

Brochure

Seneca Growth Capital VCT Plc

OFFER FOR SUBSCRIPTION TO RAISE UP TO £10 MILLION OF B SHARES
WITH AN OVER-ALLOTMENT FACILITY OF UP TO A FURTHER £10 MILLION

29 October 2021

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 29 October 2021 (the "Prospectus") which has been published by the Company and is available from 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.

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.

- 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?

- 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.

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Seneca Growth Capital VCT 2021/2022 Offer at a glance*

Closing Dates

Deadline for receipt of Applications for the 2021/22 tax year is noon on 4 April 2022 and the Offer is expected to close no later than 5.00pm on 5 April 2022

Deadline for receipt of Applications for the 2022/23 tax year is noon on 24 October 2022 and the Offer is expected to close no later than at 5.00pm on 26 October 2022

Minimum Investment

£3,000

Target Annual Dividend

3p p.a. with an ambition to increase this to c.5% p.a. of the B Share NAV by 2023**

Holding Period

Minimum 5 years for tax reliefs

Portfolio

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.

Buy Back

Buy back policy 5% discount to NAV

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

** Subject to B Share Pool investment performance and an intention to also maintain a relatively stable NAV per B Share.

VCTs in a Nutshell



LAUNCHED IN 1995

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



£9.1 BILLION OF FUNDING

Provided £9.1 billion of funding to businesses since launch *



£685m TOTAL RAISED

Total of £685m raised in 2019/2020 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

* HMRC statistics as at December 2020

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 subscription starts 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 capped at £10,000
- 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 Pedigree

Seneca is an experienced growth capital investor having managed more than **£170 million of equity**, including c. £100 million of EIS and VCT investment funds raised and deployed into over 55 SME companies, through over 100 funding rounds as at 30 June 2021.

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

WE HAVE COMPLETED:

**c.£100
million**

of VCT and EIS
investments

100+

investment
rounds

50+

investee
companies

25

AIM quoted
investments

ATTRACTIVE DIVIDEND TRACK RECORD



7.5p per B Share
have been paid since
the launch of the B
Share Pool



Distributable
reserves available
to facilitate future
dividends

Your capital is at risk and you may get back less than you invested.
Future income is not guaranteed. All figures correct as at 30th June 2021.

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

Target well managed businesses with strong and proven leadership



AVOID

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



FOCUS

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

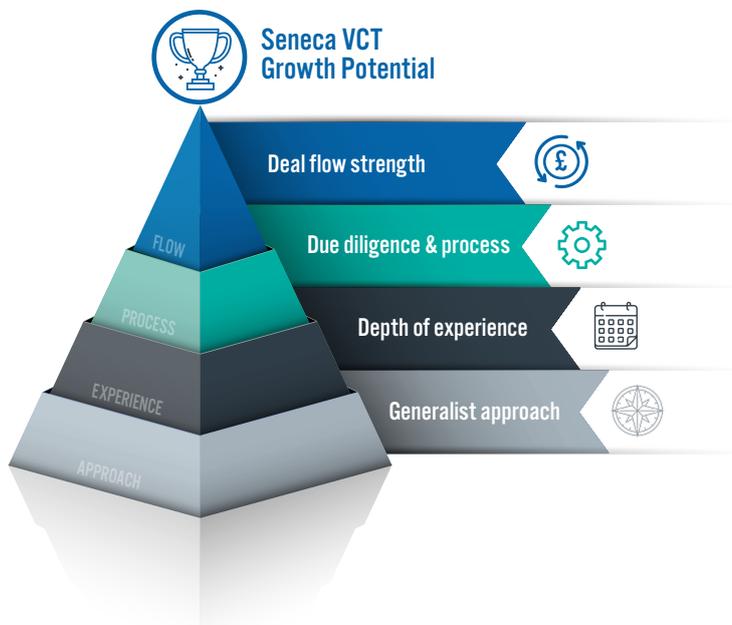
Access to wider investor base which provides further and ongoing expansion capital



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



34.3% increase in the NAV (including dividends paid) from 30 March 2020 to 15 October 2021



AIM quoted investments represented 60% of the B Share NAV as at 15 October 2021 and are **£1.1m up**



Developed a spread of B share portfolio investee companies with **5 realisations of B Share Pool investments already achieved**



Track record of consistent dividends. **7.5p per B Share dividends already paid** and existing distributable reserves can facilitate further B Share dividends



Over £600,000 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 45% of B Share NAV as at 15 October 2021 **represented by cash and annual running costs capped at 3% p.a.****



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

Having delivered against its strategic objectives since launch, Seneca believes that the B Share Pool is now well positioned to deliver capital growth and dividends in the current economic climate. However, future performance and dividends cannot be guaranteed.

