



## Brochure

Offer for Subscription to raise up to £10 million of B Shares with an over-allotment facility of up to a further £10 million



# Important Information and Risk Factors

## Important Notice

This brochure constitutes a financial promotion, issued by Seneca Partners Limited (“Seneca” or “we”), the Manager of Seneca Growth Capital VCT Plc (“Company”). Seneca is authorised and regulated by the Financial Conduct Authority (FRN 583361). This brochure is not a prospectus, it is an advertisement. The offer described herein is only available pursuant to the terms of a prospectus dated 24 August 2023 (the “Prospectus”) which has been published by the Company and is available from [www.senecavct.co.uk](http://www.senecavct.co.uk) under Current Offer. Investors must not subscribe for any Shares offered by the Company except on the basis of the information in the Prospectus. All capitalised terms used herein are as defined in the Prospectus.

- There can be no guarantee that the Company will retain its status as a VCT, the loss of which could lead to adverse tax consequences for Investors, including a requirement to repay the 30% income tax relief. The tax rules, or their interpretation, in relation to an investment in the Company and/or the rates of tax may change during the life of the Company and may apply retrospectively which could affect tax reliefs obtained by Shareholders and the VCT status of the Company.
- Although the Company may receive customary venture capital rights in connection with its investments, as a minority Investor it will not be in a position to protect its interests fully.

## What are the key risks that are specific to the securities?

### What are the key risks that are specific to the Issuer?

- The value of the Shares and the income from them can fluctuate and Investors may not get back the amount invested. Investment in smaller and unquoted companies involves a higher degree of risk than investment in larger companies and those traded on the main market of the London Stock Exchange. In addition, there is no certainty that the market price of the Shares will fully reflect the underlying Net Asset Value, and that Shareholders will be able to realise their shareholding or that dividends will be paid.
- VCTs may only invest in companies which pass a “risk to capital” gateway test requiring the investee company to have long term growth and development objectives and for the investment to carry a significant risk that invested capital will be lost over and above the net return to the Company. This test inherently increases the risk profile of companies in which the Company can invest going forward and stands in contrast to those in which the Company has historically invested, many of which may not have passed this gateway test due to their ownership of significant assets or their enjoyment of secured income streams.

- Although the B Shares will be listed on the London Stock Exchange, it is highly unlikely that a liquid market in these Shares will develop as the initial VCT income tax relief is only available to those subscribing for new shares. It may, therefore, prove difficult for Shareholders to sell their Shares and there is no guarantee that the market price of the Shares will fully reflect their underlying NAV.
- If a qualifying Investor disposes of his or her Offer Shares within five years of issue, he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed.
- Shareholders should note that if they have sold, or if they sell, any Shares in the Company within six months either side of the subscription for Offer Shares, then for the purposes of calculating the tax relief on the Offer Shares the subscribed amount must be reduced by the amount received from the sale.

## Seneca Growth Capital VCT 2023/2024 Offer at a glance\*

### Key Dates

Deadline for receipt of Applications for the 2023/24 tax year is noon on 4 April 2024 with an allotment date no later than 5 April 2024

Deadline for receipt of Applications for the 2024/25 tax year is noon on 15 August 2024 with a final allotment date no later than 16 August 2024

### Minimum Investment

One-off investment: £3,000  
Monthly investment: £500 per month

### Holding Period

Minimum 5 years for tax reliefs

### Buy Back

Buy back policy 5% discount to NAV

### Target Annual Dividend

3p per annum. We have previously communicated our ambition to increase dividends to 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.

### VCT Manager

Seneca is an award winning, multi-disciplined, regional growth capital investor targeting well managed businesses with strong leadership teams that can demonstrate established and proven concepts in addition to growth potential and targeting a minimum 2x return on investment for each investee company. Seneca is a generalist investor in both private and AIM quoted companies.

