment cost of the B share pool's remaining holding in OptiBio, has been reduced by the amount allocated to the Dividend Shares of £37k.

# Investment Portfolio – Ordinary Shares

## Unquoted Investments

	Equity held %	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2023 £'000	Movement in the six months to 30 June 2023 £'000
Fuel 3D Technologies Limited	<1.0	299	(240)	59	-
Insense Limited	4.6	509	(509)	-	-
OR Productivity Limited	7.9	765	(765)	-	-
Microarray Limited	1.8	132	(132)	-	-
ImmunoBiology Limited	1.2	868	(868)	-	-
<b>Total unquoted investments</b>		<b>2,573</b>	<b>(2,514)</b>	<b>59</b>	<b>-</b>

## Quoted Investments

	Shares held	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2023 £'000	Movement in the six months to 30 June 2023 £'000
Scancell Holdings Plc	10,000,000	605	695	1,300	(1,100)
Arecor Therapeutics Plc	223,977	227	266	493	(22)
<b>Total quoted investments</b>		<b>832</b>	<b>961</b>	<b>1,793</b>	<b>(1,122)</b>
<b>Total investments</b>		<b>3,405</b>	<b>(1,553)</b>	<b>1,852</b>	<b>(1,122)</b>

# Responsibility Statement

## Directors' Statement of Principal Risks and Uncertainties

The important events that have occurred during the period under review and the key factors influencing the financial statements are set out in the Chair's Statement on pages 4 to 8.

In accordance with DTR 4.2.7, the Directors consider that the principal risks and uncertainties facing the Company have not materially changed since the publication of the Annual Report and Accounts for the year ended 31 December 2022.

### The principal risks faced by the Company include, but are not limited to:

- VCT qualifying status risk
- Investment risk
- Financial risk
- Cash flow risk
- Liquidity risk
- Regulatory risk
- Reputational risk
- Internal control risk

A more detailed explanation of these risks and the way in which they are managed can be found in the Business Review on pages 34 to 38 and in the Notes to the Financial Statements on pages 78 to 92 of the 2022 Annual Report and Accounts – a copy of which can be found via the Company's website: [www.senecavct.co.uk](http://www.senecavct.co.uk).

## Macroeconomic Events

The military invasion of Ukraine by Russian forces has caused various countries to announce the imposition of sanctions on Russia. These sanctions have had an impact on the provision of, or access to, energy resources and may lead to further unpredictable reactions from Russia. There has already been a consequential impact on economic conditions globally as a result of these factors and others, including the costs of living and these could get worse. These could potentially impact labour costs for investee companies and the availability (and increased cost) of raw materials which may adversely affect the performance of some companies in which the Company has invested or may invest and may negatively impact on the number or quality of investment opportunities available to the Company. Interest rates may also continue to rise over the near term, which, together with higher than targeted inflation, may have an adverse effect on the Company's investee companies and, therefore, the performance of the Company and the returns for investors.

## Directors' Statement of Responsibilities in Respect of the Financial Statements

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, the Directors John Hustler (Chair), Richard Manley, Alex Clarkson (Chair of the Audit Committee) and Mary Anne Cordeiro confirm that to the best of their knowledge:

- the condensed set of financial statements, which have been prepared in accordance with FRS 104 "Interim Financial Reporting", give a true and fair view of the assets, liabilities, financial position and loss of the Company for the period ended 30 June 2023, as required by DTR 4.2.4;
- this half-yearly report includes a fair review of the information required as follows:
  - the interim management report included within the Chair's Statement and the Investment Portfolio Summary includes a fair review of the information required by DTR 4.2.7 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 facing the Company for the remaining six months of the year; and
  - the related party transactions in the first six months of the current financial year are disclosed in note 6 in accordance with DTR 4.2.8.

In accordance with the UK Code and in compliance with the provisions of the AIC Code, Richard Manley, CEO of the Investment Manager, has stepped down from the Audit Committee to ensure that all members of the Audit Committee are independent non-executive directors. As such, the Audit Committee now consists of John Hustler (Chair), Alex Clarkson (Chair of the Audit Committee) and Mary Anne Cordeiro.

