

# Unaudited Half-Yearly Report

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For the Six Months Ended 30 June 2024

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 "Investment Manager").

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# Financial Headlines

## B Shares

**56.9p**

Net Asset Value per share at 30 June 2024

**16.5p**

Cumulative dividends paid to date

**73.4p**

Total return per share since launch

## Ordinary Shares

**17.9p**

Net Asset Value per share at 30 June 2024

**73.3p**

Cumulative dividends paid to date

**91.2p**

Total return per share since launch

# Financial Summary

	Six months to 30 June 2024		Six months to 30 June 2023		Year to 31 December 2023	
	Ordinary share pool	B share pool	Ordinary share pool	B share pool	Ordinary share pool	B share pool
Net assets (£'000s)	<b>1,451</b>	<b>13,407</b>	1,858	14,131	1,499	15,393
Return on ordinary activities after tax (£'000s)	<b>(48)</b>	<b>(2,749)</b>	(988)	(1,882)	(1,347)	(1,324)
Earnings per share (p)	<b>(0.6)</b>	<b>(13.7)</b>	(12.2)	(9.7)	(16.6)	(6.6)
Net asset value per share (p)	<b>17.9</b>	<b>56.9</b>	22.9	69.4	18.5	70.7
Dividends paid since inception (p)	<b>73.3</b>	<b>16.5</b>	73.3	13.5	73.3	15.0
<b>Total return (NAV plus cumulative dividends paid) per share (p)</b>	<b>91.2</b>	<b>73.4</b>	96.2	82.9	91.8	85.7
<b>Dividends declared for the period (p)</b>	<b>0.0</b>	<b>1.5</b>	2.0	1.5	2.0	3.0

# Chair's Statement



Ian joined the Seneca Growth Capital VCT board in October 2023 and succeeded John Hustler as Chair on 15 May 2024. He has over 35 years of corporate finance and fund management experience and is currently non-executive Chairman of The Investment Company plc. Ian is also an independent director of Edelweiss Holdings plc and a director of a number of private companies and charities. Ian was previously the executive Chairman of Miton Group plc from 2011 until 2017.

I am pleased to present this year's unaudited interim results for the six months to 30 June 2024 for the first time as Chair, having taken over from John Hustler in May 2024.

I would like to welcome all new investors and thank existing shareholders who have continued to support the Company.

The B share pool continued to fundraise in the six months to 30 June 2024 under the current Offer and Seneca completed three further investments in the period. Seneca remains focused on expanding and diversifying the B share portfolio, with a number of new opportunities in advanced stages of due diligence. The Investment Manager also continues to focus on achieving profitable realisations for B shareholders where appropriate. Seneca has established a strong exit track record since launching the B share pool in 2018, with ten full and partial exits achieved to date. We are pleased that from these profitable exits, we have been able to pay consistent B share dividends of 3p per annum in line with our dividend policy.

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 where suitable.

As at 30 June 2024, the Company's B share pool had raised a total of £22 million, and had £4.9 million in cash and cash equivalents as at 30 June 2024 to allow us to continue to support our existing B share portfolio of 27 companies and to make new investments. 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.

## Key events in H1 2024 include:

- Deployment of £854k into two new AIM quoted companies and one follow-on investment into an AIM quoted company;
- Payment of a further interim B share dividend of 1.5p per B share in May 2024, taking the total B share dividends paid since launch to 16.5p per B share;
- Continued fundraising for the Company's B share pool with a further 1,901,138 B shares allotted raising £1.2 million;
- B share buyback of 125,232 B shares for cancellation, totalling £76k; and
- The Company generated £111k in income in the six months to 30 June 2024, largely from cash held in readily accessible money market securities.

As at 30 June 2024, the net asset value (NAV) per B share was 56.9p, which, adjusted for the 1.5p per B share dividend paid in May 2024, represents a net decrease of 12.3p per B share from 31 December 2023. The Total Return (NAV plus cumulative dividends paid per B share since launch) as at 30 June 2024 was 73.4p (31 December 2023: 85.7p). This decline is, of course, disappointing but is mainly a reflection of the difficult macro-economic conditions impacting the AIM market.

The B share pool was launched in 2018 and saw a positive NAVTR from December 2019 to December 2021 of 13.5%. Following a record year for the B share pool in 2021, we have seen a -21.5% decline in the NAVTR over the last two years which was reflective of the sharp decline in the FTSE AIM all-share index of -39.9% over the same period.

The B share pool's AIM holdings represented 30% of the B share NAV as at 31 December 2023 and as such there is a material exposure to AIM market movements which also means that shareholders can benefit from any AIM market recovery as and when macro-economic conditions improve.

Further details in relation to the Company's B share and Ordinary share portfolios can be found in the Investment Portfolio Summary on page 8.

## Dividends

As shareholders will know, paying regular dividends has been the aim of the B share pool since inception and we are pleased to have delivered profits from exits from the B share pool to cover the 16.5p per B share dividends paid to date. The Company's aim is to maintain dividends of at least 3p per annum in relation to the Company's B shares and to pay special dividends when appropriate. Our ability to increase the level of dividends paid to B shareholders is dependent on a number of factors including investment performance and in particular the performance of the B share pool's AIM quoted investments. Furthermore, shareholders should note that the Company has sufficient distributable reserves to enable the continued declaration of B share dividends over the medium term subject to Board approval, B share pool investment activity and liquidity levels. As at 30 June 2024, we had special distributable reserves of £20.1 million (£20.5 million as at 31 December 2023).