*\* Full information is contained in the Seneca Growth Capital VCT Plc Prospectus. Target returns are not guaranteed. You may lose some or all of the money you invest.*

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# VCTs in a Nutshell



## Launched in 1995

First launched in 1995 to provide capital for SMEs in the UK



## £11.6 billion of funding

Provided £11.6 billion of funding to businesses since launch\*



## £1 billion raised in 22/23

Total of £1 billion raised in the 2022/23 tax year\*

Investment rule changes implemented in 2018 clearly shifted the emphasis to growth capital to help young, aspiring companies create jobs, prosperity and boost economic growth in the UK.



## Income Tax Relief

Up to 30% up front Income Tax relief on investments of up to £200k in a single tax year



## Tax Free Capital Gains

Any gains realised from the sale of VCT qualifying shares will be CGT exempt



## Tax Free Dividends

Any dividends paid on VCT qualifying shares are free of tax and do not need to be declared on tax returns

\* Association of Investment Companies (AIC) statistics as at 11 April 2023

The amount and basis of taxation and any reliefs available are subject to change. Such change could be retrospective. Tax treatment will depend on the individual circumstances of each investor.

# Common uses of a VCT in Client Planning

VCTs can be a valuable and complementary addition to an investor's investment portfolio. The Seneca Growth Capital VCT offers monthly subscriptions starting from £500 per month or one-off investments starting from £3,000.

**The tax reliefs available on a VCT investment are attractive to investors in a number of circumstances.\* These include:**

Investors seeking to reduce their income tax bills in a single year or on a regular basis

Investors seeking a tax efficient method of extracting money from their pensions

Investors with concerns over exceeding pension lifetime allowance

Investors seeking to extract money from their businesses tax efficiently; investing dividends

Investors seeking to offset income tax from property rental

Additional rate taxpayers whose annual pension allowance is restrictively capped

High earners who are restricted to what they are able to contribute to salary linked schemes

Annual contributions to VCTs can create tax free portfolio growth and tax free dividend income.

A carefully developed plan can liquidate each annual VCT investment after 5 years to fund a new VCT investment in Year 6, thus claiming 'second round' tax relief on each annual VCT investment on a rolling basis.



*\* The amount and basis of taxation and any reliefs available are subject to change. Such change could be retrospective. Tax treatment will depend on the individual circumstances of each investor.*

*VCTs are not suitable for everyone. We recommend that you seek advice from your financial adviser before making an investment.*

# Why Seneca

Seneca is an experienced growth capital investor having managed **more than £170 million of equity** and deployed over £115 million of EIS and VCT investment into 70+ SME companies, through 180 funding rounds as at 30 June 2023.

**Seneca's strong network and extensive footprint in the Northern regions** of the UK provides excellent proprietary deal flow and opportunity for investors seeking regional exposure to growth opportunities within a VCT.

## The Seneca investment team

Multi-disciplined; core strength in equity, debt and corporate advisory

We unlock deals that many of our competitors simply don't have the capability to do

Partner network of sector specialists - involved in due diligence and non-exec positions post investments

Robust and detailed selection criteria and investment control processes

*You may lose some or all of the money you invest. Future income is not guaranteed. All figures correct as at 30 June 2023.*

## Seneca Pedigree

**£115m+** of VCT and EIS investments

**180+** investment rounds

**70+** investee companies

**50+** AIM quoted investments

**£73m** of EIS and VCT exits achieved

## Attractive Dividend Track Record



13.5p per B Share have been paid since the launch of the B Share Pool



Distributable reserves available to facilitate future dividends

# Investment Strategy

As long-standing growth capital investors, the recent changes to VCT qualification rules have not required us to adjust our investment strategies. These changes support growth capital and no longer permit structured investments, which have historically been the principal activity behind many older VCTs.