## Cautionary Statement

This report may contain forward looking statements regarding the financial condition and results of the Company, which are made in the light of current economic and business circumstances. Nothing in this report should be construed as a profit forecast.

This half-yearly report was approved by the Board of Directors on 2 August 2023 and the above responsibility statement was signed on its behalf by:

**John Hustler**  
Chair  
2 August 2023



# Financial Statements

# Income Statement – Combined

	Combined Six months to 30 June 2023			Combined Six months to 30 June 2022			Combined Year to 31 December 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain on disposal of fixed asset investments	-	279	279	-	209	209	-	290	290
Loss on valuation of fixed asset investments	-	(3,062)	(3,062)	-	(2,620)	(2,620)	-	(2,554)	(2,554)
Income	-	-	-	-	-	-	-	-	-
Performance fee	-	152	152	-	113	113	-	(2)	(2)
Investment management fee net of cost cap	(29)	(88)	(117)	(34)	(103)	(137)	(70)	(215)	(285)
Other expenses	(122)	-	(122)	(105)	-	(105)	(198)	-	(198)
<b>Return on ordinary activities before tax</b>	<b>(151)</b>	<b>(2,719)</b>	<b>(2,870)</b>	<b>(139)</b>	<b>(2,401)</b>	<b>(2,540)</b>	<b>(268)</b>	<b>(2,481)</b>	<b>(2,749)</b>
Taxation on return on ordinary activities	-	-	-	-	-	-	-	-	-
<b>Return on ordinary activities after tax</b>	<b>(151)</b>	<b>(2,719)</b>	<b>(2,870)</b>	<b>(139)</b>	<b>(2,401)</b>	<b>(2,540)</b>	<b>(268)</b>	<b>(2,481)</b>	<b>(2,749)</b>

There was no other Comprehensive Income recognised during the period.

- The 'Total' column of the Income Statement is the profit and loss account of the Company; the supplementary revenue return and capital return columns have been prepared under guidance published by the Association of Investment Companies.
- All revenue and capital items in the above statement derive from continuing operations.
- The Company has only one class of business and derives its income from investments made in shares and securities and from bank and money market funds.

The Company has no recognised gains or losses other than the results for the period as set out above.

The accompanying notes are an integral part of the Financial Statements.

# Income Statement – Ordinary Shares

	Ordinary shares Six months to 30 June 2023			Ordinary shares Six months to 30 June 2022			Ordinary shares Year to 31 December 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain on disposal of fixed asset investments	-	-	-	-	23	23	-	86	86
Loss on valuation of fixed asset investments	-	(1,122)	(1,122)	-	(854)	(854)	-	(43)	(43)
Income	-	-	-	-	-	-	-	-	-
Performance fee	-	152	152	-	113	113	-	(2)	(2)
Investment management fee net of cost cap	-	-	-	-	-	-	-	-	-
Other expenses	(18)	-	(18)	(13)	-	(13)	(28)	-	(28)
<b>Return on ordinary activities before tax</b>	<b>(18)</b>	<b>(970)</b>	<b>(988)</b>	(13)	(718)	(731)	(28)	41	13
Taxation on return on ordinary activities	-	-	-	-	-	-	-	-	-
<b>Return on ordinary activities after tax</b>	<b>(18)</b>	<b>(970)</b>	<b>(988)</b>	(13)	(718)	(731)	(28)	41	13
<b>Earnings per share – basic and diluted</b>	<b>(0.2p)</b>	<b>(12.0p)</b>	<b>(12.2p)</b>	(0.2p)	(8.8p)	(9.0p)	(0.3p)	0.5p	0.2p

