

Product

## **Blackfinch Spring VCT**

Tax Status

## **Venture Capital Trust**

Fund Group

## **Blackfinch Investments Limited**

#### Risk Warning

This communication is provided for informational purposes only. This information does not constitute advice on investments within the meaning of Article 53 of the Financial Services and Markets Act (Regulated Activities) Order 2001. Should investment advice be required this should be sought from a FCA authorised person.

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## GENERAL RISK WARNINGS

Your attention is drawn to the following risk warnings which identify some of the risks associated with the investments which are mentioned in the Review:

### Fluctuations in value of investments

The value of investments and the income from them can go down as well as up and you may not get back the amount invested.

### Suitability

The investments may not be suitable for all investors and you should only invest if you understand the nature of and risks inherent in such investments and, if in doubt, you should seek professional advice before effecting any such investment.

### Past performance

Past performance is not a guide to future performance.

### Legislation

Changes in legislation may adversely affect the value of the investments.

### Taxation

The levels and the bases of the reliefs from taxation

may change in the future. You should seek your own professional advice on the taxation consequences of any investment.

## ADDITIONAL RISK WARNINGS

### Venture capital trusts

1. An investment in a VCT carries a higher risk than many other forms of investment.
2. A VCT's shares, although listed, are likely to be difficult to realise.
3. You should regard an investment in a VCT as a long term investment, particularly as regards a VCT's investment objectives and policy and the five year period for which shareholders must hold their ordinary shares to retain their initial income tax reliefs.
4. The investments made by VCTs will normally be in companies whose securities are not publicly traded or freely marketable and may therefore be difficult to realise and investments in such companies are substantially riskier than those in larger companies.
5. If a VCT loses its Inland Revenue approval tax reliefs previously obtained may be lost.
6. No investment can be made by the VCT in a company whose first commercial sale was more than 7 years prior to date of investment, except where previous State Aid Risk Finance was received by the company within 7 years (10 years for a 'knowledge intensive' company) or where a turnover test is satisfied; and
7. No funds received from an investment by the VCT into a company can be used to acquire another existing business or trade.

## Factsheet

### Blackfinch Spring VCT

Type	Generalist VCT without track record
Size	NAV: £64.2m. The current offer is raising £20 million with an over-allotment facility of up to a further £20 million.
Manager	Blackfinch Investments Limited
Sponsor	Howard Kennedy LLP
Registrars	The City Partnership (UK) Limited
Focus	A generalist VCT focused on investments in innovative growth-stage technology-enabled companies which are on their scale-up journey.
Promoter	Blackfinch Investments Limited
Funds initially invested	Cash deposits
Minimum investment	£3,000
Initial Closing Date	No later than 26th August 2026 for the current offer.
Issue costs	2.5% of amount subscribed for advised investors
Annual costs	2% Effective Investment Management Fee
Initial advisor charges	Up to 5% can be facilitated

## Summary

**Table 1: Tax Efficient Review summary of offering Pros and Cons**

PROs	CONs
The VCT targets dividends equating to 5% of NAV per annum. Since paying its maiden dividend in 2024, the VCT has met this target with a dividend yield of 5.02%,	The manager of the Blackfinch Spring VCT since launch, Dr Reuben Wilcock, left Blackfinch in 2025 and this could mean the departure of someone with a high level of knowledge of the investments
This VCT first launched in 2019 but has since managed to raise a creditable £64m of assets under management which is split across 35 investee companies	At £64m in assets under management, this is a relatively small VCT when compared to the more established VCTs in the generalist VCT peer group
A decent performance fee hurdle has been applied of £1.30p before the performance fee becomes payable which is significantly higher than many other VCTs and better aligns itself with investors	As a newer VCT, there have been no profitable exits to date from the venture capital based companies within this VCT offer from Blackfinch so it is hard to make any meaningful comparisons of the track record of this VCT against larger VCTs

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## TER classification

TER classifies this VCT as a “Generalist VCT without track record” as shares in this VCT were first

allotted in April 2020 and made its first investment in September 2020.

## Review based upon

TER always meet with fund managers prior to a review. This review is based on those meetings,

the prospectus for the VCT offer (11<sup>th</sup> September 2025), and data provided by Blackfinch.

## Consumer Duty

The FCA's Consumer Duty comes into force from 31 July 2023 for existing products and services. One of the main purposes of this new legislation is that it seeks to ensure customers receive “fair value” and that fund management firms provide evidence that these outcomes are being met.

The assessment carried out by each firm is to ensure that its products provide fair value to retail customers in the target markets for those products; and that it has carried out a value assessment of its products which they review

on a regular basis (appropriate to the nature and duration of the product).

Each firm being reviewed by TER has created their own “Confirmation of Value” assessment, which are available directly from the fund manager. Please note that in each TER report, there is a Fees section which compares the costs of the offer being reviewed against its peer group.

