

Octopus AIM VCT 2 plc

Unaudited half-yearly report for the six months ended 31 May 2026 ▲

Company number: 05528235

octopus investments
A brighter way



Octopus AIM VCT 2 plc (the 'Company') is a Venture Capital Trust (VCT) which aims to provide shareholders with attractive tax-free dividends and long-term capital growth by investing in a diverse portfolio of predominantly AIM-traded companies.

The Company is managed by Octopus Investments Limited ('Octopus' or the 'Investment Manager').

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Key dates

Interim dividend payment date	November 2026
Annual results to 30 November 2026 announced	March 2027
Final dividend payment date	May 2027
Half-yearly results to 31 May 2027	July 2027



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Key financials

Net assets (£'000) £70,323 HY 2025: £80,772 FY 2025: £77,423	Profit/(loss) after tax (£'000) £675 HY 2025: £(1,371) FY 2025: £167	Net asset value (NAV) per share¹ 31.8p HY 2025: 37.9p FY 2025: 36.9p
Dividends per share paid in period 5.4p HY 2025: 1.8p FY 2025: 3.6p	NAV total return² 0.8% HY 2025: (2.0)% FY 2025: 0.0%	Interim dividend declared³ 1.1p HY 2025: 1.8p FY 2025: 1.8p
Dividend yield⁴ 14.6% HY 2025: 4.4% FY 2025: 8.9%	Cumulative dividends paid since launch⁵ 79.9p HY 2025: 72.7p FY 2025: 74.5p	

¹ NAV per share is calculated on the underlying assets less liabilities of the Company divided by the number of shares.

² NAV total return is an alternative performance measure calculated as movement in NAV per share in the period plus dividends paid in the period, divided by the NAV per share at the beginning of the period, as described in the glossary of terms.

³ The proposed interim dividend will be paid on 26 November 2026 to shareholders on the register on 6 November 2026.

⁴ Dividend yield is calculated as dividends paid in the period, divided by the NAV per share at the beginning of the period.

⁵ Octopus AIM VCT 2 plc was launched in March 2006.

Chair's statement

Firstly I would like to record my thanks to Keith Mullins, who stepped down as Chair at the 2026 Annual General Meeting (AGM), for his many years of service and the significant contribution, leadership and guidance he provided throughout his tenure. I am pleased to welcome Robert (Ted) Holmes to the Board as a Director with effect from the AGM. Ted brings extensive investment management and financial experience, having held senior roles across asset management, finance and listed investment companies. We now have a significantly rejuvenated Board as the result of changes over the last three years and our continuing succession plan.

The market, events and changing legislation

During the period there have been major UK and world events that have materially affected global markets and the specific taxation and investment parameters within which the Company operates, providing an increased investment environment in which to deploy funds. In the opinion of the Board, this wider short term market volatility and the tax efficient structure offered by the VCT highlight the attraction and potential of investing patient capital in a growth market such as AIM, and does so with expert portfolio management from the Octopus team.

As reported in the Investment Manager's review, the interim period to the end of May 2026 had a mixed backdrop for UK equity markets. The early part of the period was characterised by returning investor confidence, better market performance, increased fundraising activity and the long-awaited announcement of VCT reforms.

However, equity markets weakened sharply in March with the Iranian war. This environment weighed particularly on UK domestic equities and economically sensitive growth stocks, while companies with exposure to oil, gas, and commodities (which are outside our VCT investible universe) proved more resilient.

Markets rebounded strongly in April, proving more supportive for smaller companies. Amidst ongoing macroeconomic uncertainty, investor sentiment improved towards higher-quality smaller businesses with strong balance sheets, recurring revenues, and good earnings visibility. As the Investment Manager's analysis highlights, our portfolio is strongly represented by businesses that have consistent and progressive underlying performance.

The Company therefore delivered a positive performance relative to the prior year. After adding back the final dividend of 1.8p per share and a special dividend of 3.6p over the period, the NAV generated a total return of +0.8%. This compares to a 9.7% increase in the FTSE AIM All Share and a 8.8% rise in the FTSE All Share, both on a total return basis and bolstered by the major influence of energy and resources investments.

The Investment Manager and the portfolio

The Board, especially in times of volatility, is careful to consider the effectiveness of the decisions taken by the Investment Manager and the performance of the portfolio, providing challenge where necessary and ensuring our understanding of the rationale of the investment and monitoring processes.

While recent returns are modest in absolute terms, this performance should be viewed in the context of the uneven market environment and with full understanding of the comparative measures. Returns across AIM over the period were heavily influenced by a concentrated group of non-energy minerals companies, including precious metals and mining exploration, which accounted for approximately 7.6% of the index but materially contributed to the overall gain.

The Company's performance therefore reflects the underlying resilience of the portfolio which, in the context of the trading performance of individual investments, provides some confidence for the future. Returns were supported by stable earnings and the successful realisation of several investments crystallising net profits over original cost of £11.0 million, equivalent to an average uplift of 26x. This will be highlighted in greater detail in the Investment Manager's Review.

The portfolio remains well positioned, with a focus on high-quality, fundamentally strong businesses with growing earnings. As market conditions normalise and investor sentiment towards smaller companies continues to improve, the Board would expect this to be better reflected in multiples, valuations and stronger returns over time.

Chair's statement continued

VCT investment scope

The Board welcomes the updates to the VCT rules, announced in the November 2025 Budget, in respect of the increase in scope of businesses eligible for funding and the scale of individual investments. These changes are intended to ensure enhanced support for early-stage, high-growth businesses while also providing greater flexibility for follow-on investments.

In doing so, they enhance the ability of VCTs to support portfolio companies over a longer period, strengthening alignment between investors and the growth trajectories of the underlying businesses. We are encouraged to see that these reforms are already having a positive impact on the market and our investment activity, with an increasing number of attractive opportunities emerging to invest in innovative companies at realistic valuations.

Unquoted investments

As stated in the investment policy on page 8, the Company is able to make investments in unquoted companies intending to float. At 31 May 2026, 6.3% (31 May 2025: 13.0% and 30 November 2025: 17.1%) of the Company's net assets were invested in unquoted companies. Hasgrove, the Company's largest unquoted holding, was disposed of following a bid approach from Castik Capital. The transaction, which completed in January, realised a profit of £9.1 million for the Company which had partially been recognised within our reserves, reflecting the success of our long-term investment approach and supporting our valuation methodology. Popsa, our largest remaining unquoted holding, also continued to scale effectively, delivering strong revenue growth with international expansion remaining a key driver of progress.

Transactions with the Investment Manager

Details of amounts paid to the Investment Manager are disclosed in Note 8 to the financial statements and the Company continues to place short-term holdings in other funds managed by the Octopus team, pending direct corporate investments. As described above, the Board carefully assesses and interrogates the investment performance of the Investment Manager which naturally receives attention at a time of market change and uncertainty.

Share buybacks

In the six months to 31 May 2026, the Company bought back 7,005,971 Ordinary shares for a total consideration of £2,369,000. It is evident from the conversations between the Investment Manager and investors and advisors that this facility remains an important feature of the VCT.