# Income Statement – B Shares

	B shares Six months to 30 June 2023			B shares Six months to 30 June 2022			B shares Year to 31 December 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain on disposal of fixed asset investments	-	279	279	-	186	186	-	204	204
Loss on valuation of fixed asset investments	-	(1,940)	(1,940)	-	(1,766)	(1,766)	-	(2,511)	(2,511)
Income	-	-	-	-	-	-	-	-	-
Performance fee	-	-	-	-	-	-	-	-	-
Investment management fee net of cost cap	(29)	(88)	(117)	(34)	(103)	(137)	(70)	(215)	(285)
Other expenses	(104)	-	(104)	(92)	-	(92)	(170)	-	(170)
<b>Return on ordinary activities before tax</b>	<b>(133)</b>	<b>(1,749)</b>	<b>(1,882)</b>	<b>(126)</b>	<b>(1,683)</b>	<b>(1,809)</b>	<b>(240)</b>	<b>(2,522)</b>	<b>(2,762)</b>
Taxation on return on ordinary activities	-	-	-	-	-	-	-	-	-
<b>Return on ordinary activities after tax</b>	<b>(133)</b>	<b>(1,749)</b>	<b>(1,882)</b>	<b>(126)</b>	<b>(1,683)</b>	<b>(1,809)</b>	<b>(240)</b>	<b>(2,522)</b>	<b>(2,762)</b>
<b>Earnings per share – basic and diluted</b>	<b>(0.7p)</b>	<b>(9.0p)</b>	<b>(9.7p)</b>	<b>(0.8p)</b>	<b>(10.7p)</b>	<b>(11.5p)</b>	<b>(1.4p)</b>	<b>(15.1p)</b>	<b>(16.5p)</b>

# Balance Sheet – Combined

	Combined As at 30 June 2023		Combined As at 30 June 2022		Combined As at 31 December 2022	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		10,891	10,047		13,576	
Current assets:						
Cash at bank and in hand	5,425		7,726		5,065	
Debtors	10		8		10	
	5,435		7,734		5,075	
Creditors: amounts falling due within one year	(136)		(150)		(168)	
<b>Net current assets</b>		5,299	7,584		4,907	
Creditors: amounts falling due after more than one year						
Performance fee payable	(201)		(239)		(353)	
<b>Net assets</b>		15,989	17,392		18,130	
Called up equity share capital	285		252		269	
Share premium	15,729		13,139		14,537	
Special distributable reserve	5,163		6,110		5,642	
Capital redemption reserve	-		-		-	
Capital reserve – gains on disposal	2,056		2,889		2,113	
Capital reserve – holding losses	(4,344)		(2,378)		(1,682)	
Revenue reserve	(2,900)		(2,620)		(2,749)	
<b>Total equity shareholders' funds</b>		15,989	17,392		18,130	

\*At fair value through profit and loss

# Balance Sheet – Ordinary Shares

	Ordinary shares As at 30 June 2023		Ordinary shares As at 30 June 2022		Ordinary shares As at 31 December 2022	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		1,852	2,360		2,974	
Current assets:						
Cash at bank and in hand	229		327		409	
Debtors	-		-		-	
	229		327		409	
Creditors: amounts falling due within one year	(22)		(22)		(22)	
<b>Net current assets</b>		<b>207</b>	305		387	
Creditors: amounts falling due after more than one year						
Performance fee payable	(201)		(239)		(353)	
<b>Net assets</b>		<b>1,858</b>	2,426		3,008	
Called up equity share capital	81		81		81	
Share premium	-		-		-	
Special distributable reserve	3,436		3,760		3,598	
Capital redemption reserve	-		-		-	
Capital reserve – gains on disposal	1,137		1,667		985	
Capital reserve – holding (losses)/gains	(789)		(1,108)		333	
Revenue reserve	(2,007)		(1,974)		(1,989)	
<b>Total equity shareholders' funds</b>		<b>1,858</b>	2,426		3,008	
<b>Net asset value per share</b>		<b>22.9p</b>	29.9p		37.1p	