Table 2: Blackfinch VCT & EIS funds under management as at 31 August 2025

	Net assets	Annual fee	Still to be invested
	£m	£m	£m
<b>Blackfinch Spring VCT</b>	64.2	1.1	5.4
<b>Blackfinch Ventures EIS Portfolios</b>	<b>58.9</b>	<b>0.8</b>	<b>1.3</b>
<b>TOTAL</b>	<b>£123.1m</b>		<b>£6.7m</b>

Source Blackfinch Investments Limited

## The Offer

The latest offer of the Blackfinch Spring VCT is seeking to raise up to £20m with an over-allotment facility of up to £20m. This VCT raised a creditable £24m in the previous fund raising, and assets under management have now reached £64m. This is a good level of AUM to achieve for a VCT which only launched in late 2019, undertook its first allotment in early 2020 and had the COVID-19 years to deal with in the embryonic stage.

There are currently 35 investee companies within the Blackfinch Spring VCT and Blackfinch also run an EIS investment portfolio which this VCT co-invests with so it can partake in larger investments. More recently, the Blackfinch Spring VCT has started to make its own investments, independently of the EIS strategy. Spaceflux, detailed later on, is an example of one of these stand alone investments.

### Investment Strategy

Blackfinch say that the Spring VCT 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. Companies being considered by the VCT need to show evidence of product-market-fit, often through traction in the form of revenue. They will also need to demonstrate an ability to control the acquisition of new customers, carefully monitoring growth metrics to optimise their growth channels. Companies showing these characteristics have a higher chance of efficient, quantified growth, which is a key ingredient for future success.

Blackfinch also emphasise that any potential investee companies must be underpinned by responsible values. Highly regulated industries, for example MedTech, are considered only in exceptional cases due to the timescales involved in bringing products to market.

Blackfinch say that 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. Where relevant, an independent sector specialist will be engaged for further technical

due diligence. Analysts model the company's performance and growth, and a tax specialist will typically be instructed by Blackfinch to give an opinion as to whether the investment is expected to be VCT qualifying.

Examples of recent investments made by the Blackfinch Spring VCT include:

- **Spaceflux** - which delivers real-time tracking of satellites and space debris using a combination of ground telescopes and AI
- **Neuranics** - which has developed the world's most sensitive wearable magnetic sensor, capable of detecting muscle activity in the heart, arms, and hands

Diversification is intended to be achieved across both sector and stage, and also by balancing earlier opportunities with those slightly further along their traction curve.

Where companies meet the mandate for both EIS and VCT, co-investments between the two can be made, which gives each product access to larger deals than it would be able to fund on its own. Blackfinch say that it is often the case that the EIS strategy will do earlier stage investments, and the VCT can participate in later investment rounds.

Where possible, Blackfinch 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. Blackfinch 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.

Blackfinch 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 brought together for this purpose. These Venture Partners add meaningful value through their experience and network, and founders cite this approach as a key differenti-

ator. The Blackfinch portfolio team works with the Venture Partners, and also collects monthly financial and KPI data from the companies.

#### **Deal Flow**

Blackfinch uses links to UK accelerators, incubators and start-up hubs to source potential investments. It 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 Blackfinch to proactively approach companies before they start their next funding round.

Inbound leads are also captured through the Blackfinch 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 about 5 to 10 new high-growth investments are made annually.

#### **Pipeline Process**

Areas of interest typically include further details of existing traction, sales pipeline, market size, customer journey, risk to the environment, impact on society, 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.

Blackfinch say that companies that make it through the pitch stage are written up and reviewed in an extensive meeting that includes the investment team, the Investment Committee and other Blackfinch investment professionals.

A tax specialist is engaged to ensure that the business qualifies under the VCT Rules. Technology risk is assessed by a sector expert from Blackfinch'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. Where relevant, an independent sector specialist will be engaged for further technical due diligence.

#### **Management of portfolio companies**

Blackfinch 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 team also typically acts as a board observer for monitoring purposes. Where possible, investor consents are embedded in the shareholder's agreement to allow Blackfinch 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, Blackfinch looks to help, through its guidance and the support from its wider network of external contacts.

#### **VCT Dividend and Share Buy-Back Policy**

The VCT intends but cannot guarantee to pay: (1) a regular annual dividend equivalent to 5% of the VCT's Net Asset Value (calculated by reference to the Company's last audited NAV) and (2) special dividends, where appropriate, from the proceeds of successful exits of portfolio companies that are not reinvested or required elsewhere by the VCT elsewhere. The ability to pay dividends is subject to the existence of realised profits, legislative requirements and the available cash reserves of the VCT and is always subject to the discretion of the Directors. No forecast or projection is implied or inferred.

Since the VCT paid its maiden dividend in 2024, the VCT has paid out total cumulative dividends of 10.3p per share which has delivered on the VCTs intention to pay an annual dividend of ~5% of its Net Asset Value from 2024. Although Tax Efficient Review would point out that this dividend is largely a return of shareholder capital, as there have been no profitable exits generated yet from the investment portfolio.

