

Wealthbriefing.com

New Racehorse Breeding Investment Launched

3rd January 2007

Nick Parmee

Following the success of the original Breeding Capital, launched in 2006, the UK-based Breeding Capital II and Breeding Capital III are to start raising funds in January 2008.

The companies will acquire a portfolio of broodmares, foals and yearlings acquired for resale and other bloodstock assets.

William Sporborg, managing director, told *WealthBriefing* that BCII and III aim to raise a maximum £2 million (\$4 million) each, thus maximising the tax advantages to investors.

The UK tax authority has confirmed that the offer shares will rank as “eligible shares” for the purposes of the Enterprise Investment Scheme with the accompanying tax advantages. He said: “These innovative and tax efficient new companies are a great opportunity for individuals to invest in a portfolio of quality bloodstock. We see the bloodstock industry as a non-correlated, niche, alternative asset class which should form part of an investor’s investment portfolio. Breeding Capital is well managed and has demonstrated significant success over the last two years. We aim to build on this success, over the next five years, and beyond.”

Mr Sporborg stressed the companies’ commitment to a significant and sophisticated investor relations programme, including details of all bloodstock acquired and produced, an interactive pedigree and photographs, regular updates on all activities that may impact on the underlying assets and an annual open day to inspect the bloodstock assets.

By 2012 the company will have been trading for four years and will seek to provide shareholders with the opportunity to realise all or part of their investment, either through a listing, a sale or by way of a return of cash.