\*At fair value through profit and loss

# Balance Sheet – B Shares

	B shares As at 30 June 2023		B shares As at 30 June 2022		B shares As at 31 December 2022	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		9,039	7,687		10,602	
Current assets:						
Cash at bank and in hand	5,196		7,399		4,656	
Debtors	10		8		10	
	5,206		7,407		4,666	
Creditors: amounts falling due within one year	(114)		(128)		(146)	
<b>Net current assets</b>		<b>5,092</b>	<b>7,279</b>		<b>4,520</b>	
Creditors: amounts falling due after more than one year						
Performance fee payable		-	-		-	
<b>Net assets</b>		<b>14,131</b>	<b>14,966</b>		<b>15,122</b>	
Called up equity share capital		204	171		188	
Share premium		15,729	13,139		14,537	
Special distributable reserve		1,727	2,350		2,044	
Capital redemption reserve		-	-		-	
Capital reserve – gains on disposal		919	1,222		1,128	
Capital reserve – holding losses		(3,555)	(1,270)		(2,015)	
Revenue reserve		(893)	(646)		(760)	
<b>Total equity shareholders' funds</b>		<b>14,131</b>	<b>14,966</b>		<b>15,122</b>	
<b>Net asset value per share</b>		<b>69.4p</b>	<b>87.5p</b>		<b>80.7p</b>	

\*At fair value through profit and loss

# Statement of Changes in Equity

## – Combined

	Share capital	Share premium	Capital redemption reserve	Special distributable reserve	Capital reserve gains/ (losses)	Capital reserve holding gains/ (losses)	Revenue reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>As at 1 January 2022</b>	<b>227</b>	<b>10,738</b>	<b>-</b>	<b>6,367</b>	<b>2,639</b>	<b>273</b>	<b>(2,481)</b>	<b>17,763</b>
B share issue	25	2,426	-	-	-	-	-	2,451
Own shares purchased for cancellation	-	(25)	-	-	-	-	-	(25)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(139)	(139)
Expenses charged to capital	-	-	-	-	(103)	-	-	(103)
Performance fee allocated as capital expenditure	-	-	-	-	113	-	-	113
Dividends paid	-	-	-	(257)	-	-	-	(257)
Current period gains on disposal	-	-	-	-	209	-	-	209
Current period losses on fair value of investments	-	-	-	-	-	(2,620)	-	(2,620)
Prior years' unrealised losses now realised	-	-	-	-	31	(31)	-	-
<b>Balance as at 30 June 2022</b>	<b>252</b>	<b>13,139</b>	<b>-</b>	<b>6,110</b>	<b>2,889</b>	<b>(2,378)</b>	<b>(2,620)</b>	<b>17,392</b>
<b>As at 1 January 2022</b>	<b>227</b>	<b>10,738</b>	<b>-</b>	<b>6,367</b>	<b>2,639</b>	<b>273</b>	<b>(2,481)</b>	<b>17,763</b>
B share issue	42	3,799	-	-	-	-	-	3,841
Own shares purchased for cancellation	-	-	-	(25)	-	-	-	(25)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(268)	(268)
Expenses charged to capital	-	-	-	-	(215)	-	-	(215)
Performance fee allocated as capital expenditure	-	-	-	-	(2)	-	-	(2)
Dividends Paid	-	-	-	(700)	-	-	-	(700)
Current period gains on disposal	-	-	-	-	290	-	-	290
Current period losses on fair value of investments	-	-	-	-	-	(2,554)	-	(2,554)
Prior years' unrealised losses now realised	-	-	-	-	(599)	599	-	-

Continues on next page



## Statement of Changes in Equity - Combined continued

	Share capital	Share premium	Capital redemption reserve	Special distributable reserve	Capital reserve gains/ (losses)	Capital reserve holding gains/ (losses)	Revenue reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31 December 2022</b>	<b>269</b>	<b>14,537</b>	<b>-</b>	<b>5,642</b>	<b>2,113</b>	<b>(1,682)</b>	<b>(2,749)</b>	<b>18,130</b>
B share issue	16	1,192	-	-	-	-	-	1,208
Own shares purchased for cancellation	-	-	-	(14)	-	-	-	(14)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(151)	(151)
Expenses charged to capital	-	-	-	-	(88)	-	-	(88)
Performance fee allocated as capital expenditure	-	-	-	-	152	-	-	152
Dividends Paid	-	-	-	(465)	-	-	-	(465)
Current period gains on disposal	-	-	-	-	279	-	-	279
Current period losses on fair value of investments	-	-	-	-	-	(3,062)	-	(3,062)
Prior years' unrealised losses now realised	-	-	-	-	(400)	400	-	-
<b>Balance as at 30 June 2023</b>	<b>285</b>	<b>15,729</b>	<b>-</b>	<b>5,163</b>	<b>2,056</b>	<b>(4,344)</b>	<b>(2,900)</b>	<b>15,989</b>