**Share Buyback Policy**

The VCT intends to pursue an active buy-back policy where it 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 VCT 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 first buyback for the Company was facilitated on 30 May 2025, when 280,376 shares were purchased by the VCT and the second on 24 September 2025 covering 251,146 shares both at a 5% discount to NAV.

**Track record**

Our usual approach to comparing track records between providers is to use 3, 5 & 10 year measures of the annual increase in total return however this offer is too new for the 10 year measure.

As can be seen in Table 3, the Blackfinch Spring VCT now has a 3 and 5 year track record. The 5 year track record has only just been reached, given that the first allotment of the VCT was in early 2020. So the 3 year track record is perhaps more relevant. This shows that positive progress has been made by the portfolio.

Tables 4 & 5 in the appendix shows the performance of the individual companies which make up this track record. It is important to point out that there have been no profitable exits generated by the Blackfinch Spring portfolio as yet. There are two companies which have been written off, Movebubble and Kocoon.

In addition TER takes the view that previous EIS investments do not themselves provide a track record as the structure of investments are markedly different between VCT and EIS offerings. For this reason we classify this offer as a VCT without a track record.

The Blackfinch EIS Portfolios is also relatively new into its pure venture capital/private equity investments. The early investments are not far into the target exit period of 4–7 years. It has nonetheless built a portfolio of 39 companies in that time. The Blackfinch Spring VCT is even newer, having made its first investment in late 2020. It has made quick progress, having made investments in 35 companies.

As the VCT has grown it has established its own deal flow, alongside co-investments and follow-on investments into EIS portfolio companies.

In general we see EIS as investing in earlier stage

companies than the VCT. There might be conflicts of interest when one manager (Blackfinch) represents two separate investor groups with different needs. For instance, EIS investors need to hold an investment for at least three years before a disposal does not trigger a claw-back of the initial tax relief but a VCT faces no such time limit (it is the VCT investors who must hold their VCT shares for five years).

In some cases Blackfinch might have other funds or key personnel also invested which only increases the potential for conflict of interest. For instance both Blackfinch Holdings Ltd and Blackfinch Ventures Nominees Ltd have holdings in Tended, the largest EIS investment by value as at 30th June 2025. We asked Blackfinch to tell us who the beneficial holders of the shares in Blackfinch Holdings Ltd and in Blackfinch Ventures Nominees Ltd are. The response was:

*"Blackfinch co-invests directly in every company to demonstrate our confidence in the companies and to ensure our interests are aligned with those of clients. Blackfinch Holdings is this co-investment, from the Blackfinch balance sheet. Blackfinch Ventures Nominees Ltd is the nominee for all EIS clients".*

We asked a further question as to the size of this co-investment policy and if it covers every investee company or just a selection and were told "Blackfinch has co-invested with clients in every portfolio company, to a minimum value of £5,000."

As is typical for early-stage investments, six companies in the EIS Portfolios have failed, of which two were also in the VCT portfolio. Investment valuations for other companies are linked to those of tech companies in public markets, which saw very substantial declines from the end of 2021. It is therefore encouraging to see that, while this effect has inevitably pulled down the

Table 3: Generalist VCT provider 3,5 &amp; 10 year performance comparison

VCT manager (alphabetical order)	VCT name	Data as at	Annual return over last 3 years	Annual return over last 5 years	Annual return over last 10 years
ALBION	Albion Technology & General VCT	30/06/2025	1.4%	5.3%	5.0%
	Albion Crown VCT	30/06/2025	1.4%	5.3%	6.9%
	Albion Enterprise VCT	30/06/2025	4.7%	9.0%	8.9%
	Albion Crown VCT C share	30/06/2025	-4.0%	1.4%	4.1%
BERINGEA	ProVen VCT	31/08/2025	2.6%	4.2%	3.6%
	ProVen Growth & Income New	31/08/2025	0.1%	3.8%	2.0%
BLACKFINCH	Blackfinch Spring VCT	30/06/2025	4.8%	2.0%	
CALCULUS	Calculus VCT plc New Ord share	30/06/2025	1.2%	2.7%	
FORESIGHT	Foresight Enterprise VCT	30/06/2025	4.8%	10.7%	2.9%
	Foresight VCT	30/06/2025	6.3%	14.5%	5.6%
	Foresight Technology VCT FWT shares	30/06/2025	-1.5%	-1.1%	
GRESHAM HOUSE	Gresham House Income & Growth 2 VCT PLC	31/03/2025	-2.4%	12.8%	6.3%
	Gresham House Income & Growth VCT PLC	31/03/2025	-2.0%	13.9%	6.1%
	Baronsmead Second Venture Trust	31/07/2025	-1.5%	2.4%	1.9%
	Baronsmead Venture Trust	31/07/2025	-0.9%	2.2%	1.8%
MAVEN	Maven Income & Growth VCT 3	31/08/2025	0.5%	2.5%	2.5%
	Maven Income & Growth VCT 5	31/08/2025	0.9%	3.5%	4.1%
	Maven Income & Growth VCT	31/08/2025	1.5%	2.1%	2.6%
	Maven Income & Growth VCT 4	30/06/2025	-0.4%	3.4%	1.8%
MERCIA	Northern 2 VCT	30/06/2025	2.8%	8.7%	4.6%
	Northern Venture Trust VCT	30/06/2025	2.9%	8.4%	4.8%
	Northern 3 VCT	30/06/2025	2.8%	8.9%	5.1%
MOLTEN	Molten Ventures VCT	31/03/2025	-5.8%	4.2%	1.2%
OCTOPUS	Octopus Apollo VCT	31/07/2025	4.1%	9.2%	3.3%
	Octopus Titan VCT	31/12/2024	-13.3%	-3.3%	0.4%
PEMBROKE	Pembroke VCT B share	30/06/2025	-1.9%	3.5%	4.3%
PUMA	Puma Alpha VCT	31/05/2025	-2.7%	1.7%	
	Puma VCT 13	31/05/2025	-1.4%	8.3%	
SENECA	Seneca Growth Capital VCT B shares	31/03/2025	-13.1%	-3.7%	
TRIPLE POINT	Triple Point Venture VCT Venture shares	30/07/2025	-2.4%	3.7%	
YFM	British Smaller Companies VCT	30/06/2025	4.7%	13.2%	6.2%
	British Smaller Companies VCT 2	30/06/2025	3.9%	12.4%	6.1%

