Octopus Inheritance Tax Service and OITSPlus

For professional advisers and paraplanners only. Not to be relied upon by retail investors.

octopus investments
A brighter way

Quarterly update

July 2026



Ed Fellows, Head of the Octopus Inheritance Tax Service

This quarterly update covers developments up until the end of June. You can always find the most up to date information at octopusinvestments.com/investments/oits-updates/.

Fern Trading Limited (Fern) remains purposefully deployed across three key sectors underpinned by strong demand that are important for powering the UK economy. Its focus on essential, real world assets continues to position the portfolio for resilient returns over the long term. As we have noted before, private market investing naturally involves periods of valuation movement, and this quarter has again reflected a mix of stable, cash generative businesses alongside areas where we are taking a deliberately cautious view. We remain confident in our disciplined approach and the underlying strength of the assets.

Renewable energy: a stable, cash generative foundation

Energy continued to provide a reliable source of cash generation over the period and was broadly stable in value. Trading was supported by firm pricing and by strong performance from the UK wind portfolio, with the year to date position remaining broadly in line with expectations despite some localised generation variances. The team continues to optimise its power purchase agreement strategy and to lock in prices where possible.

There were a number of regulatory developments affecting the wider renewable sector during the quarter, including changes to how certain government backed revenues are calculated, a business rates revaluation, and further policy consultations. Some of these could, over time, increase revenue certainty. We are actively engaging on these matters, and the effects will be reflected through the normal valuation cycle. Overall, energy continues to play an important role as a stable, cash generative anchor within the Fern portfolio.



Beinneun wind farm

In this quarterly update, you'll find information on the Octopus Inheritance Tax Service, OITSPlus and Fern Trading Limited (Fern). Fern is a company that all investors in these Services hold shares in. Please note that Fern's performance should not be viewed as performance information for the Octopus Inheritance Tax Service or OITSPlus. These investments are high risk and place investors' capital at risk, and the tax benefits associated with Business Relief investing are contingent on personal circumstances and qualifying criteria. Please see **page 4** for the key risks associated with the Service.

32,814
Total investors (all time).

£88.1m
Liquidity provided this quarter.

7,815
Number of estates able to claim BR since inception.

28 days
Average time to satisfy withdrawal request for this quarter.

Real estate: resilience through active management

Property lending

The specialist real estate lending team remains focused on recovery and hands on loan management. During the period a significant loan was successfully redeemed, which was a positive outcome given its previous position and underlines the value of having an experienced team actively managing a large and diversified loan book. Origination conditions remained competitive, and the team has been asked to explore opportunities to increase lending activity where appropriate. A small number of provisions were taken during the period in the ordinary course of prudent loan management.

Housebuilding (Elivia Homes)

Trading conditions remained challenging. After a more encouraging start earlier in the year, sales activity softened, reflecting wider uncertainty in the UK housing market and the effect of the interest rate environment on buyer demand. Management's focus remains firmly on liquidity and cash generation: selling completed homes, managing finished stock carefully, and pacing new starts and land commitments rather than accelerating activity. Any discounting of stock is being used tactically rather than strategically. This cautious approach is reflective of prevailing conditions across the sector.



Elivia Homes

Retirement living (Rangeford Villages)

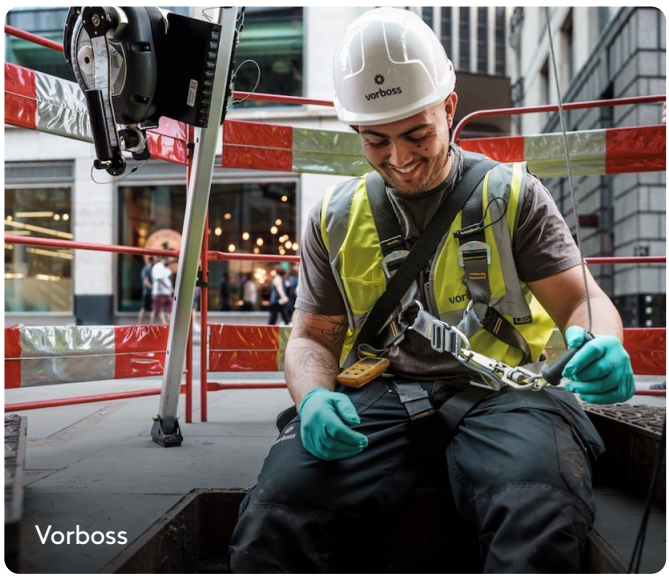
Rangeford performed comparatively well over the period, with sales holding up relatively positively against a subdued wider retirement living market. Management's focus remained on optimising cash and carefully managing the build-up of completed stock, alongside continued progress across the development pipeline. This approach reflects a prudent, cash conscious stance in the current environment while preserving longer term value.