# Statement of Changes in Equity

## – Ordinary Shares

	Share capital	Share premium	Capital redemption reserve	Special distributable reserve	Capital reserve gains/ (losses)	Capital reserve holding gains/ (losses)	Revenue reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>As at 1 January 2022</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>3,760</b>	<b>1,531</b>	<b>(254)</b>	<b>(1,961)</b>	<b>3,157</b>
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(13)	(13)
Expenses charged to capital	-	-	-	-	-	-	-	-
Performance fee allocated as capital expenditure	-	-	-	-	113	-	-	113
Dividends paid	-	-	-	-	-	-	-	-
Current period gains on disposal	-	-	-	-	23	-	-	23
Current period losses on fair value of investments	-	-	-	-	-	(854)	-	(854)
Prior years' unrealised profits now realised	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2022</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>3,760</b>	<b>1,667</b>	<b>(1,108)</b>	<b>(1,974)</b>	<b>2,426</b>
<b>As at 1 January 2022</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>3,760</b>	<b>1,531</b>	<b>(254)</b>	<b>(1,961)</b>	<b>3,157</b>
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(28)	(28)
Expenses charged to capital	-	-	-	-	-	-	-	-
Performance fee allocated as capital expenditure	-	-	-	-	(2)	-	-	(2)
Dividends Paid	-	-	-	(162)	-	-	-	(162)
Current period gains on disposal	-	-	-	-	86	-	-	86
Current period losses on fair value of investments	-	-	-	-	-	(43)	-	(43)
Prior years' unrealised losses now realised	-	-	-	-	(630)	630	-	-

Continues on next page

## Statement of Changes in Equity - Ordinary Shares continued

	Share capital	Share premium	Capital redemption reserve	Special distributable reserve	Capital reserve gains/(losses)	Capital reserve holding gains/(losses)	Revenue reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31 December 2022</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>3,598</b>	<b>985</b>	<b>333</b>	<b>(1,989)</b>	<b>3,008</b>
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(18)	(18)
Expenses charged to capital	-	-	-	-	-	-	-	-
Performance fee allocated as capital expenditure	-	-	-	-	152	-	-	152
Dividends Paid	-	-	-	(162)	-	-	-	(162)
Current period gains on disposal	-	-	-	-	-	-	-	-
Current period losses on fair value of investments	-	-	-	-	-	(1,122)	-	(1,122)
Prior years' unrealised profits now realised	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2023</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>3,436</b>	<b>1,137</b>	<b>(789)</b>	<b>(2,007)</b>	<b>1,858</b>

# Statement of Changes in Equity

## – B Shares

	Share capital	Share premium	Capital redemption reserve	Special distributable reserve	Capital reserve gains/(losses)	Capital reserve holding gains/(losses)	Revenue reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>As at 1 January 2022</b>	<b>146</b>	<b>10,738</b>	-	<b>2,607</b>	<b>1,108</b>	<b>527</b>	<b>(520)</b>	<b>14,606</b>
B share issue	25	2,426	-	-	-	-	-	2,451
Own shares purchased for cancellation	-	(25)	-	-	-	-	-	(25)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(126)	(126)
Expenses charged to capital	-	-	-	-	(103)	-	-	(103)
Performance fee allocated as capital expenditure	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	(257)	-	-	-	(257)
Current period gains on disposal	-	-	-	-	186	-	-	186
Current period losses on fair value of investments	-	-	-	-	-	(1,766)	-	(1,766)
Prior years' unrealised gains now realised	-	-	-	-	31	(31)	-	-
<b>Balance as at 30 June 2022</b>	<b>171</b>	<b>13,139</b>	-	<b>2,350</b>	<b>1,222</b>	<b>(1,270)</b>	<b>(646)</b>	<b>14,966</b>
<b>As at 1 January 2022</b>	<b>146</b>	<b>10,738</b>	-	<b>2,607</b>	<b>1,108</b>	<b>527</b>	<b>(520)</b>	<b>14,606</b>
B share issue	42	3,799	-	-	-	-	-	3,841
Own shares purchased for cancellation	-	-	-	(25)	-	-	-	(25)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(240)	(240)
Performance fee allocated as capital expenditure	-	-	-	-	-	-	-	-
Expenses charged to capital	-	-	-	-	(215)	-	-	(215)
Dividends Paid	-	-	-	(538)	-	-	-	(538)
Current period gains on disposal	-	-	-	-	204	-	-	204
Current period losses on fair value of investments	-	-	-	-	-	(2,511)	-	(2,511)
Prior years' unrealised profits now realised	-	-	-	-	31	(31)	-	-