Source: Tax Efficient Review calculation based on dividend and Net Asset Value data from public accounts

Calculation: (Closing period NAV less Opening period NAV plus dividends paid in the period) divided by number of years in the period

Figures do not include tax relief

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valuations of some companies, others have been able to show good, early increases.

Notably, the EIS Portfolios have already seen one early exit, from recruitment tech company Candidate.ID. This was a £1.4m investment which resulted in a £3.6m return in March 2022.

## Manager

Blackfinch's management team has operated for over 30 years in the UK investment market. Blackfinch launched its first tax-efficient product in 2013, being the Adapt IHT Portfolios focused on Inheritance Tax (IHT) mitigation. With the service drawing on Business Relief (BR) to deliver a more efficient route to IHT relief, Blackfinch has innovated in this space, launching further products for individuals and businesses. These have included a succession of Enterprise Investment Schemes (EIS) focused on specific assets and sectors.

There is a ventures based EIS portfolio to sit alongside the Blackfinch Spring VCT, which currently has £58m in assets under management. Indeed, the VCT provides follow on investments for the companies within the Blackfinch EIS.

In 2016, the management team led a buy-out from all other shareholders. The ownership of Blackfinch is now entirely represented by Richard Cook and Richard Simmonds who, after building the business, have been at the helm for over 15 years.

Blackfinch Group now comprises Blackfinch Investments, Blackfinch Ventures, Blackfinch Energy, Blackfinch Asset Management and Blackfinch Property.

### Ventures Investment Team

Blackfinch has an twelve-member Ventures investment team led by Dr Dan Appleby. This team manages investment decisions and the monitoring and support of portfolio companies. .

The lead manager of the Blackfinch Spring VCT since launch in 2020 was Dr Reuben Wilcock, but he announced his departure from Blackfinch in 2025. Due to this happening recently, it is not yet apparent what level of disruption this may cause. But Tax Efficient Review accept that there was a wide team of individuals within the Ventures team at Blackfinch.

This core team is supported by the wider group –

But the VCT portfolio will need more time to be able to develop its own track record. Particularly when taking into account the effect of the COVID-19 years of 2020 and 2021 so soon after this VCT was first launched.

including Richard Cook, CEO & Blackfinch founder, and Hamish Masson, Head of Legal – and by Blackfinch's network of over 100 Venture Partners, which comprises experienced founders, industry leaders and technology experts, 24 of whom are also appointed as non-executive directors on the boards of portfolio companies.

All investments are approved by the Investment Committee, which comprises three members: one internal (Richard Cook (CEO) and two external (Joe Hartman and Steven Raffe).

Biographies of senior members and example Venture Partners are in the Appendix.

### VCT Board

The VCT has a board which has overall responsibility for its affairs, including determining its investment policy and having overall control, direction and supervision of Blackfinch as the investment manager. The Board comprises 3 non-executive directors: Nic Pillow from Blackfinch, plus two directors who act independently. Accordingly, the majority of the Board, including the Chairman, is independent of Blackfinch.

The two independent directors are:

- **Peter Lionel Raleigh Hewitt, JP, FCSI, FRSA (Chairman):** Peter has been a Director or Chairman of 13 public companies over the last 30 years, with 9 of these being IPO's 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 750 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 acquired by Interactive Investor and more recently forming

part of Aberdeen Group plc. 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.

