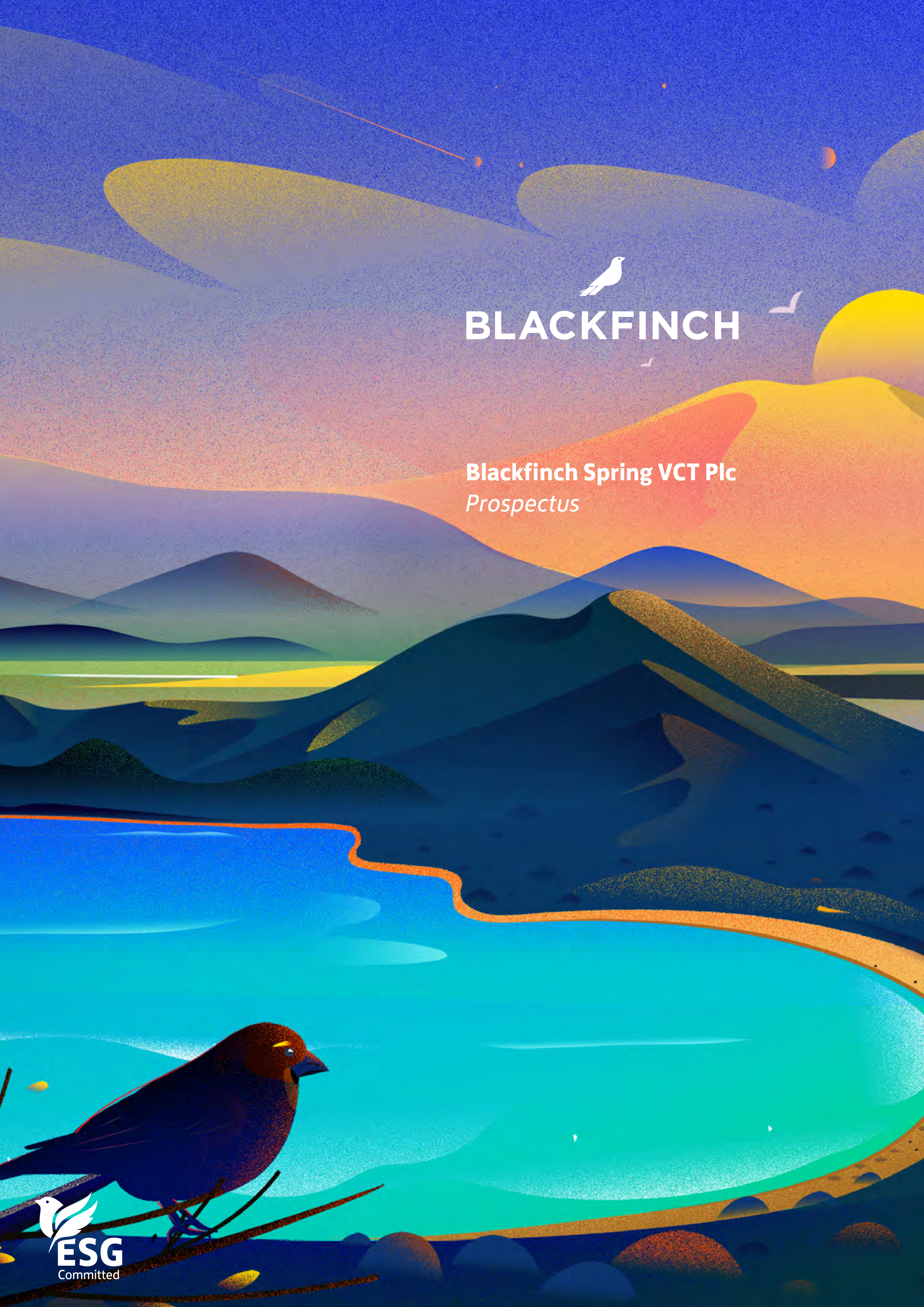

BLACKFINCH

Blackfinch Spring VCT Plc
Prospectus

ESG Committed

This document is important and requires your immediate attention

If you are in any doubt about the action to be taken, you should immediately consult a person authorised under the Financial Services and Markets Act 2000 ("FSMA") who specialises in advising on the acquisition of shares and other securities.

This document, which comprises a prospectus dated 7 September 2023 relating to Blackfinch Spring VCT plc (the "Company") in accordance with the UK version of the Prospectus Regulation Rules which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("Prospectus Regulation Rules") made by the Financial Conduct Authority pursuant to Part VI of FSMA has been approved for publication under section 87A of that Act. This document has also been approved by the Financial Conduct Authority on 7 September 2023 as a prospectus under the Prospectus Regulation Rules as competent authority under the UK version of Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018. The Financial Conduct Authority only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered an endorsement of the Company that is, or the quality of the securities that are, the subject of this Prospectus. This document has been drawn up as part of a simplified prospectus in accordance with the UK version of Article 14 of Regulation (EU) 2017/1129. Investors should make their own assessment as to the suitability of investing in the securities.

The contents of this document and the information incorporated herein by reference should not be construed as legal, business or tax advice. Neither the Company nor any of its Directors or representatives are making any representation to any offeree or purchaser or acquirer of the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser or acquirer under the laws applicable to such offeree or purchaser or acquirer.

Your attention is drawn to the risk factors set out on pages 13 to 15 of this document. Prospective investors should read the whole text of this document and should be aware that an investment in the Company involves a high degree of risk and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. All statements regarding the Company's business, financial position and prospects should be viewed in light of such risk factors.

The Directors of the Company whose names appear on page 18 of this document, together with the Company, accept responsibility for the information contained herein. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and the Prospectus makes no omission likely to affect the import of such information. To the extent information has been sourced from a third party, this information has been accurately reproduced and, as far as the Directors and the Company are aware, no facts have been omitted which may render the reproduced information inaccurate or misleading. In connection with this document, no person is authorised to give any information or make any representation other than as contained in this document.

Blackfinch Spring VCT plc

(incorporated in England and Wales with registered number 12166417 and registered as an investment company under section 833 of the Companies Act 2006)

Offer for Subscription of up to £20 million of Ordinary Shares* of £0.01 each, payable in full in cash on application

Issued share capital of the Company assuming full subscription under the Offer (without the over-allotment facility being utilised and initial expenses of 5.5% being charged)

Nominal Value	Number
£477,109.88	47,710,988 Ordinary Shares

Sponsor: Howard Kennedy Corporate Services LLP

The Directors, in their absolute discretion, may decide to increase the Offer by up to a further £10 million in accordance with the over-allotment facility.

The Ordinary Shares of the Company in issue at the date of this document are listed on the premium segment of the Official List and traded on the London Stock Exchange's main market for listed securities. Application will be made for all the Ordinary Shares in the Company to be issued pursuant to the offer for subscription ("Offer"), to be admitted to a premium listing on the Official List of the Financial Conduct Authority. Application will also be made to the London Stock Exchange for the Ordinary Shares to be traded on its main market for listed securities. It is expected that admission will become effective and that dealings in the Ordinary Shares will commence within 5 Business Days of allotment.

Applications for admission of Ordinary Shares may be made at any time after the date of publication of this document and on or prior to the Closing Date.

Subject to FSMA, the Prospectus Regulation Rules and applicable laws, the delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct as at any time after this date.

Howard Kennedy Corporate Services LLP is acting as sponsor and Blackfinch Investments Limited, which is authorised and regulated by the Financial Conduct Authority, is acting as promoter, each in connection with the Offer. Howard Kennedy is not advising any other person or treating any other person as a customer or client in relation to the Offer, nor, subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder, will they be responsible to any such person for providing the protections afforded to their respective customers or clients or for providing advice in connection with the Offer.

The Offer will be open from 7 September 2023 until the earlier of 5pm on the Initial Closing Date and the date on which the maximum subscription is reached. The Directors may close the Offer before the Initial Closing Date at their discretion or extend the Initial Closing Date and the deadline for receipt of applications to a date no later than 21 August 2024. The Offer is not underwritten. The procedure for, and the Terms and Conditions of Offer under, the Offer are set out at the end of this document together with an Application Form. The minimum investment per investor is £3,000. Completed Application Forms can be submitted online (using the online application form which can be found online at https://apply.blackfinch.com/vct/) or paper Application Forms can be sent by post or delivered by hand (during normal business hours only) to Blackfinch Investments Limited, 1350-1360 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester, Gloucestershire GL3 4AH.

This Prospectus does not constitute an offer of, or the solicitation of an offer to subscribe for or buy, any Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The Offer is not being made, directly or indirectly, in or into the United States, Canada, Australia, New Zealand, Japan, the Republic of South Africa or their respective territories or possessions or in any other jurisdiction where to do so would be unlawful, and documents should not be distributed, forwarded or transmitted in or into such territories. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) and may not be offered, sold or delivered, directly or indirectly, in or into the United States, Canada, Australia, New Zealand, Japan, the Republic of South Africa or in any other jurisdiction where to do so would be unlawful.

Copies of this document may be obtained, free of charge, from the Company's registered office and at the offices of Blackfinch Investments Limited at 1350-1360 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester, Gloucestershire GL3 4AH, until the closing of the Offer. A copy of this document has been submitted to the National Storage Mechanism and is available to the public for viewing online at the following website address https://data.fca.org.uk/#/nsm/nationalstoragemechanism

This document is not a KID (key information document) for the purposes of the UK PRIIPS Laws ("PRIIPs").

Contents

Summary
Introduction and Warnings

Name and ISIN of Securities	Ordinary Shares of 1 pence each (ISIN: GB00BKV46W45) ("Shares").
Identity and Contact Details of Issuer	Blackfinch Spring VCT plc (the "Company"), incorporated and registered in England and Wales on 20 August 2019 with registered number 12166417, whose registered address is at 1350-1360 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester, Gloucestershire GL3 4AH (LEI: 254900F3ZHVS78UV6D89). The Company can be contacted at enquiries@blackfinch.com and on telephone number 01452 717070.
Competent Authority approving the Prospectus	The Financial Conduct Authority, 12 Endeavour Square, London E20 1JN, telephone 0207 066 1000.
Date of Approval of the Prospectus	7 September 2023.
Warnings	(a) The summary should be read as an introduction to the Prospectus. (b) Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the Investor. (c) An investor could lose all or part of their invested capital. (d) Civil liability attaches only to those persons who have tabled the summary, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid Investors when considering whether to invest in the securities.

Key information on the Issuer
Who is the Issuer of the Securities?

Domicile and legal form

The Company is domiciled in England and was incorporated and registered in England and Wales on 20 August 2019 as a public company limited by shares under the Companies Act 2006 ("CA 2006") with registered number 12166417 (LEI: 254900F3ZHVS78UV6D89) and is registered as an investment company under section 833 of CA 2006. The principal legislation under which the Company operates is the CA 2006 and the regulations made thereunder.

Principal Activities

The Company is a generalist VCT focused on investments in innovative growth-stage technology-enabled companies which are on their scale-up journey.

Major Shareholders

As at the date of this document there are no persons who directly or indirectly, jointly or severally, exercise control over or own the Company. As at the date of this document, there are no persons known to the Company who, directly or indirectly, are interested in 3% or more of the Company's issued share capital.

Directors

The Directors of the Company (all of whom are non-executive) are:

- Peter L R Hewitt JP FCSI (Chairman)
- Dr Katrina Tarizzo
- Dr Reuben Wilcock

The Company has appointed Blackfinch Investments Limited ("Investment Manager") as the alternative investment fund manager of the Company, pursuant to the investment management agreement.

Statutory Auditors

The statutory auditors of the Company are BDO LLP.

What is the key financial information regarding the issuer?

Additional information relevant to closed end funds (as at 30 June 2023 (unaudited) except where otherwise stated)

Share Class	Net Assets	No of Ordinary Shares	NAV per Ordinary Share	Historical Performance
Ordinary	25,355,000	27,016,000	93.85	90.85p (as at 31 December 2022 (audited))
Total	25,355,000	27,016,000	-	

Income statement for closed end funds

	To 31 December 2022 (audited)	To six month period ended 30 June 2023 (unaudited)
Total income before operating expenses (£'000)	438	1,136
Net profit/(loss) on ordinary activities before taxation (£'000)	(326)	(824)
Performance fee (accrued/paid) (£'000)	0	0
Investment management fee (accrued/paid) (£'000)	(427)	(303)
Any other material fees (accrued/paid) to service providers (£'000)	(337)	(209)
Earnings per Ordinary Share (p)	(1.82)	3.36
Dividends paid per Ordinary Share (in respect of the period) (p)	0	0
NAV per Ordinary Share (p)	90.85	93.85

Balance sheet for closed end funds

	As at 31 December 2022 (audited)	As at 30 June 2023 (unaudited)
Total net assets (£'000)	19,267	25,355

Save in respect of 1 investment made by the Company totalling £840,000 into 1 VCT qualifying business between 1 July 2023 and 6 September 2023, there has been no significant change in the financial position of the Company since 30 June 2023 (being the end of the last financial period of the Company for which unaudited financial information has been published) to the date of this document.

What are the key risks that are specific to the issuer?

Set out below is a summary of the most material risk factors specific to the issuer:

- Investments in smaller unquoted companies (usually with limited trading records which require venture capital) carry substantially higher risks than would an investment in larger or longer-established businesses.
- There can be no guarantee that suitable investment opportunities will be identified.

- The current hostilities in Ukraine and the resulting sanctions imposed on the Russian Federation by various countries around the world may have unforeseen, long term and far reaching consequences for the global economy and the Company's portfolio of investments. In particular, the interruption and/or limitation in the supply of certain natural resources (such as oil and gas) could have a negative impact on the performance of the Company's portfolio of investments.

- It is anticipated that interest rates will remain inflated over the near term, which may have an adverse effect on the Company's portfolio companies and, potentially, their value and have a negative impact on the NAV of the Company, which in turn may have an adverse effect on the future investment returns of the Company and the market value of the Shares.

- The Company may be unable to maintain its VCT status, which could result in loss of certain tax reliefs.

- In 2015 a sunset clause for VCT income tax relief was introduced. This was a condition of the European Commission's State Aid approval of the UK's VCT and EIS schemes, namely a retirement date for the schemes of midnight on 5 April 2025. Income tax relief will no longer be given to subscriptions made on or after 6 April 2025, unless the relevant legislation is renewed or replaced with similar legislation before this date by an HM Treasury order. The Company is monitoring this risk and the potential impact on the Company.

- The market for stock in smaller companies is often less liquid than that for stock in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such stock. There may also be constraints imposed on the realisation of investments to maintain the VCT tax status of the Company.

- The Company's portfolio of VCT non-qualifying investments (e.g. certain money market funds) are subject to market fluctuations. Such investments are affected by the selection of funds and managers by the Investment Manager and by investment decisions of such portfolio managers, and there can be no assurance that appreciation will occur or that losses will not be incurred.

- The COVID-19 pandemic may continue to have an impact on the UK and global economy, affecting workers and businesses of all sizes. Despite the UK Government's fiscal measures and additional tax and other benefits to support small businesses, the Company's portfolio businesses may be adversely impacted by the pandemic including any potential new waves of infection, as too the returns for investors.

Key Information on the Securities

What are the main features of the securities?

Types, class and ISIN of securities	The Company will issue new ordinary shares of 1 pence each ("Ordinary Shares") under its proposed offer for subscription of up to £20 million of Shares, with an over allotment facility of a further £10 million of Shares (" Offer"). The ISIN of the Ordinary Shares is GB00BKV46W45.
Currency, par value and number to be issued	The currency of the Ordinary Shares is Sterling. The Shares are ordinary shares of 1 pence each and, pursuant to the Offer, the Company will issue up to £20 million of Ordinary Shares with an over-allotment facility for up to a further £10 million of Ordinary Shares.
	Rights attaching to the securities:
As regards Income	Shareholders are entitled to receive such dividends as the Directors resolve to pay out in accordance with the articles of association.
As regards Capital	On a return of capital on a winding up or otherwise (other than on redemption or purchase of shares) the assets of the Company available for distribution shall be divided amongst the holder of Shares pro rata to their respective holdings of such shares, in accordance with the articles of association.
As regards Voting and General Meetings	Subject to any special terms as to voting upon which any shares may have been issued, or may for the time being be held, each holder of Shares present in person or by proxy shall on a poll have one vote for every Share of which he is a holder.
As regards Redemption	The Ordinary Shares are not redeemable.
Restrictions on the free transferability of the securities	There are no restrictions on the free transferability of the Shares.
Dividend policy	The Company intends, but cannot guarantee, to pay: (1) a regular annual dividend commencing not earlier than in the financial year beginning 1 January 2024 equivalent to 5% of the Company's net asset value and (2) special dividends, where appropriate, from the proceeds of any successful exits of portfolio companies that are not reinvested. The Company's ability to pay dividends is subject to the existence of realised profits, legislative requirements and the available cash reserves of the Company. No forecast or projection is implied or inferred.

Where will the securities be traded?	The existing Ordinary Shares are admitted, and an application will be made to the FCA for the Ordinary Shares to be issued under the Offer, to be admitted, to 1) the premium segment of the Official List and 2) trading on the London Stock Exchange's main market for listed securities. It is expected that each such admission will become effective, and that dealings in those Ordinary Shares will commence, at any time on or before the closing date.
What are the key risks that are specific to the securities?	Set out below is a summary of the most material risk factors specific to the securities: Although the Ordinary Shares will be listed on the premium segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities, shares in VCTs are inherently illiquid, and Shareholders might find it difficult to realise their investment. The Company intends, but cannot guarantee, to pay a regular annual dividend not earlier than in the financial year beginning 1 January 2024 equivalent to 5% of the Company's net asset value. The ability to pay the intended dividends may also be constrained by, in particular, the existence of realised profits, regulations and the available cash reserves of the Company. There can be no assurance that any dividends or distributions will be paid in respect of any financial year or period and no guarantee as to the level of any future dividends or distributions to be paid by the Company. No forecast or projection is implied or inferred. The value of the Ordinary Shares depends on the performance of the Company's underlying assets and that value and the income derived from those assets may go down as well as up and an Investor may not get back the amount of capital invested. Levels, bases of, and reliefs from taxation are subject to change, which could be retrospective, and this could affect the VCT status of the Company and the VCT tax benefits available to Shareholders.

Key Information on the Offer of Securities to the Public and/or Admission to Trading on a Regulated Market

Under which conditions and timetable can I invest in this security?

Amount of Offer	Up to £20 million of Ordinary Shares are being made available under the Offer, with an over-allotment facility for up to a further £10 million of Ordinary Shares. The Ordinary Shares are payable by an applicant in full upon application.
Offer Timetable	The subscription for the Offer will open on 7 September 2023, with the early bird discount of 1.5% per Ordinary Share to be deducted from the offer price

for all applications received by 5pm on 26 January 2024 and a 1% per Ordinary Share discount to be deducted from the offer price for all other applications received after that time but before 5pm on 3 April 2024. Existing Blackfinch investors will benefit from an enhanced rate of discount in the amount of an additional 1% per Ordinary Share to be deducted from the offer price.

The Offer may close at any time after 3 April 2024 but, in any event, not later than 5pm on 5 April 2024, in the case of the 2023/2024 offer, and at 5pm. on 21 August 2024, in the case of the 2024/2025 offer (unless, in either case, the Offer has been fully subscribed by an earlier date). It is expected that the admission to trading on the London Stock Exchange's main market for listed securities of the Ordinary Shares that are the subject of the Offer will become effective on or before the closing date.

The Offer is conditional on resolutions 1 to 3 to be proposed at a general meeting of the Company to be held on 10 October 2023 (or any adjournment thereof) being passed.

Expenses Charged to the Investor

The estimated expenses charged to the Investor by the Company are as follows:

Expenses of the Offer	Total initial expenses of the Offer are up to 5.5% of the gross proceeds of the Offer.
Dilution	The existing issued Ordinary Shares will represent 48% of the enlarged Ordinary Share capital of the Company immediately following the Offer, assuming (i) the Offer is fully subscribed, including the over-allotment facility, (ii) with an offer price of 99p and (iii) the total initial expense of 5.5% applies to all subscriptions, and on that basis Shareholders who do not subscribe under the Offer will, therefore, be diluted by 52%.

Why is this Prospectus being produced?

The reason for the Offer is to enable the Company to raise funds and to invest the net proceeds in accordance with its published investment policy so as to use the net proceeds of the Offer to invest in further unquoted companies.

The Offer is not subject to an underwriting agreement.

No conflict of interest is material to the Offer.

The Company is proposing to raise up to £20 million pursuant to the Offer (up to £30 million if the allotment facility for up to a further £10 million is utilised in full). The total expenses of the Offer (assuming full subscription with the over-allotment facility not utilised and with all applications made by direct Investors only and no discounts are applied) will be 5.5% of the gross proceeds and the total net proceeds are, therefore, estimated to be £18.9 million.

Risk Factors

Prospective Investors should consider carefully the following material risk factors that are specific to the Ordinary Shares, as well as the other information in this Prospectus, before investing. Prospective Investors should read the whole of this Prospectus and not rely solely on the information in this section entitled "Risk Factors". The business and financial conditions of the Company could be adversely affected if any of the following risks were to occur and as a result the share price and/or NAV of the Ordinary Shares could decline and Investors could lose part or all of their investment. Prospective Investors should be aware that the value of Ordinary Shares can fluctuate and that they may not get back the full amount they invest. In addition, there is no certainty that the market price of Ordinary Shares will fully reflect the underlying net asset value, that Shareholders will be able to realise their shareholding or that any dividends will be paid. An investment in the Company should be viewed as a higher risk, longer-term investment.

The Directors draw the attention of potential Investors to the following risk factors which may affect an investment, the Company's performance and/or the availability of tax reliefs. The Company and the Directors consider the following risks to be material for prospective Investors, but the risks listed below do not necessarily comprise all those associated with an investment in the Company. Additional risks and uncertainties currently unknown to the Company and the Directors (such as changes in legal, regulatory or tax requirements), or which the Company and the Directors currently believe are immaterial, may also have a materially adverse effect on the financial condition or prospects of the Company or on the market price of Ordinary Shares.

Issuer Risks

The Company will invest in unquoted companies in accordance with its investment policy and objectives. Investment in unquoted companies, by its nature, involves a higher degree of risk than investment in listed companies. Small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals and may be more susceptible to political, exchange rate, taxation and other regulatory changes. All of these factors could affect the financial performance of the Company, and the returns for Shareholders.

There can be no guarantee that suitable investment opportunities will be identified. This factor would affect the financial performance of the Company and the returns for Shareholders.

The current hostilities in Ukraine and the resulting sanctions imposed on the Russian Federation by various countries around the world may have unforeseen, long term and far-reaching consequences for the global economy and the Company's portfolio of investments. In particular, the interruption and/or limitation in the supply of certain natural resources (such as oil and gas) could have a negative impact on the performance of the Company's portfolio of investments.

It is anticipated that interest rates could remain inflated over the near term, which may have an adverse effect on the Company's portfolio companies and, potentially, their value and have a negative impact on the NAV of the Company, which in turn may have an adverse effect on the future investment returns of the Company and the market value of the Shares.

The Company may be unable to maintain its VCT status, which could result in loss of certain tax reliefs. There can be no guarantee that the Company will fulfil the conditions to obtain, or to enable it to maintain full VCT status. If the Company loses its approval as a VCT before Investors have held their Shares for five years, the 30% income tax relief obtained in respect of those Shares will have to be repaid by such Investors. Following a loss of VCT status, an Investor will be taxed on dividends paid by the Company, and in addition, a liability to capital gains tax may arise on any subsequent disposal of Shares, and the Company may be subject to corporation tax on any capital gains it makes.

In 2015 a sunset clause for VCT income tax relief was introduced. This was a condition of the European Commission's State Aid approval of the UK's VCT and EIS schemes, namely a retirement date for the schemes of midnight on 5 April 2025. Income tax relief will no longer be given to subscriptions made on or after 6 April 2025, unless the relevant legislation is renewed or replaced with similar legislation before this date by an HM Treasury order. The Company is monitoring this risk and the potential impact on the Company.

The market for stock in smaller companies is often less liquid than that for stock in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such stock. There may also be constraints imposed on the realisation of investments to maintain the VCT tax status of the Company. All of these factors could affect the financial performance of the Company, and the returns for Shareholders.

The Company's portfolio of Non-Qualifying Investments (e.g. certain money market funds) are subject to market fluctuations. Such investments are affected by the selection of funds and managers by the Manager and by investment decisions of such portfolio managers, and there can be no assurance that appreciation will occur or that losses will not be incurred.