*Prior years' unrealised profits now realised*

## Statement of Changes in Equity - B Shares continued

	Share capital	Share premium	Capital redemption reserve	Special distributable reserve	Capital reserve gains/ (losses)	Capital reserve holding gains/ (losses)	Revenue reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance as at 31 December 2022</b>	<b>188</b>	<b>14,537</b>	<b>-</b>	<b>2,044</b>	<b>1,128</b>	<b>(2,015)</b>	<b>(760)</b>	<b>15,122</b>
B share issue	16	1,192	-	-	-	-	-	1,208
Own shares purchased for cancellation	-	-	-	(14)	-	-	-	(14)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(133)	(133)
Expenses charged to capital	-	-	-	-	(88)	-	-	(88)
Performance fee allocated as capital expenditure	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	(303)	-	-	-	(303)
Current period gains on disposal	-	-	-	-	279	-	-	279
Current period losses on fair value of investments	-	-	-	-	-	(1,940)	-	(1,940)
Prior years' unrealised losses now realised	-	-	-	-	(400)	400	-	-
<b>Balance as at 30 June 2023</b>	<b>204</b>	<b>15,729</b>	<b>-</b>	<b>1,727</b>	<b>919</b>	<b>(3,555)</b>	<b>(893)</b>	<b>14,131</b>

# Statement of Cash Flows

## – Combined

	<b>Combined Six months to 30 June 2023</b>	Combined Six months to 30 June 2022	Combined Year to 31 December 2022
	<b>£'000</b>	£'000	£'000
Cash flows from operating activities:			
Return on ordinary activities before tax	<b>(2,870)</b>	(2,540)	(2,749)
Adjustments for:			
Decrease/(increase) in debtors	-	1	(1)
(Decrease)/increase in creditors	<b>(185)</b>	(130)	5
Gain on disposal of fixed asset investments	-	(209)	(290)
Loss on valuation of fixed asset investments	<b>3,062</b>	2,620	2,554
<b>Cash from operations</b>	<b>7</b>	(258)	(481)
Income taxes paid	-	-	-
<b>Net cash received/(used) in operating activities</b>	<b>7</b>	(258)	(481)
Cash flows from investing activities:			
Purchase of fixed asset investments	<b>(876)</b>	(2,050)	(5,920)
Sale of fixed asset investments	<b>500</b>	760	1,245
<b>Total cash outflow from investing activities</b>	<b>(376)</b>	(1,290)	(4,675)
Cash flows from financing activities:			
Dividends paid	<b>(465)</b>	(257)	(700)
Issue of B shares	<b>1,208</b>	2,451	3,841
Purchase of own shares for cancellation	<b>(14)</b>	(25)	(25)
Awaiting B share issue	-	-	-
<b>Total cash inflow from financing activities</b>	<b>729</b>	2,169	3,116
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>360</b>	621	(2,040)
Opening cash and cash equivalents	<b>5,065</b>	7,105	7,105
<b>Closing cash and cash equivalents</b>	<b>5,425</b>	7,726	5,065