## Costs

- **Initial costs** - The VCT pays Blackfinch an initial promotion fee of 2.5% of the amounts subscribed from advised clients (after the deduction of any initial adviser fees), less any early-bird or loyalty discounts
- **Investment Management Fee** - Blackfinch charges a fee of 2.5% of the NAV per annum, of which 0.5% of NAV per annum is rebated to investors, making the Effective Investment Management Fee 2% of the Net Asset Value per annum. Any ongoing adviser, intermediary or direct investor fees are paid from the amount rebated to investors. If the investor chooses to pay their adviser less than the maximum amount available, Blackfinch will use the remaining funds from the rebate to purchase additional shares for the investor
- **Performance fee** - Blackfinch is incentivised with a performance fee equal to 20% of the amount by which the performance value per share at the end of the year exceeds the high-water mark, multiplied by the number of shares in issue in the VCT on the relevant date. The high-water mark is the higher of 130p and the highest performance value per share at the end of any previous year. The performance value per share is the total of the Net Asset Value, all performance incentive fees previously paid or accrued by the VCT to Blackfinch as investment adviser for all previous accounting periods, and, the cumulative amount of dividends

paid by the VCT 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 VCT on the relevant date

The unaudited net asset value per Ordinary Share as at 30 June 2025 is 99.10p, in which 7.6p of dividends have been accounted for and no previous performance incentive fees have been earned.

- **Other Fees** - Blackfinch provides administrative services to the VCT for an annual fee of the higher of 0.3% of Net Asset Value or £60,000 (plus VAT if applicable). Blackfinch will also provide receiving agent services to the VCT for a fee of £10,000 plus 0.12% of the monies subscribed for shares under the offer. The VCT 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. However, Blackfinch caps the total annual running expenses plus any execution-only intermediary ongoing fee payments to a maximum of 3.5% of net assets, or effective 3.0% after the 0.5% rebate to shareholders. Any excess above this is borne by Blackfinch

Blackfinch tell us that they also charge Arrangement Fees to investee companies. In the last twelve months to 31 August 2025 these amounted to £543,072.

## Conclusion

The Blackfinch Spring VCT has now reached £64m of assets under management, which is an impressive level given that this VCT was first launched in late 2019 and undertook its first allotment only in early 2020.

This VCT has spent most of the past 5 years co-investing with the Blackfinch EIS offer which has allowed it to create a diverse portfolio of 35 investee companies to date. The Blackfinch Spring VCT has also recently started to make its own stand-alone investments, and the recent investment into Spaceflux, a company that allows real-time tracking of satellites and space debris, is an example of this.

So, the Blackfinch Spring VCT has reached a level of maturity quicker than one might have expected for a new VCT launched only 5 years ago. But there are some things missing before it can reach the next level of development. Firstly, there have been no profitable exits generated by the VCT portfolio to date, and this is a key requirement to show that their investment strategy can deliver for shareholders. This lack of profitable exits mean that the dividends paid to date by this VCT have mostly been from capital.

There could also be potential disruption from the departure of Dr Reuben Wilcock from Blackfinch in 2025. Reuben has been the manager of this VCT since launch, and whilst Tax Efficient Review accept that there is a large team of people within the Ventures arm of Blackfinch Group, it remains to be seen what impact his departure could have as someone with a key relationship with the investee companies in the portfolio.

Overall, credit should be given to the Blackfinch team for overcoming the difficulty of launching a new VCT just as the world sailed into the COVID-19 years, and for getting it to become the fully fledged VCT that it now clearly is. All that really remains is for it to start to generate profitable exits for shareholders.

**Tax Efficient Review rating: 85 out of 100 (Generalist VCT without a track record)**

**Appendix: Investment team members and key Venture Partners**

- **Richard Cook** – Founder and CEO and Chairman of Investment Committee: 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
- **Richard Harley** – Ventures Director: Richard Harley is an experienced entrepreneur and investor. He co-founded ScholarPack in 2011, an EdTech data and analytics platform that quickly became a fast-growing cloud product in its sector before being acquired in 2018. In 2022, he joined Blackfinch, where he manages the expanding portfolio, assisting companies with fundraising, strategy, and operations
- **Dr Nic Pillow** - Ventures Director and Director of Blackfinch Spring VCT: Nic has over two decades of experience in creating value for start-up, fast-growth and multinational B2B technology companies. Since joining Blackfinch in 2019 he has helped launch and manage the Company, he has supported over 90 investments into high-tech Seed and Series A stage companies, and he has been an observer on the boards of numerous portfolio companies
- **Kimberley Hay** – Ventures Director: Prior to joining Blackfinch in April 2023, Kimberley spent 4 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 Simon Porter** - Principal: Prior to joining Blackfinch in August 2025, Simon spent 5 years at Pembroke VCT, latterly as Investment Director, where he oversaw new and follow-on investments, as well as fulfilling NED roles for a number of portfolio companies. He also brings EIS expertise from a Principal role at Active Partners. Before joining the venture industry in 2017, Simon spent three years in Corporate Finance at boutique buy/ sell-side advisor Oakley Advisory. Simon holds a PhD in Mechanical Engineering from the University of Bristol.
- **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
- **Rebecca Sumner** - Operations Director: 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
- **Dr Dan Appleby** - CIO, Blackfinch Asset Management & Ventures at Blackfinch and leads the research and analysis across the 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 the 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 in nanoelectronic research and 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
- **Steven Raffe** - External Investment Committee Member and Venture Partner: 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