The COVID-19 pandemic may continue to have an impact on the UK and global economy, affecting workers and businesses of all sizes. Despite the UK Government's fiscal measures and additional tax and other benefits to support small businesses, the Company's portfolio businesses may be adversely impacted by the pandemic including any potential new waves of infection, as too the returns for investors. These factors could affect the financial performance of the Company, and the financial returns for Shareholders.

The Finance Act introduced a "risk-to-capital" condition for Qualifying Investments, designed to focus investments towards earlier stage, growing businesses, and away from investments which could be regarded as lower risk and these factors could affect the financial performance of the Company, and the returns for Shareholders. The Company may not make any prohibited non-qualifying investments, including those which breach the "risk-to-capital" condition, and the potential penalty for contravention of these rules can include loss of VCT status with a resultant clawback of VCT tax reliefs from investors. Whilst HMRC have stated that VCT status will not be withdrawn where an investment is ultimately found to be non-qualifying if, after taking reasonable steps including seeking advice, a VCT considers that an investment is qualifying, a breach of any of these conditions could result in the loss of VCT status by the Company or HMRC requiring rectification of the breach, which may mean that the Company is forced to dispose of the investment at a loss and this could adversely affect investor returns.

The Investment Manager and its respective officers, employees and consultants are involved in other activities which may give rise to conflicts of interest with the Company and the Investment Manager may from time to time act for other clients or manage or advise other funds, which have similar investment mandates to that of the Company. In seeking to manage such conflicts, the Investment Manager may not offer the Company the opportunity to invest in all of its investment opportunities that fall within the Company's investment policy, for example, where the Investment Manager is bound to allocate a specific investment opportunity to the Blackfinch Adapt IHT Service, that might otherwise have been presented to the Company. This could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Ordinary Shares.

Securities Risks

Although it is intended that the Ordinary Shares will be listed on the Official List and admitted to trading on the London Stock Exchange, shares in VCTs are inherently illiquid and there may be a limited market in the shares, primarily because the initial tax relief is only available to those subscribing for newly issued shares. In such circumstances Investors might find it difficult to realise their investment.

The Company intends, but cannot guarantee, to pay a regular annual dividend commencing not earlier than the financial year beginning 1 January 2024, equivalent to 5% of the Company's Net Asset Value. The ability to pay the intended dividends may also be constrained by, in particular, the existence of realised profits, regulations and the available cash reserves of the Company.

The value of Ordinary Shares depends on the performance of the Company's underlying assets and that value and the income derived from those assets may go down as well as up and an Investor may not get back the amount of capital invested.

Levels, bases of, and reliefs from taxation are subject to change, which could be retrospective, and this could affect the VCT status of the Company and the VCT tax benefits available to Shareholders. Any purchaser of existing Shares in the secondary market will not qualify for the then (if any) available upfront tax reliefs afforded only to subscribers of Ordinary Shares on the amount invested.

Investors who sell their Ordinary Shares within five years of allotment will have to repay some or all of their initial 30% income tax relief depending on the sale proceeds and it is, therefore, probable that the market in the Ordinary Shares will be illiquid for at least five years.

If the Company loses its approval as a VCT before Investors have held their shares for five years, the income tax relief obtained will have to be repaid by such Investors. Following a loss of VCT status, an Investor will be taxed on dividends paid by the Company and, in addition, a liability to capital gains tax may arise on any subsequent disposal of their Ordinary Shares.

IMPORTANT INFORMATION

Forward Looking Statement

Investors should not place undue reliance on forward-looking statements. This Prospectus includes statements that are (or may be deemed to be) "forward looking statements", which can be identified by the use of forward-looking terminology including the various terms "believes", "continues", "expects", "intends", "aims" "may", "will", "would", "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Forward looking statements involve risk and uncertainty because they relate to future events and circumstances. Save in relation to statements concerning working capital adequacy, forward-looking statements contained in this Prospectus, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future. These statements will be updated as and when required by the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance & Transparency Rules and UK MAR. Any forward looking statements in this Prospectus do not in any way seek to qualify the working capital statement in paragraph 6.14 of Part 4 and will be updated as required by FSMA, the Prospectus Regulation Rules, the Listing Rules , the Disclosure Guidance & Transparency Rules and MAR, as appropriate.

Governing Law

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales.

Non-Mainstream Pooled Investment Status and UK MiFID Laws

As the Company is a closed-ended investment company, the Ordinary Shares will be "excluded securities" under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares is not subject to the FCA's restriction on the promotion of non-mainstream pooled investments. The Company intends to conduct its affairs so that its Ordinary Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under the UK MiFID Laws.

The Directors consider that the Ordinary Shares should be considered "non-complex" for the purposes of the UK MiFID Laws.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) the UK's implementation of EU Directive 2014/65/EU on markets in financial instruments, as amended ("UK MiFID II"); (b) the UK's implementation of Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing UK MiFID II, and in particular Chapter 3 of the Product Intervention and Product Governance Sourcebook of the FCA (together, the "MiFID II Product Governance Requirements") and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares of the Company have been subject to a product approval process, which has determined that the Ordinary Shares to be issued pursuant to the Offer are: (i) compatible with an end target market of retail investors and investors who meet the criteria of Professional Clients and eligible counterparties each as defined in UK MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by UK MiFID II (the "Target Market Assessment").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer.

The Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of UK MiFID II or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Market Abuse Regulation

UK MAR sets out requirements relating to insiders, director dealings and market soundings. In particular, directors, Persons Discharging Managerial Responsibilities (PDMRs) and Persons Closely Associated (PCAs) with them must notify the Company of any transaction in the Company's shares. There is also a restriction on dealing in the Company's shares during a closed period. UK MAR also stipulates that public disclosure of inside information by the Company must be done without delay (other than in limited circumstances). The FCA must be formally notified following the announcement of any delay.

The Directors are aware of their obligations under UK MAR and the Company has a share dealing policy and a procedure to comply with the requirements set out in UK MAR.

Websites

Without limitation, neither the contents of the Company's or the Investment Manager's website (or any other website referred to in this Prospectus) nor the content of any website accessible from hyperlinks on the Company's or the Investment Manager's website (or any other website referred to in this Prospectus) is incorporated into, or forms part of this Prospectus.

Withdrawal

The Company may update the information provided in this Prospectus by means of a supplement if a significant new factor that may affect the evaluation by prospective investors occurs after the publication of this Prospectus or if this Prospectus contains any material mistake or substantial inaccuracy. Any such supplement will be subject to approval by the FCA and will be made public in accordance with the Prospectus Regulation Rules. In the event that the Company is required to publish a supplement prospectus prior to the issue of Shares under the Offer, applicants who have applied for, but not been issued, Ordinary Shares under the Offer will have the right to withdraw their applications for Shares made prior to the publication of the supplement prospectus. Such withdrawal must be made within the time limits and in the manner set out in any such supplement prospectus (which shall be at least two clear Business Days following the publication of the relevant supplement prospectus). If the application is not withdrawn within the stipulated period, any offer to apply for Ordinary Shares under the Offer will remain valid and binding.

Directors and Advisers

Directors
Directors (all non-executive)
Peter Lionel Raleigh Hewitt (Chairman)
Dr Katrina Tarizzo
Dr Reuben Wilcock

all of Registered Office at:
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Gloucester Business Park
Brockworth, Gloucester
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Secretary
The City Partnership (UK) Limited
The Mending Rooms
Park Valley Mills
Meltham Road
Huddersfield
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VCT Tax Adviser
Philip Hare & Associates LLP
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EC1A 2AY

Investment Manager, Promoter and Administrator
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Gloucester Business Park
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Sponsor
Howard Kennedy Corporate Services LLP
No.1 London Bridge
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SE1 9BG

Auditor
BDO LLP
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Howard Kennedy LLP
No.1 London Bridge
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Registrars
The City Partnership (UK) Limited
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Park Valley Mills
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Huddersfield
HD4 7BH

Letter from the Chairman

Dear Investor,

I am delighted to introduce you to Blackfinch Spring VCT plc, a VCT which was established in 2019 and is managed by Blackfinch Investments Limited, an experienced investment specialist. The Company is looking to raise £20 million (with an over-allotment facility of up to a further £10 million) for investment in innovative growth-stage technology-enabled companies which are on their scale-up journey, having raised some £25.7 million since its establishment and invested in 24 UK growth companies. VCTs are well established and popular with investors. In each of the last two tax years VCTs have raised over £1 billion.

The Investment Manager

Blackfinch is an award-winning investment specialist, with a 25-year heritage, driven by a management team who have extensive experience across relevant sectors including SEIS, EIS, renewables, property and AIM securities. It was founded on evolutionary principles, inspired by the work of Charles Darwin with offerings known for flexible designs, lower fees, security and growth. As at 29 August 2023 the Blackfinch Group had over £746 million of funds under management and administration including approximately £67 million in EIS Funds split across a range of industries including early-stage technology, media and leisure, and £365 million in its IHT Portfolios split across a range of asset-backed finance, development and project finance and renewable energy investments. ESG concerns are central to Blackfinch which manages a number of environmental, social and governance approved multi-asset unit trusts.

The Company

The Company has invested and will continue to invest in growth-stage technology-enabled companies with a focus on research, development and innovation, thereby giving the potential for higher returns. Investments are targeted in unquoted companies where there is likely to be a reasonable prospect of a trade sale or clear exit strategy in due course. To be considered for investment, companies must show a capability of growing through disrupting their respective markets. The investment process benefits from extensive deal flow and a thorough filtering process coupled with a robust approach to due diligence.

To date, the Company has invested over £20.1 million into a total of 24 innovative growth-stage technology-enabled businesses across a wide range of sectors. Examples include Transreport, which makes it easy for people with restricted mobility to book and receive the assistance they need for train and air travel, Currensea – offering a slick travel-focused debit card that links seamlessly to high street bank accounts whilst offering very low foreign exchange fees – and Up Learn, which delivers an online platform that helps even disadvantaged students achieve A*/A grades in public exams.

In comparison to much larger VCTs, a big exit from any one portfolio company would represent a much larger return per Share. While the failure of a company would also have a greater impact per Share, the loss is always limited to the amount invested, whereas the potential return from a successful exit is unlimited. There is thus the potential for special dividends from successful exits in addition to the regular dividends intended to be paid from 2024 subject to certain conditions.

The Offer

The Offer is looking to raise up to £20 million (with an over allotment facility of a further £10m) and will be open from 7 September 2023 until 21 August 2024, unless the Offer is fully subscribed before this date or the Directors (at their discretion) decide to bring forward the Initial Closing Date. Application will be made for the Ordinary Shares of the Company allotted under the Offer to be listed on the premium segment of the Official List and to be traded on the London Stock Exchange's main market for listed securities.

Early Bird Discount and Loyalty Discount

An Early Bird Discount of 1.5% per Ordinary Share will be deducted from the Offer Price for all accepted applications that are submitted with appropriate payment and are received by 5pm on 26 January 2024. The Early Bird Discount will reduce to 1% per Ordinary Share (to be deducted from the Offer Price) for all other accepted applications that are submitted with appropriate payment and are received after 5pm on 26 January 2024 but before 5pm on 3 April 2024.

Existing Blackfinch Investors at the time their application is accepted will benefit from an enhanced rate of discount in the amount of an additional 1% per Ordinary Share to be deducted from the Offer Price.

The Tax Benefits

Subscriptions for Ordinary Shares in Blackfinch Spring VCT plc should attract income tax relief at the rate of 30% for eligible UK tax-payers. In addition, as long as the VCT maintains its status as a VCT, the VCT may make tax-free distributions to Shareholders, and gains made within the VCT are free from capital gains tax. The availability of tax reliefs depends on the individual circumstances of Investors and can be subject to change.

Prospective Investors should consult with their own independent financial adviser before making an investment in a VCT.

Yours sincerely,

Peter LR Hewitt

Chairman

Blackfinch Spring VCT plc

Details, Timetable, Statistics of the Offer and Dealing Codes

Timetable of the Offer

Offer opens	7 September 2023
Early Bird Discount ends	5pm on 3 April 2024. A higher discount[1] is available in respect of applications received by 5pm on 26 January 2024
First allotment	29 November 2023
Share and tax certificates expected to be dispatched	within 10 Business Days of each allotment
Initial Closing Date	5pm on 3 April 2024, or such later date to be determined at the Directors' absolute discretion[2]
Dealings expected to commence	within 5 Business Days of allotment

Statistics of the Offer

Expected maximum number of Ordinary Shares in issue following close of the Offer assuming full subscription[3]	57,780,248
Estimated net proceeds of the Offer, assuming maximum subscription (and full utilisation of the over-allotment facility)[3]	£28,350,000
Minimum individual investment	£3,000
Estimated expenses of the Offer assuming full subscription[3]	£1,650,000
Early bird discount	1.5% until 5pm 26 January 2024 1% from 5pm 26 January 2024 until 5pm 3 April 2024
Loyalty discount for Existing Blackfinch Investors	1% until 5pm 21 August 2024[1]
ISIN	GB00BKV46W45
SEDOL	BKV46W4

Dealing Codes

Ticker Code	BFSP
LEI	254900F3ZHVS78UV6D89

[1] *Investors who currently hold an investment in any Blackfinch product will be eligible for both the early bird discount and the loyalty discount, providing their valid applications are received by the relevant date.*

[2]*The closing date is subject to the Offer not being fully subscribed or closed at the Directors' discretion at an earlier date. Closing dates may be extended to a date no later than 21 August 2024 or brought forward at the Directors' discretion, in which case the date of admission and commencement of dealings will be revised accordingly.*

[3]*Assuming all subscriptions are made by direct Investors only and the Offer is fully subscribed with the over-allotment facility being utilised in full, with no discounts being applicable.*

Part 1
The Offer

Introduction

Blackfinch Spring VCT was launched on 11 November 2019 to invest in innovative growth-stage technology-enabled companies, and since then has raised some £25.7 million and invested in 24 VCT qualifying portfolio businesses. The Directors believe that the VCT can continue to build a diverse portfolio of innovative businesses that offer the potential for attractive returns to investors.

The Company has today launched a new offer for subscription to raise up to £20 million (with an over-allotment facility of up to a further £10 million).

The Directors consider the Company to be well placed to benefit from the deep knowledge and experience built up by its investment manager, Blackfinch, from the companies in the Blackfinch Ventures EIS Portfolios, which has invested in 36 innovative technology businesses and achieved their first exit ahead of target in 2022 . Whilst funds available to the Company continue to build, the Directors favour follow-on investments and co-investment in companies considered by the Blackfinch Ventures EIS Portfolios. As the Company continues to mature, the Directors will also focus the Company's investments into its own slightly later-stage deal flow whilst continuing to back its most promising, high performing, portfolio companies.

The Investment Manager is currently entrusted with over £700 million in assets under management and administration. It has a 25-year heritage driven by a management team who have extensive experience across sectors including SEIS, EIS, VCT, renewables, property and AIM securities. Run by a team of investment professionals, Blackfinch Ventures is supported by the wider Blackfinch Group and its external network of Venture Partners who are experienced founders, industry leaders and technology experts. Collectively, these individuals give access to over 300 years of experience of investing in, mentoring and running early stage companies. For more information on the Investment Manager's team and experience, please see the section "The Board, Committees and the Investment Manager Team" on page 62.

The objective of the Company is to invest in innovative growth-stage technology-enabled companies which are on their scale-up journey. Investments are targeted in unquoted companies where there is likely to be a reasonable prospect of a trade sale or clear exit strategy in due course.

The Company's current portfolio consists of 23 Portfolio Companies, and it is expected to increase by a further 5-15 companies per annum.

The Company will target an annual dividend equivalent to 5% of its Net Asset Value, and special dividends, where appropriate, from the proceeds of successful exits of portfolio companies that are not reinvested. It is envisaged that dividends will not be paid before 2024 and will be subject to the existence of realised profits, legislative requirements and the available cash reserves of the Company.

Under current VCT legislation, the Company must hold at least 80% of its assets by value in Qualifying Investments by the second anniversary of the end of the accounting period in which the Company issued the shares.

The existing Ordinary Shares are, and the Company will apply for the Ordinary Shares issued under the Offer to be, listed on the Official List and traded on the London Stock Exchange's main market. The Offer will open on 7 September 2023 until 5pm on 21 August 2024. The Offer may close in advance of this date in the event that the maximum subscription is reached or the Directors (at their sole discretion) decide to close the Offer on an earlier date. The closing date of the Offer, and the deadline for receipt of applications for the final allotment with respect to the Offer, may be extended by the Directors to a date no later than 21 August 2024.

Further information on the Company is set out in Parts 4 and 5.

Reasons for the Offer

The Offer has been launched to provide Investors with the opportunity to invest in a company with exposure to high-growth technology-enabled portfolio companies with the expected benefit of VCT tax reliefs. The Company will use the proceeds of the Offer to fund its investment programme, for general working capital purposes and to cover the costs of the Offer.

Existing Portfolio

At the date of this prospectus the Company has the following 23 investments in its portfolio.

Brooklyn Supply Chain Solutions Limited

Trading as Brooklyn Vendor Assurance, the company has created a platform that allows the world's largest businesses to manage their supplier contracts. The solution maps and governs organisations in areas including risks, performance, ESG, and compliance. Brooklyn's customers include large enterprises such as Danske Bank and Sainsburys, with the product catering for the very complex needs of the world's largest organisations who spend millions on compliance and governance each year. Since investment, the company has increased its recurring revenue 2.5x, having both expanded its deployments within existing enterprise clients, and secured new long-term contracts with organisations such as Cumberland Building Society. Brooklyn also has an ESG partnership with Positive Impact Commerce (PIC), with the company's platform enabling its customers to manage their suppliers' environmental performance, including automated scoring and tracking.

Company sector	Supply Chain Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	March 2021
Cost of Blackfinch Spring VCT investment	£1.16m
Value of Blackfinch Spring VCT investment	£1.16m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	12.2%

Clientshare

ClientShare Limited

Clientshare specialises in increasing the strength of relationships between buyers and suppliers through its easy-to-use online technology platform. Its 'Service Governance' products help large organisations maintain strong relationships with their clients, and deliver the insights needed to tackle emerging problems. The effect is to increase customer retention and reduce churn. Having already secured enterprise customers such as HP and Compass Group prior to the Company's first investment, Clientshare has subsequently grown in revenue over 2.5x, and secured additional major customers such as EY. The business has also planted over 5,200 trees in the 'Clientshare Forest', based on customers' use of its platform.

Company sector	Service Governance Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	March 2021
Cost of Blackfinch Spring VCT investment	£857,500
Value of Blackfinch Spring VCT investment	£1.18m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	10.1%

Collectivetech Limited

Collectivetech, trading as RideTandem, transforms taxi, minibus, and coach fleets of transport operators into eco-friendly, shared shuttles for businesses to offer as an efficient commuting option to their workforce in regions underserved by public transport. The service tackles transport poverty, opening up employment opportunities in remote areas, whilst boosting talent attraction and retention for employers. RideTandem is also making a tangible difference in the fight against climate change and pollution, by promoting shared shuttle services that reduce the number of vehicles on the road.

Company sector	Transport Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	March 2023
Cost of Blackfinch Spring VCT investment	£440,000
Value of Blackfinch Spring VCT investment	£440,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	4.5%

Cultureshift Communications Limited

Culture Shift is a purpose-driven company that is on a mission to improve workplace mental health, equality and wellbeing. Its software-as-a-service platform allows the reporting and effective management of incidents of bullying and harassment, whilst analytics and insights help companies reduce the frequency of such incidents and improve their overall culture. Since investment, Cultureshift has grown its revenue almost 3x by strengthening its position in the higher education sector while making strong inroads into other verticals including the public sector and financial services. The core proposition brings with it strong social and governance benefits to its customers, which the company mirrors in its own employment practices.

Company sector	HR Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	August 2021
Cost of Blackfinch Spring VCT investment	£780,000
Value of Blackfinch Spring VCT investment	£868,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	10.3%

Currensea Limited

Currensea is the UK's first travel-focused direct debit card which connects directly with a consumer's traditional high street current account. The product allows customers to spend money abroad at the lowest exchange fees, while removing the need to top up or set up a new bank account. The company also operates corporate and affinity partnerships, where participating organisations and charities can provide free branded cards to their members for mutual benefits. Since investment, Currensea has already grown revenue over 2x, and is preparing the launch of another debit card product. Currensea is a registered carbon neutral business, and card users can also choose to donate a percentage of their savings to one of its charity partners such as Plastic Bank, which removes plastic from the oceans, or the Dogs Trust.

Company sector	Financial Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	August 2022
Cost of Blackfinch Spring VCT investment	£1.08m
Value of Blackfinch Spring VCT investment	£1.08m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	5.8%

Cyclr Systems Limited

Cyclr has a plug-and-play solution that helps software companies connect their product to data from third-party platforms. The solution avoids having to develop these ‘integrations’ from scratch, enabling clients to satisfy requests for new integrations far faster and at a fraction of the cost of developing them internally. Cyclr’s solution to this problem is applicable globally, connects to over 400 of the world’s most popular platforms, and its graphical, no-code approach sets it apart from the competition. Since investment, Cyclr has already tripled its revenue, launched a new product, and opened an office in Canada.

Company sector	Software Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	March 2021
Cost of Blackfinch Spring VCT investment	£1.30m
Value of Blackfinch Spring VCT investment	£1.30m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	8.7%

edozo

Edozo Limited

Edozo's mission is to automate the valuation of commercial property – one of the world's most valuable asset classes. It brings together digital mapping, valuable property data and innovative process automation on a single platform, making property valuation and research more accurate and efficient. The company's clients include over 450 real estate consultancies, including some of the best-known brands in the sector such as JLL, CBRE, and Colliers. Since investment, the company has more than doubled its revenues and launched two new products. Edozo boasts a diverse team where women make up 50% of the senior leadership, and the wider team includes 10 different nationalities.

Company sector	Property Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	June 2021
Cost of Blackfinch Spring VCT investment	£463,000
Value of Blackfinch Spring VCT investment	£514,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	4.3%

Illuma Technology Limited

Illuma is a digital advertising company that offers advanced technology designed to select the best websites on which to deploy adverts to generate the highest response rates. Its artificial intelligence learns in real-time, determining the optimum context in which to place any given advert. Illuma's product offers an alternative to traditional cookie-based targeting, which suffer from privacy concerns and Google's plans to remove cookies altogether. Since investment, Illuma has grown its revenue over 4x, expanded to the US, and has secured large global customers such as Procter & Gamble and Sky.

Company sector	Advertising Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	August 2021
Cost of Blackfinch Spring VCT investment	£1.22m
Value of Blackfinch Spring VCT investment	£2.06m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	10.5%

Kokoon Technology Limited

Kokoon is a sleep technology company that is transforming people's experience of sleep by making it easier and more enjoyable. Its cloud platform works with two smart headphone products which include biosensors that monitor and adjust audio when the user falls asleep. Over time, the platform provides coaching and insights developed with leading scientists and experts to help users improve and get more from their sleep. The connected app offers guided audio content to improve sleep and relaxation, helping users switch off. Kokoon has recently secured a partnership with Philips for its next generation of products.

Company sector	Sleep Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	July 2021
Cost of Blackfinch Spring VCT investment	£500,000
Value of Blackfinch Spring VCT investment	£521,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	5.3%

Measure Protocol Limited

Measure Protocol enables leading technology companies to access highly granular customer experience data from mobile phones. Users on Measure Protocol's platform are rewarded for completing specific tasks on their mobile devices while their activity is collected through screen capture tools. The company's proprietary technology then uses image processing to extract behaviour and data such as e-commerce transactions, digital usage and even the layout of icons on a mobile phone screen. Users must always make a conscious choice to share any data. It means that Measure Protocol is not only able to provide more detailed information than many competitors but that it's approach to doing so is also more socially responsible.

Company sector	Market Intelligence Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	April 2022
Cost of Blackfinch Spring VCT investment	£680,000
Value of Blackfinch Spring VCT investment	£680,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	4.4%

Oculo Technologies Limited

Oculo is a transformative construction technology company that blends 360° photography with advanced computer vision. Its platform matches views of what has been built over time with detailed digital models of the building plans to confirm construction has been completed correctly and to specification. This approach results in fewer delays, enhances risk management, and provides a digital trail that is invaluable for insurance purposes. The team is lean and highly-skilled, having already onboarded top-tier clients such as Morgan Sindall and Willmott Dixon with large contracts.