# Statement of Cash Flows

## – Ordinary Shares

	Ordinary shares Six months to 30 June 2023	Ordinary shares Six months to 30 June 2022	Ordinary shares Year to 31 December 2022
	£'000	£'000	£'000
Cash flows from operating activities:			
Return on ordinary activities before tax	(988)	(731)	13
Adjustments for:			
Decrease/(increase) in debtors	-	-	-
(Decrease)/increase in creditors	(152)	(114)	2
Gain on disposal of fixed asset investments	-	(23)	(86)
Loss on valuation of fixed asset investments	1,122	854	43
<b>Cash from operations</b>	<b>(18)</b>	<b>(14)</b>	<b>(28)</b>
Income taxes paid	-	-	-
<b>Net cash used in operating activities</b>	<b>(18)</b>	<b>(14)</b>	<b>(28)</b>
Cash flows from investing activities:			
Purchase of fixed asset investments	-	-	-
Sale of fixed asset investments	-	23	281
<b>Total cash (outflow)/inflow from investing activities</b>	<b>(18)</b>	<b>23</b>	<b>281</b>
Cash flows from financing activities:			
Dividend paid	(162)	-	(162)
<b>Total cash outflow</b>	<b>(180)</b>	<b>-</b>	<b>(162)</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(180)</b>	<b>9</b>	<b>91</b>
Opening cash and cash equivalents	409	318	318
<b>Closing cash and cash equivalents</b>	<b>229</b>	<b>327</b>	<b>409</b>

# Statement of Cash Flows

## – B Shares

	<b>B shares Six months to 30 June 2023</b>	B shares Six months to 30 June 2022	B shares Year to 31 December 2022
	<b>£'000</b>	£'000	£'000
Cash flows from operating activities:			
Return on ordinary activities before tax	<b>(1,882)</b>	(1,809)	(2,762)
Adjustments for:			
Decrease/(increase) in debtors	-	1	(1)
(Decrease)/increase in creditors	<b>(33)</b>	(16)	3
Gain on disposal of fixed asset investments	-	(186)	(204)
Loss on valuation of fixed asset investments	<b>1,940</b>	1,766	2,511
<b>Cash from operations</b>	<b>25</b>	(244)	(453)
Income taxes paid	-	-	-
<b>Net cash received/(used) in operating activities</b>	<b>25</b>	(244)	(453)
Cash flows from investing activities:			
Purchase of fixed asset investments	<b>(876)</b>	(2,050)	(5,920)
Sale of fixed asset investments	<b>500</b>	737	964
<b>Total cash outflow from investing activities</b>	<b>(376)</b>	(1,313)	(4,956)
Cash flows from financing activities:			
Dividends paid	<b>(303)</b>	(257)	(538)
Issue of B shares	<b>1,208</b>	2,451	3,841
Purchase of own shares for cancellation	<b>(14)</b>	(25)	(25)
Awaiting B share issue	-	-	-
<b>Total cash inflow from financing activities</b>	<b>891</b>	2,169	3,278
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>540</b>	612	(2,131)
Opening cash and cash equivalents	<b>4,656</b>	6,787	6,787
<b>Closing cash and cash equivalents</b>	<b>5,196</b>	7,399	4,656



# Notes to the Half-Yearly Report

## 1. Basis of preparation

The unaudited half-yearly results which cover the six months to 30 June 2023 have been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard 104 Interim Financial Reporting ('FRS 104') and the Statement of Recommended Practice (SORP) 'Financial Statements of Investment Trust Companies and Venture Capital Trusts (revised 2021)'. The principal accounting policies and valuation methodologies have remained unchanged from those set out in the Company's 2022 Annual Report on pages 78 to 92.

The Directors believe that, as no material uncertainties leading to significant doubt about going concern have been identified, it is appropriate to continue to adopt the going concern basis over a period of at least twelve months from when the financial statements are authorised for issue. In assessing the Company's ability to continue as a going concern, the Board has taken into account the current economic environment, including the potential impact of the war in Ukraine and rising inflation.

## 2. Publication of non-statutory accounts

The unaudited half-yearly results for the six months ended 30 June 2023 do not constitute statutory accounts within the meaning of Section 415 of the Companies Act 2006. The comparative figures for the year ended 31 December 2022 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditor's report on those financial statements, in accordance with chapter 3, part 16 of the Companies Act 2006, was unqualified. This half-yearly report has not been reviewed by the Company's auditor.

## 3. Earnings per share

The earnings per Ordinary share at 30 June 2023 is calculated on the basis of 8,115,376 shares (31 December 2022: 8,115,376 and 30 June 2022: 8,115,376) being the weighted average number of shares in issue during the period.