Following John's Hustler's retirement in May 2024, the Board is delighted that John has agreed to continue as the member of the Commercial Advisory Committee ("CAC") for the foreseeable future in order to manage the phased transfer of responsibilities for the Ordinary share pool from the CAC to the remaining members of the Board. Whilst there have been no further realisations of Ordinary share investments during the period, the Company is focused on realising assets from the Ordinary share pool AIM holdings at the appropriate time with the proceeds then being distributed to Ordinary shareholders as dividends.

## 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 125,232 shares (equal to 0.57% of the opening number of B shares in issue) at a price of 60.52p per share.

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

## Presentation of half-year 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

Challenging market conditions contributed to a decrease in IPO activity and valuation multiples throughout 2023 compared to levels seen in previous years, which has had an impact on both access to sufficient funding for many early-stage businesses and exit opportunities. Fundraising remained at lower levels when compared to previous years, with companies focused on extending cash runways with cost cutting measures to cope with increased market headwinds. The Company's public and private portfolios have not been immune to these wider macro-economic pressures, which have consequently led to a decline in our NAV. We recognise this is disappointing, however, we believe the Company is well placed to navigate this turbulent period given the diversity and quality of the underlying portfolio in terms of equity type, sector and stage, in addition to the continued support of shareholders.

Whilst these conditions are a challenge for existing portfolio companies, they also present opportunities to invest in, and scale companies at attractive valuations. In the six months to 30 June 2024, the decline in the FTSE AIM all-share index started to show signs of slowing. We have started to see an increase in IPO activity and a steady increase in VCT qualifying investment opportunities across the tax efficient investment space within which Seneca operates. Whilst the impact clearly remains unknown at this point, now that the 2024 General Election is behind us, the Company is looking forward with optimism and expects to benefit from a more stable and certain political landscape.

The Company is working to leverage this positive momentum to generate growth in the B share pool and our long-term view of venture capital remains extremely positive, especially in respect to the anticipated recovery of small cap markets. We believe that our unique whole of market approach to investment will ensure that we

have access to the best VCT qualifying companies, both public and private, throughout the UK with a focus on backing proven management teams that can deliver market leading products and services with high-growth potential.

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, including a higher percentage of private investments, demonstrating Seneca's active pursuit of new opportunities to balance the current portfolio in response to market conditions and growing the B share portfolio. We remain committed to further diversification of the B share 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.

**Ian Dighé**

Chair

24 July 2024



# 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.

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# Dividend Policy

The Company remains focused on increasing the NAV per B share whilst being able to maintain consistent and regular dividends. The Company aims to maintain dividends of at least 3p per annum in relation to the Company's B shares, which currently exceeds 5% per annum of the B share NAV. Our ability to increase the level of dividends paid to B shareholders 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.

# Investment Portfolio Summary

## B share portfolio

### Results

The NAV per B share has decreased in the period, largely as a result of the B share pool's AIM holdings and a reduction in the carrying value of one private company holding. In the six months to 30 June 2024, Seneca reduced the valuation of its private company holding in Old St Labs Ltd (t/a "Vizibl") due to the loss of key customers against the backdrop of high inflationary economic conditions, which placed cash flow pressures on the business despite aggressive cost control measures put in place by management. Whilst Vizibl is exploring strategic options for the business, we have reduced the valuation from £1.0 million as at 31 December 2023 to £nil as at 30 June 2024. As a result of these developments in the B share portfolio, combined with the B share dividend paid during the period and the B share pool's portion of running costs, the Company reports a total 13.8p reduction in the NAV per B share (31 December 2023: 70.7p NAV per B share).

Whilst this reduction is disappointing, we are encouraged by the underlying progress being made by the majority of the B share portfolio companies. Despite challenging economic conditions and rising interest rates, most of the B share portfolio investee companies have maintained steady growth and shown resilience, which when combined with weaker share prices, enhances the potential for capital appreciation when economic conditions improve.

The B share pool held £4.9m in cash as at 30 June 2024 equivalent to 36% of the B share pool's NAV. As such, the Company's B share pool is well placed to take advantage of the most attractive investment opportunities currently being reviewed by Seneca.

Seneca continues to believe in the long-term resilience of the Company's investment policy, particularly the prospects of the private company portfolio and its ability to balance the cyclical movements in the AIM market and the AIM market's potential to create attractive entry points for investors and likewise, attractive exit multiples. Seneca also recognises the importance of a diversified portfolio in managing risk in addition to its ability to deliver positive 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 be able to deliver returns to B shareholders.

### Portfolio review

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

#### ▶ Three new investments totalling £854k



**February 2024**

**Follow-on investment of £206k**  
**EIS co-investment of £512k**

#### **Verici Plc ("Verici")**

Verici is a developer of advanced clinical diagnostics for organ transplant. In January 2024, Verici secured a new research collaboration funded by a four-year grant. Shortly thereafter, the company completed a successful fundraising of £6.5 million in February 2024. The company boasts sufficient cash runway as a result of new contract wins, including a recent deal with Thermo Fisher Scientific, and the successful equity raise at the start of the period.



