



**Unaudited
half-yearly report
for the six months
ended
31 August 2023**

Company number: 03477519

For UK investors only

Octopus AIM VCT 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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Financial summary

	Six months to 31 August 2023	Six months to 31 August 2022	Year to 28 February 2023
Net assets (£'000)	120,131	138,489	141,222
Loss after tax (£'000)	(15,972)	(24,508)	(33,414)
Net asset value (NAV) per share (p)	67.2	86.5	78.5
Total return (%) ¹	(11.2)	(14.6)	(19.8)
Dividends per share paid in the period (p)	2.5	3.0	5.5
Dividend declared (p) ²	2.5	2.5	2.5

¹Total 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.

²The interim dividend of 2.5p will be paid on 12 January 2024 to those shareholders on the register on 22 December 2023.

Key dates

Interim dividend payment date	12 January 2024
Annual results to 29 February 2024	June 2024
Interim results to 31 August 2024	November 2024

Chair's statement

The six months to 31 August 2023 have seen a continuation of the challenging conditions for smaller company investments that were outlined in the last annual report, and which have persisted for several reporting periods. Inflation has been slow to fall with the result that expectations for peak interest rates have risen and interest rates are now expected to remain high into 2024. The market turbulence resulting from this has been particularly harsh on smaller companies in some of the key sectors in which we invest. Against this background it is disappointing to report the VCT's Net Asset Value (NAV) per share fell by 11.2% during the six month period after adding back the 2.5p dividend paid in August. This reduction is marginally less than the reduction in the FTSE AIM All-Share index, which fell by 12.8% over the same period.

The flow of VCT qualifying investment opportunities was still weak at the start of the year and any recovery in the new issues market was delayed in response to less certain market conditions after the collapse of Silicon Valley Bank in March. Consequently, the level of investment in the period has been low at £0.5 million. More encouragingly, there has been a pick-up in activity towards the end of the period, led by existing AIM companies many of which have been able to access funding on lower valuations. We have made several new investments since the period end.

Transactions with the Investment Manager

Details of amounts paid to the Investment Manager are disclosed in Note 8 to the financial statements on page 18.

Share buybacks

In the six months to 31 August 2023, the Company bought back 2,221,434 Ordinary shares for a total consideration of £1,564,000. It is evident from the conversations which your Investment Manager has that this facility remains an important consideration for investors. The Company remains committed to maintaining its policy of buying back shares at a discount of approximately 4.5% to NAV (equating to up to a 5% discount to the selling shareholder after costs).

Share issues

In this period 1,301,464 new shares were issued, 1,260,682 of these being issued through the Dividend Reinvestment Scheme (DRIS).

New share offer

Since the period end the Company has launched a new combined offer for subscription alongside Octopus AIM VCT 2 plc to raise up to £20 million with an over allotment of up to a further £10 million.

Dividends

On 10 August 2023, the Company paid a dividend of 2.5p per share, being the final dividend for the year ended 28 February 2023. For the period to 31 August 2023, the Company has declared an interim dividend of 2.5p which will be paid on 12 January 2024 to shareholders on the register on 22 December 2023. It remains the Company's target to pay an annual dividend of 5.0p or 5% of the year-end share price, whichever is greater at the time.

Principal risks and uncertainties

The principal risks and uncertainties faced by the VCT are set out in Note 7 to the financial statements on page 18.

Outlook

The twin challenges of high interest rates and strong inflation, combined with unsettled geopolitical circumstances including the recent tragic events in the Middle East have led to significant numbers of shares now being priced well below their recent peaks and on valuations not seen since the last financial crisis. Your VCT has the resilience of being invested in a widely diversified portfolio of companies, and the recently announced fundraising means that our Investment Manager is in a strong position to invest in new opportunities as they arise.



Neal Ransome
Chair
7 November 2023

Investment Manager's review

Overview

The six months to 31 August 2023 has been a frustrating period for smaller company investors. Good growth companies trading robustly have seen their share prices and ratings fall as investors have shied away from taking risks. This has partly been the result of persistently high inflation, which has led to interest rates being raised four times in the half-year to 5.25%, further than had been anticipated a year ago, with any meaningful fall now not expected until next year. This nervousness has resulted in many valuations falling to levels not seen since the Financial Crisis nearly 15 years ago and has left the wider equity market trading at a discount of over 25% to its longer-term average. The Company has been particularly adversely affected by these market conditions over the past two years as it invests in early-stage companies, which rely on supportive market conditions for capital until they reach profitability. However, on a more positive note the economy has remained more robust than expected and many companies in the portfolio are still managing significant progress and growth. Valuations are at an attractive level for buyers and we see scope to deploy cash profitably once the market becomes comfortable that interest rates have peaked.

Performance

Adding back the 2.5p paid out in dividends in the period, the NAV fell by 11.2% in the six months to 31 August 2023. This compares with a 12.8% fall in the FTSE AIM All-Share Index, a 3.3% fall in the Small Cap Index (ex-Investment Trusts) and a 3.2% fall in the FTSE All Share Index, all on a total return basis. The Company's relatively high exposures to the healthcare and technology sectors (which had been a reason for good returns in the past) were once again detrimental to performance in a world where risk averse investors have little appetite for early-stage growth stocks. Companies yet to reach profitability were particularly affected with those needing to raise money now rather than wait for more favourable market conditions suffering some steep falls in their valuations. The VCT rules require investment to be made at an early stage and the benefits of doing so have been clear in past periods. The FTSE All Share Index performed noticeably better than the AIM Index, reflecting a higher weighting in larger companies, although it also continues to be valued at a discount to indices in other major geographies. The FTSE Small Cap Index (excluding Investment Trusts) did better than the AIM Index but has a much narrower membership and its constituents were less affected by the conditions described above.