Company sector	Construction Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	August 2023
Cost of Blackfinch Spring VCT investment	£840,000
Value of Blackfinch Spring VCT investment	£840,000 (valued at cost)
Blackfinch Spring VCT holding	12.6%

Odore Limited

Odore is a subscription platform that provides brands with a special insight into customer intentions and shopping habits. The company collects data from consumers that can be used to create personalised campaigns for particular demographics, thereby increasing conversion and retention rates. The data collected is a combination of web analytics coupled with 'zero party' data that a customer intentionally and proactively shares with the brand. Since the initial investment, Odore has grown its recurring revenue more than 3x, has onboarded more global brands such as Shiseido and Sephora, and has had a further round of investment led by a new third-party to fuel its next stage of growth.

Company sector	Marketing Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	December 2021
Cost of Blackfinch Spring VCT investment	£830,000
Value of Blackfinch Spring VCT investment	£922,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	5.8%

Placed Recruitment Limited

Placed is a talent attraction and recruitment platform built for the retail and hospitality sectors. It comprises a two-sided marketplace with job seekers on one side and employers on the other. The retail and hospitality sector is the largest employer of people under the age of 25 in the UK. Placed offers a dynamic user experience catered to this demographic, through its CV-less, user-friendly and engaging mobile application. It is run by a highly committed founder who successfully navigated the significant impacts of the pandemic to achieve strong growth, with several major enterprise customers signing up in the year prior to the investment.

Company sector	Recruitment Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	April 2022
Cost of Blackfinch Spring VCT investment	£600,000
Value of Blackfinch Spring VCT investment	£600,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	3.7%

Recruitment Smart Technologies Limited

Recruitment Smart is a comprehensive end-to-end recruitment platform, powered by proprietary artificial intelligence (AI) technology, that helps enterprises optimise their entire hiring process. Companies can use the platform to sort, screen and manage candidates easily, making the hiring process capital-efficient and effective. The automated AI nature of this analysis helps make hiring equitable, ignoring any human biases that may otherwise detract from the application, and levelling the playing field for all applicants, regardless of race or gender.

Company sector	Recruitment Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	September 2022
Cost of Blackfinch Spring VCT investment	£780,000
Value of Blackfinch Spring VCT investment	£780,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	10.4%

Spotless Water Limited

Spotless Water sells ultra-pure water from self-service dispensing units around the UK. The water is primarily used by window cleaners, who need 40m litres a day, as well as for car cleaning, dentistry, and even aquariums. It is a unique business with no national competitors; the alternative is for customers to produce their own pure water, which is time-consuming and requires expensive equipment. Since investment, Spotless has grown its monthly revenues by approximately 3x and it now has over 100 filling stations across the UK.

Company sector	Water Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	October 2020
Cost of Blackfinch Spring VCT investment	£459,000
Value of Blackfinch Spring VCT investment	£516,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	3.8%

Staffcircle Limited

StaffCircle is an agile business whose online human resources (HR) platform enables companies to engage and manage their staff, especially remote workers, or those without desk jobs. The platform allows effective communication through any device, from desktop computers to mobile phones, a flexibility which is proving invaluable for the accelerated trend towards remote working. It is led by a committed founder who has an impressive track record founding and exiting three previous start-ups. The company's platform has clearly differentiated market positioning and is steadily accumulating more and more customers.

Company sector	HR Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	April 2022
Cost of Blackfinch Spring VCT investment	£1.26m
Value of Blackfinch Spring VCT investment	£1.26m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	8.4%

OnePulse

Startpulsing Limited

Startpulsing Limited, trading as OnePulse, allows global brands to gain feedback on ideas in real time from a community of thousands. With responses coming in minutes, it helps companies carefully tailor their products and campaigns to ensure that customers are happy and engaged. It also allows consumers to directly impact the decision-making of companies they use every day whilst earning money and staying on top of product releases. Since investment, OnePulse has grown its monthly recurring revenue over 2.5x and secured new enterprise clients including Pepsi, Coinbase, and TikTok.

Company sector	Market Intelligence Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	March 2021
Cost of Blackfinch Spring VCT investment	£1.58m
Value of Blackfinch Spring VCT investment	£1.58m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	11.9%

Tangle Software Incorporated

Tangle simplifies the process of building software products, without the need to hire costly developers. Its platform allows its clients to build software from scratch, using an intuitive drag and drop interface, while also connecting to external data sources to minimise the time to market for new products. The low-code solution does not require coding expertise, reducing the numbers of developers needed to build software, saving both time and cost. Tangle Software is incorporated in the USA and has a UK establishment in the United Kingdom.

Company sector	Software Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	December 2022
Cost of Blackfinch Spring VCT investment	£490,000
Value of Blackfinch Spring VCT investment	£490,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	11.3%

teamed.

Teamed Limited

Teamed simplifies the process for companies hiring and managing employees internationally, without the need to set up entities abroad. Its Employee-as-a-Service solution allows employers to seamlessly manage the entire hiring and employee management process, from employment and compliance, to payroll, payments and localised benefits, all in one place. It saves employers the stress, time and cost of doing it all themselves. The core value proposition of Teamed is socially positive as it supports the hiring of employees in remote regions, where residents may otherwise not have access to such well paid jobs.

Company sector	HR Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	September 2022
Cost of Blackfinch Spring VCT investment	£1.28m
Value of Blackfinch Spring VCT investment	£1.40m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	13.7%

Tended Limited

Tended designs intelligent personal safety wearables and monitoring systems. These wearables combine 'geofencing' technology with behavioural science to ensure on-site workers are kept out of harm's way. The company saw considerable success during the pandemic with a reliable social distancing product, and it now utilises this centimetre-accuracy positioning technology to help keep workers on construction sites and around railway tracks within safe zones, without crossing a 'virtual fence' into potential danger. Its products have a clear social benefit in improving working safety and saving lives, and Tended has recently secured deals from major employers such as National Rail and AmcoGiffen.

Company sector	Safety Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	September 2021
Cost of Blackfinch Spring VCT investment	£875,000
Value of Blackfinch Spring VCT investment	£881,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	10.5%

TRANSREPORT
for a better journey

Transreport Limited

Transreport's innovative technology platform makes it easy for people with reduced mobility to book and receive the special assistance they need for their journey. As well as this 'Passenger Assist' app, the company has developed a suite of platforms targeting the industry's digital transformation and has a strong vision to address a broader range of journeys spanning rail, air and road. Transreport has secured an exclusive, long-term contract with the entire British rail network. Since investment Transreport has grown its monthly revenue 6x, and expanded both internationally into Japan, and into airports. Transreport has also been very successful in gaining high profile recognition. The founder was invited to the 2023 G7 Business Summit where he met with the UK Prime Minister Rishi Sunak.

Company sector	Transport Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	December 2020
Cost of Blackfinch Spring VCT investment	£770,000
Value of Blackfinch Spring VCT investment	£1.71m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	6.8%

Up Learn Limited

Up Learn has built a product to achieve exam success for aspiring students, coupled with a money back "guarantee" if the student fails to achieve A*/A grades. Its comprehensive science-backed online platform can assist any student hoping to attain A*/A grades, irrespective of their background or starting point in life. 97% of students that complete Up Learn A-Level courses achieve A*/A, some even starting from predicted D's and U's. The company offers its platform through schools and directly to students, and those who complete Up Learn courses and do not achieve A*/A receive a full refund.
The inherent benefit of the platform is social, due to the company's ability to improve grades of students from all socio-economic backgrounds. It ultimately improves the quality of higher education the student can pursue, and helps democratise access to higher quality job opportunities.

Company sector	Education Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	March 2023
Cost of Blackfinch Spring VCT investment	£360,000
Value of Blackfinch Spring VCT investment	£360,000 (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	1.9%

Watchmycompetitor.com Limited

WatchMyCompetitor offers a business intelligence platform that enables organisations to monitor competitors, clients and key partners, tracking product launches, promotions and important business changes. The company's cloud-based platform uses machine learning technology to track the public developments of companies all over the world. Its dashboard summarises current insights, whilst daily feeds – automatically generated but curated by a human analyst – keep customers on top of any rapidly changing market events. Since investment, WatchMyCompetitor has grown its monthly revenue over 2x, and secured top-tier clients including Amazon, Hyundai and Virgin Media.

Company sector	Market Intelligence Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT first invested	August 2021
Cost of Blackfinch Spring VCT investment	£980,000
Value of Blackfinch Spring VCT investment	£1.38m (unaudited as at 30 June 2023)
Blackfinch Spring VCT holding	8.5%

The Investment Manager

Blackfinch Investments was appointed as the Company's Investment Manager on 11 November 2019 and is authorised and regulated by the Financial Conduct Authority.

Blackfinch is an award-winning investment specialist, with a 25-year heritage, driven by a management team who have extensive experience across sectors including SEIS, EIS, VCT, renewables, property and AIM securities. As at 29 August 2023 the Blackfinch Group had over £746 million of funds under management and administration including approximately £67 million in EIS funds split across a variety of sectors including early stage technology companies, media and leisure. Across the Group the Investment Manager works for a positive environmental, social and governance (ESG) impact. This combined experience aligns with the published investment policy of the Company.

The foundation of its Ventures business, Blackfinch Ventures EIS Portfolios, was launched in July 2018 with the aim of investing in early-stage, technology-focused businesses on the cusp of their growth journey. Blackfinch Ventures EIS Portfolios has raised over £48 million and made investments in a wide range of sectors including wearables, EdTech, consumer electronics, and AI-powered SaaS (Software-as-a-Service), typically investing between £250,000 and £1.5m at seed stage.

The EIS Portfolios achieved an early exit in 2022 with Candidate.ID, a recruitment-tech business. It delivered a strong return on the overall investment, which had been made in two parts just 12 and 24 months previously.

Run by a team of investment professionals, Blackfinch Ventures is supported by the wider Blackfinch Group and its external network of Venture Partners who are experienced founders, industry leaders and technology experts. Collectively, these individuals give access to over 300 years of experience of investing in, mentoring and running early stage companies. Blackfinch Ventures itself extensively uses technology in its approach to sourcing, assessing and filtering opportunities with the Ventures team employing research and deal flow platforms on a daily basis.

Blackfinch has a strong plan to continue its growth over the coming years, with Ventures being a core part of that expansion. The Blackfinch Ventures EIS Portfolios service typically gives visibility of at least 1,000 promising companies in the UK each year, placing Blackfinch in a strong position as Investment Manager for the VCT, which focusses on innovative growth-stage companies on their scale-up journey. Blackfinch will carefully select strongly vetted new opportunities as well as existing, high performing, portfolio companies, for investment by the Company, sometimes co-investing with the Blackfinch Ventures EIS Portfolios.

Blackfinch also manages the Blackfinch Adaptation Funds, constituting a number of environmental, social and governance approved multi-asset unit trusts. In addition Blackfinch is the manager of the Blackfinch IHT Portfolios.

For more information on Blackfinch's team and experience, please see the section "The Board, Committees and the Investment Management Team" on page 62.

Share Liquidity

It is anticipated that the Ordinary Shares issued under the Offer will be admitted to the premium segment of the Official List and will be traded on the London Stock Exchange's market for listed securities. The secondary market for VCT shares is generally illiquid (which may be partly attributable to the fact that initial subscription tax reliefs are not available for VCT shares bought in the secondary market and because VCT shares typically trade at a discount to NAV per share). There may not, therefore, be a liquid market and Shareholders may find it difficult to realise their investment. Shareholders should not rely upon any share buyback policy to offer any certainty of selling their shares at prices that reflect the underlying NAV per Share. An investment in the Company should, therefore, be considered as a long-term investment.

VCT Tax Relief

The Directors intend to manage the Company's affairs in order that it complies with the current legislation applicable to VCTs from time to time. In this regard Philip Hare & Associates LLP has been appointed to advise on tax matters generally and, in particular, on VCT status. The Company has satisfied the conditions for full VCT approval since 1 January 2023, having previously had provisional VCT approval granted by HMRC on 24 September 2019. Where requested, Philip Hare & Associates LLP (or other suitably qualified professional advisers) will assist Blackfinch (but report directly to the Board) by considering the qualifying status of each investment as a Qualifying Investment or by seeking advance assurance from HMRC where appropriate and where requested will advise on the status of VCT approval.

The Company must continue to satisfy the requirements of HMRC in relation to VCTs, or it is likely to lose full VCT approval.

To date, the Company has invested more than 80% of the funds it has raised in 2020 and 2021 in Qualifying Investments.

VCTs offer significant tax advantages to individual investors when compared to many other investment products. The income tax relief available on subscriptions for shares is currently 30% of the maximum capital of £200,000 invested per individual per tax year. The shares in the VCT need to be held for a minimum of five years to maintain this initial tax relief (as well as the VCT itself maintaining its VCT status).

A summary of the current tax reliefs for UK taxpayers who invest into a VCT are:

- Income tax relief of 30% of the amount subscribed for shares up to £200,000 per tax year, subject to a minimum holding period of five years

- Dividends received by Investors from the VCT are tax free

- Capital gains made upon the disposal of the shares are tax free

VCT tax reliefs can be subject to change and are dependent on an individual's circumstances.

Investment Strategy and Policies

Investment Strategy

The Company invests in innovative growth-stage technology-enabled companies which are on their scale-up-journey and have the potential for high growth alongside reasonable exit timescales, and that are underpinned by clear ESG values. To be considered for investment, companies must demonstrate to Blackfinch that they are capable of growth through disrupting large growing markets - typically a market value of at least £1bn - and be capable of achieving significant predicted exit multiples. Highly regulated industries, for example MedTech, are considered only in exceptional cases due to the timescales involved in bringing products to market. On behalf of the Company the Investment Manager will be pursuing an active investment strategy.

A key premise of the strategy is identifying companies that have already delivered convincingly on the milestones associated with any previous investment rounds. Companies will need to show evidence of product-market-fit through traction, often in the form of revenue, which is a strong indicator they are past the inflection point of their growth curve. They will also need to demonstrate an ability to control the acquisition of new customers, typically verifying the success of campaigns through carefully monitored growth metrics. Companies showing these characteristics have a higher chance of efficient, quantified growth, which is a key ingredient for future success.

When assessing investment opportunities, strong emphasis is placed on the founding team who must be highly motivated, driven, and have a track record of making excellent decisions under pressure. This team must complement each other in their skills, which should, in aggregate, cover the core operating areas of the company. Their interests must be strongly aligned to increasing the valuation of the company and their own shareholding or options, rather than only short-term personal remuneration. The team's work ethic is constantly assessed as is their responsiveness, as a measure of how prepared they are for the challenges of entering the next stage of their company's growth.

Every company that is selected for potential investment will have to pass through a comprehensive due diligence exercise which aims to test its innovations, financials and VCT eligibility. A relevant technical expert will assess the company's proposition and status, from high level architecture to low level code and designs. Analysts model the company's performance and growth, and a VCT tax specialist will typically be instructed by Blackfinch to give an opinion as to whether the investment is expected to be VCT qualifying.

Diversification is intended to be achieved across both sector and stage, with the Company planning to invest in a broad range of high-calibre technology-enabled opportunities across many sectors. Although Series A is preferred, the Company diversifies stage risk by balancing earlier opportunities with those slightly further along their traction curve. This approach gives the potential for significant returns whilst mitigating the effect of companies that underperform or fail. The Company will typically invest in opportunities that are bringing disruptive innovations to large growing markets and are capable of significant exit multiples.

The Investment Manager's existing Blackfinch Ventures EIS Portfolio service creates a strong opportunity for follow-on co-investment. These opportunities should benefit from a higher chance of success due to a deep understanding of the proposition and growth data from previous years as a portfolio company. Investments that meet the investment criteria of both the Company and the Blackfinch Ventures EIS Portfolio will be allocated in accordance with allocation policy described on page 72 below.

Where possible, the Investment Manager will look to lead on the investment round to ensure that timescales and due diligence are within its control. This approach reduces technology, company and compliance risk and, for founders, the speed and confidence of execution is attractive, resulting in a pick of the better opportunities. The Company will often co-invest with other investment firms and will look to secure strong working relationships with those firms during and after the deal-making process.

The Investment Manager will not appoint its own manager or director as the NED on the board of its portfolio companies. Instead, where appropriate it aims to appoint a NED from its network of Venture Partners who are experienced founders, industry leaders and experts bought together for this purpose. These Venture Partners add meaningful value through their experience and network, and founders cite this approach as a key differentiator. The Investment Manager's portfolio team work with the Venture Partners, and also collect monthly financial and KPI data from the companies.

Deal Flow

The Investment Manager uses links to UK accelerators, incubators and start-up hubs to source potential investments. The Investment Manager also sources highly qualified deal flow using a cutting-edge research platform which tracks high-growth startups in the UK. Carefully designed searches across sector, buzzword, valuation, time since last funding and accelerator attendance gives access to some of the strongest, yet least-known, investment opportunities in the

UK. Using this data-driven strategy allows the Investment Manager to proactively approach companies before they start their next funding round.

Inbound leads are also captured through the Investment Manager's website, direct email, LinkedIn and other online platforms. Referrals provide a further rich stream of deal-flow and can arrive from many sources including founders of existing portfolio companies, the external Venture Partner network, other investors and different teams within Blackfinch's Group. The net result is that typically at least 1,000 leads are considered each year, from which the Company plans to make in the region of 5 to 15 new high-growth investments annually.

Pipeline Process

Prospects that meet the requirements of tech focus, correct stage and VCT suitability are placed in a "Long List" and founder discussions allow the collection of key information under standard headings including raise, product, team, competition, financials and traction, along with graphs of key metrics. Regular filtering meetings with the senior team determine whether to pass, hold or progress the opportunity in which case it enters a "Short List" with specific areas of interest highlighted for further analysis.

Areas of interest typically include further details of existing traction, sales pipeline, market size, customer journey, ESG, introductions to existing investors or customers, and product demonstrations, following which a decision is made on whether to move to the "Pitch" stage. Recorded pitch sessions often continue for many hours and involve deep dives into data, metrics, performance and financials. The aim of these sessions is to gain enough information to decide whether to progress to "Term Sheet" stage.

Term Sheets typically include requests for founders to re-vest their shares, incentivising the key team to stay in the company for up to 4 years. "Investor Consents" are also asserted where appropriate to provide a veto over significant decisions that could devalue investors' shareholdings. Specific conditions or bespoke deal terms specific to the company are also included. Input is taken from the Investment Committee ("IC") before moving beyond Term Sheet, which ensures strong governance before legal costs are incurred.

A comprehensive approach is taken in the Due Diligence stage which covers technical, team, financial, tax, ESG, market and competitor risk. The company is requested to upload answers and supporting documents in response to a carefully considered and standardised due diligence questionnaire. A VCT tax specialist is normally engaged to ensure that the business qualifies under the VCT Rules. Technology risk is assessed by a sector expert from the Investment Manager's network who performs a deep dive on the technology state. This may involve assessing everything from architecture to code level in the case of software or walking through schematics, mechanical designs, supply chain and firmware in the case of hardware. A senior member of the Investment Manager's team also devotes time with employees to assess team dynamics and expertise.

If not already in place, relationships will be formed with Principals in other funds who have previously invested or are co-investing in the round, in order to smooth the process and benefit from their opinions on company performance. This can generate significant insight. The result of the due diligence phase is a fully furnished Investment Committee report, which is presented to the IC for approval to proceed to Full Form agreement stage. Where possible, the Investment Manager's standard legal templates will be used, but sometimes the portfolio company's existing legal agreements are simply modified in order to assert the main term sheet conditions.

Management of portfolio companies

The Company aims to appoint a value-add NED to the portfolio company board, from its external Venture Partner network, who will typically be an experienced founder, industry leader or sector expert. This Venture Partner is normally identified during the due diligence phase and appointed after an investment is made. These individuals, acting on the board, increase the chance of companies making solid business decisions, reducing the risk of failure. A member of the Investment Manager's team typically also acts as a board observer for monitoring purposes. Where possible, investor consents are embedded in the shareholder's agreement to allow the Company a veto over decisions that could devalue the company, ensuring robust governance.

Financial records are recorded monthly, along with performance set against the agreed business plan, which allows quick intervention if problems begin to emerge. Rather than reprimand, the Investment Manager will look to help, through its guidance and the support from its wider network of external contacts.

Investment Policy

The Company will focus its investment in unquoted companies with some or all of the following characteristics:

- Innovative growth-stage and technology-enabled, and which are on their scale-up-journey
- The capability to grow quickly through disrupting their markets
- Strong performance against previous investment round milestones

The Company's portfolio companies will be:

- Requiring investment of at least £0.25 million
- Entering large growing markets and have the potential for high return multiples
- Generally able to show evidence of product-market-fit

Qualifying Investments

Qualifying Investments comprise investments in companies which are carrying out a qualifying trade (as defined under the relevant VCT legislation), and have a permanent establishment in the UK, although some may trade overseas. The Qualifying Companies in which investments are made must have no more than £15 million of gross assets immediately prior to the investment (or £16 million immediately after the investment), fewer than 250 employees (or fewer than 500 employees in the case of a Knowledge Intensive Company) and generally cannot have been trading for more than seven years (or ten years in the case of a Knowledge Intensive Company) at the time of the Company's investment. Several other conditions must be met for an investment to be classed as a VCT Qualifying Investment.

The Company intends to invest the net proceeds of the Offer in acquiring a portfolio of Qualifying Investments complying with VCT legislation. At least 30% of the funds raised will be invested in Qualifying Investments within 12 months of the end of the Company's accounting period in which the relevant Shares were allotted, and at least 80% of its net assets will, by the start of the Company's accounting period in which the third anniversary of the date the relevant Shares are allotted falls and continuously thereafter, be invested in Qualifying Investments.

Non-Qualifying Investments

Subject to the rules applicable to VCTs, funds not employed in Qualifying Investments will be invested in a limited range of investments for the purposes of liquidity management, specifically in listed shares, shares or units in alternative investment funds and UCITS (each of which must be redeemable on seven days' notice by the investor) and short term cash deposits.
Such investments are subject to market fluctuations.

Borrowing Policy

The Company has no present intention of utilising gearing as a strategy for improving or enhancing returns. Under the Company's Articles of Association, the borrowings of the Company are not permitted to exceed 25% of the aggregate total amount received from time to time on the subscription of Shares in the Company without a resolution being passed by Shareholders.

Risk Diversification and Maximum Exposures

It is intended that diversification be achieved across both sector and stage by investing in a broad range of high-calibre technology-enabled opportunities across many sectors. Although the preferred investment strategy will be to invest at a "Series A" stage, investment stage risk is diversified by balancing earlier stage investment opportunities with investments in more mature companies. Risk will also be managed by making follow-on investments in companies that have already received investment from other investment vehicles advised by the Company's Investment Manager. The maximum amount invested in any one company (inclusive of any related group company) is limited to 15% of the value of the portfolio in accordance with the VCT legislation at the time of investment or addition to that investment.

Target Asset Allocation

Initially, the majority of new funds will be invested in Non-Qualifying Investments, such as cash, certain money markets and listed bonds. These will be progressively reduced to provide funds for Qualifying Investments in accordance with VCT Rules requiring at least 80% of the Company's assets to be invested in Qualifying Investments.

Changes to the Investment Policy

The Company will not make any material changes to its Investment Policy without Shareholder approval.

Valuation Policy

Unquoted investments will be valued at fair value in accordance with the IPEV Guidelines. The Net Asset Value will be notified through a Regulatory Information Service announcement immediately upon calculation.
To ensure the effective management of the portfolio of investments, Blackfinch Investments will undertake an evaluation of the Net Asset Value on a quarterly basis.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

In estimating fair value for an investment, the methodology applied must be appropriate to the nature, facts and circumstances of the investment and its materiality based on reasonable assumptions and estimates. Such methodology, including earnings multiple, revenue multiple, cost, cost less a provision or discounted cash flow analysis, should be applied consistently. The methodology applied will be in accordance with a valuation policy that is approved by the Directors.

Blackfinch Investments will be responsible for the determination and calculation of valuations and of the net asset value of the Company in accordance with the policies set out above. The process to prepare them is designed to mitigate any potential conflict of interest that may arise, given that the Net Asset Value directly influences any Performance Fee or Annual Management Fee paid to

Blackfinch Investments, as explained on Pages 75 to 76.

Provisional fair values will be proposed internally by valuation specialists within the investment team who are closest to the businesses being valued, with a detailed understanding of their performance and prospects in addition to their headline metrics. These preliminary valuations will then be reviewed and updated (where appropriate) by a Valuations Committee which is independent of the Investment Manager. Finally, valuations and the new net asset value will be subject to approval by the Directors, a majority of whom are independent of the Investment Manager.