Table 4: Blackfinch Spring VCT unquoted holdings totals as at 30 June 2025 listed by multiple on cost

Investee Company	Cost £000	Value £000	Cost multiple
Illuma	1,518	3,698	2.44
Clientshare	858	1,828	2.13
Spotless Water	459	887	1.93
Teamed	1,562	2,617	1.68
Cultureshift	1,140	1,768	1.55
Currensea	1,375	2,090	1.52
Transreport	770	1,171	1.52
WatchMyCompetitor	1,430	2,164	1.51
Oculo	2,140	2,861	1.34
OnePulse	1,950	2,593	1.33
StaffCircle	1,712	2,162	1.26
GT Wings	1,290	1,606	1.24
Tended	2,455	2,887	1.18
Up Learn	1,135	1,336	1.18
Odore	830	937	1.13
MarTech	500	559	1.12
Beings	700	769	1.10
RideTandem	1,650	1,815	1.10
GoodLifeSorted	1,120	1,183	1.06
Measure	1,980	2,050	1.04
Brooklyn	1,163	1,197	1.03
BeyondWords	1,800	1,800	1.00
Cogniss	600	600	1.00
Cyclr	1,300	1,300	1.00
Edozo	763	763	1.00
H2CHP	280	280	1.00
Minimal	1,562	1,562	1.00
Neuranics	1,500	1,500	1.00
Placed	1,200	1,200	1.00
Recruitment Smart	1,400	1,400	1.00
Spaceflux	528	528	1.00
Tangle	870	870	1.00
Supercritical	1,585	1,529	0.96
Kelpi	500	475	0.95
Quin AI	300	210	0.70
	£41.9m	£52.2m	1.245

Source: Blackfinch

## BLACKFINCH SPRING VCT

Table 5: Blackfinch Spring VCT unquoted holdings showing share class as at 30 June 2025

