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A brighter way

Backing Britain's brightest businesses

Octopus Titan VCT plc

Unaudited half-yearly report for the
six months ended 30 June 2022

Find it fast

Interim management report

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Titan's mission is to invest in the people, ideas and industries that will change the world.

Octopus Titan VCT plc ('Titan') has earned a reputation for backing pioneering entrepreneurs. It invests in companies that are using technology to shape the future.

Key dates

| | |
|--|------------------|
| Interim dividend payment date | 22 December 2022 |
| Annual results for the year ended 31 December 2022 | April 2023 |
| Annual report and financial statements published | April 2023 |

Highlights

| | | |
|---|--|--|
| <p>Net assets (€'000)</p> <p>€1,180,101</p> <p>HY2021: €1,275,105 FY2021: €1,373,041</p> | <p>(Loss)/profit after tax (€'000)</p> <p>€(148,242)</p> <p>HY2021: €218,580 FY2021: €216,557</p> | <p>NAV/share</p> <p>91.3p</p> <p>HY2021: 113.9p FY2021: 105.7p</p> |
| <p>NAV + cumulative dividends</p> <p>186.3p</p> <p>HY2021: 197.9p FY2021: 197.7p</p> | <p>Total return (p)¹</p> <p>(11.4)p</p> <p>HY2021: 19.9p FY2021: 19.7p</p> | <p>Total return %²</p> <p>(10.8)%</p> <p>HY2021: 20.5% FY2021: 20.3%</p> |
| <p>Dividends paid in the year</p> <p>3.0p</p> <p>HY2021: 3.0p FY2021: 11.0p</p> | <p>Dividend yield %³</p> <p>2.8%</p> <p>HY2021: 3.0% FY2021: 11.3%</p> | <p>Dividend declared</p> <p>2.0p</p> <p>HY2021: 8.0p FY2021: 3.0p</p> |

1. Total return is an alternative performance measure, calculated as movement in NAV per share in the period plus dividends paid in the period.

2. Total return % is an alternative performance measure, calculated as total return/opening NAV.

3. Dividend yield is an alternative performance measure, calculated as dividends paid/opening NAV.

Titan's portfolio

Octopus' investment team is split into five areas of focus to reach and serve the best entrepreneurs out there. Each specialist investment team nurtures the depth of knowledge and connections necessary to help these pioneers build world-changing companies.



Chair's statement



Tom joined the Titan board in August 2018 and was Chair of the Audit Committee from June 2021 to June 2022, at which date he succeeded John Hustler as Chair. He has over 30 years of private equity experience and is currently the Head of Caledonia Private Capital (part of Caledonia Investments plc). Tom is a Non-Executive Director of Stonehage Fleming Family & Partners Limited and Seven Investment Management. Separately, he is Non-Executive Chair of Penox Group GmbH.

I am pleased to present the unaudited half-yearly report for Titan for the six months ended 30 June 2022, in my first letter to you as Chair, having taken over from John Hustler in June 2022.

The net asset value (NAV) per share at 30 June 2022 was 91.3p which, adjusting for dividends paid of 3.0p per share in May 2022, represents a net decrease of 11.4p per share from 31 December 2021. The Total Value (NAV plus cumulative dividends paid per share since launch) at the end of the period was 186.3p (31 December 2021: 197.7p). This decline is, of course, disappointing but reflects the difficult global macro environment we are now facing and follows a record year in 2021 in terms of both exit proceeds and total return. The Octopus team is closely monitoring the portfolio to help support the companies we invest in through these more challenging times. Despite the recent decrease in NAV, the tax-free annual compound return for the original shareholders since Titan's launch in October 2007 is 4.9%.

We were pleased to raise over £200 million in our most recent fundraise which closed in November 2021 and, on 17 June 2022, we announced our intention to launch a new offer for subscription later this calendar year.

As at 30 June 2022, we had uninvested cash reserves of almost £204 million¹ (£381 million as at 31 December 2021) to allow us to support our existing portfolio of 117 companies, as well as make new investments into early-stage, high growth businesses which we believe embody the objectives of the VCT scheme.

In the six months to 30 June 2022, we utilised £212.2 million of our cash resources, comprising £77.5 million in new and follow-on investments, £28.9 million in dividends, £18.3 million in share buybacks and £87.5 million in investment manager fees and other running costs (of which £63.9 million was the 2021 performance incentive fee). Together, this utilised 56% of our cash and cash equivalents at 31 December 2021.

Dividends

As shareholders will know, our target is to pay an annual dividend of 5.0p per share, supplemented by special dividends when appropriate. Following careful consideration, I am pleased to confirm that the Titan Board has now decided to declare an interim dividend of 2.0p per share (2021: 2.0p per share supplemented by a special dividend of 6.0p per share), which will be paid on 22 December 2022 to shareholders on the register as at 9 December 2022.

If you are one of the 27% of shareholders who take advantage of the Dividend Reinvestment Scheme (DRIS), your dividend will be receivable in Titan shares. This is an excellent way to achieve your investment objectives for those of you who prefer the capital value of your investment to grow.

1. The cash reserves include £10.6 million of cash at bank, £88.3 million of money market funds and £104.8 million of corporate bonds as set out in the balance sheet on page 17.

Chair's statement continued

Principal risks and uncertainties

The Board continues to review the risk environment in which Titan operates on a regular basis. There have been no significant changes to the key risks which were described on pages 46 to 49 of the annual report for the year ended 31 December 2021. Directionally, however, risks are seen to be increasing rather than reducing in the categories of investment performance, economic and valuation.

Outlook

The economic backdrop of 2022 is very different to that which we have experienced over the last three years, even when considering the Covid-19 pandemic. The realities of the conflict in Ukraine, cost of living crisis, high inflation rates and central banks raising interest rates will continue to have a significant impact across all markets, including that for early-stage venture investments. However, thanks to the support from our shareholders through the most recent fundraises and the diversity of the portfolio in terms of sector, stage and vintage, Titan is well placed and we are reassured that over 85% of the portfolio companies have more than 12 months cash runway available to them to support them through this more turbulent period. The Board believes Titan is in a position of strength to navigate the current situation, and in fact take advantage of opportunities as they present themselves.

We continue to believe that change can also create opportunities, especially for early-stage, agile businesses offering new technologies. We also know from experience that many of the most successful companies in history were founded in recessionary environments. In the short term, some portfolio companies will face increased headwinds which will require more dedicated support to navigate: the Octopus team is well placed to offer this with its Talent team and 39 strong investment team to offer direct guidance and support. The long-term view of early-stage venture capital remains extremely positive. We believe that innovation will continue at pace, thanks to the powerful combination of exceptional entrepreneurs, experienced talent and pain points not being appropriately addressed by the status quo. We will continue to strive to back the people, ideas and industries that will change the world.

Even during these turbulent times, I am pleased to report that Titan has completed four profitable disposals in the year to date: one partial and two full disposals in the six months to June 2022, and a full disposal post the reporting period. Each are covered in more detail in the Portfolio Manager's report on page 8. Titan invested £77.5 million in new and follow-on opportunities in the six months to 30 June 2022, which brings the total number of companies in the portfolio to 117 at 30 June 2022.

The diversity and volume of exciting new investments completed, and the upcoming pipeline of opportunities, is testament to the work the investment team continues to put into sourcing, securing and working with such businesses successfully. VCTs have long provided a compelling opportunity for UK investors to provide funding for businesses in a tax-efficient way, and we look forward to Titan continuing to do so in the coming year.

On behalf of shareholders and other Board members, I would like to take this opportunity to thank John for his insightful contributions and commitment to the Board throughout his fifteen year tenure as Chair. I would also like to thank the Board and the Octopus team on behalf of all shareholders for their hard work.



Tom Leader
Chair

20 September 2022

Titan's objectives

1 Invest in pioneering companies

Titan's investment strategy aims to back the next generation of entrepreneurs leading technology and tech-enabled businesses in five dedicated areas – health, fintech, deep tech, consumer and business-to-business software.

2 Long-term sustainability of the VCT

Over the long term, Titan targets:

- maintaining a NAV per share of at least 90.0p after the payment of dividends;
- generating sufficient cash from realisations within the portfolio to cover share buybacks, dividends and operating costs; and
- capital raised from fundraising predominantly utilised for new and follow-on investments.