The Valuations Committee comprises suitably qualified professionals. Other than Dr Reuben Wilcock, Head of Ventures at the Investment Manager and a director of the Company, all members of the committee are independent of the investment team, with no remuneration linked to the Company's performance. The Committee also includes Investment Manager's Head of Compliance, who has the power, where relevant, to refer any decision to Investment Manager's Conflicts Committee, which is also independent of the investment team.

End-of-year valuations will also be audited in detail by the Company's independent auditors. Feedback from the auditors on both the valuations and valuation methodologies will be reviewed by the investment team, the Valuations Committee and the Directors. Changes would then be made as appropriate so that the Valuations Policy and methodologies continually evolve in line with industry best practice. The Directors may also initiate changes in process or individual valuations in exercising their responsibilities to act for the benefit of all Shareholders.

The Company does not anticipate any circumstances arising under which valuations may be suspended. However, if this was to occur, the suspension would be announced through a Regulatory Information Service.

Profile of Typical Investor

A typical Investor for whom the Company is designed is a retail investor and/or sophisticated investor and/or high net-worth individual who is a UK tax resident with sufficient income and capital available to be able to commit to an investment for over 5 years and who is attracted by the expected income tax relief available for a VCT investment.

Consumer Duty

The Directors are aware of the Investment Manager's obligations to comply with the FCA's new Consumer Duty rules and principles that came into force in 31 July 2023. Firms subject to the Consumer Duty must ensure they are acting to deliver good outcomes and that this is reflected in their strategies, governance, leadership and policies. The Company is not directly affected by the Consumer Duty. However, the Directors will receive updates from the Investment Manager on how it is meeting its obligations.

Share Buyback Policy

The Shares are intended to be traded on the London Stock Exchange's main market for listed securities. Although it is likely that there will be an illiquid market for such shares and, in such circumstances, shareholders may find it difficult to sell their Shares in the market, the Company intends to pursue an active buy back policy to improve the liquidity in the Shares where the Company may repurchase Shares which shareholders wish to sell at a discount of 5% to the latest published Net Asset Value per Share, subject to applicable regulations, market conditions at the time and the Company having both the necessary funds and distributable cash resources available for the purpose. The making and timing of any share buybacks will remain at the absolute discretion of the Board. The Directors expect that there will be limited demand for share buybacks from Shareholders within the first five years because the only sellers are likely to be deceased Shareholders' estates and those Shareholders whose circumstances have changed (to such extent that they are willing to repay the 30% income tax relief in order to gain access to the net proceeds of the sale).

Shareholder Reporting

The Directors believe that communication with Shareholders is important. Shareholders will have access to a copy of the Company's annual report and accounts (expected to be published each April) and a copy of the Company's interim results (expected to be published each August). These will be made available on Blackfinch's website. Shareholders and their Financial Advisers (if applicable) will also receive updated reports from the Company and the Investment Manager on the progress of the Company and its investments. The Company has published its audited Annual Report and Financial Statements for the period ended 31 December 2022 and unaudited interim results for the six months period ended 30 June 2023, and copies are available at www.blackfinch.ventures/vct.

In order to reduce the administrative burden and cost of communicating with Shareholders, the Company intends to publish all notices, documents and information to be sent to Shareholders generally ("Shareholder Documents") on Blackfinch's website (www.blackfinch.ventures/vct). Increased use of electronic communications will deliver significant savings to the Company in terms of administration, printing and postage costs, as well as speeding up the provision of information to Shareholders. The reduced use of paper will also have general environmental benefits. Shareholders will be notified when

Shareholder Documents are published on Blackfinch's website.

Such notification will be delivered electronically (or by post where
(i) no email address has been provided for that purpose or
(ii) a Shareholder has subsequently notified the Company of their wish to receive hard copies). Ordinarily, Shareholders will not receive hard copies of the Shareholder Documents.

All Qualifying Subscribers will automatically be provided with certificates enabling them to claim income tax relief.

Corporate Matters

Allotment, dealings and settlement

Application will be made to the Financial Conduct Authority for the Ordinary Shares to be issued pursuant to the Offer to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

It is intended that an initial allotment of Ordinary Shares will be made on or around 29 November 2023. Successful Applicants will be notified by post. Dealings may commence prior to notification.

Dealings are expected to commence within five business days of each allotment.

Ordinary Shares will be capable of being transferred by means of the CREST system. Investors who wish to take account of the ability to trade their Ordinary Shares in uncertificated form (and who have access to a CREST account) may arrange through their professional Manager to convert their holding into dematerialised form. Investors who wish to have their Ordinary Shares issued directly into CREST should indicate by completing the details in Section 1 of their Application Form.

The Offer may not be withdrawn after dealings in the Ordinary Shares have commenced. In the event of any requirement for the Company to publish a supplementary prospectus, Applicants who have yet to be entered into the Company's register of members will be given two days to withdraw from their subscription. Applicants should note, however, that such withdrawal rights are a matter of law that is yet to be tested in the courts of England and Wales and applicants should, therefore, rely on their own legal advice in this regard. In the event that notification of withdrawal is given by post, such notification will be effected at the time the Applicant posts such notification rather than at the time of receipt by the Company.

ISAs

The Ordinary Shares will, following Admission, be "qualifying investments" for the stocks and shares component of an ISA (subject to applicable subscription limits) provided that they have been acquired by purchase in the market (which, for these purposes, will include any Ordinary Shares acquired directly under the Offer). Save where Ordinary Shares are being acquired using available funds in an existing ISA, an investment in Ordinary Shares by means of an ISA is subject to the usual annual subscription limits applicable to new investments into an ISA.

Individuals wishing to hold their Ordinary Shares in an ISA should contact their professional advisers regarding their eligibility.

The Board, Committees and the Investment Management Team

Board of Directors

The Board has overall responsibility for the Company's affairs, including determining its investment policy and having overall control, direction and supervision of the Investment Manager. The Board comprises 3 non-executive directors, two of whom act independently of the Investment Manager. Accordingly, the majority of the Board, including the Chairman, are independent of the Investment Manager.

Peter Lionel Raleigh Hewitt, JP, FCSI, FRSA (Chairman)

Peter has been a director of 13 public companies over the last 30 years, chairing 7 of these including 7 years as Chairman and CEO of an AIM quoted construction and facilities management business, which he founded and built from zero to £25m turnover and 400 people in 4 years. He is Co-Chairman and co-founder of Universal Defence and Security Solutions Limited, a global defence consultancy with over 600 team members.

Peter is a former Alderman of the City of London and inaugural Chairman of the City's £20m Social Investment Fund, creating investment strategy and policy. Peter is also an individually Chartered Fellow of the Chartered Securities Institute; a Justice of the Peace on the supplemental list and an Honorary Group Captain in 601 (County of London) Squadron, RauxAF, where his role is to partner with the SLT of the RAF.

Dr Katrina Tarizzo PhD, BA (Hons), Dip MRS

Katrina's involvement with early-stage company development has spanned over 30 years from the perspective of being both a founding shareholder and director of several companies across a variety of sectors and geographies including financial services, real estate, chemicals and technology. She was formerly a director of The Share Centre in its founding years, a pioneer of low-cost stock broking for retail investors that was subsequently listed on AIM through Share PLC, having been more recently acquired by Interactive Investor. Katrina was heavily involved in the UK and French privatisation programmes, establishing Johnson Fry Privatisations Limited which has since become part of Legg Mason. She was also a founder of a speciality chemicals company based in Poland, manufacturing and shipping rubber to the worldwide chewing gum market. Moving with the times into the technology sector, Katrina was involved in the development of a US financial website company, listed on NASDAQ, and more recently co-founded Linescape.com, a search engine that provides shipping schedule data feeds to the logistics industry. She is currently a director and shareholder of City Living PCC Limited, listed on the International Stock Exchange, which operates in the residential real estate and development sector across Poland.

She is a Doctoral graduate of the London Business School with a wealth of international business experience She joined the Board on 14 August 2023.

Dr Reuben Wilcock

Reuben is an award-winning entrepreneur with over 20 years' experience founding and growing start-ups. His smart home energy spinout, Joulo, won the British Gas Connected Homes award and was acquired by Quby. Reuben was a leading figure in entrepreneurship, founding the Future Worlds accelerator, through which he mentored over 250 entrepreneurs across 50 companies. He has a degree in Electronics, a PhD in integrated circuit design, is a named author on over 45 academic papers and has five patents. He is currently Head of Ventures at Blackfinch where he has led over 80 investments worth more than £60m into a portfolio of high-tech high-growth Seed and Series-A stage companies. He sits on the boards of many of these, actively supporting founders and their teams through different stages of growth.

The Directors, including former director Richard Cook, invested some £30,000 under the 2019 Offer on the same terms as investors.

Blackfinch

The Company appointed Blackfinch as its Investment Manager on 11 November 2019 to originate and manage its investments. Blackfinch is authorised by the FCA to manage investments and provides advisory services in connection with the fund management of the Company.

Investment Management Team

The Investment Manager has an experienced and talented core team that supports the Company in making solid investment decisions and monitoring and supporting portfolio companies. This core team draws on the wider members of the Investment Manager's group and also the external expertise from its Venture Partner network. This approach reduces reliance on a single individual, and ensures the experience to make high quality, well evidenced investment decisions. The Investment Manager's team is as follows:

Richard Cook, CEO and Internal Investment Committee Member

Richard founded Blackfinch and has led the growth and expansion of the company within the UK investment market. He has been Chief Executive Officer of Blackfinch since 2009 and involved in the structuring and management of investment assets for over 15 years, previously working in senior banking roles within Merrill Lynch and the Bank of New York. He has experience of identifying and growing early stage companies, evidenced by those investments made in the Blackfinch Ventures EIS Portfolios.

Dr Reuben Wilcock, Head of Ventures

See profile above on page 63.

Hamish Masson, Head of Legal

In-house legal counsel, Hamish Masson leads the Blackfinch legal team and has over 20 years' experience working as a corporate lawyer on debt finance, mergers and acquisitions, private equity and venture capital transactions. Previously, he worked at the law firms Addleshaw Goddard, DLA Piper and Harneys advising in areas ranging from early stage start-up funding to private equity deals across a full spectrum of investments from small scale angel to multi-billion multi-jurisdictional acquisitions. Hamish has an LLM from the University of London and an LLB from the University of Durham.

Richard Harley, Ventures Director

A career-long entrepreneur and investor, Richard co-founded EdTech business ScholarPack, a data and analytics platform now used in more than 2,000 schools. Richard has invested in and advised more than 20 early-stage companies across MedTech, EdTech, marketplaces and B2B software. Richard joined Blackfinch in January 2022 to support company growth plans, help shape management teams, assist with fundraising, and manage risk.

Kimberley Hay, Senior Ventures Manager

Kimberley has spent the past four years investing in companies focussed on disrupting the "Future Of Work". She has built a strong track record of investing in and supporting companies at the Seed / Series A stage, covering sub-sectors including HealthTech, HRTech & RegTech. Previously, Kimberley specialised in corporate finance advisory, supporting businesses with a range of needs spanning mergers & acquisitions, IPOs, and debt restructuring. She joined the team in April 2023 to support the continued growth of the portfolio, utilising her previous experience to source and execute high-quality investment opportunities.

Dr Nic Pillow, Senior Ventures Manager

Nic led a global team at Nokia which exercised portfolio control over 15 of their software products that grew in annual revenue from £50m to £250m. After leaving Nokia he co-founded his own startup, Rhizome Live, a SaaS business in the Education Tech sector, raising £400k investment and gaining access to a top accelerator. Prior to Nokia, Nic held positions ranging from Product Manager at Logica to Solutions Architect at Portal Software. He has an impressive academic background, with an M.Eng from the University of Oxford and an Engineering PhD from the University of Oxford's Robotics Research Group.

Rebecca Sumner, Senior Operations Manager

Rebecca co-manages VCT projects including share offerings alongside Alice Bollen, Investment Operations Manager. She has over ten years' experience working in the operations side of financial services, holding the Level 6 Diploma in Investment Operations from the CISI, Agile Project Management Certificate from APMG International, and the PRI's Foundations in Responsible Investment.

Alice Bollen, Investment Operations Manager

Alice co-manages VCT projects including share offerings alongside Rebecca Sumner, Senior Operations Manager. She has over five years' experience working in the operations side of financial services, and is currently working towards the CISI Level 3 Investment Operations Certificate. During this time she has worked with multiple teams within Blackfinch, understanding how both the Bespoke Tax Portfolios and the more mainstream Asset Management Portfolios operate, with particular focus on the interaction with third party platforms.

Hassaan Mehmood CFA, Assistant Ventures Manager

Hassaan joined Blackfinch bringing financial services experience. Previously he was an Investment Analyst at M&G Investments where he worked on its Small Cap fund and in its asset-backed securities team. He was also an Associate at mobile network Three and as an undergraduate gained experience in business and finance at a local level. Hassaan is a CFA Charterholder, having completed all three levels of the CFA in 13 months and has a first-class degree in Economics and Management from Aston Business School. He was Vice President of the Economics Society, Finance Director of the Islamic Society and elected representative for his course.

Corey Price, Assistant Ventures Manager

Corey joined Blackfinch as a summer intern in 2019 and joined full time in the Ventures team in 2020 as an Analyst. Corey has a keen interest in entrepreneurship and start-ups and is a board observer for several companies within the Ventures portfolios. He holds a bachelor's degree in Business Management from the University of Nottingham with focus on economics, innovation and entrepreneurship.

Winston Mathew, Assistant Ventures Manager

Winston graduated with a Masters in Mechanical Engineering from Imperial College London after which he joined Blackfinch in November 2018. Prior to this, he gained valuable experience as a Manufacturing Engineering Intern at Jaguar Land Rover and as a Mechanical Engineering Intern at Transport for London. Since joining, Winston has contributed his expertise to both the Property and Ventures team, actively participating in new investments and portfolio management.

Ijaz Khan, Ventures Analyst

Ijaz has had a varied career in the technology and startup space. An ex-founder, he spent the last four years building a travel startup. Prior to that he worked in partnerships at an EdTech startup and organised innovation focused conferences in the UK, US and Australia. He holds a degree in Biomedical sciences from Newcastle University.

Cameron McGee, Ventures Analyst

Cam has previously worked as an intern at a high-performance UK start-up, MissionUK. Prior to this he studied Business & Finance, including Venture Capital, whilst at university , before graduating with a Bachelor's in Management from the University of Warwick.

Dr Dan Appleby, Internal Investment Committee Member

Dan is currently the Chief Investment Officer (Listed Investments) at Blackfinch and leads the research and analysis across our range of listed portfolios. Before this, he was Head of Research for Blackfinch Group, and has held Senior Analyst and Investment Manager roles within Blackfinch for our Multi-Asset and Adapt AIM portfolios. Previously he was a Senior Analyst at Fidelity, working in fair value markets. Prior to that, Dan worked as an engineer at Intel. Dan holds a PhD based around mathematical modelling and experimentation. He is also a CFA Charterholder.

Joe Hartman, External Investment Committee Member

Joe brings strong financial and commercial experience, having worked in corporate finance and private equity/venture capital investment for over 20 years. Joe previously worked in M&A at BDO Stoy Hayward before joining Octopus Investments, where he co-managed the £150m growth stage fund, Apollo VCT. Joe has invested/overseen investments of >£100m across various sectors, including technology, healthcare and renewable energy and held NED positions on several company boards, overseeing successful exits. He has also co-founded three companies and now runs Gray Financial Modelling, a company that builds financial models for early stage companies looking to raise capital. He is a keen golfer, tennis player and investor in and advisor to early-stage companies.

Steven Raffe, Venture Partner and External Investment Committee member

Steve Raffe has a proven record of leading and growing B2B SaaS businesses with outstanding results. He has a Master's degree in Engineering from the University of Cambridge with First Class Honours and 13 years of experience in B2B Tech. He has expertise in sales, marketing, product, technical, strategy, and general management roles in both private and VC-backed companies. Steve started his career in Starleaf as a Hardware Engineer, then moved to Software Engineering in a small team that launched commercial video conferencing products. He quickly advanced to the Head of Teamline and then to Vice-President of Strategy and Alliances. More recently, he is the Commercial Director of Cambridge Future Tech, a deep tech venture builder. Steve is on the board of two Blackfinch portfolio companies, Illuma and Measure Protocol.

Ashley Unitt, Venture Partner

Ashley has led technology innovation at his own and others' companies for nearly 30 years. He has a track record in delivering brilliant solutions, reducing costs, and building world-class teams and companies that operate on a global scale. In 2000 he launched software as a service (SaaS) firm NewVoiceMedia, providing tech for contact centres that dramatically improves customer service and drives more effective sales and marketing. He was Chief Technology Officer (CTO) for 16 years before a highly successful exit in 2018 for $350 million.

Peter Filcek, Venture Partner

Starting in Retail and product sourcing, Peter moved into Product Management and Customer Experience at Amazon where he led the flagship Amazon Prime programme before helping to found the online grocery service Amazon Fresh. He took the Amazon principles around Customer Obsession to heart and coaches and mentors on customer-led Product Management frameworks such as Working Backwards, Design Thinking, and Jobs To Be Done. Peter was Product Director at Hive, a smart home technology company that is part of Centrica and a sister company to British Gas, before moving to his current role as Online Strategy and Development Director at Tesco.

Andy Harper, Venture Partner

Andy brings deep commercial experience across high growth technology, B2B and B2C retail, regulated sectors and social enterprises. He has a track record of translating strategic intent into reality, including delivering material revenue and EBIT increases in leadership roles at Hive and in his current role as Chief Growth Officer of Checkatrade, where he leads a 300+ team. Andy brings strong general management expertise across P&L leadership, sales and retention, operations, marketing, pricing, and proposition development. He's also held roles across energy (British Gas), telecoms (Virgin Media, Orange) and high growth early to mid-stage social enterprises (both in Non-exec and investment roles). Andy started his career in technology consultancy.

Andrew Towers, Venture Partner

Andrew has spent his career creating exceptional digital customer experiences for market leading ecommerce and marketplace businesses such as tesco.com, eBay and Trainline. He brings deep expertise in mobile commerce and app development, having launched multiple B2C propositions over the past 17 years including the highly successful Trainline app. As Chief Product Officer for Oddschecker Global Media (OGM), Andrew helped to grow the business from 70 people working on a single brand to over 200 people across multiple geographies working across multiple brands. OGM was acquired in July 2021 by Bruin Capital for £155m. Andrew is currently Director of Product for Gumtree - recently independent from eBay and under PE ownership - having joined in June 2023 as part of a small leadership team.

Geraldine Osman, Venture Partner

Geraldine Osman is an Independent Consultant, advisor, NED, and exited entrepreneur. Geraldine brings expertise and creativity in go-to-market strategy, product marketing and has repeatedly implemented growth strategies for start-ups from £1m ARR onwards. She was co-founder and Chief Marketing Officer at StaffConnect Group, an enterprise B2B SAAS solution that transformed the employee experience for large field and remote workforces – a business that she rapidly grew and took to a successful exit within 4 years. She has over 20 years experience in worldwide leadership roles, building go-to-market teams for technology companies, and focuses particularly on scaling tech start-ups, contributing to several successful exits both trade and public. She was also based in North America for some of her career and has expanded businesses into and within this market.

Alan Facey, Venture Partner

Alan Facey has over 35 years of software sales and executive leadership experience in the US, Europe, and Asia Pacific. His specialties include international expansion of sales and distribution, and translating strategy to execution in sales, marketing and customer success. Most recently he contributed to securing successful exits at InSided BV, a customer success platform for high growth companies, and Newforma, a project management tool. Prior exits include Black Duck Software Inc, Lumigent Technologies Inc, and Metier Management Systems Ltd. He holds several non-executive director and advisory roles, helping B2B software CEOs across the globe to improve their sales and marketing execution. Currently, he's CEO of SCANOSS, a Spanish start-up born to democratise open-source risk management.

Nigel Howlett, Venture Partner

Nigel Howlett is an experienced NED, chair and operating partner/advisor to venture capital and private equity, drawing on over 30 years' experience as a senior international leader. His areas of expertise include data driven marketing, enterprise and SAAS marketing technology, Data as a Service (DAAS), and Analytics (including machine learning and AI). Nigel also brings experience as a leader in professional services across all these areas, including as a board member of the world's most successful customer engagement agency, where he was UK CEO and member of the worldwide board. He has an impressive record of delivering shareholder value through both turnarounds and by leading strategic growth acceleration and innovation initiatives.

Mark Hurley, Venture Partner

Mark is an experienced board member with expertise in SaaS, bio-technology and genomics companies, with a proven track in fund raising and leading exits. In 1983, Mark set-up and grew International Communications Limited to £80m turnover where he led the exit negotiations when the company sold to Générale des Eaux. Mark was then the CEO for a collection of companies he founded to manage and license patents in the field of telecommunications which generated licence fees and royalty income of ca.$22M. In addition to these, Mark has led successful exits of two biotech companies to US listed companies, and recently led and completed the sale of a product manufacturing business to a major US corporation.

Tom Godber, Venture Partner

Tom Godber is an experienced career entrepreneur who has founded several successful software companies in the mobile gaming and industrial IoT sectors. As the founder of Masabi, Tom pioneered the world's leading public transport fare payment Software-as-a-Service (SaaS) platform. Under his leadership, Masabi grew to achieve $1 billion in annual ticket sales across ten countries. This accomplishment led to a successful exit during Accel KKR's recent Strategic Growth round. Tom's entrepreneurial journey continues with his latest venture, where he has secured re-seed funding to revolutionise software development practices. He aims to accelerate and optimise the software creation process. Beyond his entrepreneurial pursuits, Tom mentors aspiring entrepreneurs through the Black Valley organisation, sharing his expertise and insights.

Samantha Tubb, Venture Partner

Samantha Tubb is an experienced Angel investor and Non-Executive Director (NED). She spent the first decade of her career as a management consultant to the financial services industry. Since 2009 Sam has worked with start-ups, actively supporting them from pre-launch through to financial self-sustainability. In 2018 she successfully exited ScholarPack after nine years in a hands-on non-executive role, keeping a clear focus on driving scalable and sustainable growth. Sam is a NED and chair of the Audit and Risk Committee at The Key Support Services Limited, NED at Sharesy, NED at Watch My Competitor and NED at Menopause Experts Group. She also sits on the Investment Committee of homeless charity Emmaus. Earlier in her portfolio career, Sam was Vice Chair of NHS Trust UHCW in Warwickshire. Sam's current portfolio of investments focuses on growth businesses in EdTech, FemTech and FinTech.

Chris Holdsworth, Venture Partner

After graduating in business from the University of Bath, Chris started his career with the Red Cross where he spent 7 years on international aid programmes. He then transitioned to financial services with NatWest/RBS where he spent a further 16 years in senior management positions (predominantly in the payments arena). His last role was in China as Deputy Chief Executive of a credit card joint venture with the Bank of China. While in Beijing, he founded Talent Q China, a franchise of a company that offers workplace assessments internationally. He later became the CEO of the Talent Q Group, which he grew rapidly before overseeing its sale to Hay Group/Korn Ferry. Chris is an operational partner for New Model Venture Capital, where he serves as a Non-executive Director of their portfolio companies. Chris joined a recent Blackfinch portfolio company, Teamed, as their Venture Partner in Q2 2023.

Elizabeth Chambers, Venture Partner

Elizabeth (Libby) Chambers is a board director and adviser with experience as a senior financial services executive, strategist, and marketing leader. She is an Operating Partner at Searchlight Capital Partners and its portfolio companies. Her experience spans global financial institutions and professional services organizations. She serves on the boards of Wise plc, the global payments provider, TSB Bank plc, a top UK retail bank, Vanquis Banking Group, a FTSE 250 consumer finance provider, Evelyn Partners, which provides wealth management, accounting, and tax advisory services, and Currensea, a Blackfinch portfolio company which leverages Open Banking protocols and operates in several verticals. Libby's executive career included roles as EVP, Chief Strategy, Product and Marketing Officer of Western Union. Earlier in her career, Libby was a Partner in the Financial Institutions and Organization practices at McKinsey & Company. A Harvard MBA, she is also a Stanford graduate and started her professional life with Morgan Stanley & Co.