Principal risks and uncertainties and taxation

The principal risks and uncertainties are set out in Note 7 to the financial statements on page 20. Alongside the improvements made to the scale and target of eligible VCT investments, the level of tax relief offered to individual investors reduced to 20% (from 30%) from 6 April 2026.

Investing in a VCT which in turn provides a professionally managed portfolio of publicly traded (and therefore liquid) interests in growth businesses continues to represent a highly attractive proposition, in the Board's opinion. The Board believes the combination of tax relief for investing in more developed and scalable businesses remains a significant incentive within the current landscape.

Dividend

On 1 April 2026, the Company paid a dividend of 3.6p per share following the realisation of exceptional profits from several long-term investments during the previous year-end, primarily Breedon Group, Learning Technologies Group and Intelligent Ultrasound Group which were all included in detail within the Investment Manager's Review in the 2025 annual report.

On 29 May 2026, the Company paid a dividend of 1.8p per share, being the final dividend for the year ended 30 November 2025. As communicated the Company has updated its dividend policy. As previously communicated, the Board now target an annual dividend of 6% of the opening NAV, with the flexibility to pay additional special dividends where there are significant portfolio realisations.

For the period to 31 May 2026, the Board has therefore declared an interim dividend of 1.1p per share in respect of the period ended 31 May 2026. The dividend will be payable on 26 November 2026 to shareholders on the register on 6 November 2026. Further consideration will be given to the potential for special dividends during the course of the year.

Chair's statement continued

Outlook

This was indeed a period of change within the Company, in the markets, in the legislation that governs our business and around the globe. The fact that a VCT has the ability to invest patient capital with a longer-term mindset allows the Company to ride out these waves of uncertainty while continuing to focus on being custodians of your capital.

Nevertheless, whilst we have rational expectations that the underlying strength of trading performance of our investments will eventually be better reflected in their market values, we must continue to examine every aspect of the business for further opportunity.

We therefore recommit to ensuring we have the most effective structure and management to maximise shareholder benefit and attract new investors both now and for the longer term.

We welcome your comments and feedback at all times and look forward to the future.



Andy Raynor
Chair
22 July 2026



Investment Manager's review

Overview

The interim period began positively following the Autumn Budget announcement of long-awaited reforms to the VCT rules. These changes, which took effect on 6 April 2026, were well received by the sector and came at an important time for both VCTs and UK capital markets. Over recent years, VCTs have continued to play a valuable role in providing capital to small growth companies, particularly against a backdrop of sustained outflows from UK small cap funds.

The reforms significantly broaden the scope for investment. Companies may now qualify with up to £30 million of gross assets before investment, compared with £15 million previously, and up to £35 million following investment, compared with £16 million. Their annual fundraising limit has increased to £10 million, or £20 million for knowledge intensive businesses, while their lifetime limit has risen to £24 million, or £40 million for knowledge intensive businesses. Although the reduction in income tax relief from 30% to 20% is expected to temper demand to some extent, the wider expansion of the qualifying criteria represents a meaningful and welcome development. It reinforces the VCT sector's important role in supporting innovative smaller businesses and providing growth capital where it is often most needed. In line with our expectations, the impact has been immediate, and the deal pipeline has strengthened materially.

Market conditions were also supportive in the early part of the period, helped by a relatively resilient UK macroeconomic backdrop. However, sentiment softened towards the end of January as global technology valuations came under pressure following the derating of AI related stocks. This was then compounded at the end of February by the outbreak of the war on Iran, which raised concerns about potential disruption to energy prices and supply chains. Encouragingly, UK markets have since recovered steadily through March and into the remainder of the period, supported by a sustained improvement in investor sentiment.

The UK economy remained stable over the period, despite a complex global backdrop and heightened political uncertainty at home. Market expectations for rate cuts during the year were later revised as a result of higher energy prices and the associated impact on inflation. Nonetheless, interest rates were held at 3.75%, and concerns about potential further increases have since diminished. UK GDP growth for 2026 is currently expected to be modest, with forecasts generally ranging from around 0.8% to 1.4%, reflecting a background of weaker

consumer confidence, higher energy prices and ongoing uncertainty over the pace of interest rate cuts.

As expected, the larger UK share indices outperformed AIM overall, reflecting a more cautious investor stance towards risk. However, there were encouraging signs throughout the period, with both IPO activity and secondary fundraisings picking up. Encouragingly, AIM IPOs outpaced those on the Main Market, with six AIM IPOs compared to three on the Main Market, underscoring AIM's continuing role as an important source of growth capital for smaller companies.

Performance

After adding back dividends of 5.4p paid during the interim period, net asset value total return increased by 0.8%, reflecting an encouraging recovery from the decline reported at the previous interim period and the flat performance reported at the previous year end. This compares with a rise of 9.6% in the FTSE AIM All Share Index and 8.8% in the FTSE All Share Index over the same period. Investor sentiment remained cautious towards smaller high growth companies, and the portfolio's lack of exposure to resource and mining companies, which are outside VCT qualifying criteria, was a key factor in the relative divergence in performance against this benchmark. More broadly, the AIM index outperformance was supported by resource and mining stocks, which accounted for more than 75% of the index's performance over the period, reflecting continued investor interest in energy and commodity exposure amid favourable pricing conditions. The FTSE All Share also benefited from broad based sector strength, led by banks, pharmaceuticals, defence and industrial services.

The Company's well-diversified portfolio of established holdings continues to provide resilience, although individual investments inevitably influence overall returns. During the period, contributions came principally from Abingdon Health, Popsa, Animalcare, and TPXimpact Holdings, each of which delivered positive operational and commercial progress. Abingdon Health is a leading international developer, manufacturer and regulatory services provider for rapid diagnostic tests and medtech, whose shares rose strongly amid renewed interest in smaller healthcare diagnostics. Recently, the company announced the UK launch of its LVOne Stroke Triage Test, as well as satisfying the earn-out on its IVDeology acquisition, after it hit the maximum two-year revenue target. Popsa, a leading UK photobook and memory products company, continues to trade strongly and grow their market share in the UK. Furthermore,

Investment Manager's review continued

their US division is trading well and gaining market share. Animalcare, a UK-based veterinary health business that develops, sells and distributes licensed pharmaceuticals and related products for companion animals and horses, agreed a £235.2 million takeover bid from Charterhouse Capital Partners. Shareholders were offered 336p in cash per share representing a 36% bid premium. The company will delist on AIM in early August. Leading technology-enabled services company TPXimpact Holdings has won several public-sector contracts, upgraded earnings guidance, and reported stronger preliminary results with better cash generation and a healthier pipeline.