**March 2024**  
**New investment of £336k**  
**EIS co-investment of £214k**

#### **OptiBiotix Health Plc ("Opti")**

The B share pool originally invested in Opti in April 2020 and was able to achieve a successful full exit in 2023 due to positive progress made in the business and an increase in share price allowing Seneca to achieve a 1.4x return for shareholders. Following our exit, the AIM market, and in particular Opti's share price, began to decline despite continued positive trading performance. Opti was seeking finance for a new product launch and to fund continued commercial progress across existing products. Presented with the opportunity to reinvest in a business well-known to Seneca, which continues to demonstrate strong year-on-year revenue growth with improved margins at a favourable valuation, Seneca invested £336k from the VCT and £214k from its EIS funds. Opti successfully raised a total of £1.4 million as part of the fundraising.



**June 2024**  
**New investment of £312k**  
**EIS co-investment of £238k**

#### **Directa Plus Plc ("Directa")**

Directa is one of the largest global producers and suppliers of graphene nanoplatelets-based products. Directa was an existing EIS investment for Seneca and the business and management team were well-known to the Investment Manager. Directa successfully raised £6.8 million for growth capital to strengthen the commercial and operational capabilities, for capital expenditure and for working capital needs which will provide sufficient cash runway to profitability for the business.

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



**GeomIQ Ltd**, a global digital manufacturing-as-a-service platform of choice for over 1,200+ professional engineers and procurement teams from over 500 fast-moving hardware companies, has seen its highest grossing revenue in the six months to 30 June 2024. The continued investment in teams throughout the UK, India and Portugal is bearing fruit and the company plans to step up marketing efforts to accelerate growth further.



**Fabacus Limited ("Fabacus")**, a software-as-a-service provider enabling global brands and retail platforms to eradicate counterfeit products and manage licenses, continues to make progress in both retail and licensing divisions, with multinational customers continuing to implement Fabacus integrations. Revenue potential is building and geographic expansion is now underway with a team currently being built in the US.



**Bright Network Ltd ("Bright Network")**, the talent attraction and recruitment business focussed on the graduate sector, has signed-up its 1 millionth member and continues to progress investment in its technology platform, including the use of algorithmic intellectual property. This progress has garnered Bright Network industry recognition as the most used resource for graduate job hunting in the UK and at the 2024 EISA Awards the company received a 'Highly Commended' accolade for the Best EIS Investee Company.

- ▶ 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 Northcoders Group Plc ("Northcoders"), Poolbeg Pharma Plc ("Poolbeg") and Velocity Composites Plc ("Velocity") increased by 46%, 46% and 9% respectively in the six-month period to 30 June 2024.

## Northcoders

**Northcoders**, a market leader in technology training in the UK, reported record growth in both the number of individuals trained and the number of hiring partners. The company also began its first B2B Business Solutions central government contract in late 2023, which has now been rebranded as COUNTER, with Tom Walton, highly successful technology consultancy entrepreneur, joining the team as Strategic Adviser. The company remains well capitalised with a cash balance of £1.6 million as at 31 December 2023.



**Poolbeg**, a leading biopharmaceutical company working to develop treatments for common and severe infectious diseases, such as the flu, announced further data that confirms POLB 001's Potential in Cancer Immunotherapy-Induced Cytokine Release Syndrome (CRS), expanding the patent applications for POLB 001. The company secured a significant POLB 001 patent in the US in the period, which encompasses the use of the drug for CRS induced in any disease indication. The company remains well capitalised with a cash balance of £12.2 million at the end of December 2023.



**Velocity**, a Northwest headquartered manufacturer of advanced composite material kits for use in the production of carbon fibre composite parts for primary aircraft manufacturers and Tier 1 suppliers in the US, UK and Europe, reported strong revenue growth in the period from existing contracts as a result of inflationary price increases taking effect and increased production rates on the company's initial major US contract. The company expects to be profitable and cash generative in H2 FY24 and as at 30 April 2024 had available cash reserves of £1.8 million.

## Ordinary share portfolio

### Results and Portfolio Review

There has been a 0.6p reduction in the NAV per Ordinary share during the period.

100% of the Ordinary share pool NAV as at 31 December 2023 was represented by the Ordinary share pool's two AIM quoted investments, with Scancell Holdings Plc ("Scancell") being the largest of these holdings representing 70% 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.

Arecor Therapeutics Plc ("Arecor") share price decreased in the period from 180p as at 31 December 2023 to 115p as at 30 June 2024, offset only slightly by an increase in the share price of Scancell from 10.50p as at 31 December 2023 to 10.75p as at 30 June 2024. The net result was a decrease in the NAV per Ordinary share from 18.5p as at 31 December 2023 to 17.9p as at 30 June 2024.

Scancell received approval in the period to add an expansion cohort to the ModiFY trial of forty-four previously untreated renal cell carcinoma (RCC) patients who will receive Scancell's Modi-1 cancer vaccine in combination with doublet checkpoint inhibitor (CPI) therapy to test the synergistic effect of Modi-1 peptides in improving the overall response rate, as was seen in the company's SCOPE trial. Scancell also signed an exclusive \$1 million agreement with a major international biotechnology company to evaluate an antibody in the Glymab® portfolio for the potential development of novel therapeutic products.

Arecor's share price decreased despite the strong commercial performance across the group in 2023. The company reported a 90% increase in revenue for the full year compared to 2022. The annual results for the company also reflected the need for further funding to meet its forecast R&D and IP investment costs. As at 31 December 2023, the business retained £6.8 million of cash and cash equivalents (2022: £12.8 million). The decrease in share price likely reflects the company's cash requirements and may continue to impact the share price pending the successful completion of a funding round.