There were two main themes behind the largest detractors from performance in the period, the most dominant of which was the on-going de-rating of growth stocks as investors sought safe havens such as the oil and resource sectors. Of the top ten detractors, seven companies (Learning Technologies Group, SDI Group, Next 15 Group, GB Group, Nexteq, Ergomed and Netcall) are established and profitable companies held for long-term growth potential. The worst impact on the NAV was from Learning Technologies Group, which saw its shares almost halve despite producing robust trading statements and

demonstrating the ability of the business to generate cash from its recurring revenue base. Next 15 Group and Ergomed's shares suffered a similar de-rating although the latter has since been subject to a takeover bid from a private equity house at a 28% premium to the then prevailing share price, demonstrating the value to be found in the portfolio. Others such as SDI and GB Group did have their 2023 forecasts cut although the longer-term investment cases remain robust. The other main theme was early-stage companies (such as Libertine and Feedback) either making slower progress than expected or perceived as not having a long enough cash runway to achieve profitability.

There were several positive contributors to performance including some early-stage companies which did demonstrate progress or where share prices recovered from previous lows when they achieved funding. Among these were Equipmake which has made several encouraging announcements since its latest funding round, Spectral MD which announced a reverse takeover by a US special acquisitions company (SPAC) which will enable it to tap US investors, and Intelligent Ultrasound which is making good progress with the commercialisation of its AI-based ultrasound software. In the retail sector Vertu Motors is trading well and its shares have been buoyed by takeover bids for quoted competitors.

Portfolio activity

In the period under review, the Company made one qualifying investment totalling £0.5 million into a new AIM flotation, a marked decrease on the £2.4 million we invested in the corresponding period last year, reflecting caution on the part of companies and brokers about raising new capital against a background of volatile markets.

The new investment was in Tan Delta Systems plc, a UK-based manufacturer of equipment which can accurately monitor the condition of oil to reduce maintenance costs and unnecessary oil usage. The systems are sold to operators of heavy equipment, supplying customers globally.

A number of disposals in the period resulted in a loss of £0.5 million over book cost. Adept Telecom was the subject of a cash takeover bid by a private equity bidder at a profit. We also disposed of ITSarm (formerly In The Style), realising a loss. Its business had been very badly affected by a squeeze between the consumer's dwindling appetite for online purchases and cost and logistics challenges exacerbated by inflation, and the management sold the business for cash. We made partial disposals at an overall profit of Genedrive, Intelligent Ultrasound, Judges Scientific, Nexteq (formerly Quixant), EKF Diagnostics Holdings, Glantus Holdings and Equipmake Holdings.

In the period we invested £1.2 million into the FP Octopus Micro Cap Growth Fund and £0.1 million into the FP Octopus Future Generations Fund and sold £0.7 million of the FP Octopus Multi Cap Income Fund. The strategy is to reduce other individually held non-qualifying holdings and replace them with liquid collective funds. Although the funds have had a negative impact on returns in this period, we believe valuations are currently at

Investment Manager's review continued

an attractive level and expect them to provide a return on our cash awaiting investment once stock markets return to a more settled state.

Unquoted investments

The Company is able to make investments in unquoted companies intending to float. Currently 7.1% (31 August 2022: 7.3% and 28 February 2023: 6.1%) of the Company's net assets are invested in unquoted companies. In the period there was a reduction in the valuation of the holding in Popsa on the basis of peer group comparisons and a slight increase in the valuation of Hasgrove, which continues to grow strongly.

Outlook

The very real issue of inflation and the need to tighten monetary policy by raising interest rates further than had been anticipated six months ago has prolonged the pain for the share prices of companies exposed to growth sectors. This has impacted the NAV and left some of the more mature companies in the portfolio held for their long-term growth potential valued well below their long-term averages despite profit forecasts showing resilience. It has also had a dampening effect on the new issue pipeline although there are recent signs that this is becoming more active again. Short-term attention remains fixed on the monthly inflation figures with the most recent monthly figures showing a larger than expected fall, giving hope that interest rates may be at or close to their peak. If confirmed it will have a huge impact on investor confidence which should also be bolstered by recent economic growth revisions, which no longer show the UK trailing other major economies over the past three years.

The portfolio's strength is that it is well diversified both in terms of sector exposure and of individual company concentration. At the period end it contained 87 holdings (31 August 2022: 91 holdings and 28 February 2023: 88 holdings) across a range of businesses with exposure to some exciting new technologies in the environmental and healthcare sectors. The Company currently has funds available for new investments as well as supporting those which are still on their journey to profitability. These are uncertain macroeconomic and geopolitical times, but the balance of the portfolio towards profitable companies remains, and the Investment Manager is confident that there will continue to be sufficient opportunities to invest our funds in good companies seeking more growth capital at attractive valuations, which we expect will result in improved future returns.

The Octopus Quoted Companies team
Octopus Investments
7 November 2023

Investment portfolio

Portfolio company	Sector	Book cost as at 31 August 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 August 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT's NAV
Ergomed plc	Pharmaceuticals & Biotechnology	1,176	6,420	7,596	(626)	1.43%	12.17%	6.32%
Breedon Group plc	Construction & Materials	859	4,142	5,001	(72)	0.42%	0.70%	4.16%
Equipmake Holdings plc	Electronic & Electrical Equipment	1,941	2,573	4,514	1,679	4.76%	8.01%	3.76%
Judges Scientific plc	Electronic & Electrical Equipment	283	3,981	4,264	(393)	0.69%	1.14%	3.55%
Learning Technologies Group plc	Software & Computer Services	1,051	2,502	3,553	(2,982)	0.59%	6.69%	2.96%
Brooks Macdonald Group plc	Investment Banking & Brokerage Services	746	2,271	3,017	(125)	0.95%	15.91%	2.51%
IDOX plc	Software & Computer Services	353	2,640	2,993	84	1.03%	3.40%	2.49%
Sosandar plc	Retailers	1,853	863	2,716	0	4.86%	11.37%	2.26%
SDI Group plc	Electronic & Electrical Equipment	179	2,410	2,589	(1,540)	2.14%	3.57%	2.16%
Intelligent Ultrasound Group plc	Medical Equipment & Services	2,156	210	2,366	376	6.58%	10.97%	1.97%
Mattioli Woods plc	Investment Banking & Brokerage Services	529	1,768	2,297	40	0.77%	11.36%	1.91%
Netcall plc	Software & Computer Services	308	1,912	2,220	(563)	1.85%	3.36%	1.85%
GB Group plc	Software & Computer Services	505	1,367	1,872	(880)	0.33%	6.25%	1.56%
Vertu Motors plc	Retailers	1,265	594	1,859	243	0.78%	1.77%	1.55%
Craneware plc	Health Care Providers	183	1,653	1,836	(262)	0.39%	3.15%	1.53%
Spectral MD Holdings Ltd	Health Care Providers	2,115	(394)	1,721	681	2.61%	7.20%	1.43%
Maxcyte Inc	Pharmaceuticals & Biotechnology	1,035	348	1,383	(494)	0.48%	1.32%	1.15%
PCI-Pal plc	Software & Computer Services	1,098	270	1,368	(212)	4.64%	7.74%	1.14%
Nexteq plc	Technology Hardware & Equipment	507	848	1,355	(861)	1.66%	2.76%	1.13%
Next Fifteen Communications Group plc	Media	453	889	1,342	(911)	0.22%	11.81%	1.12%
Diaceutics plc	Health Care Providers	930	330	1,260	(122)	1.45%	2.54%	1.05%
EKF Diagnostics Holdings plc	Medical Equipment & Services	767	413	1,180	(343)	0.96%	2.31%	0.98%
Itaconix plc	Industrial Materials	1,588	(467)	1,121	(436)	4.62%	10.73%	0.93%
LungLife AI Inc.	Pharmaceuticals & Biotechnology	2,079	(1,075)	1,004	177	4.63%	7.72%	0.84%
Animalcare Group plc	Pharmaceuticals & Biotechnology	306	630	936	(16)	0.92%	2.37%	0.78%
Access Intelligence plc	Software & Computer Services	678	245	923	(366)	1.25%	2.13%	0.77%
Beeks Financial Cloud Group plc	Software & Computer Services	450	433	883	(396)	1.37%	3.65%	0.74%