3 Regular tax-free dividend

Titan targets regular dividends of 5.0p per annum with the potential to pay special dividends as investments are realised at a significant profit. As at the date of this document, Titan has paid total dividends of 95.0p per share to investors and announced a further 2.0p of dividends for payment in December 2022.

However, this is not a guarantee, and no projection or forecast is expressed or implied.

Operating responsibly

The environmental, social and governance (ESG) policy is set by the Titan Board to identify and manage ESG matters applicable to Titan and its underlying portfolio companies. The policy is implemented by Octopus and is reviewed annually.

The full ESG policy outlining Titan's approach is available here:

octopusinvestments.com/titanvct/esgpolicy/

Octopus initiatives:

Octopus Group is an accredited B Corp and signatory to the internationally recognised Principles for Responsible Investment, demonstrating Octopus' commitment to responsible investment and to creating a more sustainable financial system.

Signatory of:



Female diversity pledge

See more in our Portfolio Manager's review on page 14

Carbon accounting tool

See more in our Portfolio Manager's review on page 14

The Directors consider ESG to be important and believe Titan's portfolio companies should implement a framework to support best practices, which in turn can help create long-term value in the business.

Titan has an ESG policy to make sure ESG factors are considered throughout the investment process. The purpose of the policy is to define Titan's approach to identifying opportunities and mitigating risks that could be financially material to its performance by making sure that ESG considerations are appropriately managed by portfolio companies. The Titan Board acknowledges that given the breadth of Titan's investment activity, ESG risks are diverse and company specific. As the nature of the ESG issues affecting Titan, its investors, and the wider business environment evolves, the Board will revisit and, if appropriate, update the policy. More detail on this approach can be found on pages 36 and 37 in the annual report to 31 December 2021.

Titan's portfolio companies provide information on a range of ESG-focused topics annually. The 2022 survey has shown that 44% of the portfolio consider social and environmental impacts within their decision-making processes and 41% have a mission that targets a specific social or environmental solution; 75% have a Diversity and Inclusion policy; and 46% have a dedicated ESG employee. Since launching the complimentary carbon accounting tool earlier this year, 36% of portfolio companies have registered on the platform and can assess, monitor and understand how to reduce their carbon emissions and ultimately track that reduction. Octopus expects this number to increase over time, and can also use this data to support its portfolio companies to drive meaningful ESG-related change.



Read more about our ESG approach in our annual report or online

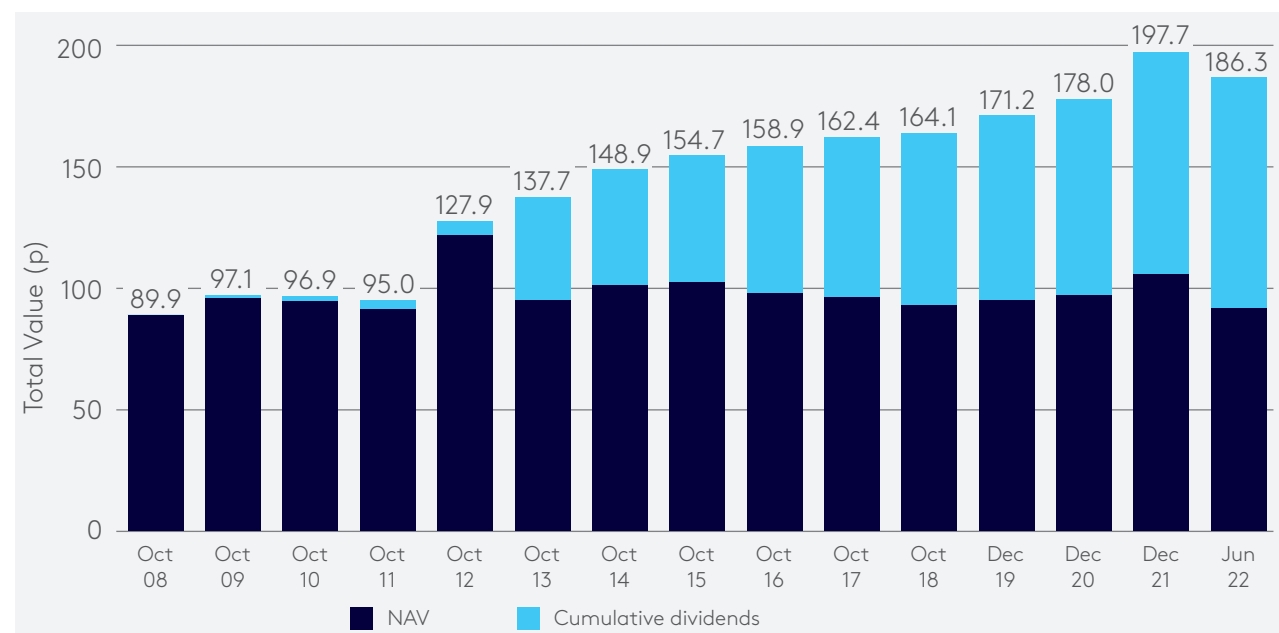
Portfolio Manager's review

Focus on performance

At Octopus, our focus is on managing your investments and providing investors with open communication. Our annual and interim updates are designed to keep you informed about the progress of your investment.

Titan performance

The graph below shows the performance of Titan since 31 October 2008 (Titan's first full year) in net asset value (NAV) per share, dividends paid, and NAV plus cumulative dividends paid per share (Total Value):



107%

increase in Total Value since 2008

95p

dividends paid to date

The Total Value has seen a significant increase since the end of Titan's first year (31 October 2008), as shown on the graph – from 89.9p to 186.3p at 30 June 2022. This represents an increase of 107% in value since Titan's first full year, and dividends paid since inception of 95p. Since Titan launched, a total of over £400 million has been distributed back to shareholders in the form of tax-free dividends. This includes dividends reinvested as part of the DRIS.

Portfolio Manager's review continued

Focus on performance continued

The NAV of 91.3p per share at 30 June 2022 represents a decrease in NAV of 11.4p per share versus a NAV of 105.7p per share as at 31 December 2021 (when adjusted for dividends paid in the period). This decline in NAV is disappointing, especially after such strong performance in 2021, however, as shown in the graphs, the long-term opportunity offered by early-stage venture is still extremely compelling.

The performance over the five years to 30 June 2022 is shown below:

| | Year ended 31 October 2017 | Year ended 31 October 2018 | Period ¹ ended 31 December 2019 | Year ended 31 December 2020 | Year ended 31 December 2021 | Period ended 30 June 2022 |
|---|-------------------------------|-------------------------------|---|--------------------------------|--------------------------------|------------------------------|
| NAV, p | 96.4 | 93.1 | 95.2 | 97.0 | 105.7 | 91.3 |
| Cumulative dividends paid, p | 66.0 | 71.0 | 76.0 | 81.0 | 92.0 | 95.0 |
| Total value, p | 162.4 | 164.1 | 171.2 | 178.0 | 197.7 | 186.3 |
| Total return | 3.6% | 1.8% | 7.6% | 7.1% | 20.3% | (10.8)% |
| Dividend yield | 5.1% | 5.2% | 5.4% | 5.3% | 11.3% | 2.8% |
| Equivalent dividend yield for a higher rate tax payer | 7.6% | 7.7% | 8.0% | 7.8% | 16.8% | 4.2% |

1. Note, the period to December 2019 was 14 months.

The decrease in NAV over the six-month period has largely been driven by the downward valuation movement of £196 million, across 36 companies in the now 117-strong portfolio. Four companies, however, account for a collective decrease in valuation of £124 million. The business that contributed most significantly to this downward movement was Cazoo, which listed on the New York Stock Exchange in August 2021 and whose share price has declined by almost 90% since the start of the year. That being said, from a trading point of view, Cazoo has performed well, delivering revenues of £668 million in 2021 (representing over 300% year-on-year growth), and forecasting revenues of almost £1.5 billion for 2022 (representing almost 125% year-on-year growth). The company announced a Business Realignment Plan in June 2022, which will see them prioritise capital efficiency while working towards profitability in the UK market by late 2023, without requiring any further equity funding.















Other significant negative valuation movements have been recognised at Chronext and The Plum Guide, which have been affected by a more challenging fundraising market for companies with business-to-consumer business models. Finally, Many Pets, Titan's single largest investment, has seen its value drop in the period despite very strong underlying performance, with this decline being driven by a softening of the valuation multiples of comparable companies, which has been reflected in the holding value of the company.