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

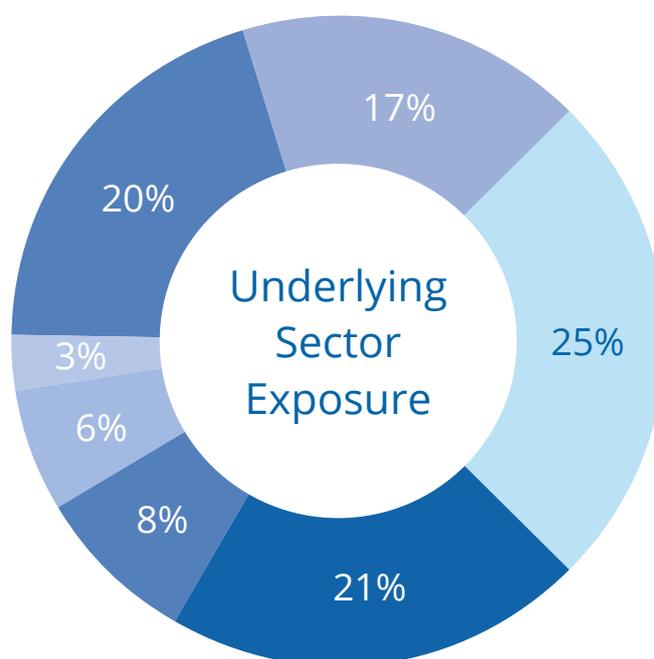
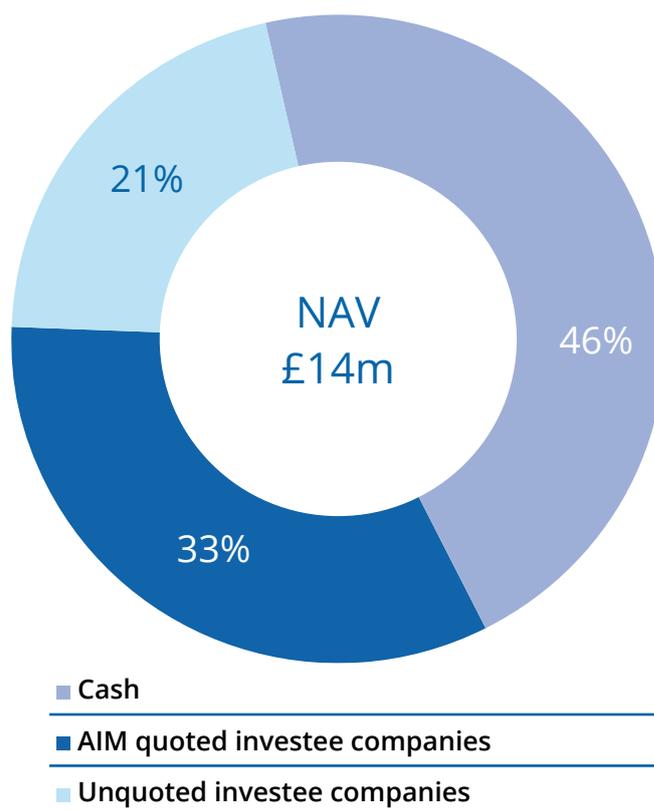
** The cost cap for the B Share Pool includes the Annual Management Charge.

Portfolio Overview

UNQUOTED INVESTMENTS	Carrying value at 15 October 2021 £,000
Fabacus Holdings Limited	563
Old St Labs Limited	500
Silkgfred Limited	500
Solascure Limited	500
Qudini Limited	300
Bright Network (UK) Limited	234
Ten80 Group Limited	200
Total Unquoted Investments	2,797

QUOTED INVESTMENTS	
SkinBioTherapeutics plc	1,150
Polarean Imaging plc	1,102
Poolbeg Pharma plc	755
Arecor Therapeutics plc	715
Evgen Pharma plc	300
OptiBiotix Health plc	161
Abingdon Health plc	39
Total Quoted Investments	4,222

Total Investments **7,019**



EXIT TRACK RECORD

5 full and partial exits

£2m total proceeds realised

2.2x weighted average return



Bio Tech	25%
SaaS	21%
Manufacturing - Pharma	20%
Manufacturing - Medical Devices	17%
Online Retail	8%
Tech Platform	6%
HR & Recruitment	3%

Portfolio Companies

SilkFred

DEAL TYPE: PRIVATE | INVESTED: £500,000 |
DECEMBER 2018

What they do

Silkfred is an online marketplace for independent ladies' fashion brands. The business was founded in 2011 with the aim of creating an efficient marketplace for emerging fashion designers to bring products to market and establish their brand in the sector. The business now works with over 900 independent brands, selling to over 1m customers. SilkFred acts as a central marketing and sales platform for these brands, charging commission in exchange for these services. The business model revolves around a market leading and scalable customer service platform, and as such SilkFred are continually investing in core infrastructure and constantly seeking innovative methods to enhance the customer experience.