Nick Muir, Venture Partner

Nick Muir has led technology companies by driving emerging consumer trends and is currently on the board of Tangle.io. He has 30 years of experience in senior and executive roles across blue-chip corporate, SME and start-up marketplaces – both directly and as a consultant – including Motorola, Bullitt Group, Toshiba and high growth start-ups such as Wileyfox. Nick has a track record of commercial success and has also worked on company restructuring, including Remade France, culminating in a successful exit. Nick primarily focuses on commercial management, sales, marketing and new product solutions. His current role is as the CEO of conXhub, a UK-based scale-up focussed on cellular software and telecommunication networks.

Andrew Hughes, Venture Partner

Andrew is an entrepreneur with a track record of success, having successfully established three high-performing digital start-ups from concept to exit. Additionally, he co-founded two internationally established industry associations, the Mobile Marketing Association (MMA) and the International Social Games Association (ISGA). Currently holding the positions of Chairman and NED in multiple venture-backed start-ups in the UK, Andrew actively engages as an angel investor, providing mentorship to entrepreneurs. Having mentored over 500 founders, Andrew excels in devising growth strategies, scaling start-ups, and driving product and feature evolutions through business intelligence derived from data analysis.

Allocation Policy

The Company and Blackfinch Ventures EIS Portfolios have put in place a co-investment allocation policy (the "Allocation Policy"). The Allocation Policy provides for contractual priority for existing shareholdings in a Portfolio Company that is seeking follow-on investment. Alternatively, where an investment is within the investment mandates for both Blackfinch Ventures EIS Portfolios and the Company and neither is an existing shareholder, both will have the right to be allocated up to the pro rata of their currently undeployed funds, unless either has timing pressure to deploy funds or there would be a negative impact on their diversification.

Expenses and Administration

Investment management services and administration

Blackfinch is paid an annual fee of 2.5% of Net Asset Value (plus VAT if applicable) for the investment management services it provides to the Company. The fee is payable quarterly in arrears. Any Adviser Ongoing Charges, Execution Only Intermediary Ongoing Fees and Direct Investor Ongoing Fees will be calculated on the net asset value of the investor's shareholding. The Investment Manager will rebate 0.5% of Net Asset Value per annum to investors from its Annual Management Fee, making the Effective Annual Management Fee 2% of the Net Asset Value per annum. If the investor chooses to pay their Financial Adviser or Execution-Only Intermediary less than the maximum amount available, the Investment Manager will use the remaining funds from the rebate to purchase additional Shares for the Investor (at the Offer Price). Where Investors have not invested through an Adviser or Execution-Only Intermediary, the Investment Manager will pay the Promoter a Direct Investor Ongoing Fee out of the Annual Management Fee in consideration for promoting the Offer. Execution-Only Intermediary Ongoing Fees are payable for 10 years only following the initial allotment of shares.

Blackfinch also provides administrative services to the Company for an annual fee of the higher of 0.3% of Net Asset Value or £60,000 (plus VAT if applicable), payable quarterly in arrears.

Blackfinch will also provide receiving agent services to the Company for a fee of £13,000 (plus VAT if applicable), in connection with the Offer.

The Company is responsible for its normal third party costs including (without limitation) listing fees, audit and taxation services, legal fees, sponsor fees, registrars' fees, Directors' fees and other incidental costs. The Investment Manager has agreed to cap the total Annual Running Expenses plus any Execution-Only Intermediary Ongoing Fee payments to a maximum of 3.5% of Net Assets and any excess above this will be borne by the Investment Manager.

A maximum of 75% of the Company's management expenses will be capable of being charged against capital reserves with the balance charged against revenues.

Fees, charges and pricing of the Offer

Intermediary Fees and Commissions

Commission is permitted to be paid to Execution-Only Intermediaries under the rules of the Financial Conduct Authority in respect of execution only clients where no advice or personal recommendation has been given. Such authorised financial intermediaries who, acting on behalf of their clients, return valid Application Forms bearing their stamp and Financial Conduct Authority number will usually be entitled to an initial commission of up to 3% of the amount payable in respect of the Ordinary Shares allocation for each such Application Form. Provided that the intermediary continues to act for the client and the client continues to be the beneficial owner of the Shares, the intermediary will be entitled to an Execution-Only Intermediary Ongoing Fee of up to 0.5% of the Net Asset Value per Share for a period of up to 10 years from the initial allotment of shares. The level of the initial commission and Ongoing Fee is agreed between the Execution-Only Intermediary and the relevant Investor and stated by the Intermediary on the Application Form. The Administrator will facilitate payment of the Execution-Only Intermediary Ongoing Fee through rebating an equivalent amount to the investor from the Annual Management Fee and paying this directly to the Intermediary. If the level of the Execution-Only Intermediary Fee or Ongoing Fee is less than the maximum amount (i.e. 3% initial, 0.5% ongoing), the Administrator will apply the remaining funds from the rebate to purchase additional Shares for the Investor. Shares will be issued at last published NAV per Share.

Adviser Charges

Commission is generally not permitted to be paid to Financial Advisers who provide a personal recommendation to UK retail clients on investments in VCTs. Instead of commission being paid by the Company, a fee will usually be agreed between the adviser and Investor for the advice and related services. This fee can either be paid directly by the Investor to the Intermediary or, if it is a one off fee, the payment of such fee may be made by the Company up to a maximum of 5% of the Total Investment ("Initial Adviser Charge"). An Adviser Ongoing Charge of up to 0.5% per annum of the net asset value of the investor's shareholding will be rebated from the Annual Management Fee. If the investor chooses to pay their Financial Adviser less than the maximum amount, Blackfinch, as the administrator, will apply the remaining funds from the rebate to purchase additional Shares for the investor. These additional Shares purchased will be issued by reference to the last published prevailing NAV per Share. If the payment of the Adviser Charges are to be made by or on behalf of the Company or the Administrator for the Investor, then the Investor's Financial Adviser is required to specify the amount of the charge on the Application Form.

Blackfinch Initial Fee

The Promoter will charge the Company an initial fee, for its role as Promoter, of 2.5% of the Subscription Amount under the Offer, less any discounts for early investment ("Blackfinch Initial Fee"). For direct investors and investors not receiving financial advice and who are introduced through an execution only broker, the Promoter will charge an additional 3% (in respect of direct investors, or up to 3% in respect of investors introduced through an execution only broker) of the monies subscribed for Shares under the Offer (but not including the amount of the Initial Adviser Charge settled by the Promoter prior to subscription for Shares), less any discounts for early investment ("Direct Investor Premium") and Existing Blackfinch Investors. The Investment Manager will also pay the Promoter 0.5% of the value of the Investor's Shareholding per annum ("Direct Investor Ongoing Fee") out of its Annual Management Fee in consideration for promoting the Offer. Direct Investors will not receive any rebate from the Direct Investor Premium or Direct Investor Ongoing Fee.

Blackfinch Annual Management Fee

The Investment Manager will charge a fee of 2.5% of the Net Asset Value of the Company per annum to the Company, with 0.5% of Net Asset Value per annum being rebated to investors per annum, making the Effective Annual Management Fee 2% of the Net Asset Value per annum, out of which any Adviser Ongoing Charges, Execution-Only Intermediary Ongoing Fees and Direct Investor Ongoing Fees will be paid. If the investor chooses to pay their Adviser less than the maximum amount available, the Investment Manager (Blackfinch Investments Limited) will use the remaining funds from the rebate to purchase additional Shares for the investor. Where Investors have not invested through an Adviser or Execution-Only Intermediary, the Investment Manager will pay the Promoter a Direct Investor Ongoing Fee out of the Annual Management Fee in consideration for promoting the Offer. Execution-Only Intermediary Ongoing Fees are payable for 10 years only following the initial allotment of shares.

Transaction Fees

Blackfinch Investments Limited is entitled to charge the Portfolio Companies fees for arrangement, director and monitoring, exit and, to the extent that other services are provided, additional fees may be agreed. For the avoidance of doubt, these fees are not borne by the Company. Subject to FCA inducement and conflict of interest rules, fees may be paid to introducers in respect of the introduction of transactions.

Performance Fee

As is customary in the venture capital industry, the Investment Manager is incentivised with a performance related incentive payable in relation to each accounting period, subject to the Performance Value per Share being at least 130p at the end of the relevant accounting period. The amount of the Performance Fee will be equal to 20% of the amount by which the Performance Value per Share at the end of an accounting period exceeds the High Water Mark (being the higher of 130p and the highest Performance Value per Share at the end of any previous accounting period), and multiplied by the number of Shares in issue at the end of the relevant period. The Directors believe that the Performance Fee structure provides a strong incentive for the Investment Manager which will be incentivised to make distributions as high and as soon as possible.

Number of Shares to be issued

The number of Shares to be issued to each Investor will be determined by the following Pricing Formula and rounded down to the nearest whole Share:

Number of Shares = (Subscription Amount – Upfront Fees)/(NAV per Share)

Subject to any discounts for early investment and/or for Existing Blackfinch Investors, the Blackfinch Initial Fee is up to 5.5% of the investment amount for applications received through execution only brokers and direct investors and 2.5% for applications introduced by a Financial Adviser.

The Promoter may agree to reduce the Blackfinch Initial Fee in whole or in part in respect of specific Investors or groups of Investors.

Fee Type	Fee Arrangement	Advised	Execution Only	Direct Investor
Fees paid by Investor				
Paid by the investor (prior to subscription for shares)	Initial Adviser Charge	Up to 5%	-	-
Fees paid by VCT				
Upfront charges paid by VCT	Blackfinch Initial Fee[1]	2.5%	2.5%	2.5%
	Execution Only Intermediary Initial Commission[1]	-	Up to 3%	-
	Direct Investor Initial Premium[2]	-	-	3%
Ongoing annual charges paid by VCT	Effective Blackfinch Annual Management Fee (AMF)[3]	2%	2%	2%
	Adviser Ongoing Charge[3]	Up to 0.5%	-	-
	Execution Only Intermediary Ongoing Fee[3]	-	Up to 0.5%	-
	Direct Investor Ongoing Fee[3]	-	-	0.5%
	Performance Fee[4]	20%	20%	20%

The footnotes below provide further insights on how we structure fees. Please read them carefully.

[1] As the Promoter, Blackfinch will charge the Company – the Blackfinch Spring VCT Plc – a Blackfinch Initial Fee of 2.5% of the monies subscribed for shares. This doesn't include any adviser initial charges and is less any applicable discounts. We add to and pay any agreed execution-only intermediary initial commission and direct investor initial premium from the Blackfinch Initial Fee.

[2] Where investors have not invested through an adviser or execution-only intermediary, the Promoter will charge the Company a direct investor initial premium of 3% of the subscription amount in addition to the Blackfinch Initial Fee. This is in consideration for promoting the VCT.

[3] Blackfinch is also the investment manager for the VCT. In this capacity Blackfinch will charge an annual management fee of 2.5% of the NAV. However, Blackfinch will rebate 0.5% of the NAV p.a. to investors making the effective annual management fee 2% of the NAV. Blackfinch will calculate any Adviser Ongoing Charges, Execution-only Intermediary Ongoing Fees and Direct Investor Ongoing Fees on the NAV of the investor's shareholding. Blackfinch will then facilitate their payment on behalf of the Investor from the rebate.

If an investor is due to pay their adviser or execution-only Intermediary less than the maximum amount shown in the table, as the Investment Manager to the Company, Blackfinch will use any money left over from the rebate to buy additional VCT shares for the investor (issued at the last published NAV per Share), meaning investors not paying Adviser Ongoing Charges, Execution-Only Intermediary Ongoing Fees and Direct Investor Ongoing Fees will benefit from an increased Shareholding. Where investors have not invested through an adviser or execution-only Intermediary, the Company will pay Blackfinch, as the promoter, a Direct Investor Ongoing Fee. This is in consideration for promoting the Offer. Direct Investors will not receive any rebate from the Direct Investor Premium or Direct Investor Ongoing Fee. Execution-only Intermediary Ongoing Fees are payable for ten years only.

[4] As a company the VCT will be charged a performance incentive fee. This will be payable to Blackfinch as the investment manager in relation to each accounting period. The amount of the fee will be equal to 20% of the amount by which the performance value per share at the end of an accounting period exceeds the high water mark. This is the higher of 130p and the highest performance value per share at the end of any previous accounting period. We will then multiply this figure by the number of shares in issue in the VCT on the relevant date.

We define the performance value per share as the total of:

a. the Net Asset Value,

b. all Performance Fees previously paid or accrued by the Company to the Investment Manager for all previous accounting periods since inception of the Company, and

c. the cumulative amount of dividends or any other distributions paid by the Company before the relevant accounting reference date. This includes the amount of those dividends in respect of which the ex-dividend date has passed as at that date,

divided by the number of Shares in issue in the Company on the relevant date.

Part 2
Taxation

The following information is only a summary of the current law concerning the tax position of individual Qualifying Subscribers in VCTs. Therefore, potential Investors are recommended to consult a duly authorised Financial Adviser (and, where appropriate, an accountant or tax adviser) as to the taxation consequences of an investment in the Company. All tax reliefs referred to in this document are UK tax reliefs dependent on companies maintaining their VCT qualifying status. Tax relief may be subject to change and will depend on individual circumstances.

Taxation of a VCT

VCTs are exempt from corporation tax on chargeable gains, with no restriction on the distribution of realised capital gains by a VCT, subject to the requirements of company law. VCTs will be subject to corporation tax on their income (generally excluding dividends received from UK companies) after deduction of attributable expenses.

Qualification as a VCT

To qualify as a venture capital trust, a company must be approved as such by HMRC. To maintain approval, the conditions summarised below must continue to be satisfied throughout the life of the VCT:

(i) the VCT's income must have been derived wholly or mainly from shares and securities (in the case of securities issued by a company, meaning loans with a five-year or greater maturity period);

(ii) no holding in a company (other than a VCT or a company which would, if its shares were listed, qualify as a VCT) by the VCT may represent more than 15%, by value, of the VCT's total investments at the time of investment;

(iii) the VCT must not have retained more than 15% of the income derived from shares or securities in any accounting period;

(iv) the VCT must not be a close company. Its ordinary share capital must be listed on the main list of the London Stock Exchange or a regulated European market by no later than the beginning of the accounting period following that in which the application for approval is made;

(v) at least 80%, by value, of its investments is represented by shares or securities comprising Qualifying Investments. Funds raised by a further share issue are disregarded in judging whether this condition has been met for accounting periods ending no later than three years after the new issue;

(vi) at least 30% of the funds from those share issues must be invested in qualifying holdings by the anniversary of the end of the accounting period in which those shares were issued;

(vii) for funds included in the requirement at (v) above, at least 70%, by value, of the VCT's Qualifying Investments must be in "eligible shares", that is shares which carry no preferential rights to assets on a winding up and no rights to be redeemed although they may have certain preferential rights to dividends so long as those rights are non-cumulative and are not subject to discretion;

(viii) the VCT must not make an investment in a company which causes that company to receive more than £5 million of State Aid investment in the 12 months ending on the date of the investment (no more than £10 million for a Knowledge Intensive Company);

(ix) the VCT must not return capital to shareholders (or make any payment from share capital or share premium) before the third anniversary of the end of the accounting period during which the subscription for shares occurs;

(x) no investment can be made by the VCT into a company which causes that company to receive more than £12 million (£20 million if the company is deemed to be a Knowledge Intensive Company) of State Aid investment (including from VCTs) over the company's lifetime. A subsequent acquisition by the company of another company that has previously received Risk Finance State Aid can cause the lifetime limit to be exceeded in certain circumstances;

(xi) no investment can be made by the Company in a company whose first commercial sale was more than 7 years prior to date of investment, (10 years from the first commercial sale or the end of the accounting period where revenue first exceeded £200,000 for a Knowledge Intensive Company) except where previous Risk Finance State Aid was received by the company within 7 years of it commencing to trade commercially (10 years from the first commercial sale or the end of the accounting period where revenue first exceeded £200,000 for a Knowledge Intensive Company) or where the company is entering a new product market or new geographic market and a turnover test is satisfied;

(xii) no funds received from an investment into a company can be used to acquire shares in another company nor another existing business or trade nor any intellectual property or goodwill previously employed in a trade; and

(xiii) the VCT must not make a non-Qualifying Investment other than those specified in section 274 ITA 2007.

"Qualifying Investments" comprise shares or securities (including some loans with a five year or greater maturity period but excluding guaranteed loans and securities) issued by unquoted trading companies which meet a financial health requirement and exist wholly or mainly for the purpose of carrying on one or more qualifying trades. The trade must be carried on by, or be intended to be carried on by, the portfolio company or a qualifying subsidiary at the time of the issue of the shares or securities to the VCT (and by such company or by any other subsidiary in which the portfolio company has not less than a 90% interest at all times thereafter). A company intending to carry on a qualifying trade must begin to trade within two years of the issue of shares or securities to the VCT and continue it thereafter. The definition of a qualifying trade excludes dealing in property, shares, securities, commodities or futures. It also, amongst other things, excludes banking, insurance, receiving royalties or licence fees in certain circumstances, leasing, the provision of legal and accounting services, farming and market gardening, forestry and timber production, property development, shipbuilding, coal and steel production, operating or managing hotels or guest houses, generation of any form of energy, production of fuel, nursing and residential care homes. The funds raised by the investment must be used for the purposes of the qualifying trade within certain time limits.

A qualifying investment can also be made in a company which is a parent company of a trading group where the activities of the group, taken as a whole, consist of carrying on one or more qualifying trades. Portfolio companies must have a permanent establishment in the UK. The portfolio company cannot receive more than £5 million (£10 million for a Knowledge Intensive Company) from VCTs or other State Aid investment sources during the 12 month period which ends on the date of the VCT's investment. The portfolio company's gross assets must not exceed £15 million immediately prior to the investment and £16 million immediately thereafter. The portfolio company must have fewer than 250 employees or 500 employees in the case of a Knowledge Intensive Company. Neither the VCT nor any other company may control the portfolio company nor can the portfolio company control any company which is not a qualifying subsidiary. The portfolio company cannot be in financial difficulty. At least 10% of the VCT's total investment in the portfolio company must be in eligible shares, as described above. The company cannot receive more than £12 million (£20 million if the company is deemed to be a Knowledge Intensive Company) of State Aid investment (including from VCTs) over the company's lifetime. The company's first commercial sale must be no more than 7 years (10 years from the first commercial sale or the end of the accounting period where revenue first exceeded £200,000 for a Knowledge Intensive Company) prior to the date of the VCT's investment, except where previous Risk Finance State Aid was received by the company within 7 years (10 years from the first commercial sale or the end of the accounting period where revenue first exceeded £200,000 for a Knowledge Intensive Company) or where the company is entering a new product market or new geographic market and a turnover test is satisfied. Funds received from an investment by a VCT cannot be used to acquire shares in another company nor another existing business or trade.

Companies whose shares are traded on AIM are treated as unquoted companies for the purposes of calculating qualifying investments. Shares in an unquoted company which subsequently becomes listed may still be regarded as a qualifying investment for a further five years following listing, provided all other conditions are met.

The risk-to-capital condition introduced in Finance Act 2018 requires that a Qualifying Company has long term growth plans and that the investment made by the VCT is at risk.

Tax reliefs for individual Investors
In order to benefit from the tax reliefs outlined below, individuals who subscribe must be aged 18 or over.

Relief from Income Tax
Relief from income tax of 30% will be available on subscriptions for shares in a VCT, subject to the Qualifying Limit (currently £200,000 in each tax year). The relief, which will be available in the year of subscription, cannot exceed the amount which reduces the income tax liability of the Qualifying Subscriber in that year to nil. Relief may not be available if there is a loan linked with the investment. Relief will not be available, or, where given, will be withdrawn, either in whole or in part, where there is any disposal (except on death) of the shares (or of an interest in them or right over them) before the end of the period of five years beginning with the date on which the shares were issued to the Qualifying Subscriber.

Relief is restricted or not available where a Subscriber disposes of shares in the same VCT (or in another VCT which is known to be merging with the VCT) within six months of their subscription, whether the disposal occurs before or after the subscription.

Income tax relief is available on the total amount subscribed (including the amounts used to pay the VCT's own expenses such as the Blackfinch Initial Fee but not including the amount of the Adviser Charge settled by the Company through the Receiving Agent prior to subscription for Shares), subject to VCT Rules, personal circumstances and changes in the availability of tax reliefs.

Dividend Relief

Any Qualifying Subscriber, who has acquired shares in a VCT of a value of no more than £200,000 in any tax year, will not be liable for UK income tax on any dividends paid out on those shares by the VCT. There is no withholding tax on dividends.

Capital Gains Tax Relief

A disposal by a Qualifying Subscriber of his or her shares in a VCT will give rise to neither a chargeable gain nor an allowable loss for the purposes of UK capital gains tax. This relief is limited to the disposal of shares acquired within the £200,000 limit for any tax year.

Loss of Tax Reliefs

Relief from corporation tax on capital gains will be withdrawn should a company that has been granted approval or provisional approval as a VCT fails to maintain the conditions required to keep its qualifying status. After such a status is lost, all gains will fail to benefit from tax exemption.

For investors, loss of VCT status could result in:

- claw-back of the 30% tax relief previously obtained on the subscription for new VCT shares;
- any payments of dividends made by the company during the accounting period in which the company loses VCT status, and thereafter, being subject to income tax; and
- a liability to tax on capital gains as would normally occur on the disposal of shares, except for any part of the gain that could be attributed to the time when the company had VCT status.

Qualifying Investors investing in a company that has provisional approval as a VCT, but fails to obtain full unconditional approval as a VCT may experience the following consequences:

- claw-back of the 30% tax relief previously obtained on the subscription for new VCT shares and interest on any overdue tax;
- any payments of dividends by the company being subject to income tax; and
- any gain from the disposal of any shares being subject to capital gains tax and losses on the shares being allowable losses for capital gains tax purposes.

For the purposes of sections 3 and 4 below, references to shares should be viewed as eligible VCT shares.

The impact of the death of an investor

Initial Income Tax

Should any investor die having made an investment in a VCT, the transfer of shares on his or her death will not be viewed as a disposal of shares and so there will not be any claw-back of the income tax relief obtained on the subscription for those shares. However, the shares transferred will become part of the estate of the deceased for inheritance tax purposes.

Tax implications for the beneficiary

The beneficiary of any VCT shares inherited from a deceased investor will continue to be entitled to tax-free dividends and tax-relief on disposal, provided the beneficiary is at least 18 years of age and acquires the shares within their annual £200,000 limit, but will not be entitled to any initial income tax relief because they have not subscribed for those shares.

The impact of a transfer of shares between spouses

As it is not deemed a disposal of shares, any transfer of shares between spouses will continue to benefit from all tax reliefs.

General

Investors not residing in the UK

Investors who are not resident in the UK or who may become a non-resident should seek their own professional advice as to the consequences of making an investment in a VCT, as they may be subject to tax in other jurisdictions as well as in the UK.

Stamp Duty and Stamp Reserve Tax

No stamp duty or stamp duty reserve tax is payable on the issue of shares. The transfer on the sale of shares is usually liable to ad valorem stamp duty or stamp duty reserve tax. Such duties would be payable by the individual who purchases the shares from the original subscriber.

Purchasing shares after listing

Any qualifying purchaser of existing VCT shares, rather than new VCT shares, will not qualify for income tax relief on investments, but may be able to receive exemption from tax on dividends and capital gains tax on disposal of his or her VCT shares if those shares are acquired within the investor's annual £200,000 limit. The information in this Part 2 is based on current legislation, including taxation legislation. The tax legislation of the UK and of any other jurisdiction to which an Investor is subject may have an impact on the income received from the securities. The tax reliefs described are those currently available. Levels and bases of, and relief from taxation are subject to change and such change could be retrospective.

Part 3
Investment Portfolio of the Company

Details of all of the investments held by the Company in its portfolio as at (i) 30 June 2023 (being the end of the last financial period of the Company for which unaudited financial information has been published) and (ii) all the investments made since the 30 June 2023 at the date of this document are shown below.

The information on the investment portfolio below represents all of the net asset value of the Company. Unless otherwise stated, all the investments set out below are in portfolio companies incorporated in the UK. Tangle Software Incorporated is registered and incorporated in Delaware, USA and has been registered by the UK registrar of companies as having a UK establishment in the United Kingdom. None of the Company's investments comprise assets admitted to trading on a regulated market.