Investment portfolio continued

Portfolio company	Sector	Book cost as at 31 August 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 August 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT's NAV
Ilika plc	Electronic & Electrical Equipment	1,058	(193)	865	(148)	1.33%	2.21%	0.72%
Feedback plc	Medical Equipment & Services	1,500	(644)	856	(957)	7.55%	12.75%	0.71%
Clean Power Hydrogen plc	Alternative Energy	1,800	(1,000)	800	(120)	1.49%	2.49%	0.67%
Cambridge Cognition Holdings plc	Health Care Providers	601	180	781	(188)	2.46%	4.10%	0.65%
Gamma Communications plc	Telecommunications Service Providers	274	494	768	(67)	0.07%	6.81%	0.64%
Ixico plc	Pharmaceuticals & Biotechnology	1,046	(314)	732	(164)	7.72%	12.87%	0.61%
Libertine holdings plc	Industrial Engineering	3,000	(2,325)	675	(2,025)	10.77%	18.14%	0.56%
Oberon Investments Group plc	Investment Banking & Brokerage Services	864	(257)	607	(37)	3.43%	9.62%	0.51%
RWS Holdings plc	Industrial Support Services	143	444	587	(281)	0.06%	4.82%	0.49%
Gooch & Housego plc	Technology Hardware & Equipment	422	102	524	31	0.40%	12.11%	0.44%
TPXimpact Holdings plc	Software & Computer Services	979	(503)	476	165	1.44%	2.39%	0.40%
Advanced Medical Solutions Group plc	Medical Equipment & Services	284	164	448	9	0.08%	12.73%	0.37%
Tan Delta Systems plc	Electronic & Electrical Equipment	453	(17)	436	(17)	2.38%	3.97%	0.36%
ENGAGE XR Holdings plc	Software & Computer Services	1,879	(1,463)	416	(201)	2.94%	10.61%	0.35%
Crimson Tide plc	Software & Computer Services	567	(151)	416	(75)	2.87%	4.79%	0.35%
MyCelx Technologies Corporation	Oil, Gas & Coal	1,470	(1,079)	391	179	3.54%	24.07%	0.33%
Creo Medical Group plc	Medical Equipment & Services	1,471	(1,083)	388	58	0.33%	1.62%	0.32%
Velocity Composites plc	Aerospace & Defense	799	(442)	357	(28)	2.30%	3.83%	0.30%
Glantus Holdings plc	Industrial Support Services	1,111	(762)	349	208	2.13%	3.55%	0.29%
Restore plc	Industrial Support Services	256	91	347	(264)	0.14%	12.39%	0.29%
Mears Group plc	Industrial Support Services	139	203	342	84	0.12%	0.50%	0.28%
Gear4music Holdings plc	Leisure Goods	529	(194)	335	(11)	1.81%	3.02%	0.28%
GENinCode plc	Medical Equipment & Services	1,200	(873)	327	(246)	2.85%	4.74%	0.27%
DP Poland plc	Travel & Leisure	1,016	(727)	289	(90)	0.66%	1.11%	0.23%
Evgen Pharma plc	Pharmaceuticals & Biotechnology	1,050	(761)	289	(197)	4.77%	7.96%	0.23%
KRM22 plc	Closed End Investments	681	(416)	265	(28)	1.91%	3.18%	0.22%
Renalytix plc	Health Care Providers	288	(28)	260	(68)	0.24%	0.55%	0.22%