Cumulative dividends per Ordinary share total 73.3p which, when added to the 30 June 2024 NAV per Ordinary share, results in a Total Return per Ordinary share of 91.2p as at 30 June 2024 (June 2023: 96.2p).

The Ordinary share pool also held £205k in cash as at 30 June 2024. 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.

# Investments

# Investment Portfolio – B Shares

## Unquoted Investments

	Equity held %	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2024 £'000	Movement in the six months to 30 June 2024 £'000
Solascure Limited	2.7	750	333	1,083	-
Bright Network (UK) Limited	2.5	594	466	1,060	-
Convenient Collect Ltd	5.4	716	-	716	-
Fabacus Holdings Limited	1.6	500	202	702	-
Alderley Lighthouse Labs Ltd	14.6	585	20	605	-
Geomiq Ltd	1.1	334	-	334	-
Silkfred Limited	<1.0	500	(350)	150	-
Ten80 Group Limited	7.5	400	(400)	-	-
Old St Labs Limited	6.4	1,000	(1,000)	-	(1,000)
<b>Total unquoted investments</b>		<b>5,379</b>	<b>(729)</b>	<b>4,650</b>	<b>(1,000)</b>

## Quoted Investments

	Shares held	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2024 £'000	Movement in the six months to 30 June 2024 £'000
Poolbeg Pharma Plc	7,550,000	755	211	966	302
Velocity Composites Plc	1,740,000	696	(35)	661	52
Oxford Biodynamics Plc	5,067,628	775	(410)	365	(1,029)
Arecor Therapeutics Plc	252,947	620	(329)	291	(164)
Directa Plus Plc	1,734,033	312	(35)	277	(35)
OptiBiotix Health Plc	1,681,343	336	(76)	260	(76)
Celadon Pharmaceuticals Plc	320,956	530	(289)	241	(112)
Northcoders Group Plc	100,000	300	(110)	190	60
Verici DX Plc	3,088,753	486	(301)	185	(97)
SkinBioTherapeutics Plc	1,857,107	297	(139)	158	(111)
ProBiotix Health Plc <sup>1</sup>	3,722,445 <sup>1</sup>	777	(629)	148	(74)
Engage XR Holdings Plc	9,391,704	376	(272)	104	(75)
Gelion Plc	250,492	363	(308)	55	(6)
Theracryf Plc (formerly Evgen Pharma Plc)	5,000,000	400	(360)	40	(35)
Polarean Imaging Plc	1,644,070	986	(959)	27	(72)
Abingdon Health Plc	78,250	75	(67)	8	-
Aptamer Group Plc	495,726	580	(577)	3	(2)
Bidstack Group Plc	32,123,391	916	(916)	-	(161)
<b>Total quoted investments</b>		<b>9,580</b>	<b>(5,601)</b>	<b>3,979</b>	<b>(1,635)</b>
<b>Total investments</b>		<b>14,959</b>	<b>(6,330)</b>	<b>8,629</b>	<b>(2,635)</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 Opti, which at the time was a B share pool investee company, 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 Opti at the point of the ProBiotix IPO.



# Investment Portfolio – Ordinary Shares

## Unquoted Investments

	Equity held %	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2024 £'000	Movement in the six months to 30 June 2024 £'000
Fuel 3D Technologies Limited	<1.0	299	(299)	-	-
OR Productivity Limited	7.9	765	(765)	-	-
ImmunoBiology Limited	1.2	868	(868)	-	-
<b>Total unquoted investments</b>		<b>1,932</b>	<b>(1,932)</b>	-	-

## Quoted Investments

	Shares held	Investment at cost £'000	Unrealised profit/(loss) £'000	Carrying value at 30 June 2024 £'000	Movement in the six months to 30 June 2024 £'000
Scancell Holdings Plc	10,000,000	605	470	1,075	25
Arecor Therapeutics Plc	223,977	227	30	257	(146)
<b>Total quoted investments</b>		<b>832</b>	<b>500</b>	<b>1,332</b>	<b>(121)</b>
<b>Total investments</b>		<b>2,764</b>	<b>(1,432)</b>	<b>1,332</b>	<b>(121)</b>

## Valuations

The Company's unquoted portfolio companies are valued in accordance with UK GAAP accounting standards and the International Private Equity and Venture Capital (IPEV) valuation guidelines. This means we value the portfolio at fair value in line with the fair value hierarchy as outlined in the Notes to the Financial Statements on page 80 of the 2023 Annual Report and Accounts. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The valuations for unquoted investments are supported by investee company Financial Statements and/or third-party evidence where possible. Otherwise, valuations are supported by the share price of the most recent fundraising and/or management information.

Seneca takes a proactive approach to valuations, adjusting each investee company up or down where appropriate to accurately reflect its fair value, based on the most recent information available to the Company, and in line with the IPEV valuation guidelines.

## VCT Qualifying Status

Shoosmiths LLP provides both the Board and Seneca with advice concerning ongoing compliance with HMRC rules and regulations concerning VCTs and has advised that the Company continues to be in compliance with the conditions set by HMRC for maintaining approval as a VCT. All tests, including the criteria for VCT qualifying status, continue to be monitored and the Company was in compliance as at 30 June 2024.