Fibre: a deliberate transition towards wholesale

Fibre remains the most complex and challenging part of the portfolio, and its valuation was reduced further during the period to reflect ongoing uncertainty in the wider broadband market, where competition is strong and some smaller providers continue to struggle. This is a prudent adjustment reflecting market conditions rather than a deterioration in the quality of the underlying infrastructure.

Operationally, the strategy continues to evolve. The focus is shifting away from direct to consumer retail activity towards a wholesale model, selling capacity to established internet service providers through Fern Fibre Trading Limited's Aquila platform. During the quarter the business made further progress in exiting retail exposure while retaining wholesale value, and secured new wholesale customer commitments that support momentum for the platform. This transition is expected to reduce risk and operating costs over time and to create a more resilient long term business.

At London based enterprise fibre business Vorboss, there is a continued focus on operational efficiency and completing installations.

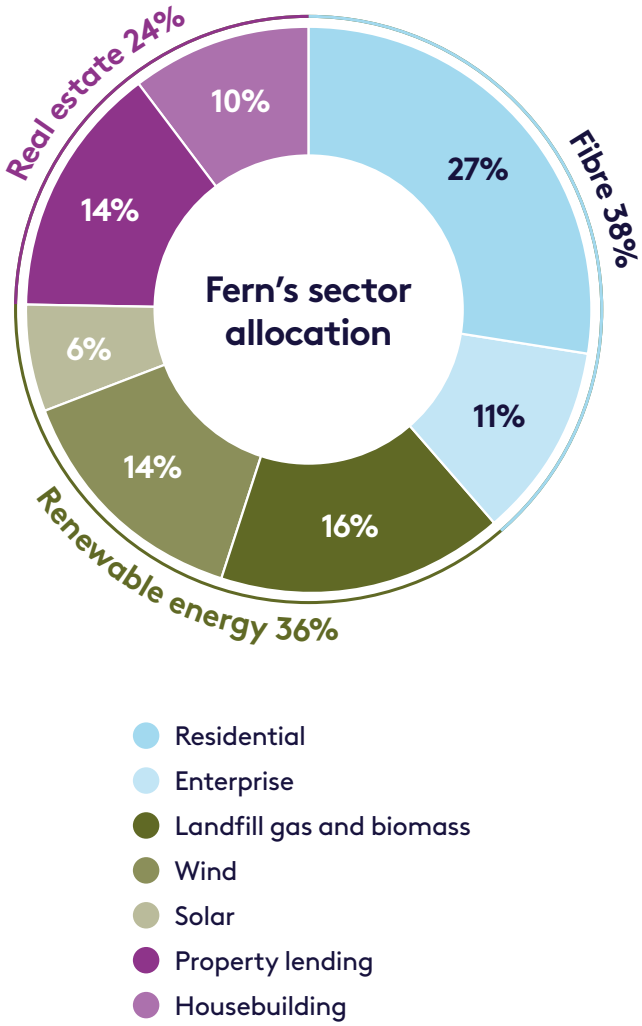


Vorboss

Fern's business strategy

Fern is a £3.3 billion trading group that operates in sectors where Octopus has extensive experience. Fern has been trading for over 16 years. In times of economic uncertainty, being well-diversified is important to help mitigate volatility and concentration risk. The group comprises of nearly 320 subsidiary companies with its business split across three key sectors and around 330 assets. By carefully selecting a blend of businesses that work together, Fern can target long-term growth and offer a genuinely diverse business strategy to investors.

Fern has a diverse business strategy



Please note: This chart details Fern's business as at 30 June 2026. This will change over time and could include sectors not currently shown here. Numbers may not sum due to rounding.