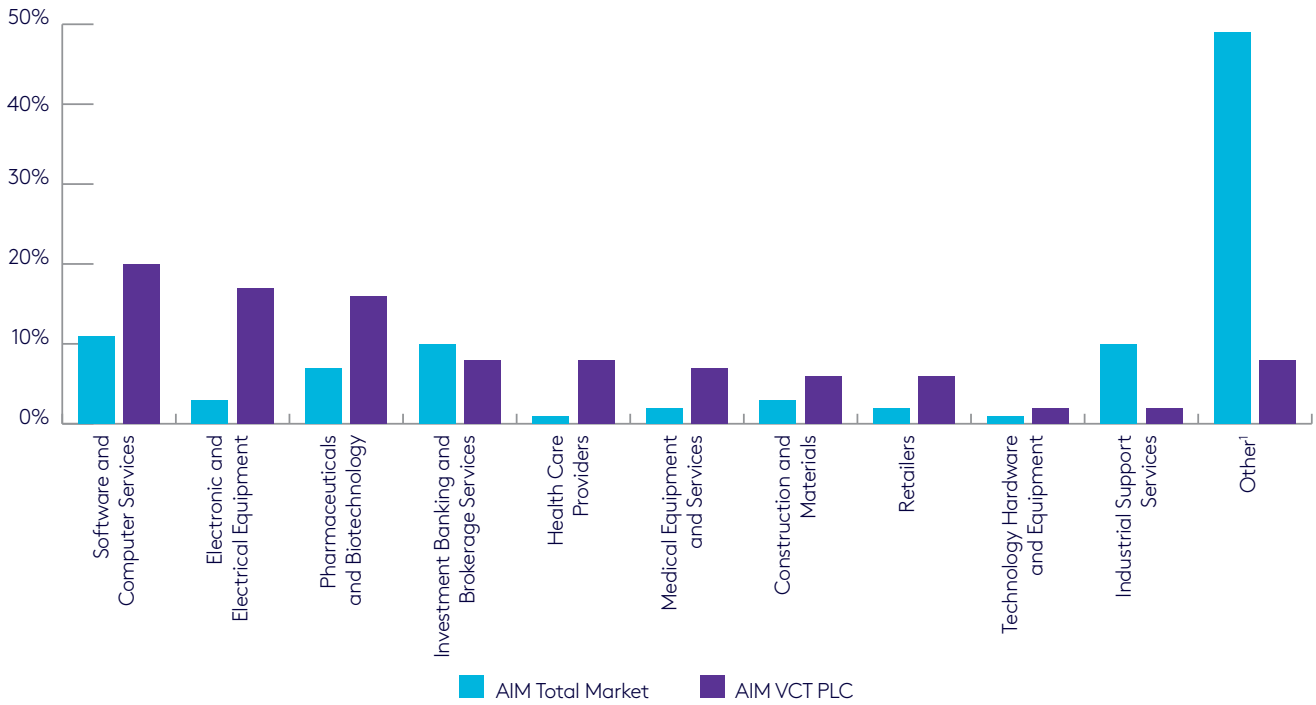
Portfolio company	Sector	Book cost as at 31 August 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 August 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT's NAV
Verici Dx plc	Pharmaceuticals & Biotechnology	651	(394)	257	57	1.61%	2.78%	0.21%
Northcoders Group plc	Software & Computer Services	380	(171)	209	(158)	1.58%	2.63%	0.17%
Gelion plc	Electronic & Electrical Equipment	1,140	(951)	189	(141)	0.73%	1.21%	0.16%
Velocys plc	Alternative Energy	996	(822)	174	(324)	0.75%	1.26%	0.14%
Polarean Imaging plc	Medical Equipment & Services	687	(521)	166	(137)	0.53%	0.88%	0.14%
Strip Tinning Holdings plc	Electronic & Electrical Equipment	506	(342)	164	27	1.77%	2.95%	0.14%
Cordel Group plc	Software & Computer Services	443	(280)	163	(29)	1.48%	2.47%	0.14%
ReNeuron Group plc	Pharmaceuticals & Biotechnology	1,485	(1,329)	156	(17)	3.03%	5.06%	0.13%
Staffline Group plc	Industrial Support Services	334	(220)	114	(22)	0.24%	0.24%	0.09%
XP Factory plc	Travel & Leisure	988	(878)	110	(36)	0.42%	0.70%	0.09%
DXS International plc	Software & Computer Services	300	(206)	94	(56)	5.86%	9.76%	0.08%
Enteq Technologies plc	Oil, Gas & Coal	1,032	(939)	93	(31)	1.46%	2.43%	0.08%
Falanx Cyber Security Limited	Industrial Support Services	900	(840)	60	(69)	5.70%	9.50%	0.05%
Abingdon Health plc	Medical Equipment & Services	521	(464)	57	27	0.45%	0.74%	0.05%
Fusion Antibodies plc	Health Care Providers	745	(692)	53	(348)	1.50%	2.50%	0.04%
1Spatial plc	Software & Computer Services	300	(254)	46	(1)	0.08%	3.71%	0.04%
Rosslyn Data Technologies plc	Software & Computer Services	429	(386)	43	(4)	13.20%	22.00%	0.04%
WANdisco plc	Software & Computer Services	79	(43)	36	(547)	0.04%	0.07%	0.03%
Genedrive plc	Pharmaceuticals & Biotechnology	217	(187)	30	(74)	0.27%	0.44%	0.02%
Tasty plc	Travel & Leisure	516	(490)	26	(10)	0.84%	1.61%	0.02%
Osirium Technologies plc	Software & Computer Services	1,350	(1,331)	19	(7)	0.76%	1.26%	0.02%
LoopUp Group plc	Software & Computer Services	296	(291)	5	(6)	0.15%	0.25%	0.00%
Haydale Graphene Industries plc	Industrial Materials	598	(595)	3	(3)	0.05%	0.08%	0.00%
Microsaic Systems plc	Electronic & Electrical Equipment	1,384	(1,382)	2	(8)	0.41%	0.68%	0.00%
Trackwise Designs plc	Technology Hardware & Equipment	1,934	(1,934)	0	(27)	0.42%	0.70%	0.00%
Location Sciences Group plc	Software & Computer Services	765	(765)	0	(1)	0.01%	0.02%	0.00%