Offsetting these gains, the main detractors were Craneware, Beeks Financial Cloud Group and Equipmake. Craneware, a leading US healthcare technology company, saw its share price underperform for much of the period amid a broader derating in global technology valuations, despite reporting solid operational performance at its interim results. Following the period end, the share price was further affected by news that US drug manufacturers had restricted access to certain drugs in hospitals, which delayed its planned rebate pilot programme. This programme is now expected to resume later in the year. Beeks Financial Cloud Group, a cloud computing and connectivity provider for financial markets, also underperformed after revenues were affected by delayed contract recognition and a move to revenue share models for Exchange Cloud contracts, a transformative cloud infrastructure solution specifically designed for trading venues. Although this had been flagged previously by the company, gross margins declined from 38% to 30% as the business invested in infrastructure ahead of customer launches and due to lower upfront Proximity Cloud revenue. Nevertheless, the company continues to win new contracts and remains on track to meet market expectations for the full year. Equipmake, a developer and manufacturer of electric drivetrains, announced a series of orders over recent months and, more positively, received a further strategic investment of £3 million from Caterpillar in February this year. The order book now stands at £10.7 million. However, the share price remained weak as the market continued to focus on the company's loss-making profile, strategic uncertainty and future cash requirements.

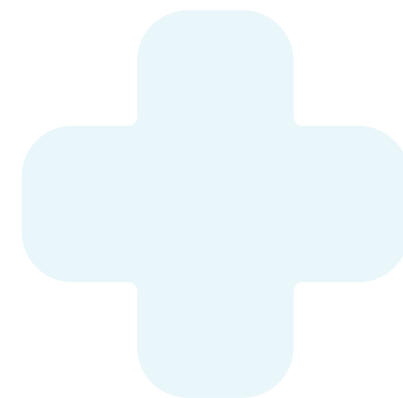
Outlook

Despite mixed performance across UK capital markets, we remain confident in the outlook for the period ahead. Ongoing uncertainty around interest rates, geopolitical tensions and energy price volatility continues to weigh on near term sentiment. As a result, valuations across UK smaller companies remain subdued, reflecting an extended period of investor caution rather than any fundamental weakening in underlying business performance.

Against this backdrop, the operational progress delivered across the portfolio provides reassurance. Many of our holdings continue to demonstrate strong execution, reinforcing our conviction that the portfolio represents a compelling source of long-term value for investors.

We believe valuations within the UK smaller companies universe remain highly attractive, both in historical terms and relative to global peers. This is particularly evident among businesses with strong competitive domestic and international positions, resilient cash generation and clear earnings visibility. We have also been encouraged by the strength of the deal pipeline following the recent VCT reforms, which is providing access to a range of innovative, high growth opportunities at appealing entry valuations.

The Octopus Quoted Companies team
22 July 2026



Investment Manager's review continued



New and follow-on investments

Below we have highlighted the seven investments made during the period into VCT-qualifying companies, comprising four follow-on investments and three new investments, at a total cost of £4.8 million. We added one new VCT non-qualifying investment, The Beauty Tech Group plc, at a total cost of £0.2 million. This made a total investment of £5.0 million, an increase on the £3.2 million invested in the corresponding period last year.

Alusid Limited	Haydale plc	IXICO plc	Eden Research plc	Vulcan Two Group plc	Quantum Base Holdings plc	Pathos Communications plc
£0.1 million Follow-on	£0.4 million Follow-on	£0.8 million Follow-on	£0.8 million Follow-on	£0.7 million New	£0.8 million New	£1.2 million New
Alusid Limited develops low-carbon construction materials using recycled industrial waste streams. Its sustainable ceramic products are designed to reduce environmental impact while supporting the circular economy.	Haydale plc develops and commercialises graphene-enhanced materials using its proprietary functionalisation technology. The company's products are used across industrial, energy efficiency and clean technology applications.	IXICO plc provides advanced imaging analytics and clinical research services to the pharmaceutical industry. The company supports the development of treatments for neurological disorders through the use of artificial intelligence and medical imaging expertise.	Eden Research plc develops sustainable biopesticides and plastic-free encapsulation technologies for agricultural, animal health and consumer product markets. Its solutions are designed to support more environmentally responsible crop protection.	Vulcan Two Group plc is building a leading UK ePharmacy group through a buy-and-build strategy. The company acquires and develops digital pharmacy businesses serving both consumers and healthcare partners.	Quantum Base Holdings plc develops quantum-based authentication technology designed to combat counterfeiting and fraud. Its patented Q-ID technology enables products and documents to be verified using standard smartphone devices.	Pathos Communications plc is a technology-enabled public relations company that helps SMEs secure media coverage through a differentiated pay-on-results model. Its proprietary AI tools support content creation, market research and media distribution.

Significant realisations

In the period under review, the Company disposed of three investments, generating a net profit of £11.0 million over book cost. Below we have highlighted the two most significant disposals, Hasgrove Limited and Idox plc. Hasgrove Limited generated a material return following strong operational performance and its acquisition by Castik Capital, while Idox plc delivered a significant return following its recommended cash acquisition by Long Path Partners. Together, these disposals demonstrate the long-term value creation that can be achieved through patient investment in high-quality businesses.

Hasgrove Limited				Idox plc			
Cash proceeds: £9.3 million	Invested:	£0.2 million	Profit return: 4,450%	Cash proceeds: £2.3 million	Invested:	£0.3 million	Profit return: 650%
	Investment date:	2006	Sector: Unquoted		Investment date:	2007	Sector: Software and Computer Services

Investment Manager's review continued

Investment policy

The Company's investment policy has been designed to enable it to comply with the VCT qualifying conditions. The Board intends that the long-term disposition of the Company's assets will be not less than 85% in a portfolio of qualifying AIM, Aquis Stock Exchange traded investments or unquoted companies where in the short to medium term, the management is planning an initial public offering (IPO) on AIM or the Aquis Stock Exchange.

The non-qualifying balance will be invested in permitted investments held for short-term liquidity, generally comprising short-term cash or money market deposits with a minimum Moody's long-term debt rating of 'A', authorised funds including those managed by Octopus or directly in equity investments and bonds. This provides a reserve of liquidity which should maximise the Company's flexibility as to the timing of investments, disposals, dividend payments and share buybacks.

Risk is spread by investing in a number of different businesses across a range of industry sectors. The maximum amount invested in any one company is limited to the amount permitted pursuant to VCT legislation in a fiscal year and no more than 15% of the value of

its investment at the time of investment. The value of an individual investment is expected to increase over time as a result of trading progress and a continuous assessment is made of its suitability for sale. However, shareholders should be aware that the Company's qualifying investments are held with a view to long-term capital growth as well as income and will often have limited marketability; as a result it is possible that individual holdings may grow in value to the point where they represent a significantly higher proportion of total assets prior to a realisation opportunity being available.

The Company's Articles of Association (the 'Articles') permit borrowings of amounts up to 10% of the adjusted share capital and reserves (as defined in the Company's Articles). However, investments will normally be made using the Company's equity shareholders' funds and it is not intended that the Company will take on any borrowings.