## We seek to:



**Target** well managed businesses with strong and proven leadership



**Avoid** start-ups which helps to de-risk our proposition



**Focus** on established, revenue generating businesses which are profitable or have a visible route to profitability

The target mix of AIM quoted and private company investments within our VCT portfolio is intended to create:



**Diversification:** Increased investment diversification



**Liquidity:** An element of liquidity through access to capital markets

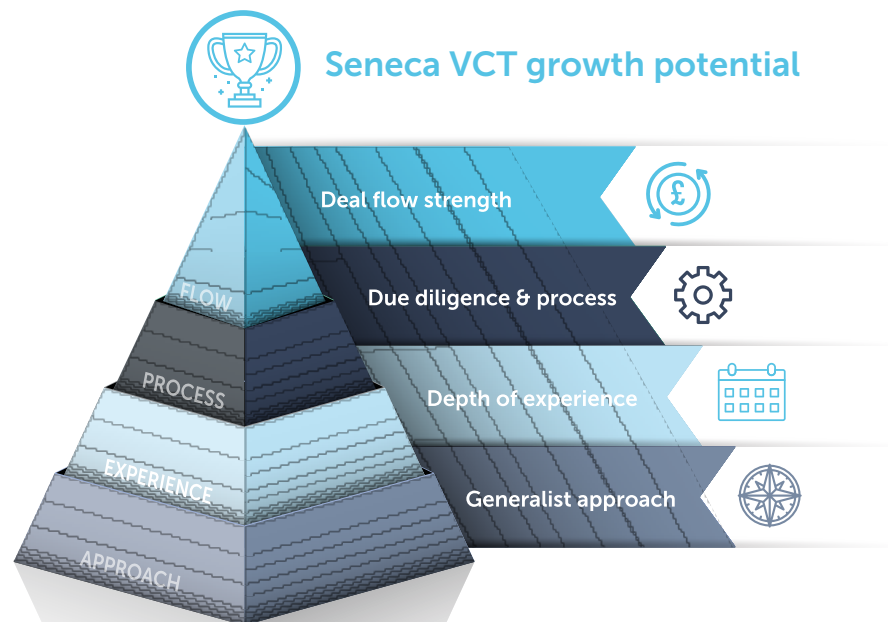


**Expansion:** Access to wider investor base which provides further and ongoing expansion capital



**Innovative:** Access to some of the UK's most innovative growing businesses

# Seeking Growth



## Key differentiator

Our heritage and network strength is founded in the North of England.



# Key Highlights from the B Share Pool\*



**Dividends totalling 13.5p per B Share have been paid** since the launch of the B Share Pool and the Company's target is 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\*\*



Developed a spread of B share portfolio investee companies with **9 realisations of B Share Pool investments already achieved** with a weighted **average return of 1.7x investment cost**



As at 30 June 2023, there were **twenty-five investments in the B Share Pool with a value of £9 million** spread across a diverse range of sectors



**AIM quoted investments represented 28% of the B Share NAV** and **44% of the B Share Portfolio** by value as at 30 June 2023



**Over £1.3 million invested by the Directors of the Company, the Manager and key members of the management team in the wider Seneca family of businesses since the launch of the B Share class**



**Over 36% of B Share NAV** as at 30 June 2023 **represented by cash and annual running costs capped at 3% p.a.\*\*\***



Buy back policy **5% discount to NAV**

*Target returns are not guaranteed. You may lose some or all of the money you invest.*

*\* Full information is contained in the Seneca Growth Capital VCT Plc Prospectus.*

*\*\* Subject to B Share Pool investment performance and in particular the performance of the B Share Pool's AIM quoted investments.*

*\*\*\* The cost cap for the B Share Pool includes the Annual Management Charge.*