Portfolio Company	Share class (one per row)	Cost	Value	Date first invested	Syndicated	Lead investor	Industry Sector	Stage of Investment	Valuation method	Cost multiple
		£000	£000							
Beings	A Ordinary	700	769	02/04/2024	Y	Y	Market Intelligence Tech	Early Stage	Price of New Investment	1.10
<b>Beings Total</b>		<b>700</b>	<b>769</b>							<b>1.10</b>
BeyondWords	Class B Common Stock	1,800	1,800	20/12/2023	Y	Y	Customer Engagement Tech	Growth	Note 1	1.00
<b>BeyondWords Total</b>		<b>1,800</b>	<b>1,800</b>							<b>1.00</b>
Brooklyn	A Ordinary	1,163	1,197	29/03/2021	Y	Y	Business Operations Tech	Growth	Note 2	1.03
<b>Brooklyn Total</b>		<b>1,163</b>	<b>1,197</b>							<b>1.03</b>
Clientshare	A Ordinary	858	1,828	29/03/2021	N	Y	Service Governance Tech	Growth	Note 2	2.13
<b>Clientshare Total</b>		<b>858</b>	<b>1,828</b>							<b>2.13</b>
Cogniss	A Ordinary	600	600	02/04/2024	N	Y	Software & Digital Tech	Early Stage	Note 1	1.00
<b>Cogniss Total</b>		<b>600</b>	<b>600</b>							<b>1.00</b>
Cultureshift	A Ordinary	1,140	1,768	17/08/2021	Y	N	HR & Recruitment Tech	Growth	Note 2	1.55
<b>Cultureshift Total</b>		<b>1,140</b>	<b>1,768</b>							<b>1.55</b>
Currensea	A Ordinary	1,375	2,090	24/08/2022	Y	Y	Financial Tech	Growth	Note 2	1.52
<b>Currensea Total</b>		<b>1,375</b>	<b>2,090</b>							<b>1.52</b>
Cyclr	A Ordinary	1,300	1,300	29/03/2021	Y	Y	Software & Digital Tech	Growth	Note 1	1.00
<b>Cyclr Total</b>		<b>1,300</b>	<b>1,300</b>							<b>1.00</b>
Edozo	A Ordinary	463	463	10/06/2021	N	Y	Property & Construction Tech	Growth	Note 1	1.00
	B Ordinary	300	300	01/04/2025	N	Y	Property & Construction Tech	Growth	Note 1	1.00
<b>Edozo Total</b>		<b>763</b>	<b>763</b>							<b>1.00</b>
GoodLifeSorted	C Ordinary	1,120	1,183	02/04/2024	Y	Y	Health & Wellbeing Tech	Early Stage	Note 1	1.06
<b>GoodLifeSorted Total</b>		<b>1,120</b>	<b>1,183</b>							<b>1.06</b>
GT Wings	A Ordinary	1,290	1,606	19/12/2024	Y	N	Transport & Mobility Tech	Early Stage	Note 1	1.24
<b>GT Wings Total</b>		<b>1,290</b>	<b>1,606</b>							<b>1.24</b>
H2CHP	A Ordinary	280	280	01/04/2025	N	Y	Power & Heating Tech	Early Stage	Note 1	1.00
<b>H2CHP Total</b>		<b>280</b>	<b>280</b>							<b>1.00</b>
Illuma	A Ordinary	1,218	3,173	18/08/2021	N	Y	Sales & Advertising Tech	Scale Up	Note 2	2.61
	A1 Ordinary	300	525	25/11/2024	N	Y	Sales & Advertising Tech	Scale Up	Revenue multiple	1.75
<b>Illuma Total</b>		<b>1,518</b>	<b>3,698</b>							<b>2.44</b>
Kelpi	Ordinary B	500	475	02/04/2024	Y	Y	Industrial & Materials Tech	Early Stage	Note 3	0.95
<b>Kelpi Total</b>		<b>500</b>	<b>475</b>							<b>0.95</b>
MarTech	A Shares	500	559	03/04/2024	N	Y	Sales & Advertising Tech	Early Stage	Note 1	1.12
<b>MarTech Total</b>		<b>500</b>	<b>559</b>							<b>1.12</b>
Measure	A Ordinary	1,980	2,050	01/04/2022	Y	Y	Market Intelligence Tech	Growth	Note 1	1.04
<b>Measure Total</b>		<b>1,980</b>	<b>2,050</b>							<b>1.04</b>
Minimal	A2 Ordinary	1,562	1,562	01/04/2025	Y	Y	Transport & Mobility Tech	Early Stage	Note 1	1.00
<b>Minimal Total</b>		<b>1,562</b>	<b>1,562</b>							<b>1.00</b>
Neuranics	A Ordinary	1,500	1,500	01/04/2025	Y	Y	Space & Frontier Tech	Early Stage	Note 1	1.00
<b>Neuranics Total</b>		<b>1,500</b>	<b>1,500</b>							<b>1.00</b>
Oculo	C Ordinary	2,140	2,861	10/08/2023	N	Y	Property & Construction Tech	Growth	Note 1	1.34
<b>Oculo Total</b>		<b>2,140</b>	<b>2,861</b>							<b>1.34</b>
Odore	Ordinary A	430	531	07/12/2021	Y	Y	Sales & Advertising Tech	Growth	Note 2	1.23
	Seed	400	406	23/06/2023	Y	Y	Sales & Advertising Tech	Growth	Revenue multiple	1.02
<b>Odore Total</b>		<b>830</b>	<b>937</b>							<b>1.13</b>

Note 1: Price of New Investment

Note 2: Revenue multiple

Source: Blackfinch

Note 3: Milestone

Note 4: Revenue multiple with weighted probability

Table 5: Blackfinch Spring VCT unquoted holdings showing share class as at 30 June 2025