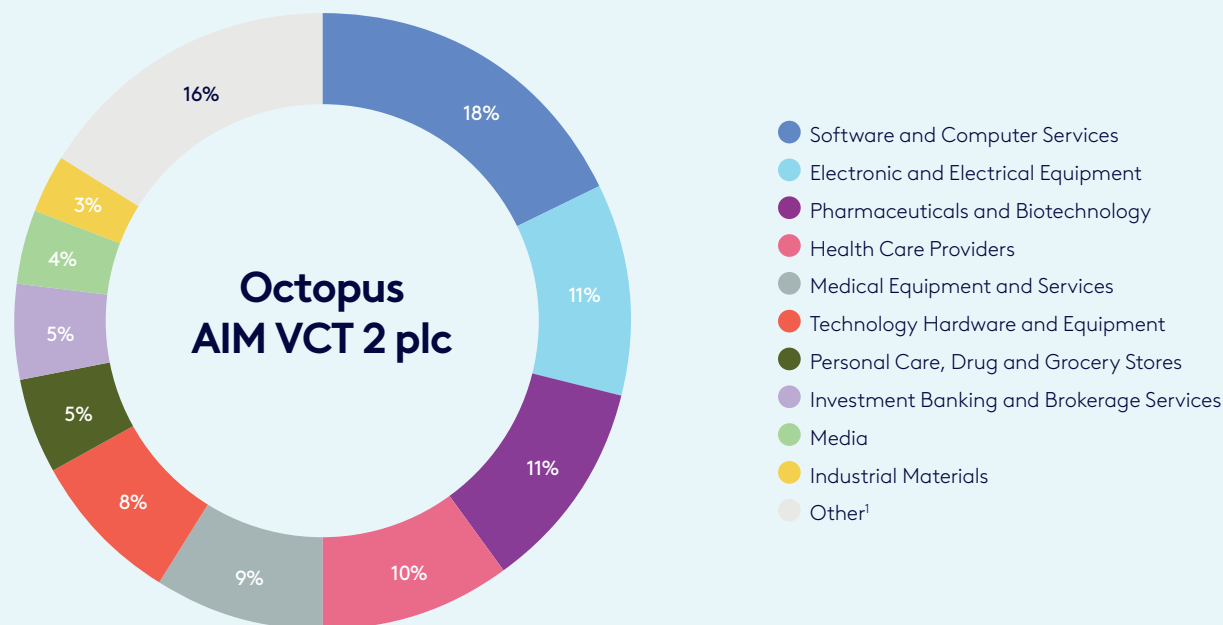
No material changes may be made to the Company's investment policy described above without the prior approval of shareholders by the passing of an Ordinary Resolution. The Directors will continually monitor the investment process and ensure compliance with the investment policy.



Investment Manager’s review continued

Sector analysis as at 31 May 2026

The graph below shows the top ten sectors in which the equity portfolio was invested by value as at 31 May 2026. The established nature of the Company provides investors with exposure to a broad range of maturing AIM-listed businesses. The portfolio comprises 71 companies, of which 60% are profitable and 35% pay dividends.



¹ Other sectors represented within the portfolio include Retailers, Chemicals, Food Producers, Leisure Goods, Industrial Support Services, Telecommunications Service Providers, General Industrials, Travel and Leisure, Oil, Gas and Coal, and Aerospace and Defence.

Investment Manager's review continued

Top
10

Top 10 investments by value as at 31 May 2026

Here, we set out the cost and valuation of the top ten holdings, which account for over 47% of the value of the portfolio.

Portfolio	Sector	Investment cost	Fair value of investment
1  Popsa	Unquoted Investment	£1,060,000	£3,582,000
2  Animalcare United Kingdom	Pharmaceuticals and Biotechnology	£824,000	£2,887,000
3  NETCALL	Software and Computer Services	£356,000	£2,658,000
4  Craneware®	Health Care Providers	£479,000	£2,313,000
5  ABINGDON HEALTH	Medical Equipment and Services	£1,677,000	£2,052,000
6  AURRIGO	Technology Hardware and Equipment	£1,105,000	£1,756,000
7  IXICO	Pharmaceuticals and Biotechnology	£1,894,000	£1,382,000
8  haydale	Industrial Materials	£1,861,000	£1,350,000
9 Vertu [®]	Retailers	£777,000	£1,329,000
10 GBG	Software and Computer Services	£337,000	£1,299,000

Directors' responsibilities statement

We confirm that to the best of our knowledge:

- the half-yearly financial statements have been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting' issued by the Financial Reporting Council;
- the half-yearly financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the half-yearly report includes a fair review of the information required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules, being:
 - we have disclosed an indication of the important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements;
 - we have disclosed a description of the principal risks and uncertainties for the remaining six months of the year; and
 - we have disclosed a description of related party transactions that have taken place in the first six months of the current financial year, that may have materially affected the financial position or performance of the Company during that period and any changes in the related party transactions described in the last annual report that could do so.

By Order of the Board



Andy Raynor
Chair
22 July 2026



Income statement

	Unaudited Six months to 31 May 2026			Unaudited Six months to 31 May 2025			Audited Year to 30 November 2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Loss)/gain on disposal of fixed asset investments	–	(38)	(38)	–	251	251	–	(1,181)	(30)
Gain/(loss) on disposal of current asset investments	–	109	109	–	(20)	(20)	–	(24)	57
Gain/(loss) on valuation of fixed asset investments	–	497	497	–	(788)	(788)	–	2,402	(837)
Gain/(loss) on valuation of current asset investments	–	676	676	–	(567)	(567)	–	(510)	881
Investment income	543	–	543	610	–	610	1,303	–	1,303
Investment management fees	(175)	(526)	(701)	(158)	(471)	(629)	(326)	(977)	(1,303)
Other expenses	(411)	–	(411)	(228)	–	(228)	(520)	–	(520)
(Loss)/profit before tax	(43)	718	675	224	(1,595)	(1,371)	457	(290)	167
Tax	–	–	–	–	–	–	–	–	–
(Loss)/profit after tax	(43)	718	675	224	(1,595)	(1,371)	457	(290)	167
Earnings per share – basic and diluted	0.0p	0.3p	0.3p	0.1p	(0.8p)	(0.7p)	0.2p	(0.1p)	0.1p

- The 'Total' column of this statement is the profit and loss account of the Company; the supplementary revenue return and capital return columns have been prepared in accordance with the AIC Statement of Recommended Practice.
- All revenue and capital items in the above statement derive from continuing operations.
- The Company has only one class of business and derives its income from investments made in shares and securities and from bank and money market funds (MMF), as well as Open Ended Investment Company (OEIC) funds.

The Company has no recognised gains or losses other than the results for the period as set out above. Accordingly, a statement of comprehensive income is not required.

The accompanying notes on pages 19 to 22 form an integral part of the financial statements.