# Portfolio Overview

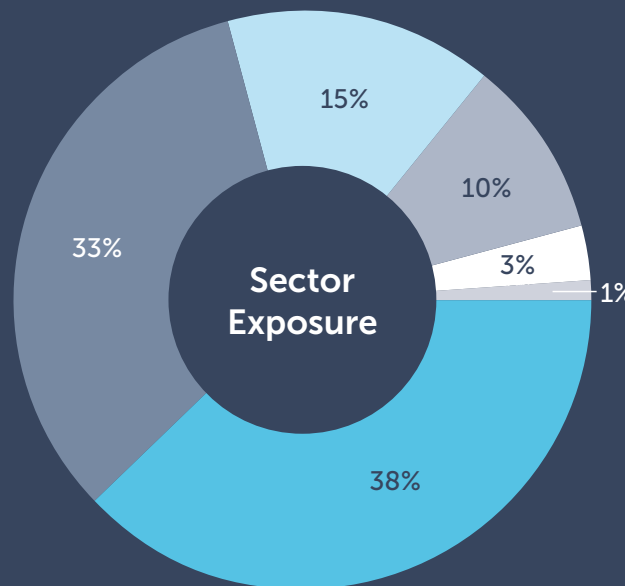
Unquoted Investments Carrying value at  
30 June 2023  
£,000

Solascure Limited	1,083
Old St Labs Limited	1,000
Convenient Collect Ltd	716
Fabacus Holdings Limited	702
Alderley Lighthouse Labs Ltd	500
Bright Network (UK) Limited	457
Geomiq Ltd	334
Silkfred Limited	250
Ten80 Group Limited	-
<b>Total Unquoted Investments</b>	<b>5,042</b>

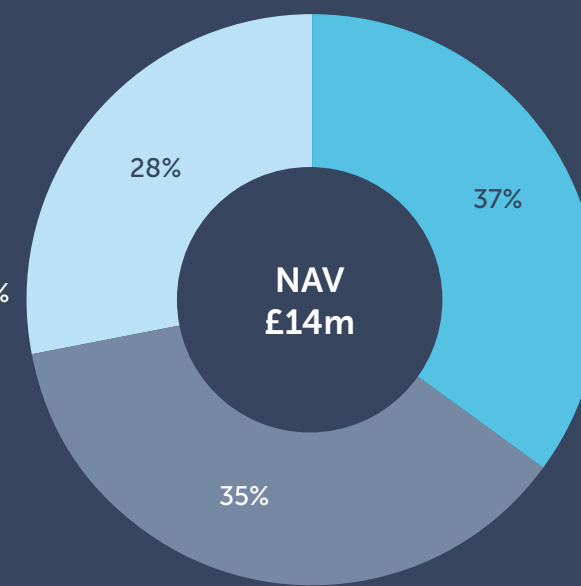
Quoted Investments

Poolbeg Pharma Plc	612
Arecor Therapeutics Plc	556
Oxford Biodynamics plc	473
Celadon Pharmaceuticals Plc	459
Polarean Imaging Plc	385
Engage XR Holdings Plc	329
Bidstack Group Plc	242
Northcoders Group plc	234
SkinBioTherapeutics Plc	223
Evgen Pharma Plc	150
ProBiotix Health Plc	112
Verici DX Plc	88
Gelion Plc	65
Aptamer Group Plc	32
OptiBiotix Health Plc	28
Abingdon Health Plc	9
<b>Total quoted investments</b>	<b>3,997</b>

**Total investments 9,039**



Software	38%
Life Sciences	33%
Health & Consumer	15%
Technology	10%
e-Commerce	3%
Manufacturing	1%



Cash	37%
Unquoted investee companies	35%
AIM quoted investee companies	28%

## B Share Exit Track Record Since Launch

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full and partial exits

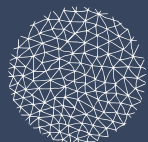
£4.4m

total proceeds realised


1.7x

weighted average return

# Portfolio Companies



## SolasCure

 Deal type	 Invested	 Date
Private	£750,000	January 2021

SolasCure is an early stage wound care specialist spun out of a world-leading German biotech company, and has developed a new-to-market wound care product. The company's lead asset, Aurase, is a hydrogel containing an enzyme (isolated and cloned from medical maggots) being developed to find a solution to inadequate debridement procedures. Funding to date has helped the company move to the clinical trial stage of product development.