Investments as at 30 June 2023
(being the end of the last financial period of the Company for which unaudited financial information has been published)

	Sector	Valuation £'000 unaudited and as at 30 June 2023	% of total assets	Structure
Brooklyn Supply Chain Solutions Ltd	Supply Chain Tech	1,163	4.6%	Equity
Client Share Ltd	Service Governance Tech	1,178	4.7%	Equity
Collectivetech Ltd	Transport Tech	440	1.7%	Equity
Cultureshift Communications Ltd	HR Tech	868	3.4%	Equity
Currensea Ltd	Financial Tech	1,075	4.2%	Equity
Cyclr Systems Ltd	Software Tech	1,300	5.1%	Equity
Edozo Ltd	Property Tech	514	2.0%	Equity
Illuma Technology Ltd	Advertising Tech	2,063	8.1%	Equity
Kokoon Technology Ltd	Sleep Tech	521	2.0%	Equity
Measure Protocol Ltd	Market Intelligence Tech	680	2.7%	Equity
Odore Ltd	Marketing Tech	922	3.6%	Equity
Placed Recruitment Ltd	Recruitment Tech	600	2.4%	Equity
Recruitment Smart Technologies Ltd	Recruitment Tech	780	3.1%	Equity
Spotless Water Ltd	Water Tech	516	2.0%	Equity
Staffcircle Ltd	HR Tech	1,263	5.0%	Equity
Startpulsing Ltd	Market Intelligence Tech	1,575	6.2%	Equity
Tangle Software Inc	Software Tech	490	1.9%	Equity

Teamed Ltd	HR Tech	1,403	5.5%	Equity
Tended Ltd	Safety Tech	881	3.5%	Equity
Transreport Ltd	Transport Tech	1,711	6.8%	Equity
Up Learn Ltd	Education Tech	360	1.4%	Equity
watchmycompetitor.com Ltd	Market Intelligence Tech	1,381	5.5%	Equity
Total investments at 30 June 2023		**21,683**	**85.5%**	
Balance		3,672	14.5%	

Investments made since 30 June 2023

	Sector	Valuation £'000 (as at 31 August 2023)	% of total assets	Structure
Oculo Technologies Ltd	Construction Tech	840	3.2%	Equity
Total investments at date of prospectus		**22,523**	**87.0%**	
Balance of Portfolio (Cash at bank)		3,366	13.0%	

Part 4
Additional Information

1. The Company

1.1 The Company was incorporated and registered in England and Wales on 20 August 2019 under the name Blackfinch Spring VCT plc with registered number 12166417 as a public company limited by shares under the Act. The principal legislation under which the Company operates is the Act. The legal and commercial name of the Company is Blackfinch Spring VCT plc.

1.2 On 7 November 2019 the Company gave notice to the Registrar of Companies of its intention to carry on business as an investment company under section 833 of the Act. On 7 November 2019 the Registrar of Companies issued the Company with a certificate under section 761 of the Act.

1.3 The Company is domiciled in England. The LEI of the Company is 254900F3ZHV5Z8UV6D89.

2. Share Capital

2.1 The Company was incorporated with two ordinary shares issued fully paid to the subscribers to the memorandum of the Company ("the Subscriber Shares") which are held by HK Nominees Limited and HK Registrars Limited.

2.2 On 5 November 2019, 50,000 Redeemable Preference Shares in the Company were allotted and issued to Blackfinch and paid up as to one-quarter so as to enable the Company to obtain a certificate under section 761 of the Act. The Redeemable Preference Shares were fully paid up and thereafter redeemed by the Company and subsequently cancelled on 15 February 2021.

2.3 By ordinary and special resolutions proposed at the Company's Annual General Meeting the following resolutions were passed:

Ordinary Resolution

2.3.1 that, the Directors are generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company. This power is limited to the allotment of relevant securities up to an aggregate nominal amount of £400,000;

Such authority shall expire on the later of 15 months from the date of the resolution or the next annual general meeting of the Company (unless previously revoked, varied or extended by the Company in general meeting).

Special Resolutions

2.3.2 that, the Directors are empowered (pursuant to section 570(1) of the Act) to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority referred to in paragraph 2.3.1 above as if section 561 of the Act did not apply to any such allotment, such power to expire at the conclusion of the Company's next annual general meeting, or on the expiry of 15 months following the passing of the resolution, whichever is the later (unless previously renewed or extended by the Company in general meeting);

2.3.3 the Company is authorised to make one or more market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares provided that:

2.3.3.1 the maximum aggregate number of Ordinary Shares authorised to be purchased is an amount equal to 14.99% of the issued ordinary share capital of the Company following the Offer;

2.3.3.2 the minimum price which could be paid for an Ordinary Share is £0.01;

2.3.3.3 the maximum price which can be paid for an Ordinary Share is an amount, exclusive of expenses, equal to the higher of (i) 105% of the average of the middle market prices shown in the quotations for a Share in the Daily Official List of the London Stock Exchange for the five Business Days immediately preceding the day on which that Share is purchased and (ii) the amount stipulated by the UK version of Article 5(6) of the Market Abuse Regulation; and

2.3.3.4 unless renewed, the authority thereby conferred is to expire either at the conclusion of the next annual general meeting of the Company or on the expiry of 15 months from the passing of this resolution, whichever is the later to occur, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after such expiry.

2.4 By ordinary and special resolutions to be proposed at the Company's General Meeting to be held on 10 October 2023 the following resolutions were passed (the issue and allotment of Ordinary Shares under the Offer being conditional upon the passing of the resolutions referred to in paragraphs 2.4.1 to 2.4.3 below):

Ordinary Resolution/s

2.4.1 that, the Directors are generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company. This power is limited to the allotment of relevant securities up to an aggregate nominal amount of £435,000; and

2.4.2 that, the payment by the Company to Blackfinch Investments Limited of the Blackfinch Initial Fee, such payment being pursuant to the Offer Agreement, details of which are set out on pages 8 to 9 of the circular issued to the Company's shareholders dated 7 September 2023 (the "Circular"), be approved in accordance with the Listing Rules as Blackfinch is a related party under those rules.

Special Resolution/s

2.4.3 that, the Directors are empowered (pursuant to section 570(1) of the Act) to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority referred to in paragraph 2.4.1 above as if section 561 of the Act did not apply to any such allotment, such power to expire at the conclusion of the Company's next annual general meeting, or on the expiry of 15 months following the passing of the resolution, whichever is the later (unless previously renewed or extended by the Company in general meeting); and

2.4.4 that, subject to approval by the High Court of Justice, the amount standing to the credit of the share premium account of the Company at the date an order is made confirming such cancellation by the Court will be cancelled.

2.5 No share or loan capital of the Company is under option or has been agreed conditionally or unconditionally to be put under option.

2.6 The Shares will be in registered form and temporary documents of title will not be issued. The ISIN of the Ordinary Shares is GB00BKV46W45 and the SEDOL code is BKV46W4.

2.7 At the date of this document the issued fully paid share capital of the Company is:

Issued Ordinary Shares of £0.01 each

Nominal Value	Number
£275,724.70	27,572,470 Ordinary Shares

2.8 The issued share capital of the Company, assuming full subscription under the Offer by direct Investors only with the over-allotment facility fully utilised, and a NAV per Share of 93.85p, will be as follows assuming no discounts are applicable for early investment and/or Existing Blackfinch Investors

Issued Ordinary Shares of £0.01 each

Nominal Value	Number
£577,802.48	57,780,248 Ordinary Shares

2.9 The Company will be subject to the continuing obligations of the Financial Conduct Authority and the London Stock Exchange with regard to the issue of securities for cash and the provisions of section 561 of the Act (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the Company to the extent any such issues are not subject to the dis-application referred to in sub-paragraph 2.4.3 above.

3. Articles of Association

3.1 The articles of association of the Company provide that its principal object is to carry on the business of a Venture Capital Trust and that the liability of members is limited.

3.2 The articles of association of the Company, contain, inter alia, provisions to the following effect:

3.2.1 Voting Rights

Subject to any disenfranchisement as provided in paragraph 3.2.5 below and subject to any special terms as to voting on which any Shares may be issued, on a show of hands every member present in person (or being a corporation, present by authorised representative) shall have one vote and, on a poll, every member who is present in person or by proxy shall have one vote for every Share of which he is the holder. The Shares shall rank pari passu as to rights to attend and vote at any general meeting of the Company.

3.2.2 Rights Attaching to the Redeemable Preference Shares

Each of the Redeemable Preference Shares carries the right to a fixed, cumulative, preferential, dividend of 0.1% per annum (exclusive of any imputed tax credit available to shareholders) on the nominal amount thereof, but confers no right to vote except as otherwise agreed by the holders of a majority of the Shares. On a winding-up, the Redeemable Preference Shares confer the right to be paid the nominal amount paid on such shares. The Redeemable Preference Shares are redeemable at any time by the Company or by the holder. Each Redeemable Preference Share which is redeemed, shall, thereafter, be cancelled without further resolution or consent.

3.2.3 Transfer of Shares

The Ordinary Shares are in registered form and will be freely transferable. All transfers of Ordinary Shares must be effected by a transfer in writing in any usual form or any other form approved by the Directors. The instrument of transfer of an Ordinary Share shall be executed by or on behalf of the transferor and, in the case of a partly paid share by or on behalf of the transferee. The Directors may refuse to register any transfer of a partly paid Share, provided that such refusal does not prevent dealings taking place on an open and proper basis and may also refuse to register any instrument of transfer unless:

3.2.3.1 it is duly stamped (if so required), is lodged at the Company's registered office or with its registrars or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

3.2.3.2 it is in respect of only one class of share; and

3.2.3.3 the transferees do not exceed four in number.

3.2.4 Dividends

The Company may in general meeting by ordinary resolution declare dividends in accordance with the respective rights of the members, provided that no dividend shall be payable in excess of the amount recommended by the Directors. The Directors may pay such interim dividends as appear to them to be justified. No dividend or other monies payable in respect of an Ordinary Share shall bear interest as against the Company. There are no fixed dates on which entitlement to a dividend arises.

All dividends unclaimed for a period of twelve years after being declared or becoming due for payment shall be forfeited and shall revert to the Company.

3.2.5 Disclosure of Interest in Ordinary Shares

If any member or other person appearing to be interested in shares of the Company is in default in supplying within 42 days (or 28 days where the shares represent at least 0.25% of its entire issued share capital) after the date of service of a notice requiring such member or other person to supply to the Company in writing all or any such information as is referred to in section 793 of the Act, the Directors may, for such period as the default shall continue, impose restrictions upon the relevant shares.

The restrictions available are the suspension of voting or other rights conferred by membership in relation to meetings of the Company in respect of the relevant shares and additionally in the case of a shareholder representing at least 0.25% by nominal value of any class of shares of the Company then in issue, the withholding of payment of any dividends on, and the restriction of transfer of, the relevant shares.

3.2.6 Distribution of Assets on Liquidation
On a winding-up, any surplus assets of the Company will be divided amongst the holders of its Shares according to the respective numbers of Shares held by them in the Company and in accordance with the provisions of the Act, subject to the rights of any shares which may be issued with special rights or privileges. The Company's articles of association provide that the liquidator may, with the sanction of a resolution and any other sanction required by the Act, divide amongst the members in specie the whole or any part of the assets of the Company in such manner as he may determine.

3.2.7 Changes in Share Capital

3.2.7.1 Without prejudice to any rights attaching to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or in the absence of such determination, as the Directors may determine. Subject to the Act, the Company may issue shares, which are, at the option of the Company or the holder, liable to be redeemed.

3.2.7.2 The Company may by ordinary resolution increase its share capital, consolidate and divide all or any of its share capital into shares of larger amounts, sub-divide its shares or any of them into shares of smaller amounts, or cancel or reduce the nominal value of any shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount so cancelled or the amount of the reduction.

3.2.7.3 Subject to the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account, and may also, subject to the Act (and by resolution of the holders of the shares repurchased where such shares are convertible shares), purchase its own shares.

3.2.8 Variation of Rights
Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of that class) be varied or abrogated either with the consent in writing of the holders of not less than 75% of the nominal amount of the issued shares of that class or with the sanction of a resolution passed at a separate meeting of such holders.

3.2.9 Directors
Unless and until otherwise determined by the Company in general meeting, the number of Directors shall not be less than two nor more than ten. The continuing Directors may act notwithstanding any vacancy in their body, provided that, if the number of the Directors be less than the prescribed minimum, the remaining Director or Directors shall forthwith appoint an additional Director or additional Directors to make up such minimum or shall convene a general meeting of

the Company for the purpose of making such appointment.

Any Director may in writing under his hand appoint (a) any other Director, or

(b) any other person who is approved by the Board of Directors as hereinafter provided, to be his alternate. A Director may at any time revoke the appointment of an alternate appointed by him. Every person acting as an alternate Director shall be an officer of the Company, and shall alone be responsible to the Company for his own acts and defaults, and he shall not be deemed to be the agent of or for the Director appointing him.

Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director or Joint Managing Directors of the Company, or to hold such other executive office in relation to the management of the business of the Company as they may decide.

A Director of the Company may continue to be or become a Director or other officer, servant or member of any company promoted by the Company or in which it may be interested as a vendor shareholder, or otherwise, and no such Director shall be accountable for any remuneration or other benefits derived as director or other officer, servant or member of such company.

The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether at home or abroad, in such manner as they think fit.

3.2.10 Directors' Interests

3.2.10.1 A Director who is in any way, directly or indirectly, interested in a transaction or arrangement with the Company shall, at a meeting of the Directors, declare, in accordance with the Act, the nature of his interest.

3.2.10.2 Provided that he has declared his interest in accordance with paragraph 3.2.10.1, a Director may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer or otherwise interested in any body corporate promoted by the Company or in which the Company is otherwise interested. No Director so interested shall be accountable to the Company, by reason of his being a Director, for any benefit that he derives from such office or interest or any such transaction or arrangement.

3.2.10.3 A Director shall not vote nor be counted in the quorum at a meeting of the Directors in respect of a matter in which he has any material interest otherwise than by virtue of his interest in shares, debentures or other securities of, or otherwise in or through the Company, unless his interest arises only because the case falls within one or more of the following paragraphs:

(a) the giving to him of any guarantee, security or indemnity in respect of money lent or an obligation incurred by him at the request of or for the benefit of the Company or any of its subsidiary undertakings;

(b) the giving to a third party of any guarantee, security or indemnity in respect of a debt or an obligation of the Company or any of its subsidiary undertakings for which he has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

(c) any proposal concerning the subscription by him of shares, debentures or other securities of the Company or any of its subsidiary undertakings or by virtue of his participating in the underwriting or sub-underwriting of an offer of such shares, debentures or other securities;

(d) any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he and any persons connected with him do not (to his knowledge) hold an interest in shares representing 1% or more of any class of the equity share capital of such company or of the voting rights available to members of the company;

(e) any proposal relating to an arrangement for the benefit of the employees of the Company or any subsidiary undertaking which does not award to any Director as such any privilege or advantage not generally awarded to the employees to whom such arrangement relates; and

(f) any arrangement for purchasing or maintaining for any officer or auditor of the Company or any of its subsidiaries, insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, breach of duty or breach of trust for which he may be guilty in relation to the Company or any of its subsidiaries of which he is a director, officer or auditor.

3.2.10.4 When proposals are under consideration concerning the appointment of two or more Directors to offices or employment with the Company, or any company in which the Company is interested, the proposals may be divided and considered in relation to each Director separately and (if not otherwise precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

3.2.11 Remuneration of Directors

3.2.11.1 The ordinary remuneration of the Directors shall be such amount as the Directors shall from time to time determine (provided that, unless otherwise approved by the Company in general meeting, the aggregate ordinary remuneration of such Directors, including fees from the Company, shall not exceed £100,000 per year) to be divided among them in such proportion and manner as the Directors may determine. The Directors shall also be paid by the Company all reasonable travelling, hotel and other expenses they may incur in attending meetings of the Directors or general meetings or otherwise in connection with the discharge of their duties.

3.2.11.2 Any Director who, by request of the Directors, performs special services for any purposes of the Company may be paid such reasonable extra remuneration as the Directors may determine.

3.2.11.3 The emoluments and benefits of any executive director for his services as such shall be determined by the Directors and may be of any description, including membership of any pension or life assurance scheme for employees or their dependants or, apart from membership of any such scheme, the payment of a pension or other benefits to him or his dependants on or after retirement or death.

3.2.12 Retirement of Directors

A Director shall retire from office at or before the third annual general meeting following the annual general meeting at which he last retired and was re-elected. A retiring Director shall be eligible for re-election. A Director shall be capable of being appointed or re-appointed a Director despite having attained any particular age.

3.2.13 Borrowing Powers
Subject as provided below, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital.

The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control over its subsidiary undertakings (if any) so as to secure that the aggregate amount at any time outstanding in respect of money borrowed by the group, being the Company and its subsidiary undertakings for the time being (excluding intra-group borrowings), shall not, without the prior sanction of an ordinary resolution of the Company, exceed a sum equal to 25% of the aggregate total amount received from time to time on the subscription of shares of the Company.

3.2.14 Uncertificated Shares
CREST, a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument, was introduced in July 1996. The Company's articles of association are consistent with CREST membership and allow for the holding and transfer of shares in uncertificated form pursuant to the Uncertificated Securities Regulations 2001.

3.2.15 General Meetings
The Company shall, within 6 months of a company's financial year end, at such time and place as may be determined by the Directors, hold a general meeting as its annual general meeting in addition to any other meetings in that year.

The Directors may, whenever they think fit, convene a general meeting of the Company, and general meetings shall also be convened on such requisition or in default may be convened by such requisitions as are provided by the Act. Any meeting convened under this Article by requisitions shall be convened in the same manner as near to as possible as that in which meetings are to be convened by the Directors.

An annual general meeting shall be called by not less than twenty-one days' notice in writing, and all other general meetings of the Company shall be called by not less than fourteen days' notice in writing. The notice shall be exclusive of the day on which it is given and of the day of the meeting and shall specify the place, the day and hour of meeting, and, in the case of special business, the general nature of such business. The notice shall be given to the members (other than those who, under the provisions of the articles or the terms of issue of the shares they hold, are not entitled to receive notice from the Company), to the Directors and to the Auditors. A notice calling an annual general meeting shall specify the meeting as such and the notice convening a meeting to pass a special resolution or an ordinary resolution as the case may be shall specify the intention to propose the resolution as such.

In every notice calling a meeting of the Company or any class of the members of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him, and that a proxy need not also be a member.

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such time (being not less than fourteen days and not more than twenty-eight days hence) and at such place as the Chairman shall appoint. At any such adjourned meeting the member or members present in person or by proxy and entitled to vote shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. The Company shall give not less than seven clear days' notice of any meeting adjourned for the want of a quorum and the notice shall state that the member or members present as aforesaid shall form a quorum.

The Chairman may, with the consent of the meeting (and shall, if so directed by the meeting) adjourn any meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

4. Directors and Other Interests in the Company

4.1 Neither the Company nor the Directors are aware of any person who, immediately after the close of the Offer (assuming full subscription with the over-allotment facility fully utilised), will hold (for the purposes of rule 5 of the DGTR), directly or indirectly, voting rights representing 3% or more of the issued share capital of the Company to which voting rights are attached or who could, directly or indirectly, jointly or severally, exercise control or ownership over the Company.

4.2 The interests of the Directors (and their immediate families) in the share capital of the Company, all of which are beneficial, as they are expected to be following the close of the Offer, and of persons connected to the Directors (and their immediate families) and the existence of which is known to, or could with reasonable diligence, be ascertained by that Director, will be as set out below together with the percentages which such interests represent of the Shares in issue if the Offer is fully subscribed (assuming the over-allotment facility is fully utilised), by Direct Investors only, a NAV per Share of 93.85p and no discounts for early investment and/or for Existing Blackfinch Investors are applicable:

Name	Number of Ordinary Shares	Percentage of total Ordinary Shares
Peter L R Hewitt	5,038	0.01%
Katrina Tarizzo	0	0%
Reuben Wilcock	3,282	0.005%

4.3 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

4.4 The Company's major Shareholders do not have different voting rights.

4.5 Save for Reuben Wilcock's interest as an employee of Blackfinch Investments Limited, a party to the Investment Management Agreement, the 2019 Offer Agreement, the 2020 Offer Agreement, the 2021 Offer Agreement, the 2022 Offer Agreement and the Offer Agreement, no Director is or has since the period from the Company's incorporation been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company and remains in any respect outstanding or unperformed.

4.6 No loans made or guarantees granted or provided by the Company to or for the benefit of any director are outstanding.

4.7 There are no service contracts in existence between the Company and any of its Directors nor are any such contracts proposed. The services of the Directors are provided to the Company pursuant to letters of appointment dated

11 November 2019 (in the case of Peter Hewitt) , 18 September 2020 (in the case of Reuben Wilcock) and 14 August 2023 (in the case of Katrina Tarizzo), each of which is terminable upon six months' notice given by the Company at any time after the first anniversary of their appointment (such notice not to expire within 15 months of the commencement of their appointment). All the Directors are non-executive directors. Save in respect of these letters of appointment, no member of any administrative, management or supervisory body has a service contract with the Company.

4.8 There are no family relationships between any of the Directors or members of the Investment Manager.

4.9 During the five years immediately prior to the date of this document, the Directors have been members of the administrative, management or supervising bodies or parties of the entities specified below (excluding subsidiaries of any company of which he is also a member of the administrative, management or supervisory body):

Peter Hewitt:
Current Directorships/Partnerships

Blackfinch Spring VCT PLC
Provident & Regional LLP
Scampton Holdings Limited
UDSS Corporate Holdings Limited
Universal Recruitment and Interim Solutions Limited
Universal Defence and Security Solutions Limited

Past Directorships/Partnerships

The Armadillo Group Limited
Basinghall Capital Limited
Brennan and Partners
EP Capital Partners Limited *
Finance For Companies Limited
Growth Company Association Limited **
New Gresham Group Limited ***
New Gresham Group Ltd**
Provident & Regional Estates Limited
Puma VCT VII PLC ****
Puma VCT 10 PLC
Raleigh 400 Limited **
Terra Mater Renewables Investments AB
The Worshipful Company of Woolmen Trustee Limited
Vordere Limited

* in members' (solvent) voluntary liquidation
** dissolved after a voluntary (solvent) strike off.
*** dissolved after a compulsory strike off (with no creditors).
**** dissolved after a members' (solvent) voluntary liquidation.

Katrina Tarizzo:

Current Directorships/Partnerships

City Living PCC Limited
City Living Luxembourg Sarl
City Living Polska Sp zoo
City Living Polska Development Sp zoo
OLH II Sp zoo
City Living Polska 3 Sp zoo
City Living Polska Development 3 Sp zoo
Tarizzo Limited

Past Directorships/Partnerships:

Tarisoga LLC

Reuben Wilcock:

Current Directorships/Partnerships

Blackfinch Spring VCT PLC
Bar Analytics Limited
Custom Idea Limited

Past Directorships/Partnerships

Joulo Limited
Dolphin IP Limited

4.10 None of the Directors in the five years prior to the date of this Prospectus:-

4.10.1 save as set out in paragraph 4.9 above, is currently a director of a company or a partner in a partnership or has been a director of a company or a partner in a partnership;

4.10.2 has any unspent convictions in relation to fraudulent offences;

4.10.3 save as set out in paragraph 4.9 above, has had any bankruptcies, receiverships or liquidations or administrations through acting in the capacity of a member of any administrative, management or supervisory bodies or as a partner, founder or senior manager of any partnership or company; and

4.10.4 has had any official public incriminations and/or sanctions by any statutory or regulatory authority (including any designated professional body) nor has ever been disqualified by a Court from acting as a member of the administrative management or supervisory bodies of any company or firm acting, or in the management or conduct of the affairs of, any company or firm.

4.11 No Shares are being reserved for allocation to existing Shareholders, Directors or employees.

4.12 The Company has in place directors' and officers' liability insurance for the benefit of the Directors.

4.13 Save insofar as Reuben Wilcock is an employee of Blackfinch, no Director or member of the investment Manager team has any potential conflict of interest between his duties to the Company and their private interests or other duties.

4.14 There are no restrictions agreed by any Director or member of the Investment Manager on the disposal within a certain time period of their holdings in the Company's securities.

4.15 None of the Directors or members of the Investment Manager have any service contract with the Company providing for benefits upon termination of employment. See paragraph 5.9 below which refers to the Directors' Letters of Appointment.

4.16 The audit committee of the Company comprises the independent Directors and shall meet at least twice a year. The Company's auditors may be required to attend such meetings. The Committee shall prepare a report each year addressed to the shareholders for inclusion in the Company's annual report and accounts. The duties of the Committee are, inter alia:

4.16.1 to review and approve the half yearly and annual results of the Company and the statutory accounts before submission to the Board;

4.16.2 to review management accounts;

4.16.3 to review internal control and risk management systems;

4.16.4 to consider the appointment of the external auditor, to monitor its independence and objectivity, the level of audit fees and to discuss with the external auditor the nature and scope of the audit; and

4.16.5 to consider matters of corporate governance as may generally be applicable to the Company and make recommendations to the Board in connection therewith as appropriate.