# Directors' 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 6.

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 2023.

**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 80 to 94 of the 2023 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

Events such as an economic recession or movement in interest rates could adversely affect some smaller companies' valuations, as they may be more vulnerable to changes in trading conditions or the sectors in which they operate. This could result in a reduction in the value of the Company's assets. Seneca invests in a diverse portfolio of companies, across a range of sectors, which helps to mitigate against the impact on any one sector. The Company also maintains adequate liquidity to make sure it can continue to provide follow-on investment to portfolio companies where appropriate.

Given the volatility of the current environment, the Board will continue to evaluate whether there are any significant changes to these risks.

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

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, the Directors Ian Dighé (Chair), Mary Anne Cordeiro (Senior Independent Director), Alex Clarkson (Chair of the Audit Committee) and Richard Manley 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 2024, 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 Manager's Review 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.

## 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 24 July 2024 and the above responsibility statement was signed on its behalf by:

**Ian Dighé**  
Chair  
24 July 2024

# Financial Statements

# Income Statement – Combined

	Combined Six months to 30 June 2024			Combined Six months to 30 June 2023			Combined Year to 31 December 2023		
	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	-	942	942
Loss on valuation of fixed asset investments	-	(2,756)	(2,756)	-	(3,062)	(3,062)	-	(3,343)	(3,343)
Income	112	-	112	-	-	-	3	-	3
Performance fee	-	82	82	-	152	152	-	207	207
Investment management fee net of cost cap	(30)	(89)	(119)	(29)	(88)	(117)	(57)	(171)	(228)
Other expenses	(116)	-	(116)	(122)	-	(122)	(252)	-	(252)
<b>Return on ordinary activities before tax</b>	<b>(34)</b>	<b>(2,763)</b>	<b>(2,797)</b>	<b>(151)</b>	<b>(2,719)</b>	<b>(2,870)</b>	<b>(306)</b>	<b>(2,365)</b>	<b>(2,671)</b>
Taxation on return on ordinary activities	-	-	-	-	-	-	-	-	-
<b>Return on ordinary activities after tax</b>	<b>(34)</b>	<b>(2,763)</b>	<b>(2,797)</b>	<b>(151)</b>	<b>(2,719)</b>	<b>(2,870)</b>	<b>(306)</b>	<b>(2,365)</b>	<b>(2,671)</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 2024			Ordinary shares Six months to 30 June 2023			Ordinary shares Year to 31 December 2023		
	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	-	-	-	-	-	-	-	-	-
Loss on valuation of fixed asset investments	-	(121)	(121)	-	(1,122)	(1,122)	-	(1,521)	(1,521)
Income	1	-	1	-	-	-	-	-	-
Performance fee	-	82	82	-	152	152	-	207	207
Investment management fee net of cost cap	-	-	-	-	-	-	-	-	-
Other expenses	(10)	-	(10)	(18)	-	(18)	(33)	-	(33)
<b>Return on ordinary activities before tax</b>	<b>(9)</b>	<b>(39)</b>	<b>(48)</b>	(18)	(970)	(988)	(33)	(1,314)	(1,347)
Taxation on return on ordinary activities	-	-	-	-	-	-	-	-	-
<b>Return on ordinary activities after tax</b>	<b>(9)</b>	<b>(39)</b>	<b>(48)</b>	(18)	(970)	(988)	(33)	(1,314)	(1,347)
<b>Earnings per share – basic and diluted</b>	<b>(0.1p)</b>	<b>(0.5p)</b>	<b>(0.6p)</b>	(0.2p)	(12.0p)	(12.2p)	(0.4p)	(16.2)p	(16.6)p

# Income Statement – B Shares

	B shares Six months to 30 June 2024			B shares Six months to 30 June 2023			B shares Year to 31 December 2023		
	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	-	942	942
Loss on valuation of fixed asset investments	-	(2,635)	(2,635)	-	(1,940)	(1,940)	-	(1,822)	(1,822)
Income	111	-	111	-	-	-	3	-	3
Performance fee	-	-	-	-	-	-	-	-	-
Investment management fee net of cost cap	(30)	(89)	(119)	(29)	(88)	(117)	(57)	(171)	(228)
Other expenses	(106)	-	(106)	(104)	-	(104)	(219)	-	(219)
<b>Return on ordinary activities before tax</b>	<b>(25)</b>	<b>(2,724)</b>	<b>(2,749)</b>	<b>(133)</b>	<b>(1,749)</b>	<b>(1,882)</b>	<b>(273)</b>	<b>(1,051)</b>	<b>(1,324)</b>
Taxation on return on ordinary activities	-	-	-	-	-	-	-	-	-
<b>Return on ordinary activities after tax</b>	<b>(25)</b>	<b>(2,724)</b>	<b>(2,749)</b>	<b>(133)</b>	<b>(1,749)</b>	<b>(1,882)</b>	<b>(273)</b>	<b>(1,051)</b>	<b>(1,324)</b>
<b>Earnings per share – basic and diluted</b>	<b>(0.1p)</b>	<b>(13.6p)</b>	<b>(13.7p)</b>	<b>(0.7p)</b>	<b>(9.0p)</b>	<b>(9.7p)</b>	<b>(1.4p)</b>	<b>(5.2p)</b>	<b>(6.6p)</b>