### Why we like SolasCure

- ✓ Chronic wounds is a growing global problem and alternative methods of treatment are expensive, impractical and slow
- ✓ The company has proprietary technology
- ✓ An experienced and world-class leadership team
- ✓ Key partnerships with global bioeconomy and pharmaceutical companies

*This example should not be taken as a recommendation or suggestion that you buy or sell shares in this company. Past performance is not a guide to future returns.*



# Vizibl

 Deal type	 Invested	 Date
Private	£1,000,000	2019 & 2023

The Vizibl platform acts as an extremely efficient and tailored project management tool, aimed specifically at those teams and individuals managing suppliers and procurement within large, blue chip customers. The primary function of the platform is to increase supplier collaboration and innovation, as well as introducing numerous operational efficiencies regarding the management of key projects across a supplier base. The product can integrate with an organisation's core software systems (such as SAP, Oracle, Salesforce) to ensure the Vizibl package is both insightful and informative. Vizibl brings all points of contact between large corporates and their top suppliers together in one place.

## Why we like Vizibl

- ✓ The company has a blue chip customer base
- ✓ The company adapted to Covid conditions having onboarded new clients 100% remotely
- ✓ The Vizibl platform allows customers to meet and manage their ever-pressing core strategic goals of sustainability and resilience
- ✓ Usage of the platform increased throughout the pandemic, highlighting the need for the Vizibl proposition both in times of growth and consolidation

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# Fabacus

 Deal type	 Invested	 Date
Private	£500,000	February 2019

Fabacus is an independent software company that has developed a complete product lifecycle solution, Xelacore, aimed at bringing transparency to supply chain networks, with an initial focus on resolving the interaction and information flow between global licensors and their licensees. Xelacore is a modular, Software as a Service solution with an intuitive interface and proprietary data aggregation and management engine that allows all stakeholders to operate on a single unified and collaborative platform. It bridges the gaps in an inefficient process within the current retail ecosystem by creating authenticated, enriched universal records that unlock opportunities, reduce risk and drive performance for both licensors and licensees.

## Why we like Fabacus

- ✓ Advanced pipeline to support growth alongside current customer base of well-known global brands
- ✓ Fully capitalised following a successful £4.5m fundraise
- ✓ First-mover advantage in global licensing industry
- ✓ Ambitious growth plans with revenues forecast to reach over £100 million by 2027, working alongside the world's largest licensees

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 Deal type	 Invested	 Date
AIM	£755,000	July 2021

Poolbeg Pharma is a clinical-stage pharmaceutical company focused on the development and commercialisation of therapies to treat and prevent infectious diseases. Headquartered in London, the business is a spin out from Open Orphan plc and the management team has proven capabilities in identifying, acquiring and accelerating assets through development to commercialisation. It has adopted a capital-light model which enables it to develop multiple products faster and more cost effectively than the traditional biotech model, and the company aspires to become a “one-stop shop” for big pharma to find Phase II ready products for development and commercialisation.

The company’s lead asset is POLB 001, a drug with the potential to treat serious unmet needs in patients suffering from severe influenza.

### Why we like Poolbeg

- ✓ Poolbeg’s lead asset is a groundbreaking treatment with wide ranging uses
- ✓ Positive results from its latest human challenge clinical trial, the lead asset was shown to be safe yet have a potent effect in treating deadly systemic inflammatory responses seen in severe cases of disease
- ✓ The build and optimisation of a tailored AI model utilising Poolbeg’s data
- ✓ Poolbeg remains well capitalised with a strong balance sheet

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 Deal type	 Invested	 Date
Private	£530,000	March 2022

Celadon is a UK based pharmaceutical company targeting the research, cultivation, manufacturing and supply of cannabinoid-based medicines. Its primary focus is on improving quality of life for chronic pain sufferers and exploring the potential of cannabinoid-based medicines for other conditions such as autism. Its UK facility comprises a laboratory designed to meet UK-GMP standards and capacity for a large indoor growing facility. It has received both GMP registration and a Home Office Licence allowing the commercial sale of its high THC product.