Conversely, 36 companies saw an increase in valuation in the period, delivering a collective increase in valuation of £69 million. These valuation increases reflect businesses which have successfully concluded further funding rounds, grown revenues or met certain important milestones. This further evidences that, even in times of economic decline, there are opportunities available for companies to thrive, and Titan's diverse portfolio allows multiple avenues to be explored. We set out on the next page the cost and valuation of the top 15 holdings, which account for approximately 51% of the value of the portfolio.

The loss on Titan's cash and cash equivalent investments was £11.7 million in the six months to 30 June 2022 (2021: loss of £1.5 million), primarily driven by fair value movements in the corporate bond portfolio. The Board's objective for these investments is to generate sufficient returns through the cycle to cover costs, at limited risk to capital.

Portfolio Manager's review continued

Top 15 investments

| | Company | Cost | Valuation at 30 June 2022 | Investment focus |
|----|---------------------|--------|---------------------------|---|
| 1 | ManyPets | £10.0m | £130.7m |  |
| 2 | Permutive | £19.0m | £55.1m |  |
| 3 | Amplience | £12.4m | £39.8m |  |
| 4 | Quit Genius | £12.9m | £33.3m |  |
| 5 | Big Health | £12.9m | £29.4m |  |
| 6 | Token | £12.6m | £20.0m |  |
| 7 | vHive | £8.0m | £19.6m |  |
| 8 | Skin + Me | £4.0m | £19.0m |  |
| 9 | Orbex | £4.5m | £18.7m |  |
| 10 | Ometria | £11.5m | £18.0m |  |
| 11 | Sofar Sounds | £11.5m | £17.2m |  |
| 12 | Zenith Hold co | £9.0m | £17.1m |  |
| 13 | Elliptic | £7.7m | £16.8m |  |
| 14 | Olio | £6.0m | £16.7m |  |
| 15 | Glofox ¹ | £5.1m | £16.1m |  |

Key:

-  Fintech
-  Deep tech
-  Health
-  Consumer
-  Business-to-business software

1. Glofox has since been disposed as at the date of this report.

Portfolio Manager's review continued

Focus on disposals

We are pleased to report that in the period Titan completed two full profitable disposals (Digital Shadows and BehavioSec), one partial profitable realisation (Amplience) and an additional full disposal (Glofox) completed after the period end in August 2022. In total, these disposals will return £48 million to Titan in cash, shares and/or deferred amounts, with £44 million of this having been received already.

| Company | Disposal Date | Description |
|---|---------------|--|
|  Amplience | February 2022 | As part of a \$100 million fundraise with an equity investment from Farview Partners and growth financing from Sixth Street, Titan sold a proportion of its shareholding in Amplience. |
|  BehavioSec | May 2022 | Lexis Nexis Risk Solutions, a leading global provider of legal and regulatory intelligence, acquired BehavioSec, a pioneer in the behavioural biometrics industry. |
|  digital shadows | July 2022 | ReliaQuest, a force multiplier of security operations, acquired Digital Shadows, a company which delivers threat intelligence for security teams, for \$160 million. |
|  glofox | August 2022 | ABC Fitness Solutions, a leading technology and related services provider for the fitness industry, acquired Glofox, a fitness management platform servicing the boutique gym and studio sector. This acquisition represented a 3x return for Titan VCT. |

There have also been two disposals made at a loss (Fluidly sold to OakNorth and Trouva was acquired by Made.com). In aggregate, these losses generated negligible proceeds compared to an investment cost of £13 million. Unfortunately, having been unsuccessful in securing further funding and having explored and exhausted all available options, Whirli was placed into administration. The underperformance of a portfolio company is always disappointing for Octopus and shareholders alike, but it is a key characteristic of a venture capital portfolio, and we believe the successful disposals will continue to significantly outweigh the losses over the medium term.

The following table shows dividends paid and disposal proceeds over the last five financial years and the current period of 30 June 2022:

| | Year ended 31 October 2017 | Year ended 31 October 2018 | Period ¹ ended 31 December 2019 | Year ended 31 December 2020 | Year ended 31 December 2021 | Period ended 30 June 2022 | Total |
|--|-------------------------------|-------------------------------|---|--------------------------------|--------------------------------|------------------------------|----------------|
| Dividends (£'000) | 22,272 | 24,178 | 33,187 | 46,037 | 101,976 | 28,945 | 256,595 |
| Disposal proceeds ² (£'000) | 9,362 | 22,367 | 26,334 | 23,915 | 221,504 | 32,510 | 335,992 |

1. Note, the period to 30 December 2019 was 14 months.

2. Note, this table includes proceeds received in the period.

Portfolio Manager’s review continued

Focus on investments

VCT qualifying status

Shoosmiths LLP provides both the Board and Octopus with advice concerning ongoing compliance with HMRC rules and regulations concerning VCTs and has advised that Titan continues to be in compliance with the conditions laid down by HMRC for maintaining approval as a VCT.

As at 30 June 2022, 100% of the portfolio (as measured by HMRC rules) was invested in VCT-qualifying investments, significantly above the current VCT-qualifying threshold of 80%.

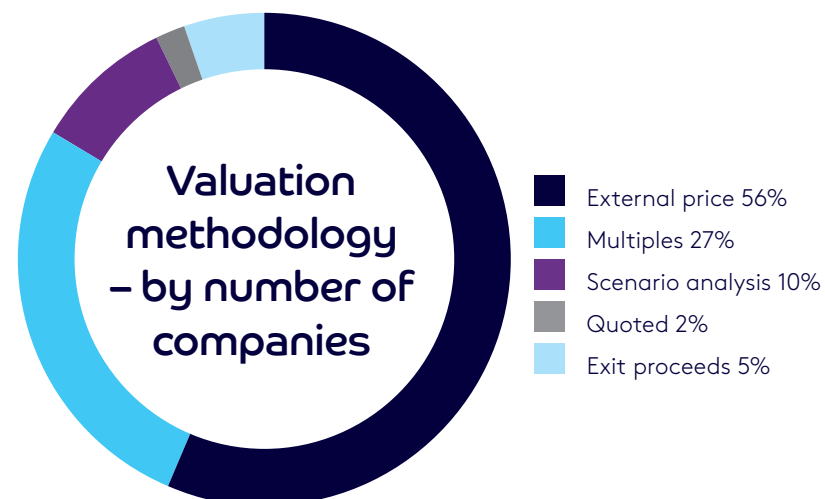
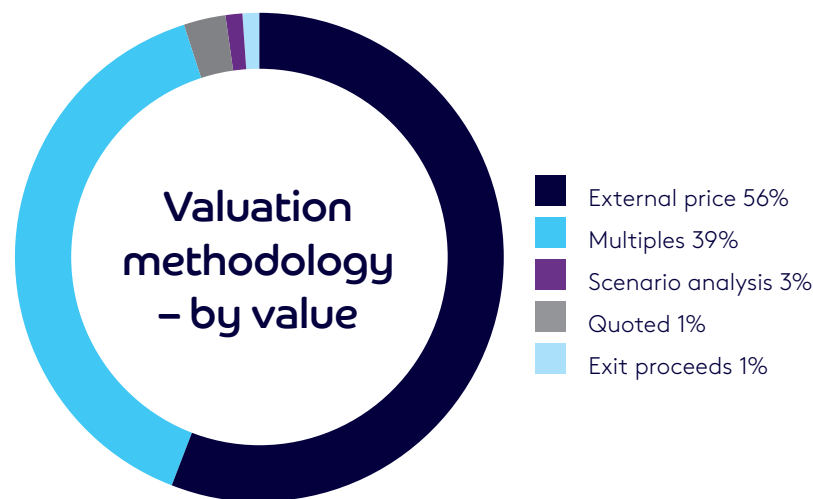
VCT sunset clause

We continue to work with MPs, government and key stakeholders to either extend the sunset clause beyond the current date of April 2025 or to place the scheme on a more permanent footing by removing the clause. We articulate that it is important to give an early signal before the sunset clause deadline to give certainty to investors, fund managers and VCT boards given VCT funding is critical to the portfolio companies the VCTs support and the success of the VCTs themselves.

VCTs are vital to the vibrant entrepreneurial economy in the UK and when the government last reviewed the scheme in 2017 as part of the Patient Capital Review, they were clear on how valuable VCTs are.