# Balance Sheet – Combined

	Combined As at 30 June 2024		Combined As at 30 June 2023		Combined As at 31 December 2023	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		9,961	10,891		11,863	
Current assets:						
Cash at bank and in hand	1,178		5,425		1,455	
Money market funds	3,895		-		3,896	
Debtors	24		10		13	
		5,097	5,435		5,364	
Creditors: amounts falling due within one year	(136)		(136)		(189)	
<b>Net current assets</b>		<b>4,961</b>	5,299		5,175	
Creditors: amounts falling due after more than one year						
Performance fee payable		(64)	(201)		(146)	
<b>Net assets</b>		<b>14,858</b>	15,989		16,892	
Called up equity share capital		317	285		299	
Share premium		2,250	15,729		1,077	
Special distributable reserve		20,075	5,163		20,504	
Capital redemption reserve		2	-		1	
Capital reserve – gains on disposal		1,603	2,056		1,610	
Capital reserve – holding losses		(6,300)	(4,344)		(3,544)	
Revenue reserve		(3,089)	(2,900)		(3,055)	
<b>Total equity shareholders' funds</b>		<b>14,858</b>	15,989		16,892	

\*At fair value through profit and loss

# Balance Sheet – Ordinary Shares

	Ordinary shares As at 30 June 2024		Ordinary shares As at 30 June 2023		Ordinary shares As at 31 December 2023	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		1,332	1,852		1,453	
Current assets:						
Cash at bank and in hand	205		229		214	
Debtors	-		-		-	
	205		229		214	
Creditors: amounts falling due within one year	(22)		(22)		(22)	
<b>Net current assets</b>		<b>183</b>	207		192	
Creditors: amounts falling due after more than one year						
Performance fee payable	(64)		(201)		(146)	
<b>Net assets</b>		<b>1,451</b>	1,858		1,499	
Called up equity share capital	81		81		81	
Share premium	-		-		-	
Special distributable reserve	3,436		3,436		3,436	
Capital redemption reserve	-		-		-	
Capital reserve – gains on disposal	334		1,137		252	
Capital reserve – holding (losses)/gains	(369)		(789)		(248)	
Revenue reserve	(2,031)		(2,007)		(2,022)	
<b>Total equity shareholders' funds</b>		<b>1,451</b>	1,858		1,499	
<b>Net asset value per share</b>		<b>17.9p</b>	22.9p		18.5p	

\*At fair value through profit and loss

# Balance Sheet – B Shares

	B shares As at 30 June 2024		B shares As at 30 June 2023		B shares As at 31 December 2023	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		8,629	9,039		10,410	
Current assets:						
Cash at bank and in hand	973		5,196		1,241	
Money market funds	3,895		-		3,896	
Debtors	24		10		13	
	4,892		5,206		5,150	
Creditors: amounts falling due within one year	(114)		(114)		(167)	
<b>Net current assets</b>		<b>4,778</b>	5,092		4,983	
Creditors: amounts falling due after more than one year						
Performance fee payable		-	-		-	
<b>Net assets</b>		<b>13,407</b>	14,131		15,393	
Called up equity share capital		236	204		218	
Share premium		2,250	15,729		1,077	
Special distributable reserve		16,639	1,727		17,068	
Capital redemption reserve		2	-		1	
Capital reserve – gains on disposal		1,269	919		1,358	
Capital reserve – holding losses		(5,931)	(3,555)		(3,296)	
Revenue reserve		(1,058)	(893)		(1,033)	
<b>Total equity shareholders' funds</b>		<b>13,407</b>	14,131		15,393	
<b>Net asset value per share</b>		<b>56.9p</b>	69.4p		70.7p	

\*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 2023</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>
<b>As at 1 January 2023</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	31	2,269	-	-	-	-	-	2,300
Own shares purchased for cancellation	(1)	-	1	(76)	-	-	-	(76)
Capital reduction	-	(15,729)	-	15,729	-	-	-	-
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(306)	(306)
Expenses charged to capital	-	-	-	-	(171)	-	-	(171)
Performance fee allocated as capital expenditure	-	-	-	-	207	-	-	207
Dividends Paid	-	-	-	(791)	-	-	-	(791)
Current period gains on disposal	-	-	-	-	942	-	-	942
Current period losses on fair value of investments	-	-	-	-	-	(3,343)	-	(3,343)
Prior years' unrealised losses now realised	-	-	-	-	(1,481)	1,481	-	-

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## 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 2023</b>	<b>299</b>	<b>1,077</b>	<b>1</b>	<b>20,504</b>	<b>1,610</b>	<b>(3,544)</b>	<b>(3,055)</b>	<b>16,892</b>
B share issue	19	1,173	-	-	-	-	-	1,192
Own shares purchased for cancellation	(1)	-	1	(76)	-	-	-	(76)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(34)	(34)
Expenses charged to capital	-	-	-	-	(89)	-	-	(89)
Performance fee allocated as capital expenditure	-	-	-	-	82	-	-	82
Dividends Paid	-	-	-	(353)	-	-	-	(353)
Current period gains on disposal	-	-	-	-	-	-	-	-
Current period losses on fair value of investments	-	-	-	-	-	(2,756)	-	(2,756)
Prior years' unrealised losses now realised	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2024</b>	<b>317</b>	<b>2,250</b>	<b>2</b>	<b>20,075</b>	<b>1,603</b>	<b>(6,300)</b>	<b>(3,089)</b>	<b>14,858</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 2023</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>
<b>As at 1 January 2023</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	-	-	-	-	-	-	(33)	(33)
Expenses charged to capital	-	-	-	-	-	-	-	-
Performance fee allocated as capital expenditure	-	-	-	-	207	-	-	207
Dividends Paid	-	-	-	(162)	-	-	-	(162)
Current period gains on disposal	-	-	-	-	-	-	-	-
Current period losses on fair value of investments	-	-	-	-	-	(1,521)	-	(1,521)
Prior years' unrealised losses now realised	-	-	-	-	(940)	940	-	-