Investment portfolio continued

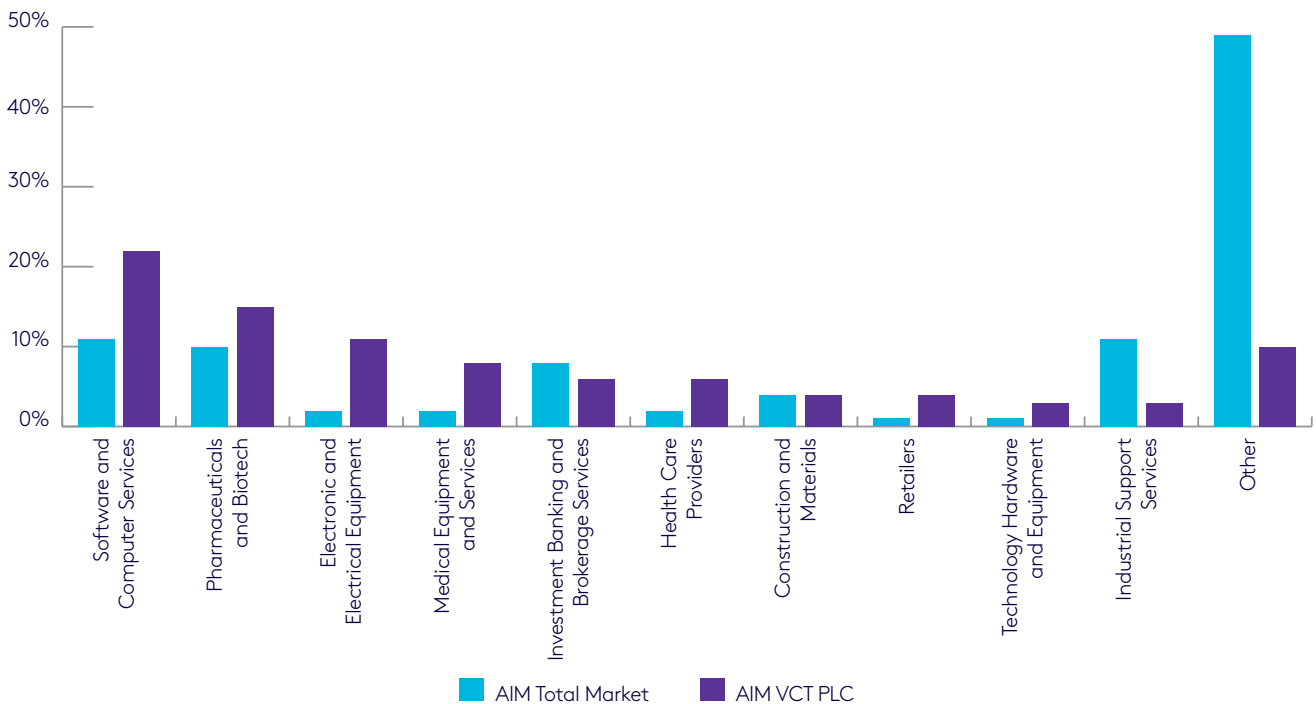
Portfolio company	Sector	Book cost as at 31 August 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 August 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT's NAV
The British Honey Company plc	General Retailers	1,321	(1,321)	0	(134)	7.12%	11.86%	0.00%
Total quoted investments		70,570	8,194	78,764	(14,877)			65.57%
Unquoted investments								
Hasgrove plc		88	4,814	4,902	899	2.63%	14.31%	4.08%
Popsa Holdings Limited		1,590	1,185	2,775	(897)	6.44%	10.74%	2.31%
Elucedra Limited		300	(138)	162	0	2.40%	4.01%	0.13%
The Food Marketplace Ltd		300	(201)	99	(51)	6.60%	10.99%	0.08%
Rated People Ltd		354	(334)	20	(7)	0.11%	0.32%	0.02%
Airnow plc		1,256	(1,256)	0	0	0.41%	0.73%	0.00%
Total unquoted investments		3,888	4,070	7,958	(56)			6.62%
Loan note investments								
Osirium Technologies plc Loan Notes	Software & Computer Services	600	-	600	-	N/A	N/A	0.50%
Total loan notes		600	-	600	-			0.50%
Current asset investments								
FP Octopus UK Micro Cap Growth Fund		7,518	554	8,072	(42)	N/A	N/A	6.72%
FP Octopus UK Multi Cap Income Fund		5,889	38	5,927	(1,336)	N/A	N/A	4.93%
FP Octopus UK Future Generations Fund		1,080	(206)	874	63	N/A	N/A	0.73%
Total current asset investments		14,487	386	14,873	(1,315)			12.38%
Total fixed and current asset investments				102,195				85.07%
Money market funds				16,485				13.72%
Cash at bank				1,921				1.60%
Debtors less creditors				(470)				(0.39%)
Total net assets				120,131				100.00%

Sector analysis

The graph below shows the top ten sectors the equity portfolio was invested in by value as at 31 August 2023. It also shows the sectors of the AIM Market as a whole as at 31 August 2023:



The graph below shows the top ten sectors the equity portfolio was invested in by value as at 31 August 2022. It also shows the sectors of the AIM Market as a whole as at 31 August 2022:



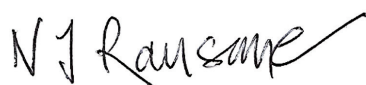
¹Other includes Technology, Industrial Engineering, Alternative Energy, Media, Telecommunications, Leisure Goods, Travel and Leisure, Oil, Coal and Gas, Closed End Investments, Aerospace and Defence, Industrial Materials and Automobiles and Parts.

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;
- the half-yearly report includes a fair review of the information required by the Financial Conduct Authority's 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.

On behalf of the Board



Neal Ransome
Chair
7 November 2023

Income statement

	Unaudited Six months to 31 August 2023			Unaudited Six months to 31 August 2022			Audited Year to 28 February 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain on disposal of fixed asset investments	–	139	139	–	15	15	–	207	207
Loss on disposal of current asset investments	–	(52)	(52)	–	–	–	–	–	–
Loss on valuation of fixed asset investments	–	(13,719)	(13,719)	–	(21,159)	(21,159)	–	(29,192)	(29,192)
Loss on valuation of current asset investments	–	(1,794)	(1,794)	–	(2,137)	(2,137)	–	(2,233)	(2,233)
Investment income	920	–	920	448	23	471	1,068	24	1,092
Investment management fees	(304)	(912)	(1,216)	(359)	(1,078)	(1,437)	(650)	(1,949)	(2,599)
Other expenses	(250)	–	(250)	(261)	–	(261)	(689)	–	(689)
(Loss)/profit before tax	366	(16,338)	(15,972)	(172)	(24,336)	(24,508)	(271)	(33,143)	(33,414)
Tax	–	–	–	–	–	–	–	–	–
(Loss)/profit after tax	366	(16,338)	(15,972)	(172)	(24,336)	(24,508)	(271)	(33,143)	(33,414)
Earnings per share – basic and diluted	0.2p	(9.1p)	(8.9p)	(0.1p)	(15.2p)	(15.3p)	(0.2p)	(20.0p)	(20.2p)

- The 'Total' column of this statement represents the statutory Income Statement 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 no recognised gains or losses other than those disclosed in the Income Statement.
- 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, as well as OEIC funds.