4.17 The Company does not have a remuneration committee or a nomination committee.

5. Material Contracts

The following constitutes a brief summary of the principal contents of each material contract entered into by the Company, otherwise than in the ordinary course of business, since incorporation. There are no other contracts, not being contracts entered into in the ordinary course of business, entered into by the Company which contain any provision under which the Company has an obligation or entitlement which is material to the Company as at the date of this document:

5.1 Offer Agreement

An offer agreement dated 7 September 2023 and made between the Company (1), the Directors (2), the Promoter (3) and the Sponsor (4), (the "Offer Agreement") pursuant to which the Sponsor has agreed to act as sponsor to the Offer and the Promoter has undertaken, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the Offer. Under the Offer Agreement, the Company will pay the Promoter a commission of up to 5.5% of the value of each accepted application for Ordinary Shares received pursuant to the Offer (plus VAT, if applicable).

The Promoter will be responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients.

Under the Offer Agreement, which may be terminated by the parties in certain circumstances, the Company, the Promoter and the Directors have given certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the second annual general meeting of the Company following the closing date of the Offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The Company has also agreed to indemnify the Sponsor in respect of its role as Sponsor and under the Offer Agreement. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of one year's director fees for each Director. The Offer Agreement may be terminated, inter alia, if any statement in the Prospectus is untrue, any material omission from the Prospectus arises or any breach of warranty occurs.

Assuming (i) the Offer is fully subscribed, including the over-allotment facility and (ii) a commission of 5.5% applies to all subscriptions, under this Offer Agreement the Promoter will be entitled to a payment of £1,650,000, which represents 6.51% of the Company's net assets as shown in its unaudited half yearly report for the period ended 30 June 2023.

5.2 2022 Offer Agreement

An offer agreement dated 1 September 2022 and made between the Company (1), the Directors (2), the Promoter (3) and the Sponsor (4), (the "2022 Offer Agreement") pursuant to which the Sponsor agreed to act as sponsor to the 2022 Offer and the Promoter undertook, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the 2022 Offer. Under the 2022 Offer Agreement, the Company paid the Promoter a commission of up to 5.5% of the value of each accepted application for Ordinary Shares received pursuant to the 2022 Offer (plus VAT, if applicable).

The Promoter was responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients.

Under the 2022 Offer Agreement, which could be terminated by the parties in certain circumstances, the Company, the Promoter and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the second annual general meeting of the Company following the closing date of the 2022 Offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The Company also agreed to indemnify the Sponsor in respect of its role as Sponsor and under the 2022 Offer Agreement. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of one year's director fees for each Director. The 2022 Offer Agreement could be terminated, inter alia, if any statement in the 2022 Prospectus was untrue, any material omission from the 2022 Prospectus arose or any breach of warranty occurred.

5.3 2021 Offer Agreement

An offer agreement dated 3 September 2021 and made between the Company (1), the Directors (2), the Promoter (3) and the Sponsor (4), (the "2021 Offer Agreement") pursuant to which the Sponsor agreed to act as sponsor to the 2021 Offer and the Promoter undertook, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the 2021 Offer. Under the 2021 Offer Agreement, the Company paid the Promoter a commission of up to 5.5% of the value of each accepted application for Ordinary Shares received pursuant to the 2021 Offer (plus VAT, if applicable).

The Promoter was responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients.

Under the 2021 Offer Agreement, which could be terminated by the parties in certain circumstances, the Company, the Promoter and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the second annual general meeting of the Company following the closing date of the 2021 Offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The Company also agreed to indemnify the Sponsor in respect of its role as Sponsor and under the 2021 Offer Agreement. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of one year's director fees for each Director. The 2021 Offer Agreement could be terminated, inter alia, if any statement in the 2021 Prospectus was untrue, any material omission from the 2021 Prospectus arose or any breach of warranty occurred.

5.4 2020 Offer Agreement

An offer agreement dated 2 October 2020 and made between the Company (1), the Directors (2), the Promoter (3) and the Sponsor (4), (the "2020 Offer Agreement") pursuant to which the Sponsor agreed to act as sponsor to the 2020 Offer and the Promoter undertook, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the 2020 Offer. Under the 2020 Offer Agreement, the Company paid the Promoter a commission of up to 5.5% of the value of each accepted application for Ordinary Shares received pursuant to the 2020 Offer (plus VAT, if applicable).

The Promoter was responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients.

Under the 2020 Offer Agreement, which could be terminated by the parties in certain circumstances, the Company, the Promoter and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the second annual general meeting of the Company following the closing date of the 2020 Offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The Company also agreed to indemnify the Sponsor in respect of its role as Sponsor in respect of the 2020 Offer and under the 2020 Offer Agreement. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of one year's director fees for each Director The 2020 Offer Agreement could be terminated, inter alia, if any statement in the 2020 Prospectus was untrue, any material omission from the 2020 Prospectus arose or any breach of warranty occurred.

5.5 2019 Offer Agreement

An Offer Agreement dated 11 November 2019 and made between the Company (1), the Directors (2), the Promoter (3) and the Sponsor (4), (the "2019 Offer Agreement") pursuant to which the Sponsor agreed to act as sponsor to the 2019 Offer and the Promoter undertook, as agent of the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the 2019 Offer. The Promoter was entitled to any interest earned on subscription monies prior to the allotment of Ordinary Shares. Under the 2019 Offer Agreement, the Company agreed to pay the Promoter a commission of up to 5.5% of the value of each accepted application for Ordinary Shares received pursuant to the 2019 Offer (plus VAT, if applicable).

The Promoter was responsible for the payment of initial commission to authorised financial intermediaries in respect of execution only clients under the 2019 Offer.

Under the 2019 Offer Agreement, which could be terminated by the parties in certain circumstances, the Company, the Promoter and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than three months after the date of the second annual general meeting of the Company following the closing date of the 2019 Offer at which Shareholders approve the Company's accounts or (if earlier) by the date the Company is subject to a takeover. The Company also agreed to indemnify the Sponsor in respect of its role as Sponsor under the 2019 Offer Agreement. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of one year's director fees for each Director. The 2019 Offer Agreement could be terminated, inter alia, if any statement in the prospectus for the 2019 Offer was untrue, any material omission from that prospectus arose or any breach of warranty occurred.

5.6 2022 Receiving Agent Agreement

On 1 September 2022 the Company entered into a receiving agent agreement with Blackfinch pursuant to which Blackfinch received a fee in the amount of £13,000 for providing receiving agent services in connection with the 2022 Offer.

5.7 2023 Receiving Agent Agreement

On 31 August 2023 the Company entered into a receiving agent agreement with Blackfinch. Pursuant to this agreement Blackfinch receives a fee in the amount of £13,000 for providing receiving agent services in connection with the Offer.

5.8 Investment Management Agreement

An agreement, as varied, (the "Investment Management Agreement") dated 11 November 2019 and made between the Company and Blackfinch whereby Blackfinch was appointed as the Company's AIFM and investment manager to provide investment management services to the Company in respect of its portfolio of Qualifying Investments and Non-Qualifying Investments and valuations of its portfolio interests.

Blackfinch receives an annual fee equal to 2.5% of the Net Asset Value (plus VAT if applicable) payable quarterly in arrears, the first payment to be made in respect of the period from the Effective Date until the termination of the Investment Management Agreement. Blackfinch is entitled to reimbursement of expenses incurred in performing its duties under the agreement, and will also be entitled to receive and retain transaction and introductory fees, directors' fees, monitoring fees, consultancy fees, corporate finance fees, syndication fees, exit fees and commissions in relation to Portfolio Companies.

The Investment Manager is also entitled to a Performance Fee payable in relation to each accounting period, subject to the Performance Value per Share being at least 130p at the end of the relevant accounting period. The amount of the Performance Fee will be equal to 20% of the amount by which the Performance Value per Share at the end of an accounting period exceeds the High Water Mark (being the higher of 130p and the highest Performance Value per Share at the end of any previous accounting period), and multiplied by the number of Shares in issue at the end of the relevant period.

The appointment of the Investment Manager in relation to the investment management services continues unless and until terminated by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company. The Investment Management Agreement is subject to earlier termination by either party in certain circumstances.

All securities purchased through the Investment Manager will be registered (except for bearer stocks) in the name of the Company, to hold all or any of the Company's Assets and documents of title or certificates evidencing title on behalf of the Company.

Any investment or other asset of the Company will be registered (except for bearer stocks) in the name of the Company, or, subject to the written agreement of the Company, in the name of a custodian which may be appointed from time to time by the Company on terms agreed by the Investment Manager.

Transactions undertaken by the Investment Manager for the Company shall correspond with the provisions of the Investment Manager's written execution policy, and the Investment Manager shall manage conflicts of interest, disclosing to the Board the nature of any material interest which the Investment Manager may have in any proposed transaction to which the Company is, or is to be, a party, the Investment Manager not causing the Company to become a party to any such contract or transaction except with the prior approval of those members of the Board who are independent of the Investment Manager (such prior approval not to apply to the allocation of investment opportunities governed by the Investment Management Agreement).

The Investment Manager has agreed to indemnify the Company by such amount as is equal to the excess by which the Annual Running Expenses of the Company exceeds 3.5% of the Net Asset Value, calculated on an annual basis

The provision by the Investment Manager of discretionary investment management services is subject to the overall control, direction and supervision of the Directors

5.9 Directors' Letters of Appointment

Each of the Directors entered into an agreement with the Company dated 11 November 2019 (in the case of Peter Hewitt), 18 September 2020 (in the case of Reuben Wilcock) and 14 August 2023 (in the case of Katrina Tarizzo) as referred to in paragraph 4.7 above whereby he or she is required to devote such time to the affairs of the Company as the Board reasonably requires consistent with their role as non-executive director.

5.10 Administration Agreement

An agreement dated 11 November 2019 and made between the Company and the Administrator, whereby the Administrator will provide certain administration services and company secretarial services to the Company in respect of the period from Admission until the termination of the Administration Agreement with regard to all the investments of the Company, for an annual fee of the higher of 0.3% of Net Asset Value or £60,000 (plus VAT if applicable).

The Administration Agreement will continue unless and until terminated by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company, but subject to early termination in certain circumstances.

5.11 Custody Agreement

A Custody Agreement dated 11 November 2019 between the Company and Blackfinch under which Blackfinch agrees to hold securities in certificated form on behalf of the Company as custodian for an annual fee of £5,000 plus VAT, terminable by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company, but subject to early termination in certain circumstances.

6. General

6.1 The principal place of business and registered office of the Company is at 1350-1360 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester, Gloucestershire GL3 4AH. The telephone number of the Company is 01452 717070 and its website address is: www.blackfinch.ventures/vct. The information on the website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus. The Company has no subsidiaries or associated companies.

6.2 There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the previous 12 months which may have, or have had in the recent past, significant effect on the Company's financial position or profitability.

6.3 The Company does not have, nor has it had since incorporation, any employees and it neither owns nor occupies any premises.

6.4 The Sponsor will be entitled to receive a fee from the Company in connection with the Offer as described in paragraph 5.1 above. Blackfinch will be the Promoter of the Company and will receive fees and other payments from the Company as described in paragraph 5 above.

6.5 Save as disclosed in this paragraph and in paragraph 5 above, no amount or benefit has been paid or given to any promoters and none is intended to be paid or given.

6.6 The Company's accounting reference date is 31 December in each year.

6.7 The Investment Manager is Blackfinch, a private limited company registered in England and Wales and incorporated pursuant to and operating under the Act on 10 April 1992 under company number 02705948, which is authorised and regulated by the Financial Conduct Authority and whose principal place of business and registered office is at 1350-1360 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester, Gloucestershire GL3 4AH. The principal legislation under which it operates is the Act. The Investment Manager is domiciled in England and its legal and commercial name is Blackfinch Investments Limited. The telephone number of the Investment Manager is 01452 717070 and its website is www.blackfinch.com. The information on their website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus. The Investment Manager currently manages some 15 funds, which it is managing under delegation.

6.8 The Offer is not underwritten. The expenses of and incidental to the Offer and the listing of the Shares, including registration and listing fees, printing, advertising and distribution costs, legal and accounting fees and expenses, are payable by the Promoter. If the maximum of £30 million is raised under the Offer (assuming the over-allotment facility is fully utilised), the net proceeds will amount to approximately £28,350,000.

6.9 Save in connection with the Offer, Ordinary Shares have not been marketed to and are not available to the public. Market makers will not be offered the opportunity to subscribe for Ordinary Shares under the Offer.

6.10 BDO LLP was re-appointed as auditor of the Company on 8 June 2023, and has been the auditor of the Company since its incorporation. BDO LLP is registered to carry out audit work by the Institute of Chartered Accountants of England and Wales. The Company shall take all reasonable steps to ensure that its auditor is independent of it and has obtained written confirmation from its auditor that it complies with guidelines on independence issued by its national accountancy and auditing body.

6.11 The Company has given notice to the Registrar of Companies, pursuant to section 833 of the Act, of its intention to carry on business as an investment company, which will enhance its ability to pay dividends out of income. If and when capital profits are realised which the Directors consider it appropriate to distribute by way of dividend (for example on the disposal of a successful investment), the Directors would anticipate revoking this status.

6.12 Save for the agreements described in paragraphs 5.1 to 5.11 of this Part 4 where parties are companies in that group, there have been no related party transactions since the incorporation of the Company.

6.13 Save for the agreements described in paragraphs 5.1 to 5.8 and 5.10 and 5.11 of this Part 4, there are no material potential conflicts of interest which a service provider to the Company may have as between their duty to the Company and duties owed by them to third parties and their other interests. In order to manage such potential conflicts of interest it is a term of the agreement between the Investment Manager and the Company referred to in paragraph 5.8 of this Part 4 that the Investment Manager shall manage conflicts of interest, disclosing to the Board the nature of any material interest which the Investment Manager may have in any proposed transaction to which the Company is, or is to be, a party, the Investment Manager not causing the Company to become a party to any such contract or transaction except with the prior approval of those members of the Board who are independent of the Investment Manager (such prior approval not to apply to the allocation of investment opportunities governed by the Investment Management Agreement).

6.14 The Company is of the opinion that the working capital available to the Company is sufficient for its present requirements, that is, for at least the next 12 months following the date of this document. When calculating the working capital available to it, the Company has assessed whether it is able to access cash and other available liquid resources in order to meet its liabilities as they fall due. When calculating its present requirements, the Company has taken into account the terms of its investment strategy and investment policy. No account has been taken of the proceeds of the Offer in calculating the working capital available to the Company.

6.15 The capitalisation of the Company as at 30 June 2023 was as follows

Shareholders' Equity

	£000's
Called up share capital	270
Legal reserve (share premium account)	24,762
Other reserves (includes revenue reserve)	323
Total	25,355

Save for the allotment of 556,748 Ordinary Shares on 25 August 2023, there have been no material changes to the Company's capitalisation since 30 June 2023.

6.16 As at the date of this Prospectus, the Company did not have loan capital outstanding, any other borrowings nor guaranteed, unguaranteed, secured and unsecured indebtedness, including indirect and contingent indebtedness.

6.17 The Company does not assume responsibility for the withholding of tax at source.

6.18 Securities in certificated form belonging to the Company will be held as Custodian on its behalf by Blackfinch whose registered office is at 1350-1360 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester, Gloucestershire GL3 4AH (telephone 01452 717070). The terms upon which the securities are to be held are summarised in paragraph 5.9 of this Part 4.

6.19 The Company has to satisfy a number of tests to qualify as a VCT and will be subject to various rules and regulations in order to continue to qualify as a VCT, as set out under the heading "Taxation" in Part 2 of this document. In addition, the following restrictions are imposed upon the Company under the rules relating to admission to the Official List:

6.19.1 it, or any of its subsidiaries, must not conduct any trading activity which is significant in the context of the group as a whole;

6.19.2 it must not invest more than 10% in aggregate of the value of its total assets (at the time the investment is made) in other listed closed-ended investment funds except listed closed-ended investment funds which themselves have published investment policies to invest no more than 15% of their total assets in other closed-ended investment funds; and

6.19.3 it must manage and invest its assets in accordance with the investment policy set out on page 54 of this Prospectus, which contains information about the policies which it will follow relating to asset allocation, risk diversification and gearing and which includes maximum exposure.

6.20 Blackfinch has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name in this document in the form and context in which they are included. The full name and address of Blackfinch are set out on page 18, together with details of their material interests in the Company at paragraphs 5.1 to 5.8 and 5.10 and 5.11 on pages 99 to 103 of this Part 4.

6.21 The Offer has been sponsored by Howard Kennedy whose offices are at No.1 London Bridge, London SE1 9BG and which is authorised and regulated by the Financial Conduct Authority. The Sponsor has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name in the form and context in which it is included.

6.22 The Offer is being promoted by Blackfinch, which is authorised and regulated by the Financial Conduct Authority. The Promoter has given, and has not withdrawn, its written consent to the issue of this document with the inclusion of its name in the form and context in which it is included.

6.23 Save in respect of an investment of £840,000 in Oculo Technologies Limited, a VCT qualifying UK business in August 2023, there has been no significant change in the financial position of the Company since 30 June 2023 (being the end of the last financial period of the Company for which unaudited financial information has been published) to the date of this document.

6.24 Shareholders will be informed, through a Regulatory Information Service announcement, if the investment restrictions which apply to the Company as a VCT detailed in this document are breached.

6.25 The results of the Offer will be announced through a Regulatory Information Service within 3 Business Days of the closing of the Offer.

6.26 Mandatory takeover bids: The City Code on Takeovers and Mergers (the “City Code”) applies to all takeover and merger transactions in relation to the Company and operates principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment. The City Code provides an orderly framework within which takeovers are conducted and the Panel on Takeovers and Mergers (the “Panel”) has now been placed on a statutory footing. The Takeovers Directive was implemented in the UK in May 2006 and since 6 April 2007 has effect through the Act.

The City Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. General Principle One states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment and if a person acquires control of a company the other holders of securities must be protected. This is reinforced by Rule 9 of the City Code which requires that a person, together with persons acting in concert with him, who acquires shares carrying voting rights which amount to 30% or more of the voting rights to make a general offer. “Voting rights” for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. A general offer will also be required where a person, who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights, acquires additional shares which increase his percentage of the voting rights. Unless the Panel consents, the offer must be made to all other shareholders, be in cash (or have a cash alternative) and cannot be conditional on anything other than the securing of acceptances which will result in the offeror and persons acting in concert with him holding shares carrying more than 50% of the voting rights.

There are not in existence any current mandatory takeover bids in relation to the Company.

6.27 The Shares will usually trade at a discount to their underlying net asset value. Shares in VCTs are inherently illiquid and there may be a limited market in the Ordinary Shares primarily because the initial tax relief is only available to those subscribing for newly issued Ordinary Shares which may, therefore, adversely affect the market price of the Ordinary Shares and the ability to sell them.

6.28 The Company and the Directors consent to the use of the Prospectus by financial intermediaries, from the date of the Prospectus until the close of the Offer, for the purpose of subsequent resale or final placement of securities by financial intermediaries for Shares until the close of the Offer, and accept responsibility for the information contained therein for such purpose. The Offer is expected to close on or before 5 pm on 21 August 2024. There are no conditions attaching to this consent. Financial intermediaries may use the Prospectus only in the UK.

6.29 In the event of an offer being made by a financial intermediary, information on the terms and conditions of the offer will be given to Investors by the financial intermediaries at the time that the offer is introduced to Investors. Any financial intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent set out in paragraph 6.28 above.

6.30 The maximum number of Ordinary Shares which are the subject of this Prospectus is 43,500,000 Ordinary Shares.

6.31 The information contained in this document sourced from third parties has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third parties, no facts have been omitted which would render such information inaccurate or misleading. Where such information has been included in this document, the source of that information has been identified.

6.32 The Company is an alternative investment fund for the purposes of AIFMD and has appointed Blackfinch Investments Limited as its AIFM. The Company is not otherwise regulated.

7. Dilution

The existing issued Ordinary Shares will represent 48% of the enlarged Ordinary Share capital of the Company immediately following the Offer, assuming (i) the Offer is fully subscribed, including the over-allotment facility, (ii) with an Offer Price of 99p and (iii) the total initial expense of 5.5% applies to all subscriptions, and on that basis Shareholders who do not subscribe under the Offer will, therefore, be diluted by 52%.

8. Documents for Inspection

The Company's memorandum and articles of association are available for inspection at the offices of Howard Kennedy LLP, No.1 London Bridge, London SE1 9BG, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until closing of the Offer and may also be inspected at the Company's website address at www.blackfinch.ventures/vct.

Part 5
Financial Information on the Company

Financial Information on the Company

Introduction

The Company's auditor is BDO LLP, registered auditor, of 55 Baker Street London, W1U 7EU.

BDO LLP is registered to carry out audit work by the Institute of Chartered Accountants of England and Wales, and has been the only auditor of the Company since its incorporation.

The financial information in relation to the Company contained in the following section of this Part 5 has been extracted without material adjustment from the audited statutory accounts of the Company for the period ended 31 December 2022 (the "Reporting Period") and, in respect of these statutory accounts, the Company's auditor made an unqualified report under section 495, section 496 and section 497 of the Act and which has been delivered to the Registrar of Companies and such accounts did not contain any statements under section 498(2) or (3) of the Act, as applicable, and also from the unaudited accounts of the Company for the period ended 30 June 2023.

The statutory accounts of the Company for the period ended 31 December 2022 and the unaudited interim accounts of the Company for the six months ended 30 June 2023 were prepared under Financial Reporting Standard 102.

Published Annual Report and Accounts and Interim Accounts

The statutory accounts for the Reporting Period contain descriptions of the Company's financial condition, changes in financial condition and results of operation for the Reporting Period and the pages referred to below in the statutory accounts and the interim accounts are being incorporated by reference.

Where only certain parts of a document are incorporated by reference, the non-incorporated parts are either not relevant for an Investor or covered elsewhere in the Prospectus.

Such information includes the following:

Nature of Information	31 December 2022 Annual Report	Unaudited Half-Year Report for six months ended 30 June 2023
Income statement	Page 80	Page 28
Statement of changes in equity	Page 82	Page 31
Balance sheet	Page 84	Page 34
Statement of cash flows	Page 85	Page 35
Accounting policies	Page 87	N/A
Notes to the financial statements	Page 86	Page 36
Independent auditor's report	Page 66	N/A

Operating and Financial Review

Nature of information	31 December 2022 Annual Report	Unaudited Half-Year Report for six months ended 30 June 2023
Chairman's statement	Page 04	Page 04
Investment Manager's Review	Page 08	Page 06
Strategic Report	Page 33	N/A

Copies of the above statutory and interim accounts are available free of charge at the Company's registered office or from its website, the address of which is https://blackfinch.ventures/vct. The announcement of these results of the Company is available on the website of the London Stock Exchange at http://www.londonstockexchange.com/exchange/prices-and-markets.

The Company has not held any non-Sterling investments during the Reporting Period and during the six months ended 30 June 2023, and at the end of those periods the Company did not have any borrowings.

No significant change

Save in respect of an investment of £840,000 into Oculo Technologies Limited a VCT qualifying UK business, in August 2023, there has been no significant change in the financial performance or position of the Company since 30 June 2023 (being the date up to which the Company has published interim unaudited financial information) to the date of this document.

Part 6 Definitions

The following definitions are used throughout this document and, except where the context requires otherwise, have the following meanings.