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### Why we like Celadon

- ✓ The company is first of its kind in the UK to have a UK-GMP MHRA licence and Home Office licence to produce and supply medical grade cannabis
- ✓ There is a large global addressable market with limited competition
- ✓ The company is led by an impressive management team with extensive knowledge and experience managing regulatory standard facilities

*This example should not be taken as a recommendation or suggestion that you buy or sell shares in this company. Past performance is not a guide to future returns.*



# FAQs

## Q: How do I claim income tax relief?

The Company will send you a tax certificate 10 business days after allotment. There are two possible ways in which tax relief can be claimed: You can write to your HMRC office to ask them to change your tax coding under the PAYE system (this is the system that calculates how much tax you pay each month), so you will receive your income tax relief on a monthly basis through your pay cheques. Alternatively, you can claim income tax relief as part of your annual self-assessment tax return.

## Q: How often are dividends paid out?

The Seneca Growth Capital VCT expects to pay its dividend twice annually although this is not guaranteed.

## Q: What happens if I die whilst invested in the Seneca Growth Capital VCT?

**Initial income tax:** If an investor dies at any time after making an investment in a VCT, the transfer of shares on death is not treated as a disposal and, therefore, the initial income tax relief is not withdrawn. However, the shares will become part of the deceased's estate for inheritance tax purposes.

**Tax implications for the beneficiary:** Provided a number of conditions are met, the beneficiary of any VCT shares will be entitled to tax-free dividends and will not pay capital gains tax on any disposal, but will not be entitled to any initial income tax relief.

## Q: Can I transfer my shares to my spouse?

Yes, transfer of shares in a VCT between spouses is not deemed to be a disposal and, therefore, all tax reliefs will be retained.

## Q: I am not a resident in the UK, can I invest?

Non-resident investors, or investors who may become non-resident, should seek their own professional advice as to the consequences of making an investment in a VCT, because they may be subject to tax in other jurisdictions.

## Q: What happens if I purchase existing VCT shares in the market after listing?

Should an investor wish to purchase existing VCT shares in the market, perhaps to gain access to a more mature portfolio or to benefit from 'existing shareholder' benefits, the shares will not qualify for income tax relief but may benefit from tax-free dividend relief and from capital gains tax relief on the disposal of his/her VCT shares.

## Q: What are the costs of running the VCT? Is there an expenses cap on the Seneca Growth Capital VCT?

Yes, there is a cost cap of 3.0% of net assets. Annual running costs include, inter alia, Directors' fees, fund administration fees, fees for audit, taxation and legal advice, registrar's fees, cost of communicating with Shareholders and the annual fees payable to Seneca.

Subject to the cost cap, Seneca is entitled to receive an annual management fee of 2% of the net asset value of the B Share Pool and is also entitled to an annual fee of £9,000 (plus VAT, if applicable) in relation to the management accounting services. These are payable quarterly in arrears, with 75% of the annual management fee being charged to the Company's capital reserves (subject to the Company, after taking advice from the Auditors, determining a different proportion).

## Q: What type of companies can VCTs invest into?

Companies must be unquoted or quoted on AIM and meet a 'risk to capital' gateway test requiring that they have plans to grow and develop over the long term and that invested capital must accordingly be at risk. Maximum value of a company's gross assets (before VCT investment) is £15m. Subject to certain exceptions, companies must be no more than seven years old, or ten years old for 'knowledge intensive' firms.

No more than 250 employees (before VCT investment), or 500 for 'knowledge intensive companies'.

Companies must not carry on activities contained on an excluded list, including property development, energy generation and financing. There are a number of other restrictions on investee companies' activities and their use of funds contained in the VCT legislation.

*The above is a non-exhaustive summary only and based on the Company's understanding of current law and practice. Investors are recommended to consult a professional adviser as to the taxation consequences of making a VCT investment. All tax reliefs referred to in this document are UK tax reliefs and are dependent on the Company maintaining its VCT qualifying status.*

## Q: What if I change my mind?

Please let us know as soon as possible. If you contact us before your shares have been allotted, we will do our best to return your money to you. After the shares have been allotted, you own shares in the Seneca Growth Capital VCT itself and you will need to sell your shares through a broker.