Valuations

The pie charts below illustrate the split of valuation methodology (shown as a percentage of portfolio value and number of companies). ‘External price’ includes valuations based on funding rounds that typically completed in the last 12 months to the period end or shortly after the period end and exits of companies where terms have been issued with an acquirer. ‘Multiples’ is predominantly used for valuations that are based on a multiple of revenues for portfolio companies. Where there is uncertainty around the potential outcomes available to a company, a probability weighted ‘scenario analysis’ is considered.



Portfolio Manager's review continued

Focus on investments continued

New and follow-on investments

Titan completed follow-on investments into 14 companies and made 14 new investments. Together, these totalled £77.5 million (made up of £22.2 million invested into the existing portfolio and £55.3 million into new companies). The total value of the invested portfolio was £922.3 million, as at 30 June 2022.

Below are some examples of new investments made across our five areas of investment focus during the period. For a full list, please refer to the appendix on page 24:



Fintech

- **Merge** offers fintech infrastructure for companies in the crypto economy.
- **Sidekick** is an alternative investment platform that gives retail investors access to actively managed portfolios.



Deep tech

- **Touchlab** has developed an electronic skin that can provide robots with the sense of touch.
- **Papercup** offers a pay-as-you-go Artificial Intelligence service that automates the translation of videos.



Health

- **Vira** is a digital health company focused on relief for the central pain points of menopause.
- **Automata** has incorporated its low-cost collaborative robot into an automation-as-a-solution service for clinical labs, enabling them to automate repetitive diagnostic processes.



Consumer

- **Ribbon** offers a Software-as-a-Service tool for the growing field of user research.
- **Onin** is a consumer app fusing calendar and communications under a single interface.



Business-to-business software

- **Foodsteps** is a platform that makes it quick and affordable to calculate environmental impacts across large and complex food operations.
- **Velaris** is an operating system for modern Customer Success teams.



Portfolio Manager's review continued

Focus on outlook

Outlook

The decline in Titan's NAV is disappointing, especially having enjoyed consistent growth over the last ten years, and particularly strong growth over the past three years. However, it is reflective of new headwinds and a valuation environment associated with the global macro-economic situation. Titan's unquoted portfolio companies are valued in accordance with UK GAAP accounting standards and the International Private Equity and Venture Capital (IPEV) valuation guidelines. This means we value the portfolio at fair value, which is the price we expect people would be willing to buy or sell an asset for, assuming they had all the information available we do; are knowledgeable parties with no pre-existing relationship; and that the transaction is carried out under the normal course of business. Several of Titan's portfolio companies have been affected by the challenges the economic backdrop has created – with costs increasing and consumer confidence and spending declining, and valuations have been reappraised in line with all these factors. However, as Titan invests in early-stage businesses with high growth potential, history has proven that many of these types of companies thrive in challenging periods as barriers to adopting new technologies lessen, there is a greater acceptance of change and talent availability improves. Although we have entered what is widely believed to be a more challenging funding and exit environment, we have been reassured by the continued fundraising success of our portfolio companies, as well as the profitable realisations which have taken place so far in 2022, which we discuss further in this report.

We continue to meet with, and invest in, extraordinary businesses led by ambitious entrepreneurs across all our five investment themes at different stages of their growth journey.

To be able to support the deployment rate and number of companies in the portfolio, the team has scaled during 2022 with 15 new investment professionals joining the team and ten additional operational staff, meaning the Ventures team now totals 86 permanent employees. Included in this number is our in-house Talent team which continues to offer their expertise to portfolio companies looking for support to scale and develop. This is especially relevant during the turbulent and competitive market conditions in which they are all operating.

The team is committed to backing diverse teams and truly believes diversity is a key driving factor for a business to succeed. As such, we have recently published our intention to make sure 30% of all new founder pitches will be by businesses led or co-led by a woman by 2025, increasing to 50% by 2027. We are pleased that in line with this commitment, the Ventures team currently has equal representation between male and female members of staff. We also wish to empower our portfolio companies to better understand their environmental impact, specifically around carbon emissions. As such, we have offered them complimentary access to a carbon accounting and management tool to enable reporting around key metrics and to feed into carbon reduction plans.

The past six months have been a period of immense change on a global scale, and Titan has understandably been affected by this. However, we are reassured by the profitable realisations that have completed this year, the extraordinary entrepreneurs we continue to meet and invest in, and the drive and passion of our team. We believe this combination will provide Titan with the opportunities it needs for continued success in the future.

Directors' responsibilities statement

The Directors confirm that to the best of their 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;
- the half-yearly report includes a fair review of the information required by the Financial Services Authority Disclosure 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.

On behalf of the Board



Tom Leader
Chair

20 September 2022

Income statement

| | Unaudited Six months to 30 June 2022 | | | Unaudited Six months to 30 June 2021 | | | Audited Year to 31 December 2021 | | |
|---|---|------------------|------------------|---|------------------|----------------|-------------------------------------|------------------|----------------|
| | 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 | — | (472) | (472) | — | 34,475 | 34,475 | — | 76,520 | 76,520 |
| (Loss)/gain on valuation of fixed asset investments | — | (127,603) | (127,603) | — | 251,697 | 251,697 | — | 232,864 | 232,864 |
| (Loss) on valuation of current asset investments | — | (11,724) | (11,724) | — | (57) | (57) | — | (1,475) | (1,475) |
| Investment income | 438 | — | 438 | 504 | — | 504 | 500 | — | 500 |
| Investment management fee | (567) | (10,772) | (11,339) | (474) | (9,007) | (9,481) | (1,033) | (19,635) | (20,668) |
| Performance fee | — | — | — | — | (55,632) | (55,632) | — | (63,943) | (63,943) |
| Other expenses | (3,527) | — | (3,527) | (2,991) | — | (2,991) | (7,295) | — | (7,295) |
| Foreign exchange translation | — | 5,985 | 5,985 | — | 65 | 65 | — | 54 | 54 |
| (Loss)/profit before tax | (3,656) | (144,586) | (148,242) | (2,961) | 221,541 | 218,580 | (7,828) | 224,385 | 216,557 |
| Tax | — | — | — | — | — | — | — | — | — |
| (Loss)/profit after tax | (3,656) | (144,586) | (148,242) | (2,961) | 221,541 | 218,580 | (7,828) | 224,385 | 216,557 |
| (Loss)/earnings per share – basic and diluted | (0.3)p | (11.2)p | (11.5)p | (0.3)p | 20.2p | 19.9p | (0.7)p | 20.0p | 19.3p |

- 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 under guidance published by the Association of Investment Companies.
- 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.

Titan has no other comprehensive income for the period.

The accompanying notes form an integral part of the half-yearly report.

Balance sheet

| | Unaudited As at 30 June 2022 | | Unaudited As at 30 June 2021 | | Audited As at 31 December 2021 | |
|---|---------------------------------|------------------|---------------------------------|------------------|-----------------------------------|------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed asset investments | | 922,316 | | 1,024,358 | | 1,005,353 |
| Current assets: | | | | | | |
| Corporate bonds | 104,775 | | 91,385 | | 110,247 | |
| Cash at bank | 10,588 | | 40,822 | | 182,514 | |
| Applications cash ¹ | 407 | | 363 | | 2,630 | |
| Debtors | 55,310 | | 87,129 | | 53,443 | |
| Money market funds | 88,297 | | 88,125 | | 88,126 | |
| | | 259,377 | | 307,824 | | 436,960 |
| Current liabilities | (1,592) | | (57,077) | | (69,272) | |
| Net current assets | | 257,785 | | 250,747 | | 367,688 |
| Net assets | | 1,180,101 | | 1,275,105 | | 1,373,041 |
| Share capital | | 129,209 | | 111,925 | | 129,850 |
| Share premium | | 212,313 | | 621,152 | | 201,163 |
| Special distributable reserve | | 585,828 | | 100,392 | | 642,873 |
| Capital redemption reserve | | 11,597 | | 8,015 | | 9,759 |
| Capital reserve realised | | (21,711) | | (44,689) | | (14,122) |
| Capital reserve unrealised | | 296,808 | | 509,704 | | 439,790 |
| Revenue reserve | | (33,943) | | (31,394) | | (36,272) |
| Total equity shareholders' funds | | 1,180,101 | | 1,275,105 | | 1,373,041 |
| Net asset value per share | | 91.3p | | 113.9p | | 105.7p |

1. Cash held but not yet allotted.

The statements were approved by the Directors and authorised for issue on 20 September 2022 and are signed on their behalf by:



Tom Leader
Chair

Statement of changes in equity

| | Share capital £'000 | Share premium £'000 | Special distributable reserve ¹ £'000 | Capital redemption reserve £'000 | Capital reserve realised ¹ £'000 | Capital reserve unrealised £'000 | Revenue reserve ¹ £'000 | Total £'000 |
|--|------------------------|------------------------|---|-------------------------------------|--|-------------------------------------|---------------------------------------|------------------|
| As at 1 January 2022 | 129,850 | 201,163 | 642,873 | 9,759 | (14,122) | 439,790 | (36,272) | 1,373,041 |
| Comprehensive income for the period: | | | | | | | | |
| Management fees allocated as capital expenditure | — | — | — | — | (10,772) | — | — | (10,772) |
| Current year loss on disposal of fixed asset investments | — | — | — | — | (472) | — | — | (472) |
| Loss on fair value of fixed asset investments | — | — | — | — | — | (127,603) | — | (127,603) |
| Loss on fair value of current asset investments | — | — | — | — | — | (11,724) | — | (11,724) |
| Loss after tax | — | — | — | — | — | — | (3,656) | (3,656) |
| Performance fee | — | — | — | — | — | — | — | — |
| Total comprehensive income for the period | — | — | — | — | (11,244) | (139,327) | (3,656) | (154,227) |
| Contributions by and distributions to owners: | | | | | | | | |
| Share issue (includes DRIS) | 1,197 | 11,204 | — | — | — | — | — | 12,401 |
| Share issue costs | — | (54) | — | — | — | — | — | (54) |
| Repurchase of own shares | (1,838) | — | (18,345) | 1,838 | — | — | — | (18,345) |
| Dividends paid (includes DRIS) | — | — | (38,700) | — | — | — | — | (38,700) |
| Total contributions by and distributions to owners | (641) | 11,150 | (57,045) | 1,838 | — | — | — | (44,698) |
| Other movements: | | | | | | | | |
| Prior year fixed asset gains now realised | — | — | — | — | 3,655 | (3,655) | — | — |
| Foreign exchange translation | — | — | — | — | — | — | 5,985 | 5,985 |
| Total other movements | — | — | — | — | 3,655 | (3,655) | 5,985 | 5,985 |
| Balance as at 30 June 2022 | 129,209 | 212,313 | 585,828 | 11,597 | (21,711) | 296,808 | (33,943) | 1,180,101 |

1. Reserves available for distribution.

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity continued

| | Share capital £'000 | Share premium £'000 | Special distributable reserve ¹ £'000 | Capital redemption reserve £'000 | Capital reserve realised ¹ £'000 | Capital reserve unrealised £'000 | Revenue reserve ¹ £'000 | Total £'000 |
|---|------------------------|------------------------|---|-------------------------------------|--|-------------------------------------|---------------------------------------|------------------|
| As at 1 January 2021 | 107,502 | 564,308 | 150,007 | 6,377 | (66,167) | 309,706 | (28,498) | 1,043,235 |
| Comprehensive income for the period: | | | | | | | | |
| Management fees allocated as capital expenditure | — | — | — | — | (9,007) | — | — | (9,007) |
| Current year gain on disposal of fixed asset investments | — | — | — | — | 34,475 | — | — | 34,475 |
| Current year gains on disposal of current asset investments | — | — | — | — | — | — | — | — |
| Gains on fair value of fixed asset investments | — | — | — | — | — | 251,697 | — | 251,697 |
| Losses on fair value of current asset investments | — | — | — | — | — | (57) | — | (57) |
| Loss after tax | — | — | — | — | — | — | (2,961) | (2,961) |
| Performance fee | — | — | — | — | (55,632) | — | — | (55,632) |
| Total comprehensive income for the period | — | — | — | — | (30,164) | 251,640 | (2,961) | 218,515 |
| Contributions by and distributions to owners: | | | | | | | | |
| Share issue (includes DRIS) | 6,061 | 56,844 | — | — | — | — | — | 64,612 |
| Share issue costs | — | (1,707) | — | — | — | — | — | (1,707) |
| Repurchase of own shares | (1,638) | — | (15,986) | 1,638 | — | — | — | (15,986) |
| Dividends paid (includes DRIS) | — | — | (33,629) | — | — | — | — | (33,629) |
| Total contributions by and distributions to owners | 4,423 | 56,844 | (49,615) | 1,638 | — | — | — | 13,290 |
| Other movements: | | | | | | | | |
| Prior year fixed asset gains now realised | — | — | — | — | 51,642 | (51,642) | — | — |
| Foreign exchange translation | — | — | — | — | — | — | 65 | 65 |
| Total other movements | — | — | — | — | 51,642 | (51,642) | 65 | 65 |
| Balance as at 30 June 2021 | 111,925 | 621,152 | 100,392 | 8,015 | (44,689) | 509,704 | (31,394) | 1,275,105 |

1. Reserves available for distribution.

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity continued

| | Share capital £'000 | Share premium £'000 | Special distributable reserve ¹ £'000 | Capital redemption reserve £'000 | Capital reserve realised ¹ £'000 | Capital reserve unrealised £'000 | Revenue reserve ¹ £'000 | Total £'000 |
|--|------------------------|------------------------|---|-------------------------------------|--|-------------------------------------|---------------------------------------|------------------|
| As at 1 January 2021 | 107,502 | 564,308 | 150,007 | 6,377 | (66,167) | 309,706 | (28,498) | 1,043,235 |
| Comprehensive income for the year: | | | | | | | | |
| Management fees allocated as capital expenditure | — | — | — | — | (19,635) | — | — | (19,635) |
| Current year gain on disposal of fixed asset investments | — | — | — | — | 76,520 | — | — | 76,520 |
| Gain on fair value of fixed asset investments | — | — | — | — | — | 232,864 | — | 232,864 |
| Loss on fair value of current asset investments | — | — | — | — | — | (1,475) | — | (1,475) |
| Loss after tax | — | — | — | — | — | — | (7,828) | (7,828) |
| Performance fee | — | — | — | — | (63,943) | — | — | (63,943) |
| Total comprehensive income for the year | — | — | — | — | (7,058) | 231,389 | (7,828) | 216,503 |
| Contributions by and distributions to owners: | | | | | | | | |
| Share issue (includes DRIS) | 25,730 | 264,963 | — | — | — | — | — | 290,693 |
| Share issue costs | — | (6,956) | — | — | — | — | — | (6,956) |
| Repurchase of own shares | (3,382) | — | (34,519) | 3,382 | — | — | — | (34,519) |
| Dividends paid (includes DRIS) | — | — | (93,767) | — | (42,202) | — | — | (135,969) |
| Total contributions by and distributions to owners | 22,348 | 258,007 | (128,286) | 3,382 | (42,202) | — | — | 113,249 |
| Other movements: | | | | | | | | |
| Share premium cancellation | — | (621,152) | 621,152 | — | — | — | — | — |
| Transfer between reserves | — | — | — | — | — | — | — | — |
| Prior year fixed asset gains now realised | — | — | — | — | 101,305 | (101,305) | — | — |
| Foreign exchange translation | — | — | — | — | — | — | 54 | 54 |
| Total other movements | — | (621,152) | 621,152 | — | 101,305 | (101,305) | 54 | 54 |
| Balance as at 31 December 2021 | 129,850 | 201,163 | 642,873 | 9,759 | (14,122) | 439,790 | (36,272) | 1,373,041 |

1. Reserves are available for distribution.

The accompanying notes form an integral part of the financial statements.