Balance sheet

	Unaudited As at 31 May 2026		Unaudited As at 31 May 2025		Audited As at 30 November 2025	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments		43,495		50,312		49,780
Current assets:						
Investments	8,567		9,263		9,366	
Money market funds	17,070		19,816		16,898	
Debtors	239		228		250	
Cash at bank	1,431		1,520		1,617	
	27,307		30,827		28,131	
Creditors: amounts falling due within one year	(479)		(367)		(488)	
Net current assets		26,828		30,460		27,643
Total assets less current liabilities		70,323		80,772		77,423
Called up equity share capital		22		21		21
Share premium		6,938		14,616		692
Capital redemption reserve		6		4		5
Special distributable reserve		65,907		70,894		79,930
Capital reserve realised		(3,675)		(7,667)		(14,184)
Capital reserve unrealised		2,481		4,450		12,272
Revenue reserve		(1,356)		(1,546)		(1,313)
Total equity shareholders' funds		70,323		80,772		77,423
NAV per share – basic and diluted		31.8p		37.9p		36.9p

The statements were approved by the Directors and authorised for issue on 22 July 2026 and are signed on their behalf by:



Andy Raynor
Chair

Company number: 05528235

The accompanying notes on pages 19 to 22 form an integral part of the financial statements.

Statement of changes in equity

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special distributable reserves ¹ £'000	Capital reserve realised ¹ £'000	Capital reserve unrealised £'000	Revenue reserve ¹ £'000	Total £'000
As at 1 December 2025	21	692	5	79,930	(14,184)	12,272	(1,313)	77,423
Total comprehensive (loss)/profit for the period	–	–	–	–	(455)	1,173	(43)	675
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(1)	–	1	(2,369)	–	–	–	(2,369)
Issue of shares	2	6,459	–	–	–	–	–	6,461
Share issue costs	–	(213)	–	–	–	–	–	(213)
Dividends paid	–	–	–	(11,654)	–	–	–	(11,654)
Total contributions by and distributions to owners	1	6,246	1	(14,023)	–	–	–	(7,775)
Other movements:								
Prior years' holding losses now realised	–	–	–	–	10,964	(10,964)	–	–
Total other movements	–	–	–	–	10,964	(10,964)	–	–
Balance as at 31 May 2026	22	6,938	6	65,907	(3,675)	2,481	(1,356)	70,323

The accompanying notes on pages 19 to 22 form an integral part of the financial statements.

¹ The sum of these reserves is an amount of £60,876,000 (31 May 2025: £61,680,000 and 30 November 2025: £64,433,000) which is considered distributable to shareholders. The Income Taxes Act 2007 restricts distribution of capital from reserves created by the conversion of the share premium account into a special distributable reserve until the third anniversary of the share allotment that led to the creation of that part of the share premium account. As at 31 May 2026, £36,808,000 of the special reserve is distributable under this restriction.

Statement of changes in equity continued

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special distributable reserves £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 December 2024	20	6,314	4	76,116	(13,501)	11,879	(1,770)	79,062
Total comprehensive (loss)/profit for the period	–	–	–	–	(240)	(1,355)	224	(1,371)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	–	–	–	(1,419)	–	–	–	(1,419)
Issue of shares	1	8,803	–	–	–	–	–	8,804
Share issue costs	–	(501)	–	–	–	–	–	(501)
Dividends paid	–	–	–	(3,803)	–	–	–	(3,803)
Total contributions by and distributions to owners	1	8,302	–	(5,222)	–	–	–	(3,081)
Other movements:								
Prior years' holding losses now realised	–	–	–	–	6,074	(6,074)	–	–
Total other movements	–	–	–	–	6,074	(6,074)	–	–
Balance as at 31 May 2025	21	14,616	4	70,894	(7,667)	4,450	(1,546)	80,772

The accompanying notes on pages 19 to 22 form an integral part of the financial statements.

Statement of changes in equity continued

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special distributable reserves £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 December 2024	20	6,314	4	76,116	(13,501)	11,879	(1,770)	79,062
Total comprehensive (loss)/profit for the year	–	–	–	–	(2,182)	1,892	457	167
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(1)	–	1	(3,230)	–	–	–	(3,230)
Issue of shares	2	9,492	–	–	–	–	–	9,494
Share issue costs	–	(501)	–	–	–	–	–	(501)
Dividends paid	–	–	–	(7,569)	–	–	–	(7,569)
Total contributions by and distributions to owners	1	8,991	1	(10,799)	–	–	–	(1,806)
Other movements:								
Cancellation of share premium	–	(14,613)	–	14,613	–	–	–	–
Prior years' holding gains now realised	–	–	–	–	1,499	(1,499)	–	–
Total other movements	–	(14,613)	–	14,613	1,499	(1,499)	–	–
Balance as at 30 November 2025	21	692	5	79,930	(14,184)	12,272	(1,313)	77,423

The accompanying notes on pages 19 to 22 form an integral part of the financial statements.

Cash flow statement

	Unaudited Six months to 31 May 2026 £'000	Unaudited Six months to 31 May 2025 £'000	Audited Year to 30 November 2025 £'000
Cash flows from operating activities			
Profit/(loss) before tax	675	(1,371)	167
Adjustments for:			
Decrease/(increase) in debtors	11	(76)	(98)
Decrease in creditors	(9)	(169)	(48)
Loss/(gain) on disposal of fixed asset investments	38	(251)	1,181
(Gain)/loss on disposal of current asset investments	(109)	20	24
(Gain)/loss on valuation of fixed asset investments	(497)	788	(2,402)
(Gain)/loss on valuation of current asset investments	(676)	567	510
Net cash utilised in operating activities	(567)	(492)	(666)
Cash flows from investing activities			
Purchase of fixed asset investments	(4,964)	(3,190)	(4,569)
Proceeds from sale of fixed asset investments	11,708	9,482	13,151
Purchase of current asset investments	–	–	(300)
Proceeds from sale of current asset investments	1,584	296	546
Net cash flows generated from investing activities	8,328	6,588	8,828

Cash flow statement continued

	Unaudited Six months to 31 May 2026 £'000	Unaudited Six months to 31 May 2025 £'000	Audited Year to 30 November 2025 £'000
Cash flows from financing activities			
Purchase of own shares	(2,369)	(1,419)	(3,230)
Share issues (net of DRIS)	4,426	8,804	8,102
Share issue costs	(213)	(501)	(501)
Dividends paid (net of DRIS)	(9,619)	(3,803)	(6,177)
Net cash flows (utilised) in/generated from financing activities	(7,775)	3,081	(1,806)
(Decrease)/increase in cash and cash equivalents	(14)	9,177	(6,356)
Opening cash and cash equivalents	18,515	12,159	12,159
Increase in cash and cash equivalents	18,501	21,336	18,515
Closing cash and cash equivalents is represented by:			
Cash at bank	1,431	1,520	1,617
Money market funds	17,070	19,816	16,898
Total cash and cash equivalents	18,501	21,336	18,515

The accompanying notes on pages 19 to 22 form an integral part of the financial statements.

Condensed notes to the financial statements

1. Basis of preparation

The unaudited half-yearly report which covers the six months to 31 May 2026 has been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard (FRS) 104 Interim Financial Reporting (January 2022) and the Statement of Recommended Practice (SORP) for Investment Companies issued by the Association of Investment Companies in 2014 (updated in July 2022).