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## 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 2023</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>3,436</b>	<b>252</b>	<b>(248)</b>	<b>(2,022)</b>	<b>1,499</b>
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(9)	(9)
Expenses charged to capital	-	-	-	-	-	-	-	-
Performance fee allocated as capital expenditure	-	-	-	-	82	-	-	82
Dividends Paid	-	-	-	-	-	-	-	-
Current period gains on disposal	-	-	-	-	-	-	-	-
Current period losses on fair value of investments	-	-	-	-	-	(121)	-	(121)
Prior years' unrealised profits now realised	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2024</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>3,436</b>	<b>334</b>	<b>(369)</b>	<b>(2,031)</b>	<b>1,451</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 2023</b>	<b>188</b>	<b>14,537</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 gains now realised	-	-	-	-	(400)	400	-	-
<b>Balance as at 30 June 2023</b>	<b>204</b>	<b>15,729</b>	-	<b>1,727</b>	<b>919</b>	<b>(3,555)</b>	<b>(893)</b>	<b>14,131</b>
<b>As at 1 January 2023</b>	<b>188</b>	<b>14,537</b>	-	<b>2,044</b>	<b>1,128</b>	<b>(2,015)</b>	<b>(760)</b>	<b>15,122</b>
B share issue	31	2,269	-	-	-	-	-	2,300
Own shares purchased for cancellation	(1)	-	1	(76)	-	-	-	(76)
Capital reduction	-	(15,729)	-	15,729	-	-	-	-
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(273)	(273)
Performance fee allocated as capital expenditure	-	-	-	-	-	-	-	-
Expenses charged to capital	-	-	-	-	(171)	-	-	(171)
Dividends Paid	-	-	-	(629)	-	-	-	(629)
Current period gains on disposal	-	-	-	-	942	-	-	942
Current period losses on fair value of investments	-	-	-	-	-	(1,822)	-	(1,822)
Prior years' unrealised profits now realised	-	-	-	-	(541)	541	-	-

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## 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 2023</b>	<b>218</b>	<b>1,077</b>	<b>1</b>	<b>17,068</b>	<b>1,358</b>	<b>(3,296)</b>	<b>(1,033)</b>	<b>15,393</b>
B share issue	19	1,173	-	-	-	-	-	1,192
Own shares purchased for cancellation	(1)	-	1	(76)	-	-	-	(76)
Revenue return on ordinary activities after tax	-	-	-	-	-	-	(25)	(25)
Expenses charged to capital	-	-	-	-	(89)	-	-	(89)
Performance fee allocated as capital expenditure	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	(353)	-	-	-	(353)
Current period gains on disposal	-	-	-	-	-	-	-	-
Current period losses on fair value of investments	-	-	-	-	-	(2,635)	-	(2,635)
Prior years' unrealised losses now realised	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2024</b>	<b>236</b>	<b>2,250</b>	<b>2</b>	<b>16,639</b>	<b>1,269</b>	<b>(5,931)</b>	<b>(1,058)</b>	<b>13,407</b>

# Statement of Cash Flows

## – Combined

	<b>Combined Six months to 30 June 2024</b>	Combined Six months to 30 June 2023	Combined Year to 31 December 2023
	<b>£'000</b>	£'000	£'000
Cash flows from operating activities			
Return on ordinary activities before tax	<b>(2,797)</b>	(2,870)	(2,671)
Adjustments for:			
(Increase)/decrease in debtors	<b>(11)</b>	-	(3)
(Decrease)/increase in creditors	<b>(135)</b>	(185)	(186)
Gain on disposal of fixed asset investments	-	-	(942)
Loss on valuation of fixed asset investments	<b>2,756</b>	3,062	3,343
<b>Cash from operations</b>	<b>(187)</b>	7	(459)
Income taxes paid	-	-	-
<b>Net cash received/(used) in operating activities</b>	<b>(187)</b>	7	(459)
Cash flows from investing activities:			
Purchase of fixed asset investments	<b>(854)</b>	(876)	(2,437)
Sale of fixed asset investments	-	500	1,749
<b>Total cash outflow from investing activities</b>	<b>(854)</b>	(376)	(688)
Cash flows from financing activities:			
Dividends paid	<b>(353)</b>	(465)	(791)
Issue of B shares	<b>1,192</b>	1,208	2,300
Purchase of own shares for cancellation	<b>(76)</b>	(14)	(76)
Awaiting B share issue	-	-	-
<b>Total cash inflow from financing activities</b>	<b>763</b>	729	1,433
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(278)</b>	360	286
Opening cash and cash equivalents	<b>5,351</b>	5,065	5,065
<b>Closing cash and cash equivalents</b>	<b>5,073</b>	5,425	5,351