Cash flow statement

| | Unaudited Six months to 30 June 2022 £'000 | Unaudited Six months to 30 June 2021 £'000 | Audited Year to 31 December 2021 £'000 |
|---|---|---|---|
| Reconciliation of profit to cash flows from operating activities | | | |
| (Loss)/profit before tax | (148,242) | 218,580 | 216,557 |
| Increase in debtors | (1,867) | (786) | (28) |
| Increase/(decrease) in creditors | (65,457) | 36,672 | 46,600 |
| Loss on valuation of current asset investments | 11,724 | 57 | 1,475 |
| Loss/(gain) on disposal of fixed asset investments | 472 | (34,475) | (76,520) |
| Loss/(gain) on valuation of fixed asset investments | 127,603 | (251,697) | (232,864) |
| Outflow from operating activities | (75,767) | (31,649) | (44,780) |
| Cash flows from investing activities | | | |
| Purchase of current asset investments | (6,252) | (1,560) | (21,840) |
| Purchase of fixed asset investments | (77,548) | (52,434) | (142,831) |
| Sale of fixed asset investments | 32,510 | 54,782 | 220,324 |
| (Outflow)/inflow from investing activities | (51,290) | 788 | 55,653 |
| Cash flows from financing activities | | | |
| Application inflows allotted | (2,223) | (3,250) | (983) |
| Purchase of own shares | (18,345) | (15,986) | (34,519) |
| Net proceeds from share issues | 2,592 | 54,365 | 249,744 |
| Dividends paid (net of DRIS) | (28,945) | (25,089) | (101,976) |
| (Outflow)/inflow from financing activities | (46,921) | 10,040 | 112,266 |
| (Decrease)/increase in cash and cash equivalents | (173,978) | (20,821) | 123,139 |
| Opening cash and cash equivalents | 273,270 | 150,131 | 150,131 |
| Closing cash and cash equivalents | 99,292 | 129,310 | 273,270 |
| Cash and cash equivalents comprise | | | |
| Cash at bank | 10,588 | 40,822 | 182,514 |
| Applications cash | 407 | 363 | 2,630 |
| Money market funds | 88,297 | 88,125 | 88,126 |
| | 99,292 | 129,310 | 273,270 |

Condensed notes to the half-yearly report

1. Basis of preparation

The unaudited half-yearly results which cover the six months to 30 June 2022 have been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard 104 Interim Financial Reporting (March 2018) and the Statement of Recommended Practice (SORP) for Investment Companies re-issued by the Association of Investment Companies in July 2022.

2. Publication of non-statutory accounts

The unaudited half-yearly results for the six months ended 30 June 2022 do not constitute statutory accounts within the meaning of Section 415 of the Companies Act 2006 and have not been delivered to the Registrar of Companies. The comparative figures for the year ended 31 December 2021 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. This half-yearly report has not been reviewed by the Company's auditor.

3. Earnings per share

The (loss)/earnings per share is based on 1,293,940,509 Ordinary shares (30 June 2021: 1,097,460,102 and 31 December 2021: 1,122,053,322), 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. The basic and diluted earnings per share are therefore identical.

4. Net asset value per share

| | 30 June 2022 £'000 | 30 June 2021 £'000 | 31 December 2021 £'000 |
|---------------------------|-----------------------|-----------------------|---------------------------|
| Net assets (£) | 1,180,101 | 1,275,105 | 1,373,041 |
| Shares in issue | 1,292,086,596 | 1,119,250,514 | 1,298,498,396 |
| Net asset value per share | 91.3p | 113.9p | 105.7p |

5. Dividends

The interim dividend declared of 2.0p per share for the six months ending 30 June 2022 will be paid on 22 December 2022 to those shareholders on the register as at 9 December 2022.

On 17 May 2022, a 3.0p second interim dividend relating to the 2021 financial year was paid.

6. Buybacks and allotments

During the six months ended 30 June 2022, the Company bought back 18,378,101 Ordinary shares at a weighted average price of 99.8p per share (six months ended 30 June 2021: 16,386,650 Ordinary shares at a weighted average price of 97.6p per share; year ended 31 December 2021: 33,816,980 Ordinary shares at a weighted average price of 102.1p per share).

During the six months to 30 June 2022, 11,966,301 shares were issued at a weighted average price of 104.6p per share (six months ended 30 June 2021: 60,613,066 shares at a weighted average price of 109.5p per share; year ended 31 December 2021: 257,291,278 shares at a weighted average price of 116.6p per share).

7. Related party transactions

Octopus act as the Portfolio Manager of the Company. Under the management agreement, Octopus receive a fee of 2.0% per annum of the net assets of the Company for the investment management services, but in respect of funds raised by the Company under the 2018 Offer and thereafter (and subject to the Company having a cash reserve of 10% of its NAV), the annual management charge on uninvested cash will be the lower of either (i) the actual return that the Company receives on its cash and funds that are the equivalent of cash subject to a 0% floor and (ii) 2%. During the period, the Company incurred management fees of £11,339,000 payable to Octopus (30 June 2021: £9,481,000; 31 December 2021: £20,668,000), which were fully settled by 30 June 2022.

Octopus provide non-investment services to the Company and receives a fee for these services which is capped at the lower of (i) 0.3% per annum of the Company's NAV or (ii) the administration and accounting costs of the Company for the year ended 31 December 2020 with inflation increases in line with the Consumer Price Index. During the period, the Company incurred non-investment services fees of £921,600 payable to Octopus (30 June 2021: £845,000; 31 December 2021: £1,723,000), which were fully settled by 30 June 2022.

Condensed notes to the half-yearly report continued

7. Related party transactions continued

In addition, Octopus are entitled to performance-related incentive fees. The incentive fees were designed to make sure that there were significant tax-free dividend payments made to shareholders as well as strong performance in terms of capital and income growth, before any performance-related fee payment was made. There were no performance fees accrued for the six months to 30 June 2022 (30 June 2021: £55.6 million; 31 December 2021: £63.9 million).

Octopus received £0.03 million in the six months to 30 June 2022 (six months ended 30 June 2021: £0.06 million; year ended 31 December 2021: £0.1 million) in regard to arrangement and monitoring fees in relation to investments made by the Company.

Titan owns Zenith Holding Company Limited, which owns a share in Zenith LP, a fund managed by Octopus.

Several members of the Octopus investment team hold non-executive directorships as part of their monitoring roles in Titan's portfolio companies, but they have no controlling interests in those companies.

Mr Cooper, a Non-Executive Director of Titan, is also Chair of Octopus Capital Ltd and owns shares in Octopus Capital Ltd, which is the parent company of Octopus Investments Limited.

The directors received the following dividends from Titan:

| | Period to 30 June 2022 | Period to 30 June 2021 | Year to 31 December 2021 |
|---------------------------|---------------------------|---------------------------|-----------------------------|
| Tom Leader (Chair) | 692 | 431 | 2,148 |
| Matt Cooper | 63,103 | 56,660 | 207,754 |
| Jane O'Riordan | 3,408 | 2,675 | 11,347 |
| Lord Rockley | 575 | — | 1,427 |
| Gaenor Bagley | 267 | — | 713 |
| John Hustler ¹ | 3,542 | 3,074 | 11,983 |

1. John Hustler stepped down as a Director on 14 June 2022.

8. Voting rights and equity management

The following table shows the percentage voting rights held by Titan of each of the top ten investments held in Titan, on a fully diluted basis.

| Investments | % voting rights held by Titan |
|---|----------------------------------|
| Bought By Many Limited (trading as Many Pets) | 7.5% |
| Permutive Inc. | 17.8% |
| Amplience Limited | 21.0% |
| Digital Therapeutics (trading as Quit Genius) | 16.5% |
| Big Health Limited | 11.7% |
| Token.IO Ltd | 13.4% |
| vHive Tech Ltd | 19.0% |
| Mr & Mrs Oliver Ltd (trading as Skin+Me) | 17.0% |
| Orbital Express Launch Limited (trading as Orbex) | 10.9% |
| Ometria Limited | 12.9% |

9. Post balance sheet events

The following events occurred between the balance sheet date and the signing of this half-yearly report:

- Six new investments completed totalling £14.9 million.
- Six follow-on investments completed totalling £6.7 million.
- Full disposal of Zappy Limited (trading as Glofox) in August 2022.
- A final order to cancel Share Premium amounting to £212.3 million and Capital Redemption Reserve amounting to £11.6 million was granted on 5 July 2022.
- Following approval at the AGM on 14 June 2022, a final order as granted on 5 July 2022 confirming the reduction in the nominal value of the Company's issued share capital from 10p per ordinary share to 0.1p per ordinary share.

10. Additional information

Copies of this report are available from the registered office of the Company at 33 Holborn, London EC1N 2HT.