The Directors consider it appropriate to adopt the going concern basis of accounting. The Directors have not identified any material uncertainties to the Company's ability to continue to adopt the going concern basis over a period of at least twelve months from the date of approval of the financial statements. In reaching this conclusion the Directors have had regard to the potential impact on the Company of the current economic and geopolitical climate.

The principal accounting policies have remained unchanged from those set out in the Company's 2025 Annual Report and Accounts.

2. Publication of non-statutory accounts

The unaudited half-yearly report for the six months ended 31 May 2026 does not constitute statutory accounts within the meaning of Section 415 of the Companies Act 2006. The comparative figures for the year ended 30 November 2025 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditor's report on those financial statements, in accordance with chapter 3, part 16 of the Companies Act 2006, was unqualified.

3. Earnings per share

The earnings per share at 31 May 2026 are calculated on the basis of 212,395,356 shares (31 May 2025: 204,542,613 and 30 November 2025: 207,798,492), being the weighted average number of shares in issue during the period.

There are no potentially dilutive capital instruments in issue and, so no diluted returns per share figures are relevant.

4. Net asset value per share

The net asset value per share is based on net assets as at 31 May 2026 divided by 221,296,307 shares in issue at that date (31 May 2025: 212,855,191 and 30 November 2025: 209,759,363).

5. Dividends

The Directors have declared an interim dividend of 1.1p per share (2025: 1.8p per share) payable from the special distributable reserve. This dividend will be paid on 26 November 2026 to those shareholders on the register at 6 November 2026. The 2026 AGM approved final dividend of 1.8p per share was paid on 29 May 2026.

6. Buybacks and share issues

During the six months ended 31 May 2026 the Company repurchased the following shares:

Date	No. of shares	Price (p)	Cost (£)
18 December 2025	1,968,953	35.4	697,000
22 January 2026	1,455,988	36.2	527,000
19 February 2026	877,140	35.5	311,000
19 March 2026	869,270	31.1	270,000
23 April 2026	678,509	31.8	216,000
21 May 2026	1,156,111	30.1	348,000
Total	7,005,971		2,369,000

The weighted average price of all buybacks during the period was 34.6p per share.

Condensed notes to the financial statements continued

During the six months ended 31 May 2026 the Company issued the following shares:

Date	No. of shares	Price (p)	Net proceeds (£)
9 March 2026	8,227,930	36.8	3,028,000
26 March 2026	2,393,872	31.2	747,000
1 April 2026 (DRIS)	4,292,426	31.0	1,331,000
3 April 2026	1,355,692	31.1	422,000
15 May 2026	49,611	31.6	16,000
29 May 2026 (DRIS)	2,226,384	31.6	704,000
Total	18,545,915		6,248,000

Excluding the value of shares issued under the DRIS, the total value of shares issued net of share issue costs was £4,213,000 (31 May 2025: £8,303,000 and 30 November 2025: £7,601,000). This is shown in the Cash Flow Statement.

7. Principal risks and uncertainties

The Company's principal risks are: Investment risk, VCT qualifying status risk, Operational risk, Cyber and information security risk, Valuation risk, Legislative risk, Liquidity risk and Economic risk. These risks, and the way in which they are managed, are described in more detail in the Company's Annual Report and Accounts for the year ended 30 November 2025. The Board has also considered emerging risks, including geo-political tensions, adverse changes in the global macroeconomic environment and climate change, which the Board seeks to mitigate by setting policy and reviewing performance. Otherwise, the Company's principal risks and uncertainties have not changed materially since the date of that report.

8. Related party transactions

The Company has employed Octopus Investments Limited ('Octopus' or the 'Investment Manager') throughout the period as Investment Manager. Octopus has also been appointed as Custodian of the Company's investments under a Custodian Agreement. The Company has been charged £702,000 by Octopus as a management fee in the period to 31 May 2026

(31 May 2025: £631,000 and 30 November 2025: £1,303,000). The management fee is payable quarterly and is based on 2% of net assets measured at quarterly intervals.

The Company receives a reduction in the management fee for the investments in other Octopus managed funds, being the FP Octopus UK Multi Cap Income Fund, FP Octopus UK Micro Cap Growth Fund and FP Octopus UK Future Generations Fund, to ensure the Company is not double charged on these products. This amounted to £25,000 in the period to 31 May 2026 (31 May 2025: £27,000 and 30 November 2025: £54,000). For further details please refer to the Company's Annual Report and Accounts for the year ended 30 November 2025. Details of amounts invested in Octopus managed funds can be found on page 27.

9. Post-balance sheet events

The following events occurred between the balance sheet date and the signing of these financial statements:

- On 18 June 2026, the Company purchased for cancellation 802,568 Ordinary shares at a price of 30.6p.

10. Fixed asset investments

Accounting policy

The Company's principal financial assets are its investments and the policies in relation to those assets are set out below.

Purchases and sales of investments are recognised in the financial statements at the date of the transaction (trade date).

These investments will be managed and their performance evaluated on a fair value basis in accordance with a documented investment strategy and information about them has to be provided internally on that basis to the Board. Accordingly, as permitted by FRS 102, the investments are measured as being fair value through profit or loss (FVTPL) on the basis that they qualify as a group of assets managed, and whose performance is evaluated, on a fair value basis in accordance with a documented investment strategy. The Company's investments are measured at subsequent reporting dates at fair value.

In the case of investments quoted on a recognised stock exchange, fair value is established by reference to the closing bid price on the relevant date or the last traded price, depending

Condensed notes to the financial statements continued

upon convention of the exchange on which the investment is quoted. In the case of unquoted investments and loan notes, fair value is established by assessing different methods of valuation, such as price of recent transaction, earnings or revenue-based multiples, discounted cash flows and net assets. Where price of recent investment is used as a starting point for estimating fair value at subsequent measurement dates, this has been benchmarked using an appropriate valuation technique. These methodologies are consistent with International Private Equity and Venture Capital Valuation (IPEV) guidelines.

Gains and losses arising from changes in fair value of investments are recognised as part of the capital return within the Income Statement and allocated to the capital reserve unrealised. The Investment Manager reviews changes in fair value of investments for any permanent reductions in value and will give consideration to whether these losses should be transferred to the capital reserve realised.

In the preparation of the valuations of assets the Directors are required to make judgements and estimates that are reasonable and incorporate their knowledge of the performance of the investee companies.

Fair value hierarchy

Paragraph 34.22 of FRS 102 suggests following a hierarchy of fair value measurements, for financial instruments measured at fair value in the balance sheet, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). This methodology is adopted by the Company and requires disclosure of financial instruments to be dependent on the lowest significant applicable input, as laid out below:

Level 1: The unadjusted, fully accessible and current quoted price in an active market for identical assets or liabilities that an entity can access at the measurement date.

Level 2: Inputs for similar assets or liabilities other than the quoted prices included in Level 1 that are directly or indirectly observable, which exist for the duration of the period of investment.

Level 3: This is where inputs are unobservable, where no active market is available and recent transactions for identical instruments do not provide a good estimate of fair value for the asset or liability.

There have been no reclassifications between levels in the period. The change in fair value for the current and previous period is recognised through the profit and loss account.