Portfolio Company	Share class (one per row)	Cost	Value	Date first invested	Syndicated	Lead investor	Industry Sector	Stage of Investment	Valuation method	Cost multiple
		£000	£000							
OnePulse	A Ordinary	1,575	1,575	30/03/2021	N	Y	Market Intelligence Tech	Growth	Note 2	1.00
	A1 Ordinary	375	1,018	29/08/2024	N	Y	Market Intelligence Tech	Growth	Revenue multiple	2.71
<b>OnePulse Total</b>		<b>1,950</b>	<b>2,593</b>							<b>1.33</b>
Placed	A Ordinary	1,200	1,200	01/04/2022	N	Y	HR & Recruitment Tech	Early Stage	Note 1	1.00
<b>Placed Total</b>		<b>1,200</b>	<b>1,200</b>							<b>1.00</b>
Quin AI	B Ordinary	300	210	18/12/2023	Y	Y	Market Intelligence Tech	Early Stage	Note 4	0.70
<b>Quin AI Total</b>		<b>300</b>	<b>210</b>							<b>0.70</b>
Recruitment Smart	Ordinary D	1,400	1,400	23/09/2022	N	Y	HR & Recruitment Tech	Early Stage	Note 2	1.00
<b>Recruitment Smart Total</b>		<b>1,400</b>	<b>1,400</b>							<b>1.00</b>
RideTandem	A Ordinary	1,650	1,815	31/03/2023	Y	Y	Transport & Mobility Tech	Growth	Note 1	1.10
<b>RideTandem Total</b>		<b>1,650</b>	<b>1,815</b>							<b>1.10</b>
Spaceflux	Series Seed-1	528	528	30/06/2025	Y	Y	Space & Frontier Tech	Early Stage	Note 1	1.00
<b>Spaceflux Total</b>		<b>528</b>	<b>528</b>							<b>1.00</b>
Spotless Water	Ordinary	459	887	30/10/2020	N	Y	Industrial & Materials Tech	Growth	Note 2	1.93
<b>Spotless Water Total</b>		<b>459</b>	<b>887</b>							<b>1.93</b>
StaffCircle	A Ordinary	1,262	1,262	01/04/2022	Y	Y	HR & Recruitment Tech	Growth	Note 2	1.00
	A1 Ordinary	450	900	06/12/2024	Y	Y	HR & Recruitment Tech	Growth	Revenue multiple	2.00
<b>StaffCircle Total</b>		<b>1,712</b>	<b>2,162</b>							<b>1.26</b>
Supercritical	Series A Preferred	1,585	1,529	19/12/2024	Y	N	Industrial & Materials Tech	Scale Up	Note 3	0.96
<b>Supercritical Total</b>		<b>1,585</b>	<b>1,529</b>							<b>0.96</b>
Tangle	A-1 Preferred	870	870	22/12/2022	N	Y	Software & Digital Tech	Early Stage	Note 1	1.00
<b>Tangle Total</b>		<b>870</b>	<b>870</b>							<b>1.00</b>
Teamed	A Ordinary	1,562	2,617	23/09/2022	N	Y	HR & Recruitment Tech	Growth	Note 2	1.68
<b>Teamed Total</b>		<b>1,562</b>	<b>2,617</b>							<b>1.68</b>
Tended	A Ordinary	2,455	2,887	06/09/2021	Y	Y	Health & Wellbeing Tech	Early Stage	Note 1	1.18
<b>Tended Total</b>		<b>2,455</b>	<b>2,887</b>							<b>1.18</b>
Transreport	A Ordinary	770	1,171	23/12/2020	Y	Y	Transport & Mobility Tech	Growth	Note 2	1.52
<b>Transreport Total</b>		<b>770</b>	<b>1,171</b>							<b>1.52</b>
Up Learn	A Ordinary	1,135	1,336	31/03/2023	N	Y	Education Tech	Scale Up	Note 2	1.18
<b>Up Learn Total</b>		<b>1,135</b>	<b>1,336</b>							<b>1.18</b>
WatchMyCompetitor	A Ordinary	1,430	2,164	18/08/2021	Y	Y	Market Intelligence Tech	Growth	Note 2	1.51
<b>WatchMyCompetitor Total</b>		<b>1,430</b>	<b>2,164</b>							<b>1.51</b>

Note 1: Price of New Investment

Note 2: Revenue multiple

Source: Blackfinch

Note 3: Milestone

Note 4: Revenue multiple with weighted probability

## BLACKFINCH SPRING VCT

Table 6: Buyback details for 12 months to 1 September 2025

VCT name	Discount range	Shares purchased in last 12 months	Weighted average discount to NAV	Cost (excluding stamp duty)	Total cost (including stamp duty)
Blackfinch Spring VCT	5%	280,376	5%	270,368	271,720

Source: Blackfinch

Table 7: Exits - last exit by Blackfinch Spring VCT (inc write-offs) as at 30 June 2025

Company Name	Exit Date	Value achieved on exit £000	Valuation last four quarters before exit			
			most recent 1	2	3	4
Candidate.id	March 2022	Please note: the acquirer insisted that the return for Candidate.ID be kept confidential				

Table 8: Blackfinch Investment/Management team members

	Richard Harley	Nic Pillow	Kimberley Hay	Cameron McGee	Charles Horn	Corey Price	Hassaan Mehmood	Ijaz Khan	Katie Connolly	Winston Mathew	Simon Porter
<b>VCT Related Work</b>											
Deal origination	10%	5%	14%	45%	45%	17%	35%	43%	5%	5%	23%
General enquiries	15%	15%	5%	5%	5%	4%	5%	5%	30%	5%	5%
New deal doing	20%	20%	63%	45%	45%	64%	35%	43%	20%	10%	20%
Investee board seats Note 1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Observer rights	4	3	4	2	2	4	2	3	3	3	3
Sitting on Boards/Monitoring	35%	8%	8%	5%	5%	10%	5%	5%	8%	60%	35%
Fund raising		42%							20%		
Internal issues											
Exits	10%	0%	0%	0%	0%	0%	0%	0%	0%	5%	10%
<b>Non VCT Work</b>											
Non-VCT work	10%	10%	10%	0%	0%	5%	20%	5%	17%	15%	7%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Years in venture capital	4	6	6	3	2	5	6	3	3	6	8
Years involved with VCTs	4	6	3	3	2	5	6	3	3	6	5
Years with current team	4	6	3	3	2	5	6	3	3	6	1

Note 1: Blackfinch aims to appoint a NED to portfolio company boards, from its external Venture Partner network  
Source: Blackfinch