Appendix

Investment portfolio

The table below sets out the investment cost and the amount invested in the period for the portfolio as at 30 June 2022. Details of the top 15 investments can be found on page 10.

| | Investment focus | Investment cost as at 30 June 2022 £'000 ¹ | Amount invested for the period ending 30 June 2022 £'000 |
|--|------------------|--|---|
| Fixed asset investments | | | |
| Permutive Inc. ³ | B2B Software | 18,994 | — |
| Digital Therapeutics (trading as Quit Genius) | Health | 12,890 | — |
| Big Health Limited ³ | Health | 12,855 | — |
| Token.IO Ltd ³ | FinTech | 12,608 | 4,186 |
| Amplience Limited | B2B Software | 12,378 | — |
| Smartkem Limited ³ | Deep Tech | 12,195 | 1,442 |
| Ometria Limited | B2B Software | 11,510 | — |
| Sofar Sounds Limited ³ | Consumer | 11,496 | 95 |
| PLU&M Limited | Consumer | 10,500 | — |
| Bought By Many Limited (trading as Many Pets) ³ | FinTech | 9,978 | — |
| Uniplaces Limited ³ | Consumer | 9,491 | — |
| Ori Biotech Limited | Health | 9,102 | — |
| Zenith Holding Company Limited ² | Consumer | 8,963 | — |
| Appear Here Limited ³ | Consumer | 8,509 | — |
| XYZ Reality Limited ³ | Consumer | 8,500 | — |
| Automata Technologies Limited ³ | Health | 8,500 | 8,500 |
| Intropic Limited ³ | FinTech | 8,394 | 8,394 |
| CurrencyFair Limited ³ | FinTech | 8,381 | — |
| Antidote Technologies Ltd ³ | Health | 8,225 | — |
| Seatfrog UK Holdings Limited | Consumer | 8,223 | — |
| vHive Tech Ltd | Deep Tech | 8,020 | 4,024 |
| Elliptic Enterprises Limited ³ | FinTech | 7,724 | — |
| Chronext AG | Consumer | 7,708 | — |
| The Justice Platform Inc | B2B Software | 7,325 | 3,325 |
| Allplants Limited | Consumer | 7,250 | — |
| lovox Limited ³ | B2B Software | 7,206 | — |
| Ibex Medical Analytics | Health | 7,148 | — |
| Vitesse PSP Ltd | FinTech | 7,128 | 2,128 |
| Surrey NanoSystems Limited ³ | Deep Tech | 6,918 | — |

Appendix continued

| | Investment focus | Investment cost as at 30 June 2022 £'000 ¹ | Amount invested for the period ending 30 June 2022 £'000 |
|---|------------------|--|---|
| Fixed asset investments | | | |
| Stackin Inc | FinTech | 6,840 | — |
| Papercup Technologies Limited ³ | Deep Tech | 6,800 | 6,800 |
| By Miles Limited | FinTech | 6,732 | — |
| Minoro Limited (trading as Kleene.ai) ³ | B2B Software | 6,724 | — |
| Chiaro Technology Limited (trading as Elvie) ³ | Health | 6,417 | — |
| Biofidelity Ltd ³ | Health | 6,343 | — |
| Dead Happy Limited ³ | FinTech | 6,300 | 2,600 |
| Casual Speakers Limited (trading as Jolt) | Consumer | 6,258 | 189 |
| Phoelex Ltd | Deep Tech | 6,025 | — |
| Olio Exchange Limited | Consumer | 6,000 | — |
| Sprout.ai Limited | FinTech | 6,000 | — |
| Origami Energy Limited ³ | Deep Tech | 5,947 | — |
| Overture Life, Inc | Health | 5,813 | — |
| Picsoneye Segmentation Innovation Limited (trading as Pixoneye) | Deep Tech | 5,808 | — |
| Artesian Solutions Limited ³ | B2B Software | 5,481 | — |
| Anikin Ltd | Consumer | 5,475 | 675 |
| Messier 31 Inc (trading as Pngme) | FinTech | 5,429 | — |
| Memrise Inc | Consumer | 5,144 | — |
| Lifescore Music Limited ³ | Deep Tech | 5,100 | 5,100 |
| Zappy Limited (trading as Glofox) | Health | 5,090 | — |
| Cazoo Limited ³ | Consumer | 5,000 | — |
| Impatients N.V. (trading as MyTomorrows) ³ | Health | 4,905 | 200 |
| Michelson Diagnostics Limited ³ | Health | 4,795 | — |
| Dogtooth Technologies Limited | Deep Tech | 4,739 | — |
| Orbital Express Launch Limited (trading as Orbex) | Deep Tech | 4,550 | — |
| Inflow Holdings Inc ³ | Health | 4,500 | 4,500 |
| ThoughtRiver Limited | Deep Tech | 4,500 | — |
| Raylo Group Limited ³ | FinTech | 4,500 | — |
| Positron Technologies Limited | FinTech | 4,500 | 500 |
| Patch Gardens Limited | Consumer | 4,472 | 300 |
| The Faction Collective SA ³ | Consumer | 4,464 | — |

Appendix continued

| | Investment focus | Investment cost as at 30 June 2022 £'000 ¹ | Amount invested for the period ending 30 June 2022 £'000 |
|---|------------------|--|---|
| Fixed asset investments | | | |
| Wefarm Limited | Consumer | 4,350 | — |
| Secret Escapes Limited ⁴ | Consumer | 4,256 | — |
| Lapse Ltd ³ | Consumer | 4,250 | — |
| Eve Sleep Plc | Consumer | 4,151 | — |
| Mosaic Smart Data Limited | FinTech | 4,015 | 1,235 |
| Mr & Mrs Oliver Ltd (trading as Skin+Me) | Health | 4,000 | — |
| AudioTelligence Limited | Deep Tech | 4,000 | — |
| Slamcore Limited | Deep Tech | 3,875 | 1,325 |
| Contingent & Future Technologies Ltd ³ | B2B Software | 3,825 | — |
| Unmade Ltd | Deep Tech | 3,800 | — |
| Altitude Angel Ltd | Deep Tech | 3,800 | — |
| Merge Holdings Ltd ⁵ | FinTech | 3,740 | 3,740 |
| AllTaster Limited (trading as Taster) ³ | Consumer | 3,684 | — |
| Medisafe Project Limited ³ | Health | 3,664 | — |
| Vira Health Limited ³ | Health | 3,632 | 3,632 |
| Orca Computing Limited ³ | Deep Tech | 3,500 | 3,500 |
| Inrupt Inc. | FinTech | 3,495 | — |
| CoMind Technologies Limited ³ | Deep Tech | 3,375 | — |
| Whirli Limited | Consumer | 3,000 | — |
| CRED Investment Holdings Limited | FinTech | 3,000 | — |
| Trafi Limited ³ | Deep Tech | 2,965 | — |
| Bloom App Limited ³ | Consumer | 2,857 | 2,857 |
| Ecrebo Limited ³ | B2B Software | 2,857 | — |
| Metrasens Limited ³ | Deep Tech | 2,819 | — |
| iSize Limited ³ | Deep Tech | 2,625 | — |
| Bondaval Limited ³ | FinTech | 2,550 | — |
| HURR ³ | Consumer | 2,550 | — |
| Streetbees.com Limited ³ | B2B Software | 2,229 | — |
| Tatum Blockchain Services s.r.o. | FinTech | 2,148 | — |
| Touchlab Limited ³ | Deep Tech | 2,125 | 2,125 |
| Total Food Control Ltd (trading as Lollipop) ³ | Consumer | 2,125 | — |

Appendix continued

| | Investment focus | Investment cost as at 30 June 2022 £'000 ¹ | Amount invested for the period ending 30 June 2022 £'000 |
|--|------------------|--|---|
| Fixed asset investments | | | |
| Caprera Ltd (trading as Collectiv Food) | Consumer | 2,000 | — |
| Uniq Health Limited | Health | 1,900 | — |
| Commazero Ltd ³ | FinTech | 1,785 | — |
| Invierno AB (trading as Vinter) ⁵ | FinTech | 1,776 | 1,776 |
| Foodsteps Ltd ⁵ | B2B Software | 1,700 | 1,700 |
| Imophoron Limited ³ | Health | 1,700 | — |
| Walking on Earth ³ | Consumer | 1,615 | — |
| Intrepid Owls Limited (trading as Rest-Lee) | FinTech | 1,527 | — |
| Quantum Motion Technologies Limited | Deep Tech | 1,498 | — |
| Segura Systems Limited ³ | B2B Software | 1,470 | — |
| Nanosyrinx Ltd | Health | 1,375 | — |
| Sidekick Money Ltd ³ | FinTech | 1,351 | 1,351 |
| Ribbon Technologies Ltd ³ | Consumer | 1,351 | 1,351 |
| Aire Labs Limited | FinTech | 1,332 | — |
| Multiply AI Limited | FinTech | 1,283 | — |
| Mojo Men Ltd ³ | Health | 1,275 | — |
| Bkwai Ltd ³ | Deep Tech | 1,275 | — |
| I.F. Technology Ltd (trading as Integrated Finance) ⁵ | FinTech | 1,275 | — |
| Mindset Technologies Limited ⁵ | Health | 1,020 | — |
| Anansi Technology Limited ³ | FinTech | 900 | — |
| Avione Saving & Investment Ltd ³ | FinTech | 850 | — |
| Hapi Plan Technologies Ltd ³ | FinTech | 765 | — |
| Minimum Corporation ³ | FinTech | 759 | — |
| Troglø Ltd (trading as LVNDR) ³ | Health | 680 | — |
| M10 Networks ³ | FinTech | 626 | — |
| Excession Technologies Limited ³ | Deep Tech | 298 | — |
| Total fixed asset investments | | 582,099 | 77,550 |

- Investment cost reflects the amount invested into each portfolio company from Titans 1-5 before the 2014 merger and from Titan after the merger. This is different to the book cost which includes the holding gains/(losses) on assets which transferred from Titans 1, 3, 4 and 5 to Titan 2 (now Titan) during the 2014 merger, as Titan purchased these assets at fair value.
- Owns stake in Secret Escapes Limited.
- These companies have also been invested in by other funds managed by Octopus.
- The figures for Secret Escapes relate to Titan's direct investment only.