The accompanying notes on pages 17 to 20 form an integral part of the financial statements.

Balance sheet

	Unaudited As at 31 August 2023		Unaudited As at 31 August 2022		Audited As at 28 February 2023	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments		87,322		108,474		102,667
Current assets:						
Investments	14,873		14,505		16,188	
Money market funds	16,485		1,331		21,433	
Debtors	282		345		354	
Cash at bank	1,921		14,710		1,437	
Applications cash ¹	4		3		3	
	33,565		30,894		39,415	
Creditors: amounts falling due within one year	(756)		(879)		(860)	
Net current assets		32,809		30,015		38,555
Total assets less current liabilities		120,131		138,489		141,222
Called up equity share capital		1,789		1,601		1,798
Share premium		19,807		1,080		18,924
Capital redemption reserve		301		252		279
Special distributable reserve		112,000		124,444		118,015
Capital reserve realised		(24,586)		(21,993)		(23,143)
Capital reserve unrealised		12,650		35,202		27,545
Revenue reserve		(1,830)		(2,097)		(2,196)
Total equity shareholders' funds		120,131		138,489		141,222
NAV per share – basic and diluted		67.2p		86.5p		78.5p

¹Cash held but not yet allotted

The statements were approved by the Directors and authorised for issue on 7 November 2023 and are signed on their behalf by:



Neal Ransome
Chair
Company No: 03477519

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 28 February 2023	1,798	18,924	279	118,015	(23,143)	27,545	(2,196)	141,222
Total comprehensive loss for the period	-	-	-	-	(825)	(15,513)	366	(15,972)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(22)	-	22	(1,564)	-	-	-	(1,564)
Issue of shares	13	883	-	-	-	-	-	896
Share issue costs	-	-	-	-	-	-	-	-
Dividends	-	-	-	(4,451)	-	-	-	(4,451)
Total contributions by and distributions to owners	(9)	883	22	(6,015)	-	-	-	(5,119)
Other movements:								
Cancellation of share premium	-	-	-	-	-	-	-	-
Prior years' holding losses now realised	-	-	-	-	(618)	618	-	-
Total other movements	-	-	-	-	(618)	618	-	-
As at 31 August 2023	1,789	19,807	301	112,000	(24,586)	12,650	(1,830)	120,131

¹The sum of these reserves is an amount of £85,584,000 (31 August 2022: £100,354,000 and 28 February 2023: £92,676,000) which is considered distributable to shareholders.

Statement of changes in equity continued

	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 March 2022	1,605	25,450	236	105,258	(20,762)	58,307	(1,925)	168,169
Total comprehensive income for the period	-	-	-	-	(1,040)	(23,296)	(172)	(24,508)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(16)	-	16	(1,489)	-	-	-	(1,489)
Issue of shares	12	1,090	-	-	-	-	-	1,102
Share issue costs	-	(9)	-	-	-	-	-	(9)
Dividends paid	-	-	-	(4,776)	-	-	-	(4,776)
Total contributions by and distributions to owners	(4)	1,081	16	(6,265)	-	-	-	(5,172)
Other movements:								
Cancellation of share premium	-	(25,451)	-	25,451	-	-	-	-
Prior years' holding losses now realised	-	-	-	-	(191)	191	-	-
Total other movements	-	(25,451)	-	25,451	(191)	191	-	-
As at 31 August 2022	1,601	1,080	252	124,444	(21,993)	35,202	(2,097)	138,489

¹The sum of these reserves is an amount of £85,584,000 (31 August 2022: £100,354,000 and 28 February 2023: £92,676,000) which is considered distributable to shareholders.

	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 March 2022	1,605	25,450	236	105,258	(20,762)	58,307	(1,925)	168,169
Comprehensive income for the year:								
Management fee allocated as capital expenditure	-	-	-	-	(1,949)	-	-	(1,949)
Current year gains on disposal	-	-	-	-	207	-	-	207
Current period gains on fair value of investments	-	-	-	-	-	(31,425)	-	(31,425)
Capital investment income	-	-	-	-	24	-	-	24
Loss after tax	-	-	-	-	-	-	(271)	(271)
Total comprehensive loss for the year	-	-	-	-	(1,718)	(31,425)	(271)	(33,414)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(43)	-	43	(3,567)	-	-	-	(3,567)
Issue of shares	236	19,742	-	-	-	-	-	19,978
Share issue costs	-	(668)	-	-	-	-	-	(668)
Dividends paid	-	-	-	(9,276)	-	-	-	(9,276)
Total contributions by and distributions to owners	193	19,074	43	(12,843)	-	-	-	6,467
Other movements:								
Cancellation of share premium	-	(25,600)	-	25,600	-	-	-	-
Prior years' holding gains now realised	-	-	-	-	(663)	663	-	-
Total other movements	-	(25,600)	-	25,600	(663)	663	-	-
Balance as at 28 February 2023	1,798	18,924	279	118,015	(23,143)	27,545	(2,196)	141,222

¹The sum of these reserves is an amount of £85,584,000 (31 August 2022: £100,354,000 and 28 February 2023: £92,676,000) which is considered distributable to shareholders.