Why we like it

- The company has demonstrated impressive growth throughout its existence
- The company takes minimal inventory / working capital risk on new brands, lines or products, an aspect of the business model that has proved invaluable during the Covid pandemic and enforced lockdown in the UK
- It has a flexible supply chain of independent brands and carries a very small proportion of stock in comparison to sales levels
- Unlike many of its competitors, the company is less exposed to the High Street with a more sustainable focus on e-commerce



DEAL TYPE: AIM | INVESTED: £750,000 | FEBRUARY 2019

What they do

SkinBioTherapeutics is a life science company focused on skin health. The company's proprietary platform technology, SkinBiotix®, is based upon discoveries made by Dr. Cath O'Neill and Professor Andrew McBain. SkinBioTherapeutics' platform applies research discoveries made on the activities of lysates derived from probiotic bacteria when applied to the skin. The company has shown that the SkinBiotix® platform can improve the barrier effect of skin models, protect skin models from infection and repair skin models. Proof of principle studies have shown that the SkinBiotix® platform has beneficial attributes applicable to each of these areas. The aim of the company is to develop its SkinBiotix® technology into commercially successful products supported by a strong scientific evidence base.

Why we like it

- The company consistently delivers on its strategy for shareholders, in particular its transition from research and development beginnings to its commercial phase
- Commercial development tracks are making great progress with the recent launch of its food supplement AxisBiotix-Ps across the UK and US
- Strong fundraising and supportive shareholder base. Over £10m raised recently with new funds being used to accelerate the development of new areas such as hair and oral care whilst progressing their human study in psoriasis



DEAL TYPE: PRIVATE | INVESTED: £500,000 | MARCH 2019

What they do

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 it

- 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



DEAL TYPE: PRIVATE | INVESTED: £500,000 | JANUARY 2021

What they do

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 staged of product development.

Why we like it

- 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



DEAL TYPE: AIM | INVESTED: £425,000 | MAY 2021

What they do

Arecor use their innovative proprietary formulation technology platform Arestat™ to enhance product formats find solutions to development challenges and create differentiated products offering the potential for significant improvements in patient safety and convenience. The Arestat platform is designed to enhance properties of existing therapeutic products and subsequently improve treatment performance & patient outcomes through the conversion of sub-optimal products to superior product formats including therapeutic economic and practical/logistic improvements. Having raised £20m at IPO in May 2021 the Arecor portfolio spans a number of therapeutic treatments and clinical areas including diabetes and speciality hospital products and is further de-risk by combining both in-house and partnered programmes.

Why we like it

- Patent protected IP suite covering diverse range of therapeutic products and treatment areas
- Impressive management team known to the VCT through Ord Share holding and who have consistently delivered on strategy to date
- Partnerships signed with major generic and biosimilar manufacturers further validating the pipeline and strategy
- £20m IPO fundraise provides runway to develop and monetise the portfolio





**DEAL TYPE: AIM | INVESTED: £755,000 |
JULY 2021**

What they do

Poolbeg is a spin out from Open Orphan plc. It is a clinical-stage pharmaceutical company focused on the development and commercialisation of therapies to treat and prevent infectious diseases. The lead asset, POLB 001, is a drug with the potential to treat serious unmet needs in patients suffering from severe influenza. The business aims to add multiple compounds to its pipeline each year, run proof of concept human trials and monetise them quickly.

Why we like it

- The company has adopted a capital-light model
- There is a portfolio of infectious disease assets for the company to leverage to create future vaccines, treatments and diagnostics
- Extremely experienced and impressive leadership team with a plc background and a history of delivering value for shareholders

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.

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 nonresident, 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 annual trail commission 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 <https://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 <https://senecavct.co.uk/current-offer/>. You can scan your completed hard copy Application and email it to 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 can be made by electronic transfer or during the online Application process directly through the website if the Application amount is £20,000 or less. 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 <https://senecavct.co.uk/current-offer/>.

Key Facts

Closing Dates*:

5pm on 5 April 2022 for the 2021/22 tax year

5pm on 26 October 2022 for the 2022/23 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 2021/22 tax year on 5 April 2022 and any other date prior to 5 April 2022 on which the Directors decide to ensure tax relief is available against 2021/22 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:

£3,000

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 2021/22 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 Matt Currie at matt.currie@senecapartners.co.uk from Seneca for further details.

Shareholder Communications:

Annual and Interim Reports can be found on our website at: <https://senecavct.co.uk/investors/>

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

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.

* 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 Partners Limited is authorised and
regulated by the Financial Conduct Authority