Shareholder information and contact details

Financial calendar

The Company's financial calendar is as follows:

| | |
|------------------|---|
| 22 December 2022 | 2022 interim dividend to be paid |
| April 2023 | Annual results for the year to 31 December 2022 announced; annual report and financial statements published |

Dividends

Dividends are paid by Computershare Investor Services plc ('Computershare') on behalf of the Company. Shareholders who wish to have dividends paid directly into their bank account rather than by cheque to their registered address can complete a mandate form for this purpose or complete an instruction electronically by visiting the Computershare Investor Centre at: www-uk.computershare.com/investor/.

Queries relating to dividends, shareholdings or requests for mandate forms should be directed to Computershare by calling **0370 703 6324**. Calls to this number cost the same as a normal local or national landline call and may be included in your service provider's tariff. Calls outside the United Kingdom will be charged at the applicable international rate. Computershare Investor Services plc are open between 8.30am and 5.30pm, Monday to Friday excluding public holidays in England and Wales. Computershare can be contacted in writing at:

Computershare Investor Services plc
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

The following table shows the NAV and lists the dividends that have been paid since the launch of Titan (formerly Titan 2):

| Period ended | NAV | Dividends paid | Total Value |
|------------------|--------|----------------|-------------|
| 30 April 2008 | 95.0p | — | 95.0p |
| 31 October 2008 | 89.9p | — | 89.9p |
| 30 April 2009 | 91.5p | 0.5p | 92.0p |
| 31 October 2009 | 96.1p | 0.5p | 97.1p |
| 30 April 2010 | 92.0p | 0.5p | 93.5p |
| 31 October 2010 | 94.9p | 0.5p | 96.9p |
| 30 April 2011 | 92.1p | 0.75p | 94.85p |
| 31 October 2011 | 91.5p | 0.75p | 95.0p |
| 30 April 2012 | 92.8p | 1.0p | 97.3p |
| 31 October 2012 | 121.9p | 1.5p | 127.9p |
| 30 April 2013 | 88.7p | 34.0p | 128.7p |
| 31 October 2013 | 95.2p | 2.5p | 137.7p |
| 30 April 2014 | 92.2p | 2.5p | 137.2p |
| 31 October 2014 | 101.4p | 2.5p | 148.9p |
| 30 April 2015 | 97.7p | 2.5p | 147.7p |
| 31 October 2015 | 102.7p | 2.0p | 154.7p |
| 30 April 2016 | 95.7p | 7.0p | 154.7p |
| 31 October 2016 | 97.9p | 2.0p | 158.9p |
| 30 April 2017 | 95.2p | 3.0p | 159.2p |
| 31 October 2017 | 96.4p | 2.0p | 162.4p |
| 30 April 2018 | 94.3p | 3.0p | 163.3p |
| 31 October 2018 | 93.1p | 2.0p | 164.1p |
| 30 April 2019 | 92.4p | 3.0p | 166.4p |
| 31 December 2019 | 95.2p | 2.0p | 171.2p |
| 30 June 2020 | 89.5p | 3.0p | 168.5p |
| 31 December 2020 | 97.0p | 2.0p | 178.0p |
| 30 June 2021 | 113.9p | 3.0p | 197.9p |
| 31 December 2021 | 105.7p | 8.0p | 197.7p |
| 30 June 2022 | 91.3p | 3.0p | 186.3p |

The interim dividend of 2.0p per share for the six months ending 30 June 2022 will be paid on 22 December 2022, to those shareholders on the register as at 9 December 2022.

Shareholder information and contact details continued

Share price

The Company's share price can be found on various financial websites including www.londonstockexchange.com, with the following TIDM/EPIC code:

| | Ordinary shares |
|--|-----------------|
| TIDM/EPIC code | OTV2 |
| Latest share price (16 September 2022) | 90.5p per share |

Buying and selling shares

The Company's Ordinary shares can be bought and sold through a stockbroker in the same way as any other company quoted on the London Stock Exchange. There may be tax implications in respect of selling all or part of your holdings, so shareholders should contact their independent financial adviser if they have any queries.

The Company operates a policy of buying its own shares for cancellation as they become available. The Company is, however, unable to buy back shares directly from shareholders. If you are considering selling your shares or trading in the secondary market, please contact the Company's corporate broker, Panmure Gordon (UK) Limited ('Panmure').

Panmure is able to provide details of close periods (when the Company is prohibited from buying in shares) and details of the price at which the Company has brought in shares. Panmure can be contacted as follows:

| | | |
|-------------|---------------|-------------------------|
| Chris Lloyd | 020 7886 2716 | chris.lloyd@panmure.com |
| Paul Nolan | 020 7886 2717 | paul.nolan@panmure.com |

Notification of change of address

Communications with shareholders are mailed to the registered address held on the share register. In the event of a change of address or other amendment this should be notified to the Company's registrar, Computershare, as well as Octopus under the signature of the registered holder. Their contact details are provided at the end of this report.

Other information for shareholders

Previously published annual reports and half-yearly reports are available for viewing on the Investment Manager's website at octopustitanvct.com. All other statutory information will also be found there.

Warning to shareholders

Many companies are aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas-based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. They can be very persistent and extremely persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice, offer to buy shares at a discount or offer for free company reports.

Please note that it is extremely unlikely that either the Company or Octopus would make unsolicited telephone calls to shareholders and that any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment 'advice'.

If you are in any doubt about the veracity of an unsolicited phone call, please call either Octopus, or the Registrar, at the numbers provided at the back of this report.

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 Titan'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 Titan is the sum of the underlying assets less the liabilities of Titan divided by the total number of shares in issue.

Ongoing charges ratio (APM)

The ongoing charges ratio has been calculated using the AIC recommended methodology and excludes irrecoverable VAT, exceptional costs and trail commission. The figure shows the annual percentage reduction in shareholder returns as a result of recurring operational expenses. It informs shareholders of the likely costs that will be incurred in managing Titan in the future.

This is calculated by dividing the ongoing expenses, exceptional costs and trail commission, by the average net assets in the period.

Total return (APM)

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

Directors and advisers

Board of Directors

Tom Leader (Chair)
Jane O'Riordan
Matt Cooper
Lord Rockley
Gaenor Bagley

Company Number

Registered in England & Wales
No. 06397765

Secretary and Registered Office

Octopus Company Secretarial Services Limited
33 Holborn
London
EC1N 2HT

Portfolio Manager

Octopus Investments Limited
33 Holborn
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EC1N 2HT
Tel: 0800 316 2295

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LEI

213800A67IKGG6PVYW75

Manager

Octopus AIF Management Limited
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Corporate Broker

Panmure Gordon (UK) Limited
One New Change
London
EC4M 9AF
Tel: 020 7886 2500

Independent Auditor

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W1U 7EU

Tax Adviser

James Cowper Kreston
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

VCT Status Adviser

Shoosmiths LLP
1 Bow Churchyard
London
EC4M 9DQ

Bankers

HSBC Bank plc
31 Holborn
London
EC1N 2HR

Registrars

Computershare Investor Services plc
The Pavilions
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BS99 6ZZ

Tel: 0370 703 6324

(Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate.)

www.computershare.com/uk

www-uk.computershare.com/investor/

Depository

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