# Statement of Cash Flows

## – Ordinary Shares

	Ordinary shares Six months to 30 June 2024	Ordinary shares Six months to 30 June 2023	Ordinary shares Year to 31 December 2023
	£'000	£'000	£'000
Cash flows from operating activities:			
Return on ordinary activities before tax	(48)	(988)	(1,347)
Adjustments for:			
Decrease/(increase) in debtors	-	-	-
(Decrease)/increase in creditors	(82)	(152)	(207)
Gain on disposal of fixed asset investments	-	-	-
Loss on valuation of fixed asset investments	121	1,122	1,521
<b>Cash from operations</b>	<b>(9)</b>	<b>(18)</b>	<b>(33)</b>
Income taxes paid	-	-	-
<b>Net cash used in operating activities</b>	<b>(9)</b>	<b>(18)</b>	<b>(33)</b>
Cash flows from investing activities:			
Purchase of fixed asset investments	-	-	-
Sale of fixed asset investments	-	-	-
<b>Total cash (outflow)/inflow from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash flows from financing activities:			
Dividend paid	-	(162)	(162)
<b>Total cash outflow</b>	<b>(9)</b>	<b>(180)</b>	<b>(195)</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(9)</b>	<b>(180)</b>	<b>(195)</b>
Opening cash and cash equivalents	214	409	409
<b>Closing cash and cash equivalents</b>	<b>205</b>	<b>229</b>	<b>214</b>

# Statement of Cash Flows

## – B Shares

	<b>B shares Six months to 30 June 2024</b>	B shares Six months to 30 June 2023	B shares Year to 31 December 2023
	<b>£'000</b>	£'000	£'000
Cash flows from operating activities			
Return on ordinary activities before tax	<b>(2,749)</b>	(1,882)	(1,324)
Adjustments for:			
(Increase)/decrease in debtors	<b>(11)</b>	-	(3)
(Decrease)/increase in creditors	<b>(53)</b>	(33)	21
Gain on disposal of fixed asset investments	-	-	(942)
Loss on valuation of fixed asset investments	<b>2,635</b>	1,940	1,822
<b>Cash from operations</b>	<b>(178)</b>	25	(426)
Income taxes paid	-	-	-
<b>Net cash received/(used) in operating activities</b>	<b>(178)</b>	25	(426)
Cash flows from investing activities:			
Purchase of fixed asset investments	<b>(854)</b>	(876)	(2,437)
Sale of fixed asset investments	-	500	1,749
<b>Total cash outflow from investing activities</b>	<b>(854)</b>	(376)	(688)
Cash flows from financing activities:			
Dividends paid	<b>(353)</b>	(303)	(629)
Issue of B shares	<b>1,192</b>	1,208	2,300
Purchase of own shares for cancellation	<b>(76)</b>	(14)	(76)
Awaiting B share issue	-	-	-
<b>Total cash inflow from financing activities</b>	<b>763</b>	891	1,595
<b>Decrease/increase in cash and cash equivalents</b>	<b>(269)</b>	540	481
Opening cash and cash equivalents	<b>5,137</b>	4,656	4,656
<b>Closing cash and cash equivalents</b>	<b>4,868</b>	5,196	5,137

# Notes to the Half-Yearly Report

## 1. Basis of preparation

The unaudited half-yearly results which cover the six months to 30 June 2024 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 2024 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 2023 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 2024 is calculated on the basis of 8,115,376 shares (31 December 2023: 8,115,376 and 30 June 2023: 8,115,376) being the weighted average number of shares in issue during the period.

The earnings per B share at 30 June 2024 is calculated on the basis of 22,532,879 (31 December 2023: 20,116,139 and 30 June 2023: 19,398,249) 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 2024 divided by 8,115,376 (31 December 2023: 8,115,376 and 30 June 2023: 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 2024 divided by 23,556,235 (31 December 2023: 21,780,329 and 30 June 2023: 20,370,962) 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 2023.

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 of geopolitical events, 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. 73.3p 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 2023 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 £150k in management fees in the current period, however this is reduced to £119k as a result of the 3% cost cap (31 December 2023: reduced to £228k, 30 June 2023: reduced to £118k).

Seneca accrued £4.5k (30 June 2023: £4.5k) in accounting and administration service fees from the Company and an accrual of £9.0k (30 June 2023: £7.7k) is also included in the period for Richard Manley's Director's Fee following the increase in Directors' remuneration to £20k per annum for all non-executive Directors with effect from 1 June 2024. Seneca also accrued £26k (30 June 2023: £39k) 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 24 August 2023, Seneca (as promoters of the Offer) are entitled to charge the Company up to 5.5% of investors' subscriptions. A total of £25k has been paid to Seneca for the period ended 30 June 2024 (31 December 2023: £38k, 30 June 2023: £24k).

## 7. Events after the Balance Sheet Date

In July 2024, the Company completed a new private company investment of £915k from the B share pool into Durham based global supplier of adult incontinence products, Forma-Care (UK) Limited.

Following the half-year end, the share price of OptiBiotix Health Plc increased by c.97% compared to the bid price as at 30 June 2023 prior to the publication of this report. As a result of this substantial increase, the Company was able to realise 645,000 shares at a 1.5x return on original investment cost. The B share pool has a remaining stake of 1,036,343 shares in OptiBiotix Health Plc.

The Directors are not aware of any other post balance sheet events which need to be brought to the attention of shareholders.

## 8. Further Information

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

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