2019 Offer
The offer for subscription by the Company for Ordinary Shares that was launched on 11 November 2019, and "2019 Prospectus" means the document which describes the 2019

2020 Offer
The offer for subscription by the Company for Ordinary Shares that was launched on 2 October 2020, and "2020 Prospectus" means the document which describes the 2020 Offer

2021 Offer
The offer for subscription by the Company for Ordinary Shares that was launched on 3 September 2021, and "2021 Prospectus" means the document which describes the 2021 Offer

2022 Offer
The offer for subscription by the Company for Ordinary Shares that was launched on 2 September 2022, and "2022 Prospectus" means the document which describes the 2022 Offer

Act
Companies Act 2006, as amended

Administrator
Blackfinch Investments Limited

Admission
Admission of the Ordinary Shares to the Official List and to trading on the London Stock Exchange's main market for listed securities

Adviser Charge
Fees agreed between an Investor and his or her Financial Adviser for being given a personal recommendation to subscribe for Shares in the Company

Adviser Ongoing Charge
An annual fee of up to 0.5% per annum to be paid by the VCT in respect of advised Investors, to be facilitated by the Investment Manager out of a rebate of up to 0.5% of its annual investment management fees

AIFM
An alternative investment fund manager within the meaning of AIFMD

AIFMD
The European Union's Alternative Investment Fund Managers Directive (No. 2011/61/EU) as amended by the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 (UK AIFMD)

AIM
The AIM market of the London Stock Exchange

Annual General Meeting or AGM
The annual general meeting of the Company held on 8 June 2023 (and any adjournment thereof)

Annual Management Fee
The annual fee payable to the Investment Manager for investment management services under the terms of the Investment Management Agreement (as defined and summarised in paragraph 5.8 of Part 4 of this Prospectus)

Annual Running Expenses
The central running costs of the Company, including Directors' fees, the annual Investment Management fee and the Administration Fee but excluding transaction related fees and expenses, any Performance Fee, any regulatory and compliance costs and costs relating to the establishment of the Company and any annual trail commissions payable by or on behalf of the Company.

Applicant

An applicant for Shares under the Offer

Application Form

The application form for use in respect of the Offer set out at the end of this document

AQSE Growth Market

AQSE's growth market for smaller and medium sized companies

AQSE Trading

AQSE's secondary trading market for listed securities admitted to trading on other EU markets

Aquis Stock Exchange or AQSE

A Recognised Investment Exchange under FSMA and a Recognised Stock Exchange under section 1005(1)(b) ITA, operated by Aquis Exchange PLC

Blackfinch Adaptation Funds

The environmental, social and governance approved multi asset funds managed and administered by the Investment Manager

Blackfinch Initial Fee

The fee, as described on page 75, payable to the Promoter in connection with the Offer

Blackfinch IHT Portfolios

The Blackfinch Adapt IHT Portfolios and the Blackfinch Adapt AIM Portfolios constituting discretionary managed portfolio services that are managed and administered by the Investment Manager

Blackfinch Group

Blackfinch Investments Limited and its holding and subsidiary companies

Blackfinch Ventures

Blackfinch Ventures is a trading name of Blackfinch Investments Limited and which encompasses the investment management business of Blackfinch Investments Limited comprised in managing the investments of the Blackfinch Ventures EIS Portfolios and Blackfinch Spring VCT plc

Blackfinch Ventures EIS Portfolios

The discretionary portfolio service that is managed and administered by the Investment Manager and which provides a portfolio of investments in unquoted technology companies that meet the qualification requirements for enterprise investment scheme relief under the ITA

Business Days

Any day (other than Saturday or Sunday or public holiday in the UK) on which clearing banks in London are open for normal banking business

Closing Date

Such date as the Directors shall in their absolute discretion determine that the Offer is closed, being not later than 21 August 2024

Company

Blackfinch Spring VCT plc

CREST

The computerised settlement system to facilitate the transfer of title to securities in uncertificated form operated by Euroclear UK & Ireland Limited

Custodian

Blackfinch Investments Limited, authorised and regulated by the Financial Conduct Authority

Direct Investor Premium

The fee, as described on page 75 , payable to the Promoter in connection with the Offer

Directors, Board of Directors or Board

The directors of the Company whose names appear on page 18 of this document

DGTR

Disclosure guidance and transparency rules, being the rules published by the FCA from time to time and relating to the disclosure of information in respect of financial instruments

Early Bird Discount

A discount of 1.5% per Ordinary Share to be deducted from the Offer Price for all applications received and accepted by 5pm on 26 January 2024 and for all other applications received and accepted after that time but before 5pm on 3 April 2024, a discount of 1% per Ordinary Share to be deducted from the Offer Price

EEA States

The member states of the European Economic Area

Execution-Only Intermediary Fees

The fees payable by the Company to execution-only Intermediaries in connection with the Offer, as described on page 75

Execution-Only Intermediary Ongoing Fee

Ongoing fees that are payable by the Company to Execution-Only Intermediaries in connection with the Offer, as described on page 75

Existing Blackfinch Investors
Investors under the Offer who are, at the time their application under the Offer is accepted, either Shareholders or investors in any other investment, product or fund managed or advised by Blackfinch.

Financial Conduct Authority or FCA
The United Kingdom Financial Conduct Authority

Financial Adviser
A natural or legal person which is authorised and regulated by the FCA to give advice to its clients on investments

FSMA
Financial Services and Markets Act 2000, as amended

General Meeting
The general meeting of the Company to be held on 10 October 2023 (or any adjournment thereof)

Gross Proceeds
The total funds raised under the Offer

HMRC
HM Revenue and Customs

Howard Kennedy or Sponsor
Howard Kennedy Corporate Services LLP, which is authorised and regulated by the Financial Conduct Authority

Initial Adviser Charge
The initial charges payable to Financial Advisers in connection with the Offer, as described on page 74

Initial Closing Date
3 April 2024 or, if later, such date as the Directors have at their discretion selected as the Initial Closing Date

Intermediary(ies)
An authorised intermediary, or authorised intermediaries, through whom Investors may invest in the Company under the Offer

Investment Management Agreement
The investment management agreement between the Company and the Investment Manager dated 11 November 2019, as varied, a summary of which is set out in Part 4 of this document

Investment Manager or Blackfinch
Blackfinch Investments Limited, authorised and regulated by the Financial Conduct Authority acting as the Investment Manager to the Company's portfolios of Qualifying Investments and Non-Qualifying Investments

Investor(s)
An individual(s) aged 18 or over who subscribes for Shares under the Offer

IPEV Guidelines
International Private Equity and Venture Capital Valuation Guidelines

ISA
An individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998 (as amended from time to time)

ITA
Income Tax Act 2007, as amended

Knowledge Intensive Company
A company satisfying the conditions in Section 331(A) of Part 6 ITA

Listed
Admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities

Listing Rules
Listing Rules issued by the Financial Conduct Authority and made under Part VI of the FSMA

London Stock Exchange
London Stock Exchange plc

Market Abuse Regulation or UK MAR
The UK version of the EU Market Abuse Regulation (596/2014/EU) which is part of UK law by virtue of the European Union Withdrawal Act 2018, as amended and supplemented from time to time including by the Market Abuse (Amendment) (EU Exit) Regulations 2019

ML Regulations
The Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended

NAV per Share
Last announced Net Asset Value divided by the number of Shares in issue at the date of calculation

Net Asset Value or NAV
The aggregate of the gross assets of the Company less its gross liabilities

Non-Qualifying Investment
Those investments specified in section 274 ITA

Offer
The offer for subscription of up to £20 million of Ordinary Shares as described in this document, together with an over-allotment facility of up to a further £10 million of Ordinary Shares

Offer Agreement
The agreement dated 7 September 2023 between the Company, the Directors, the Promoter and the Sponsor relating to the Offer, a summary of which is set out in Part 4 of this document

Offer Price
The price per share calculated by dividing the Subscription Amount by the number of shares calculated in accordance with the Pricing Formula

Official List
The Official List of the Financial Conduct Authority

Ordinary Shares or Shares
Ordinary shares of Sterling £0.01 each in the capital of the Company

Persons Closely Associated
As defined in Article 3(1)(26) of UK MAR and further clarified by section 131AC of FSMA, namely:

- a spouse or civil partner;
- a child, including a stepchild, who is under the age of 18 years, is unmarried and does not have a civil partner;
- a relative who has shared the same household for at least one year on the date of the transaction concerned; or

a legal person, trust or partnership, the managerial responsibilities of which are discharged by a PDMR or by a person referred to in any of the bullet points above, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

Persons Discharging Managerial Responsibilities or PDMR
A person discharging managerial responsibilities being:

(i) a member of the administrative, management or supervisory body of the Company; or
(ii) a senior executive who is not a member of the above bodies but who has regular access to inside information relating directly or indirectly to the Company and who has power to make managerial decisions affecting the future development and business prospects of the Company

Performance Fee
The performance fee payable to the Investment Manager in certain circumstances under the terms of the Investment Management Agreement (as defined and summarised in paragraph 5.8 of Part 4 of this Prospectus)

Performance Value per Share
In relation to each accounting period of the Company, the total of the following:
(i) the Net Asset Value;
(ii) all Performance Fees previously paid or accrued by the Company to the Investment Manager for all previous accounting periods since inception of the Company, and
(iii) the cumulative amount of dividends or any other distributions paid by the Company before the relevant accounting reference date. this includes the amount of those dividends in respect of which the ex-dividend date has passed as at that date,

divided by the number of Shares in issue in the Company on the relevant date.

Portfolio Company
A company in which the Company invests

Pricing Formula
The mechanism by which the pricing of the offer of Shares may be adjusted according to the level of the Promoter's Fee, Execution-only Intermediary Commission and Direct Investor Premium as set out on page 76

Professional Client
A Professional Client (as defined in section 3.5 of the FCA's Conduct of Business Sourcebook)

Promoter
Blackfinch Investments Limited, which is authorised and regulated by the Financial Conduct Authority, acting in its capacity as promoter of the Offer

Prospectus
This document which describes the Offer in full

Qualifying Company
A company satisfying the conditions in Chapter 4 of Part 6 ITA, as described in Part 2 of this document (and Qualifying Companies shall be construed accordingly)

Qualifying Investment
An investment in an unquoted company or stocks which are quoted on the AIM market of the London Stock Exchange or on the AQSE Trading or the AQSE Growth Market of the Aquis Stock Exchange market which satisfy the requirements of Chapter 4 of Part 6 ITA, as described in Part 2 of this document

Qualifying Investor
An individual aged 18 or over who satisfies the conditions of eligibility for tax relief available to investors in a VCT

Qualifying Limit
A total amount invested of £200,000 per individual investor per tax year

Qualifying Purchaser
An individual who purchases Shares from an existing Shareholder and is aged 18 or over and satisfies the conditions of eligibility for certain tax relief available to investors in a VCT

Qualifying Subscriber
An individual who subscribes for Shares under the Offer and is aged 18 or over and satisfies the conditions of eligibility for certain tax relief available to investors in a VCT

Qualifying Subsidiary
A subsidiary company which falls within the definition of Qualifying Subsidiary contained in Section 298 ITA, as described in Part 2 of this document

Qualifying Trade
A trade complying with the requirements of Section 300 ITA

Redeemable Preference Shares
Redeemable preference shares of £1 each in the capital of the Company

Receiving Agent
Blackfinch

Registrar
The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH

Regulatory Information Service
A regulatory information service that is on the list of regulatory information services maintained by the FCA

Risk Finance State Aid
State aid received by a company as defined in Section 280B (4) of ITA

Shareholders
Holders of Ordinary Shares

Subscription Amount
Total funds remitted by the client for investment in the Blackfinch Spring VCT, minus any Initial Adviser Charge, before deduction of any fees, share consideration or other costs

Total Investment
Total funds remitted by the client for investment in the Blackfinch Spring VCT, including any Initial Adviser Charge, before deduction of any fees, share consideration or other costs

Upfront Fees
The sum of any Execution-Only Intermediary Commission, Blackfinch Initial Fee, or Direct Investor Premium payable

VCT Rules
Part 6 ITA and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning VCTs

Venture Capital Trust or VCT
A company approved as a venture capital trust under Section 274 ITA by the board of HMRC

UK MiFID Laws
(i) the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (SI 2017/701), The Data Reporting Services Regulations 2017 (SI 2017/699) and the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2017 (SI 2017/488), and any other implementing measure which operated to transpose EU MiFID II in to UK law before 31 January 2020 (as amended and supplemented from time to time including by: (1) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (2) The Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (3) The Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019); and (4) The Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019; and

(ii) the UK version of Regulation (EU) No 600/2014 of the European Parliament, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by: (a) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (b) The Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (c) The Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019; and (d) The Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019

UK PRIIPs Laws
The UK version of the EU Packaged Retail Investment and Insurance Products Regulations which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Packaged Retail and Insurance-based

Investment Products (Amendment)(EU Exit) Regulations 2019 (February 2019) and the Cross-Border Distribution of Funds, Proxy Advisors, Prospectus and Gibraltar (Amendment) (EU Exit) Regulations 2019

Part 7
Terms and Conditions of Offer

1. In these terms and conditions of Offer, the expression "Prospectus" means this document dated 7 September 2023. The expression "Application Form" means the application form for use in accordance with these Terms and Conditions of Offer and posted (or delivered by hand during normal business hours) to Blackfinch Investments Limited, 1350-1360 Montpellier Court, Gloucester Business Park, Gloucester, Gloucestershire GL3 4AH or submitted online (using the online application form which can be found at https://apply.blackfinch.com/vct/) or as otherwise indicated in this document or the Application Form.

2. The right is reserved to reject any application in whole or part only or to accept any application in whole or part only. Multiple applications are permitted. If any application is not accepted, or if any contract created by acceptance does not become unconditional, or if any application is accepted for fewer Shares than the number applied for, or if in any other circumstances there is an excess paid on application, the application monies or the balance of the amount paid or the excess paid on application will be returned without interest by post at the risk of the applicant. In the meantime application monies will be retained in a designated bank account.

3. You may pay for your application for Shares by cheque submitted with the Application Form, or by way of electronic bank transfer. Application Forms accompanied by a post-dated cheque will not be processed until the cheque can be presented and will not be treated as being received by the Receiving Agent until that date. All bank transfers must be referenced with your surname, first initial, and postcode if feasible.

4. The Offer is not underwritten. The Offer is conditional upon the passing of resolutions 1 to 3 to be proposed at the General Meeting.

5. By completing and delivering an Application Form, you:

(i) offer to subscribe for the amount specified on your Application Form plus any commission waived for extra shares or any smaller sum for which such application is accepted at the Offer Price, on the terms and subject to the Prospectus, these Terms and Conditions of Offer and the Articles of the Company;

(ii) acknowledge that, if your subscription is accepted, you will be allocated such number of Ordinary Shares as determined by the Pricing Formula;

(iii) authorise the Registrar of the Company to send a document of title for, or credit your account in respect of, the number of Shares for which your application is accepted and/or a cheque for any monies returnable, by post at your risk to your address as set out on your Application Form;

(iv) agree that your application may not be revoked and that this paragraph constitutes a collateral contract between you and the Company which will become binding upon dispatch by post or delivery of your duly completed Application Form to the Company or to your Financial Adviser;

(v) warrant that your remittance will be honoured on first presentation and agree that if it is not so honoured you will not be entitled to receive share certificates in respect of the Shares applied for until you make payment in cleared funds for such Shares and such payment is accepted by or on behalf of the Company in its absolute discretion (which acceptance shall be on the basis that you indemnify it, the Sponsor, and the Registrar against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and you agree that, at any time prior to the unconditional acceptance by or on behalf of the Company of such late payment, the Company may (without prejudice to its other rights) avoid the agreement to subscribe such Shares and may issue or allot such Shares to some other person, in which case you will not be entitled to any payment in respect of such Shares, other than the refund to you, at your risk, of the proceeds (if any) of the cheque accompanying your application, without interest;

(vi) agree that if, following the issue of all or any Ordinary Shares applied for pursuant to the Offer, your remittance is not honoured on first presentation, those Ordinary Shares may, forthwith upon payment by Blackfinch of the Offer Price of those Ordinary Shares to the Company, be transferred to Blackfinch or such other person as Blackfinch may direct at the relevant Offer Price per Ordinary Share and any Director of the Company is hereby irrevocably appointed and instructed to complete and execute all or any form(s) of transfer and/or any other documents in relation to the transfer of those Ordinary Shares to Blackfinch or such other person as Blackfinch may direct and to do all such other acts and things as may be necessary or expedient, for the purpose of or in connection with, transferring title to those Ordinary Shares to Blackfinch, or such other person, in which case you will not be entitled to those Ordinary Shares or any payment in respect of such Ordinary Shares;

(vii) agree that all cheques may be presented for payment on the due dates and any definitive document of title and any monies returnable to you may be retained pending clearance of your remittance and the verification of identity required by the ML Regulations and that such monies will not bear interest;

(viii) undertake to provide satisfactory evidence of identity within such reasonable time (in each case to be determined in the absolute discretion of the Company and the Sponsor) to ensure compliance with the ML Regulations;

(ix) agree that, in respect of those Shares for which your application has been received and is not rejected, your application may be accepted at the election of the Company either by notification to the London Stock Exchange of the basis of allocation or by notification of acceptance thereof to the Registrar;

(x) agree that all documents in connection with the Offer and any returned monies will be sent at your risk and will be sent to you at the address supplied in the Application Form;

(xi) agree that having had the opportunity to read the Prospectus, you shall be deemed to have had notice of all the information and representations including the risk factors contained therein;

(xii) confirm that (save for advice received from your Financial Adviser) in making such an application you are not relying on any information and representation other than those contained in the Prospectus and you accordingly agree that no person responsible solely or jointly for the Prospectus or any part thereof or involved in the preparation thereof will have any liability for any such other information or representation;

(xiii) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer shall be governed by and construed in accordance with English law, and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company or the Sponsor to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or any Court of competent jurisdiction;

(xiv) irrevocably authorise the Registrar and/or the Sponsor or any person authorised by either of them, as your agent, to do all things necessary to effect registration of any Shares subscribed by or issued to you into your name and authorise any representative of the Registrar or of the Sponsor to execute any documents required therefor and to enter your name on the register of members of the Company;

(xv) agree to provide the Company with any information which it may request in connection with your application or to comply with the VCT regulations or other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with the ML Regulations;

(xvi) warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Registrar and/or the Sponsor acting in breach of the regulatory or legal requirements of any territory in connection with the Offer of your application;

(xvii) confirm that you have read and complied with paragraph 6 below;

(xviii) confirm that you have reviewed the restrictions contained in paragraph 7 below;

(xix) warrant that you are not under the age of 18 years;

(xx) warrant that, if the laws of any territory or jurisdiction outside the United Kingdom are applicable to your application, you have complied with all such laws and none of the Registrar and/or the Sponsor will infringe any laws of any such territory or jurisdiction directly or indirectly as a result of in consequence of any acceptance of your application;

(xxi) agree that the Registrar and/or the Sponsor are acting for the Company in connection with the Offer and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of Shares or concerning the suitability of Shares for you or be responsible to you for the protections afforded thereunder;

(xxii) warrant that if you sign the Application Form on behalf of somebody else or yourself and another or others jointly or a corporation, you have the requisite power to make such investments as well as the authority to do so and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions of Offer and undertake (save in the case of signature by an authorised Financial Adviser on behalf of the Investor) to enclose a power of attorney or a copy thereof duly certified (on each page) by a solicitor with the Application Form;

(xxiii) warrant that you are not subscribing for the Shares using a loan which would not have been given to you or any associate or not have been given to you on such favourable terms, if you have not been proposing to subscribe for the Shares;

(xxiv) warrant that the Shares are being acquired for bona fide commercial purposes and not as part of a scheme or arrangement the main purpose of which, or one of the main purposes of which, is the avoidance of tax. Obtaining tax reliefs given under the applicable VCT legislation is not itself tax avoidance;

(xxv) warrant that you are not a "US Person" as defined in the United States Securities Act of 1933 ("Securities Act") (as amended), nor a resident of Canada and that you are not applying for any Shares on behalf of or with a view to their offer, sale or delivery, directly or indirectly, to or for the benefit of any US Person or a resident of Canada;

(xxvi) warrant that: (i) your place of birth was not the USA, (ii) you do not have a current US residence or mailing address, (iii) you do not have a current US telephone number, (iv) you do not have a standing instruction(s) to pay amounts in your bank account to a US bank account, (v) you do not have a current power of attorney or signatory authority granted to a person with a US address, and (vi) you do not have an in-care-of or hold mail address that is the sole address you have provided to us;

(xxvii) warrant that the information contained in the Application Form is accurate;

(xxviii) agree that if you request that Shares are issued to you on a specific date, and such Shares are not issued on such date, that the Company and its agents and Directors will have no liability to you arising from the issue of such Shares on a different date; and

(xxix) warrant that you are not currently targeted by any form of UK, US or EU sanctions or restrictive measures including: blocking; asset freezes; restrictions on dealings, issuing, or trading in debt, equity, derivatives, or other securities; or any other prohibition or restriction on exercising any rights or performing any obligations you may have in connection with any third party and that you will inform the Company and Receiving Agent/Registrar immediately of any circumstances or changes whilst you are an applicant or a Shareholder that could impact this warranty.

6. No person receiving a copy of this document or an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her or such Application Form could lawfully be used without contravention of any regulations or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application to satisfy him or herself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite

governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

7. The Shares have not been and will not be registered under the Securities Act, as amended, or under the securities laws of any state or other political subdivision of the United States and may not be offered or sold in the United States of America, its territories or possessions or other areas subject to its jurisdiction ("the USA"). In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. The Investment Manager will not be registered under the United States Investment Advisers Act of 1940, as amended. No application will be accepted if it bears an address in the USA.

8. This application is addressed to the Registrar and the Sponsor. The rights and remedies of the Registrar and the Sponsor under these Terms and Conditions of Offer are in addition to any rights and remedies which would otherwise be available to either of them, and the exercise or partial exercise of one will not prevent the exercise of the others.

9. The dates and times referred to in these Terms and Conditions of Offer may be altered by the Company with the agreement of the Sponsor.

10. The section headed Notes on the Application Form forms part of these Terms and Conditions of Offer.

11. Investors should be aware of the following requirements in respect of the ML Regulations for applications of the Sterling equivalent of €15,000 (for these purposes approximately £13,500, as at the date of this document), or more:

(i) For those who have not previously invested in the Company, please supply either an Identity Verification Certificate from your financial intermediary or, if you do not have an adviser, one of the following:

- a copy of your passport or driving licence certified by a bank or solicitor stating that it is a "true copy of the original and a true likeness of the client" followed by your name; and
- a recent (no more than three months old) bank or building society statement or utility bill showing your name and address; or
- tick the box on the Application Form consenting to the Company, or a third party acting on behalf of the Company, undertaking an online check of your identity using Creditsafe, an online anti-money laundering and identity verification system.

(ii) For those who have previously invested in the Company, your identity may be verified for the purposes of the ML Regulations by paying subscription monies by a cheque drawn in your name from a European Union based bank. If this is not provided then you will need to go through the above procedure for those who have not previously invested in the Company.

(iii) Your electronic transfer or cheque must be drawn in Sterling on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited, a member of the Scottish Clearing Banks Committee or the Belfast Clearing Committee or which has arranged for its cheques to be cleared through facilities provided for members of any of those companies or associations and must bear the appropriate sorting code in the top right hand corner. Cheques should be drawn on the personal account to which you have sole or joint title to such funds. Third party cheques will not be accepted. The account name should be the same as that shown on the application. Post-dated cheques will not be processed until the cheque can be presented and will not be treated as being received by the Receiving Agent until that date. Cheques will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity. If you wish to pay by electronic transfer, please use the account details provided. The right is reserved to reject any Application Form in respect of which the cheque has not been cleared on first presentation.

12. The basis of allocation will be generally on a first come, first served basis (but always subject to the absolute discretion of the Directors of the Company after consultation with the Investment Manager). The right is reserved to reject in whole or in part and/or scale down and/or ballot any application or any part thereof including, without limitation, where applications in respect of which any verification of identity (which the Company or the Receiving Agent consider may be required for the purposes of the ML Regulations) has not been satisfactorily supplied. Dealings prior to the issue of certificates for Shares will be at the risk of Applicants. A person so dealing must recognise the risk that an application may not have been accepted to the extent anticipated or at all. The Company may accept applications made otherwise than by completion of an Application Form where the Applicant has agreed in some other manner acceptable to the Company to apply in accordance with these Terms and Conditions of Offer.

13. The application of the subscription proceeds is subject to the absolute discretion of the Directors.

14. Intermediaries who have not provided personal recommendations or advice to UK retail clients on the Ordinary Shares being applied for and who, acting on

behalf of their clients, return valid Application Forms bearing their FCA number may be entitled to commission on the amount payable in respect of such Shares allocated for each such Application Form at the rates specified in the paragraph headed "Commission" in Part 1 of this document. Intermediaries may agree to waive part or all of their initial commission in respect of an application for Ordinary Shares under the Offer. If this is the case, then the charges to be deducted under the Pricing Formula will be adjusted. Intermediaries should keep a record of Application Forms submitted bearing their stamp to substantiate any claim for their commission.

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