Cash flow statement

	Unaudited six months to 31 August 2023 £'000	Unaudited six months to 31 August 2022 £'000	Audited year to 28 February 2023 £'000
Cash flows from operating activities			
Loss before tax	(15,972)	(24,508)	(33,414)
Adjustments for:			
(Increase)/decrease in debtors	72	(16)	(25)
Decrease in creditors	(105)	(289)	(794)
Gain on disposal of fixed assets	(139)	(15)	(207)
Loss on disposal of current assets	52	–	–
Loss on valuation of fixed asset investments	13,719	21,159	29,192
Loss on valuation of current asset investments	1,794	2,137	2,233
Non-cash distributions	–	(23)	(24)
Net cash used in operating activities	(579)	(1,555)	(3,039)
Cash flows from investing activities			
Purchase of fixed asset investments	(453)	(2,425)	(4,880)
Purchase of current asset investments	(1,259)	(99)	(1,878)
Proceeds from sale of fixed asset investments	2,218	2,056	2,478
Proceeds from sale of current asset investments	728	–	–
Net cash used in investing activities	1,234	(468)	(4,280)
Cash flows from financing activities			
Movement in applications account	1	(243)	243
Purchase of own shares	(1,564)	(1,489)	(3,567)
Share issues	28	209	18,217
Share issues costs	–	(9)	(668)
Dividends paid	(3,583)	(3,883)	(7,515)
Net cash used in financing activities	(5,118)	(5,415)	6,710
Decrease in cash and cash equivalents	(4,463)	(7,438)	(609)
Opening cash and cash equivalents	22,873	23,482	23,482
Closing cash and cash equivalents	18,410	16,044	22,873
Cash and cash equivalents comprise			
Cash at bank	1,921	14,710	1,437
Applications cash	4	3	3
Money market funds	16,485	1,331	21,433
Total cash and cash equivalents	18,410	16,044	22,873

Notes to the financial statements

1. Basis of preparation

The unaudited financial statements which covers the six months to 31 August 2023 has 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.

The principal accounting policies have remained unchanged from those set out in the Company's 2023 Annual Report and Accounts.

2. Publication of non-statutory accounts

The unaudited financial statements for the six months ended 31 August 2023 does not constitute statutory accounts within the meaning of Section 415 of the Companies Act 2006 and has not been delivered to the Registrar of Companies. The comparative figures for the year ended 28 February 2023 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 financial statements have not been reviewed by the Company's auditor.

3. Earnings per share

The earnings per share is calculated on the basis of 178,768,443 Ordinary shares (31 August 2022: 159,856,324 and 28 February 2023: 165,688,082), being the weighted average number of shares in issue during the period.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted return per share figures are relevant. The basic and diluted earnings per share are therefore identical.

4. Net asset value per share

The net asset value per share is based on net assets as at 31 August 2023 divided by 178,882,114 shares in issue at that date (31 August 2022: 160,064,444 and 28 February 2023: 179,802,084).

	31 August 2023	31 August 2022	28 February 2023
Net assets (£'000)	120,131	138,489	141,222
Shares in issue	178,882,114	160,064,444	179,802,084
Net asset value per share	67.2p	86.5p	78.5p

5. Dividends

The interim dividend declared of 2.5p per Ordinary share will be paid on 12 January 2024 to those shareholders on the register on 22 December 2023.

6. Buybacks and share issues

During the six months ended 31 August 2023 the Company repurchased the following shares.

Date	No. of shares	Price (p)	Cost (£)
16 March 2023	459,683	72.5	333,000
20 April 2023	558,866	72.5	405,000
18 May 2023	290,881	71.9	209,000
15 June 2023	221,943	70.4	156,000
13 July 2023	247,764	68.2	169,000
17 August 2023	442,297	66.2	292,000
Total	2,221,434		1,564,000

The weighted average price of all buybacks during the period was 70.4p per share.

Notes to the financial statements continued

During the six months ended 31 August 2023 the Company issued the following shares.

Date	No. of shares	Price (p)	Gross proceeds (£)
10 August 2023 (DRIS)	1,260,682	68.8	868,000
10 August 2023 ¹	40,782	68.8	28,000
Total	1,301,464		896,000

The weighted average allotment price of all shares issued during the period was 68.8p per share.

7. Principal risks and uncertainties

The Company's principal risks are investment performance, VCT qualifying status risk, operational risk, information security, economic and price risk, regulatory and reputational/legislative risk, liquidity/cash flow risk and valuation 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 28 February 2023. 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 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 £1,216,000 by Octopus as a management fee in the period to 31 August 2023 (31 August 2022: £1,437,000 and 28 February 2023: £2,599,000). The management fee is payable quarterly and is based on 2% of net assets at six-month intervals.

The Company has invested a further £1.3 million into Octopus managed funds (31 August 2022: £0.1 million and 28 February 2023: £1.9 million), being the Multi Cap Income Fund, Micro Cap Growth Fund and Future Generations Fund. The Company has partially disposed its holding in Multi Cap Income Fund for total consideration of £0.7 million (31 August 2022: nil and 28 February 2023: nil) and has made a loss of £0.02 million over book cost (31 August 2022: nil and 28 February 2023: nil). To make sure the Company is not double charged management fees on these products, the Company receives a reduction in the management fee as a percentage of the value of these investments. This amounted to £43,000 in the period to 31 August 2023 (31 August 2022: £43,000 and 28 February 2023: £83,000). For further details please refer to the Company's Annual Report and Accounts for the year ended 28 February 2023.

In the period, Octopus Investments Nominees Limited (OINL) purchased shares in the Company from shareholders to correct administrative issues, on the understanding that shares will be sold back to the Company in subsequent share buybacks at the prevailing market price. As at 31 August 2023, OINL held nil shares (31 August 2022: 4,540 shares and 28 February 2023: 7,598 shares) in the Company as beneficial owner, with a nil book cost (31 August 2022: £4,000 and 28 February 2023: £7,000). Throughout the period to 31 August 2023 OINL purchased 2,657 shares (31 August 2022: 6,253 shares and 28 February 2023: 9,875 shares) at a cost of £2,372 (31 August 2022: £5,930 and 28 February 2023: £9,000) and sold 10,255 shares (31 August 2022: 2,602 shares and 28 February 2023: 3,166 shares) for proceeds of £7,383 (31 August 2022: £2,328 and 28 February 2023: £3,000). This is classed as a related party transaction as Octopus, the Investment Manager and OINL are part of the same group of companies. Any such future transactions, where OINL takes over the legal and beneficial ownership of Company shares, will be announced to the market and disclosed in annual and financial statements.

9. 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 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.

¹Shares issued as a result of reduced adviser charges, and reduced annual management fee for Octopus people.

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 upon convention of the exchange on which the investment is quoted. This is consistent with the 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 Managers review 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 year. The change in fair value for the current and previous year is recognised through the profit and loss account.