The earnings per B share at 30 June 2023 is calculated on the basis of 19,398,249 (31 December 2022: 16,694,546 and 30 June 2022: 15,740,900) being the weighted average number of shares in issue during the period.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted returns per share figures are relevant.

## 4. Net asset value per share

The net asset value per Ordinary share is based on Ordinary share pool net assets as at 30 June 2023 divided by 8,115,376 (31 December 2022: 8,115,376 and 30 June 2022: 8,115,376) Ordinary shares in issue at that date.

The net asset value per B share is based on B share net assets as at 30 June 2023 divided by 20,370,962 (31 December 2022: 18,749,559 and 30 June 2022: 17,095,683) B shares in issue at that date.

## 5. Principal risks and uncertainties

The Company's assets consist of equity and fixed interest investments, cash and liquid resources. Its principal risks are therefore market risk, credit risk and liquidity risk. Other risks faced by the Company include economic, loss of approval as a Venture Capital Trust, investment and strategic, regulatory, reputational, operational and financial risks. These risks, and the way in which they are managed, are described in more detail in the Company's Annual Report and Accounts for the year ended 31 December 2022.

In addition to the above, the Company is also facing risks resulting from the impact of macroeconomic events and inflationary pressures. The Company's Board and Investment Manager are focused on ensuring that investee companies are taking the required actions to minimise the potential impact that the war in Ukraine, high inflation and subsequent market headwinds could have on them.

The Board and Seneca will continue to review risks posed by these macroeconomic events and keep those risks under regular review.

## 6. Related party transactions

Certain Directors are entitled to participate in a performance bonus as detailed in note 5 of the Annual Report. Those Directors are entitled to receive a performance incentive fee, of up to 20% of sums returned to shareholders by way of dividends and capital distributions of whatever nature, which in aggregate exceeds the sum of 80p per share (including dividends paid to date, i.e. 73.25p per Ordinary share, but excluding any sums returned to shareholders from HMRC in the year of subscription). Full details are included in the Directors' Remuneration Report and in notes 4 and 5 of the 2022 Annual Report and Accounts, which can be viewed on the Company's website.

The management fee payable to Seneca is calculated as 2% of the weighted average net assets of the B share portfolio. As a result, Seneca would have earned £148k in management fees in the current period, however this is reduced to £118k as a result of the 3% cost cap (31 December 2022: reduced to £289k, 30 June 2022: reduced to £137k).

Seneca accrued £4.5k (30 June 2022: £4.5k) in accounting and administration service fees from the Company and an accrual of £7.7k (30 June 2022: £7.5k) is also included in the period for Richard Manley's Director's Fee following the increase in Directors' remuneration to £17.5k per annum for all non-executive Directors with effect from 18 May 2023. Seneca also accrued £39k (30 June 2022: £20k) in transaction fees, monitoring and directors' fees from investee companies in the period. Seneca may also become entitled to a performance fee. See note 2 to the Annual Report for more information on these fees.

As detailed in the offer for subscription document dated 26 August 2022, Seneca (as promoters of the Offer) are entitled to charge the Company up to 5.5% of investors' subscriptions. A total of £24k has been paid to Seneca for the period ended 30 June 2023 (31 December 2022: £23k, 30 June 2022: £13k).

## 7. Events after the Balance Sheet Date

Two follow-on investments were made by the B share pool in two unquoted investee companies in July 2023. The Company invested £85k into B share portfolio company Alderley Lighthouse Labs as part of a £1,000k funding round and £359k into B share portfolio company Bright Network (UK) Ltd as part of a £5,300k funding round.

The Company also achieved a further exit in the period with the partial realisation of OptiBiotix plc in July 2023. The Company sold 125,000 shares at a 1.4x return. The B share pool has a remaining stake of 225,000 shares in OptiBiotix plc.

## 8. Further Information

Copies of this statement are available on the Company's website – [www.senecavct.co.uk](http://www.senecavct.co.uk).

S



Seneca Growth Capital VCT Plc  
9 The Parks, Haydock, WA12 0JQ

[www.senecavct.co.uk](http://www.senecavct.co.uk)