Disclosure

	Level 1: Quoted equity investments £'000	Level 3: Unquoted investments £'000	Total £'000
Cost at 1 December 2025	43,028	3,487	46,515
Opening unrealised (loss)/gain at 1 December 2025	(6,462)	9,727	3,265
Valuation at 1 December 2025	36,566	13,214	49,780
Purchases at cost	4,904	60	4,964
Disposal proceeds	(2,407)	(9,301)	(11,708)
Loan to equity conversion	200	(200)	–
Gain/(loss) on realisation of investments	81	(119)	(38)
Change in fair value in period	(291)	788	497
Valuation at 31 May 2026	39,053	4,442	43,495
Cost at 31 May 2026	42,665	7,946	50,611
Closing unrealised (loss)/gain at 31 May 2026	(3,612)	(3,504)	(7,116)
Valuation at 31 May 2026	39,053	4,442	43,495

Condensed notes to the financial statements continued

Level 1 valuations are valued in accordance with the bid price on the relevant date. Further details of the fixed asset investments held by the Company are shown within the Interim Management Report.

Level 3 investments are reported at fair value in accordance with FRS 102 Sections 11 and 12, which is determined in accordance with the latest IPEV guidelines. In estimating fair value, there is an element of judgement, notably in deriving reasonable assumptions, and it is possible that, if different assumptions were to be used, different valuations could have been attributed to some of the Company's investments.

Level 3 investments include £600,000 (31 May 2025: £800,000 and 30 November 2025: £800,000) of convertible loan notes held at cost, which is deemed to be current fair value. In addition to this the Company holds nine unquoted investments which are classified as level 3 in terms of fair value hierarchy. These are valued based on a range of valuation methodologies,

determined on an investment specific basis. The price of recent investment is used where a transaction has occurred sufficiently close to the reporting date to make this the most reliable indicator of fair value. Where recent investment is not deemed to indicate the most reliable indicator of fair value (i.e. the most recent investment is too distant from the reporting date for this to be deemed a reasonable indicator), other market based approaches including earnings multiples, annualised recurring revenues, discounted cashflows or net assets are used to determine a fair value for the investments.

All capital gains or losses on investments are classified at Fair Value Through Profit or Loss (FVTPL). Given the nature of the Company's venture capital investments, the changes in fair value of such investments recognised in these financial statements are not considered to be readily convertible to cash in full at the balance sheet date and accordingly these unrealised gains and losses are treated as holding gains or losses.



Investment portfolio

The table below sets out the portfolio as at 31 May 2026. Details of the top ten investments can be found on page 10.

Portfolio company	Sector	Book cost as at 31 May 2026 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2026 £'000	Fair value movement in year £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2 plc NAV
Quoted investments								
Animalcare Group plc	Pharmaceuticals and Biotechnology	824	2,063	2,887	718	1.27%	5.68%	4.11%
Netcall plc	Software and Computer Services	356	2,302	2,658	173	1.27%	11.88%	3.78%
Craneware plc	Health Care Providers	479	1,834	2,313	(1,078)	0.46%	7.34%	3.29%
Abingdon Health plc	Medical Equipment and Services	1,677	375	2,052	892	7.06%	17.65%	2.92%
Aurrigo International plc	Technology Hardware and Equipment	1,105	651	1,756	125	2.81%	11.56%	2.50%
Ixico plc	Pharmaceuticals and Biotechnology	1,894	(512)	1,382	(118)	7.66%	19.15%	1.97%
Haydale plc	Industrial Materials	1,861	(511)	1,350	(30)	5.34%	13.35%	1.92%
Vertu Motors plc	Retailers	777	552	1,329	135	0.60%	1.46%	1.89%
GB Group plc	Software and Computer Services	337	962	1,299	(99)	0.24%	1.48%	1.85%
Pathos Communications plc	Media	1,200	80	1,280	80	6.00%	15.00%	1.82%
SDI Group plc	Electronic and Electrical Equipment	119	1,101	1,220	149	1.42%	3.56%	1.73%
Eden Research plc	Chemicals	1,880	(672)	1,208	76	4.56%	11.40%	1.72%
Diaceutics plc	Health Care Providers	620	538	1,158	(65)	0.96%	2.86%	1.65%
Judges Scientific plc	Electronic and Electrical Equipment	157	954	1,111	(253)	0.38%	0.95%	1.58%
PCI-Pal plc	Software and Computer Services	863	244	1,107	–	3.12%	8.97%	1.57%

Investment portfolio continued

Portfolio company	Sector	Book cost as at 31 May 2026 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2026 £'000	Fair value movement in year £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2 plc NAV
Brooks Macdonald Group plc	Investment Banking and Brokerage Services	610	394	1,004	(191)	0.46%	1.61%	1.43%
EKF Diagnostics Holdings plc	Medical Equipment and Services	737	210	947	76	0.84%	1.85%	1.35%
Vulcan Two Group plc	Personal Care, Drug and Grocery Stores	720	216	936	216	1.32%	15.06%	1.33%
The Beauty Tech Group plc	Personal Care, Drug and Grocery Stores	740	132	872	129	0.24%	1.57%	1.24%
Quantum Base Holdings plc	Technology Hardware and Equipment	800	38	838	38	4.52%	11.29%	1.19%
Beeks Financial Cloud Group plc	Software and Computer Services	272	532	804	(353)	0.79%	1.98%	1.14%
Applied Nutrition plc	Food Producers	331	339	670	182	0.11%	0.40%	0.95%
Gear4music Holdings plc	Leisure Goods	353	218	571	(160)	1.21%	3.02%	0.81%
JTC plc	Investment Banking and Brokerage Services	401	148	549	19	0.02%	0.06%	0.78%
Cranswick plc	Food Producers	404	90	494	29	0.02%	0.05%	0.70%
Illica plc	Electronic and Electrical Equipment	706	(213)	493	(98)	0.78%	4.12%	0.70%
Wise plc	Industrial Support Services	364	128	492	39	0.01%	0.02%	0.70%
Cambridge Cognition Holdings plc	Health Care Providers	717	(240)	477	68	2.92%	7.31%	0.68%
Gamma Communications plc	Telecommunications Service Providers	183	276	459	9	0.05%	0.33%	0.65%
TPXimpact Holdings plc	Software and Computer Services	653	(194)	459	326	0.93%	3.89%	0.65%