38% Fibre

2	Fibre companies

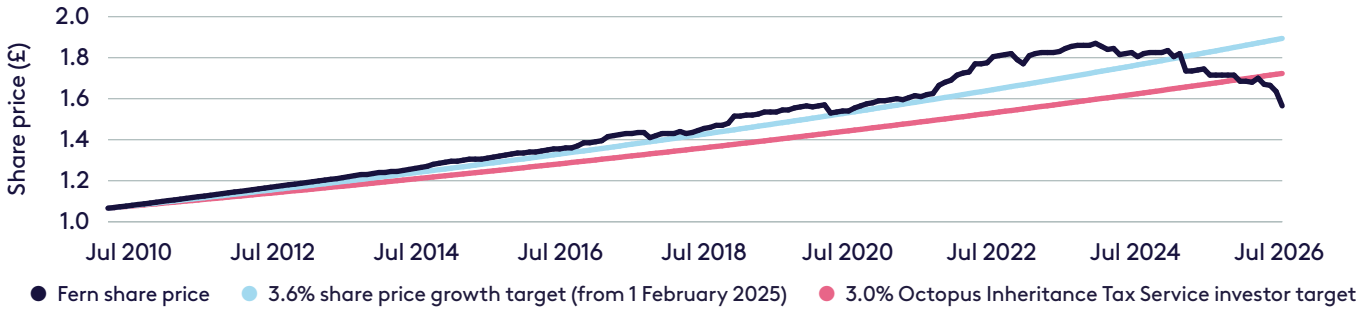
36% Renewable energy

151	Solar sites
19	Wind farms (206 wind turbines)
19	Landfill gas sites
6	Biomass sites
1	Energy from waste plant

24% Real Estate

130	Short-term property loans
1	Housebuilding business
1	Retirement living business

Fern share price since inception (£)



Fern discrete annual performance (%)

Jul-26	Jul-25	Jul-24	Jul-23	Jul-22	Jul-21	Jul-20	Jul-19	Jul-18	Jul-17	Jul-16	Jul-15	Jul-14	Jul-13	Jul-12
-8.75	-4.99	-2.16	2.22	12.11	4.55	0.32	5.50	1.75	5.54	3.43	3.97	3.70	4.05	4.06

Fern average annualised performance (%)

Since inception: 2.39%

1 yr	2 yr	3 yr	4 yr	5 yr	6 yr	7 yr	8 yr	9 yr	10 yr	11 yr	12 yr	13 yr	14 yr	15 yr
-8.75	-6.89	-5.33	-3.50	-0.57	0.27	0.28	0.91	1.01	1.45	1.63	1.82	1.97	2.11	2.24

Past performance is not a reliable indicator of future results. Performance is calculated based on the share price for Fern's shares at 1 July each year. The performance data in the table and graph here show Fern's share price only. They do not take account of initial fees, dealing fees or annual management charges associated with investing in the Octopus Inheritance Tax Service or OITSPlus. They should not be viewed as performance information for the Octopus Inheritance Tax Service. For more shareholder information please **visit Fern's website**.

Key risks of the Octopus Inheritance Tax Service and OITSPlus

- These are high risk investments. The value of an Octopus Inheritance Tax Service investment can fall as well as rise. Investors may not get back the full amount they invest.
- Tax treatment depends on individual circumstances and tax rules could change in the future.
- Tax relief depends on portfolio companies maintaining their qualifying status.
- The shares of unquoted companies could fall or rise in value more than shares listed on the main market of the London Stock Exchange. They may also be harder to sell.
- For OITSPlus investors, the benefits offered by Octopus' Insurance Policy only apply to eligible deaths. Ineligible deaths, or a misrepresentation in the health declaration could result in the Insurer refusing to settle a claim under the Insurance Policy.

0800 316 2067
support@octopusinvestments.com
octopusinvestments.com

Octopus Investments,
33 Holborn,
London EC1N 2HT

This document does not constitute tax or investment advice. Issued by Octopus Investments Limited, which is authorised and regulated by the Financial Conduct Authority. Registered office: 33 Holborn, London, EC1N 2HT. Registered in England and Wales No. 03942880. We record telephone calls. Issued: August 2026. CAM015991-2608.