## Q: What is the NAV and how often is it calculated?

The NAV (Net Asset Value) of a VCT is the value of all the assets of the VCT minus any liabilities. The NAV is calculated and published quarterly. Full interim accounts and annual accounts are also published as at end-June and end-December respectively. The NAV, alongside dividends paid, is a good way of tracking the performance of a VCT.

## Q: Where should I send my application?

### Online applications:

Please complete an online Application by visiting [seneca.nevilleregistrars.co.uk](http://seneca.nevilleregistrars.co.uk). It will be submitted directly to the Receiving Agent following online submission.

### Scanned applications by email:

If you are unable to complete an online Application, a paper Application can be accessed on the Company's website at [www.senecavct.co.uk/current-offer/](http://www.senecavct.co.uk/current-offer/). You can scan your completed hard copy Application and email it to [enquiries@senecapartners.co.uk](mailto:enquiries@senecapartners.co.uk). If you submit a scanned copy, please do NOT send the original hard copy by post.

### Postal applications:

Please only post a paper application as an alternative to the electronic Application. A completed Application form should be sent to Seneca Partners Limited, 9 The Parks, Haydock, WA12 0JQ.

### Payment:

Payment can be made by electronic transfer, during the online Application process directly through the website if the Application amount is £20,000 or less or by standing order for monthly investments. Your payment must relate solely to this Application. Please see "Notes on the Application and Payment Instructions" for further payment options which can be found within the Application available at [www.senecavct.co.uk/current-offer/](http://www.senecavct.co.uk/current-offer/).



# Key Facts

## Closing Dates\*:

5pm on 5 April 2024 for the 2023/24 tax year  
5pm on 16 August 2024 for the 2024/25 tax year

Cleared funds, as well as Application required two working days prior to the closing date.

Please note that cheques can take up to seven working days to clear.

## Allotment of Shares:

Offer Shares will be allotted and issued in respect of valid applications (including the receipt of cleared subscription funds) received for the Offer in the 2023/24 tax year on 5 April 2024 and any other date prior to 5 April 2024 on which the Directors decide to ensure tax relief is available against 2023/24 tax year liabilities.

The VCT intends to allot shares on an ongoing basis between the launch of the Offer and the dates outlined above.

Share certificates and tax certificates to be dispatched within 10 business days of allotment.

## Minimum Investment:

£500 per month for monthly investors  
£3,000 for one-off investments

## Buyback (B share repurchase) Policy:

Seneca Growth Capital VCT will aim to buy back B shares at a share price of no more than 5% discount to the NAV, subject to certain conditions as outlined in the Prospectus.

## Fees:

### Initial Fee

Initial fees for advised and non-advised investors may be up to 3.0% and 5.5% respectively but reductions to the initial fee, including Loyalty and Early Bird discounts (as detailed in the prospectus relating to the 2023/24 offer) or other discounts as made available by Seneca Partners from time to time are available.

Annual Management Charge	2% p.a.
Performance Fee	20% of distributions above a hurdle of 5% p.a.
Running costs capped at	3% p.a.**

## Discounts:

Any discounts will be delivered through an increase in the number of shares allocated via the Pricing Formula.

Discounts may vary, please contact Peter Steele at [clientteam@senecapartners.co.uk](mailto:clientteam@senecapartners.co.uk) from Seneca for further details.

## Shareholder Communications:

Annual and Interim Reports can be found on our website at: [www.senecavct.co.uk/reports-documents/](http://www.senecavct.co.uk/reports-documents/).

Information on new investments and the progress of companies within the VCT's portfolio will be published from time to time.

\* The Directors reserve the right to close the offer earlier at their discretion.

\*\* Running costs, including the annual management fee in the case of the B Share Pool, are capped at 3% of the net asset value of each share class.

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

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

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