Investment portfolio continued

Portfolio company	Sector	Book cost as at 31 May 2026 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2026 £'000	Fair value movement in year £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2 plc NAV
Itaconix plc	General Industrials	1,059	(643)	416	(62)	3.08%	7.87%	0.59%
Windar Photonics plc	Electronic and Electrical Equipment	624	(211)	413	(351)	1.59%	3.97%	0.59%
Bloomsbury Publishing Plc	Media	419	(28)	391	93	0.07%	1.51%	0.56%
Nexseq plc	Technology Hardware and Equipment	338	29	367	(279)	1.36%	3.39%	0.51%
Tan Delta Systems plc	Electronic and Electrical Equipment	302	58	360	12	1.59%	3.97%	0.51%
Equipmake Holdings plc	Electronic and Electrical Equipment	1,414	(1,094)	320	(352)	2.85%	7.13%	0.46%
MyCelx Technologies Corporation	Electronic and Electrical Equipment	980	(660)	320	168	2.23%	27.13%	0.46%
KRM 22 plc	Software and Computer Services	618	(367)	251	(78)	1.46%	3.64%	0.35%
Oberon Investments Group plc	Investment Banking and Brokerage Services	576	(331)	245	(221)	1.53%	8.31%	0.35%
DP Poland plc	Travel and Leisure	678	(457)	221	(16)	0.33%	0.84%	0.31%
Bytes Technology Group plc	Software and Computer Services	326	(109)	217	13	0.02%	0.10%	0.31%
GENinCode plc	Medical Equipment and Services	1,654	(1,443)	211	(233)	2.81%	7.02%	0.29%
GETECH Group plc	Oil, Gas and Coal	200	–	200	10	6.56%	16.40%	0.28%
Crimson Tide plc	Software and Computer Services	378	(252)	126	44	1.92%	4.79%	0.18%
Creo Medical Group plc	Medical Equipment and Services	981	(871)	110	32	0.17%	1.43%	0.16%
Velocity Composites plc	Aerospace and Defense	533	(433)	100	–	1.15%	2.87%	0.14%
Gelion plc	Electronic and Electrical Equipment	760	(671)	89	(13)	0.23%	0.57%	0.12%

Investment portfolio continued

Portfolio company	Sector	Book cost as at 31 May 2026 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2026 £'000	Fair value movement in year £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2 plc NAV
XP Factory PLC	Travel and Leisure	659	(573)	86	32	0.28%	0.69%	0.12%
Mears Group plc	Industrial Support Services	51	26	77	11	0.02%	0.17%	0.11%
Rosslyn Data Technologies plc	Software and Computer Services	779	(703)	76	(59)	3.58%	8.95%	0.11%
Fusion Antibodies plc	Health Care Providers	497	(426)	71	–	0.52%	1.31%	0.10%
Feedback plc	Medical Equipment and Services	1,000	(946)	54	2	1.53%	3.83%	0.08%
Verici Dx plc	Pharmaceuticals and Biotechnology	1,044	(1,010)	34	(22)	0.57%	1.42%	0.05%
Strip Tinning Holdings plc	Electronic and Electrical Equipment	337	(304)	33	(13)	1.00%	2.50%	0.05%
DXS International plc	Software and Computer Services	200	(175)	25	(5)	3.62%	9.05%	0.04%
Northcoders Group plc	Software and Computer Services	253	(232)	21	(7)	1.05%	2.63%	0.03%
TheraCryf plc	Pharmaceuticals and Biotechnology	700	(680)	20	4	0.41%	1.02%	0.03%
ENGAGE XR Holdings plc	Software and Computer Services	1,253	(1,235)	18	(34)	1.96%	12.14%	0.02%
Bow Street Group plc	Travel and Leisure	336	(333)	3	(1)	0.05%	0.10%	0.01%
Genedrive Plc	Pharmaceuticals and Biotechnology	145	(142)	3	–	0.01%	0.03%	0.01%
Metir plc	Electronic and Electrical Equipment	922	(922)	–	–	0.01%	0.02%	0.00%
Sorted Group Holdings plc	Software and Computer Services	509	(509)	–	–	0.01%	0.01%	0.00%
Total quoted investments		42,665	(3,612)	39,053	(291)			55.53%

Investment portfolio continued

Portfolio company	Sector	Book cost as at 31 May 2026 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2026 £'000	Fair value movement in year £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2 plc NAV
Unquoted equity investments								
Popsa Holdings Ltd	Unquoted Investment	1,060	2,522	3,582	788	4.14%	10.34%	5.09%
Alusid Limited	Unquoted Investment	260	–	260	–	2.58%	6.47%	0.37%
Airnow plc	Unquoted Investment	838	(838)	–	–	0.27%	0.70%	0.00%
Rated People Ltd	Unquoted Investment	236	(236)	–	–	0.07%	0.32%	0.00%
Enteq Upstream plc	Unquoted Investment	687	(687)	–	–	0.66%	1.65%	0.00%
Cloudified Holdings Limited	Unquoted Investment	600	(600)	–	–	1.34%	3.36%	0.00%
ReNeuron Group plc	Unquoted Investment	990	(990)	–	–	2.02%	5.06%	0.00%
Trackwise Designs plc	Unquoted Investment	1,289	(1,289)	–	–	0.28%	0.70%	0.00%
LungLife AI Inc	Unquoted Investment	1,386	(1,386)	–	–	2.57%	6.42%	0.00%
Total unquoted equity investments		7,346	(3,504)	3,842	788			5.46%
Loan notes								
Strip Tinning Holdings plc	Unquoted Investment	600	–	600	–			0.85%
Total loan notes		600	–	600	–			0.85%

Investment portfolio continued

Portfolio company	Sector	Book cost as at 31 May 2026 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2026 £'000	Fair value movement in year £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2 plc NAV
Current asset investments								
FP Octopus UK Micro Cap Growth Fund		4,312	653	4,965	603			7.06%
FP Octopus UK Multi Cap Income Fund		1,523	381	1,904	(5)			2.71%
FP Octopus UK Future Generations Fund		1,684	14	1,698	78			2.41%
Total current asset investments		7,519	1,048	8,567	676			12.18%

Glossary of terms

Alternative performance measure (APM)

A financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. These APMs will help shareholders to understand and assess the Company's progress. A number of terms within this glossary have been identified as APMs.

Net asset value or NAV

The value of the VCT's total assets less liabilities. It is equal to the total shareholders' funds.

Net asset value per share or NAV per share

The NAV per share of the Company is the sum of the underlying assets less the liabilities of the Company divided by the total number of shares in issue.

NAV Total return (APM)

Total return is calculated as movement in NAV per share in the period plus dividends paid in the period. Total return per share enables shareholders to evaluate more clearly the performance of the Company, as it reflects the underlying value of the portfolio at the reporting date.

Total return % (APM)

Total return % is calculated as movement in NAV per share in the period plus dividends paid in the period, divided by the NAV per share at the beginning of the period. Total return % on the NAV per share enables shareholders to evaluate more clearly the performance of the Company, as it reflects the underlying value of the portfolio at the reporting date.

Dividend yield (APM)

Dividend yield is calculated as dividends paid in the period divided by the prior year closing share price.

Money Market Fund (MMF)

A mutual fund that invests in highly liquid, short term instruments. These instruments include cash, cash equivalent securities, and high credit rating debt based securities with a short term maturity. They are intended to offer investors high liquidity with a low level of risk.

Open Ended Investment Company (OEIC)

A type of investment fund that invests in equities, bonds and other securities. The price of the shares is based on the underlying assets of the fund. These are highly liquid as new shares can be created to meet investor demand and the fund will cancel shares of investors who exit the fund.



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