Disclosure

	Level 1: Quoted equity investments £'000	Level 3: Unquoted investments £'000	Total £'000
Cost as at 1 March 2023	72,846	4,488	77,334
Opening unrealised gain at 1 March 2023	21,207	4,126	25,333
Valuation at 1 March 2023	94,053	8,614	102,667
Purchases at cost	453	–	453
Disposal proceeds	(2,218)	–	(2,218)
Gain on realisation of investments	139	–	139
Change in fair value in year	(13,663)	(56)	(13,719)
Closing valuation at 31 August 2023	78,764	8,558	87,322
Cost at 31 August 2023	70,570	4,488	75,058
Closing unrealised gain at 31 August 2023	8,194	4,070	12,264
Valuation at 31 August 2023	78,764	8,558	87,322

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 Investment Manager's review.

Notes to the financial statements continued

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 August 2022: £600,000 and 28 February 2023: £600,000) of convertible loan notes held at cost, which is deemed to be current fair value. In addition to this the Company holds eight 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 cash flows or net assets are used to determine a fair value for the investments.

All capital gains or losses on investments are classified at FVTPL (fair value through profit or loss). 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 gains are treated as holding gains or losses.

At 31 August 2023 there were no commitments in respect of investments approved by the Investment Manager but not yet completed. The transaction costs incurred when purchasing or selling assets are written off to the Income Statement in the period that they occur.

10. Post balance sheet events

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

- A follow-on investment totalling £210,000 completed in FP Octopus UK Future Generations Fund.
- A follow-on investment totalling £180,000 (convertible loan note) completed in Rosslyn Data Technologies Plc.
- A follow-on investment totalling £540,000 completed in Rosslyn Data Technologies Plc.
- A new investment totalling £1,620,000 completed in Eden Research Plc.
- A follow-on investment totalling £1,259,000 completed in Haydale Graphene Industries Plc.
- A partial disposal with proceeds totalling £39,000 completed in Equipmake Holdings Limited.
- A partial disposal with proceeds totalling £967,000 completed in Ergomed Plc.
- A partial disposal with proceeds totalling £38,000 completed in Clean Power Hydrogen plc.
- A full disposal with proceeds totalling £364,000 completed in Glantus Holdings plc.
- A full redemption of the Osirium Technologies plc Loan Notes with proceeds totalling £766,000.
- A partial disposal with proceeds totalling £1,260,000 completed in FP Octopus UK Multi Cap Income Fund.
- 284,846 shares were bought back on 21 September 2023 at a price of 64.6p per share.
- 978,221 shares were bought back on 19 October 2023 at a price of 60.4p per share.
- On 14 September 2023, a prospectus offer was launched alongside Octopus AIM VCT 2 plc to raise a combined total of up to £20 million with a £10 million over allotment facility. The Offer will close on 13 September 2024 or earlier if fully subscribed.
- A final order to cancel share premium amounting to £19.8 million was granted on 20 October 2023.

About Octopus AIM VCT plc

Octopus AIM VCT plc (the 'Company' or 'Fund') was launched as Close AIM VCT PLC in the spring of 1998 and raised £10.1 million from private investors through an issue of Ordinary shares.

Between October 2000 and March 2001 a further £20.0 million was raised through an issue of C shares. Furthermore, between 16 March 2004 and final closing on 5 April 2004 the Company raised £3.3 million by way of a D share issue.

The C Shares were merged and converted into Ordinary shares on 31 May 2004 at a conversion ratio determined by a price mechanism related to the respective net assets per share of both the Ordinary shares and C shares at 29 February 2004 (which resulted in C Shareholders receiving 1.0765 Ordinary shares for each C share held).

A further £15.0 million was raised between 6 January 2005 and 8 April 2005 through an issue of New D shares.

On 31 May 2008, the Ordinary shares converted into D shares at a conversion ratio of 0.5448 D shares for each Ordinary share. All of the D shares were then re-designated into New Ordinary shares.

With effect from 1 August 2008, the management of the Company was transferred to Octopus Investments Limited.

On 4 August 2010 the share capital was restructured and each existing Ordinary share of 50p was subdivided into one Ordinary share of 1p and one Deferred share of 49p. The Deferred shares had no economic value and were bought back by the Company for an aggregate amount of 1p and cancelled.

On 12 August 2010, following approval at the Extraordinary General Meeting on 4 August 2010, shareholders of Octopus Phoenix VCT had their shares converted into Octopus AIM VCT shares on a relative net asset value basis using the conversion factor of 0.42972672. On the same day, Octopus Phoenix VCT was placed into members' voluntary liquidation.

The offer for subscription in the prospectus dated 9 July 2010 relating to the issue of new shares in connection with the merger with Octopus Phoenix VCT plc was extended by a supplemental prospectus and closed on 19 April 2011, raising £10 million. A subsequent offer raised £1.9 million, closing on 5 April 2012.

Since 5 April 2012 £177.5 million has been raised through various share offers launched.

Shareholder information and contact details

Dividends

Dividends will be paid by the Registrar 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. Queries relating to dividends, shareholdings and requests for mandate forms should be directed to the Company's Registrar, Computershare Investor Services PLC ('Computershare'), by calling **0370 703 6325** (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. Computershare Investor Services PLC is open between 9.00am-5.30pm, Monday to Friday, excluding public holidays in England and Wales), or by writing to them at:

The Registrar
Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

Share price

The Company's share price can be found on various financial websites, such as **www.londonstockexchange.com**, by typing 'Octopus AIM' in the 'Quotes Search' box.

The latest share price as at the close of business on 6 November 2023 was 59p per Ordinary share.

Buying and selling shares

The Company's Ordinary shares can be bought and sold in the same way as any other company quoted on the London Stock Exchange via a stockbroker. 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, and envisages that purchases will be made at up to a 5% discount to the prevailing NAV. 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 Panmure Gordon (UK) Limited.

Panmure Gordon (UK) Limited 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 bought its shares. Panmure Gordon (UK) Limited 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, under the signature of the registered holder. Their contact details can be found at the end of this report.

Other information for shareholders

Previously published annual reports and half-yearly reports are available for viewing on the Octopus website at **www.octopusinvestments.com** by navigating to Services, Investors, Shareholder information, Octopus AIM VCT plc. All other statutory information will also be found there.

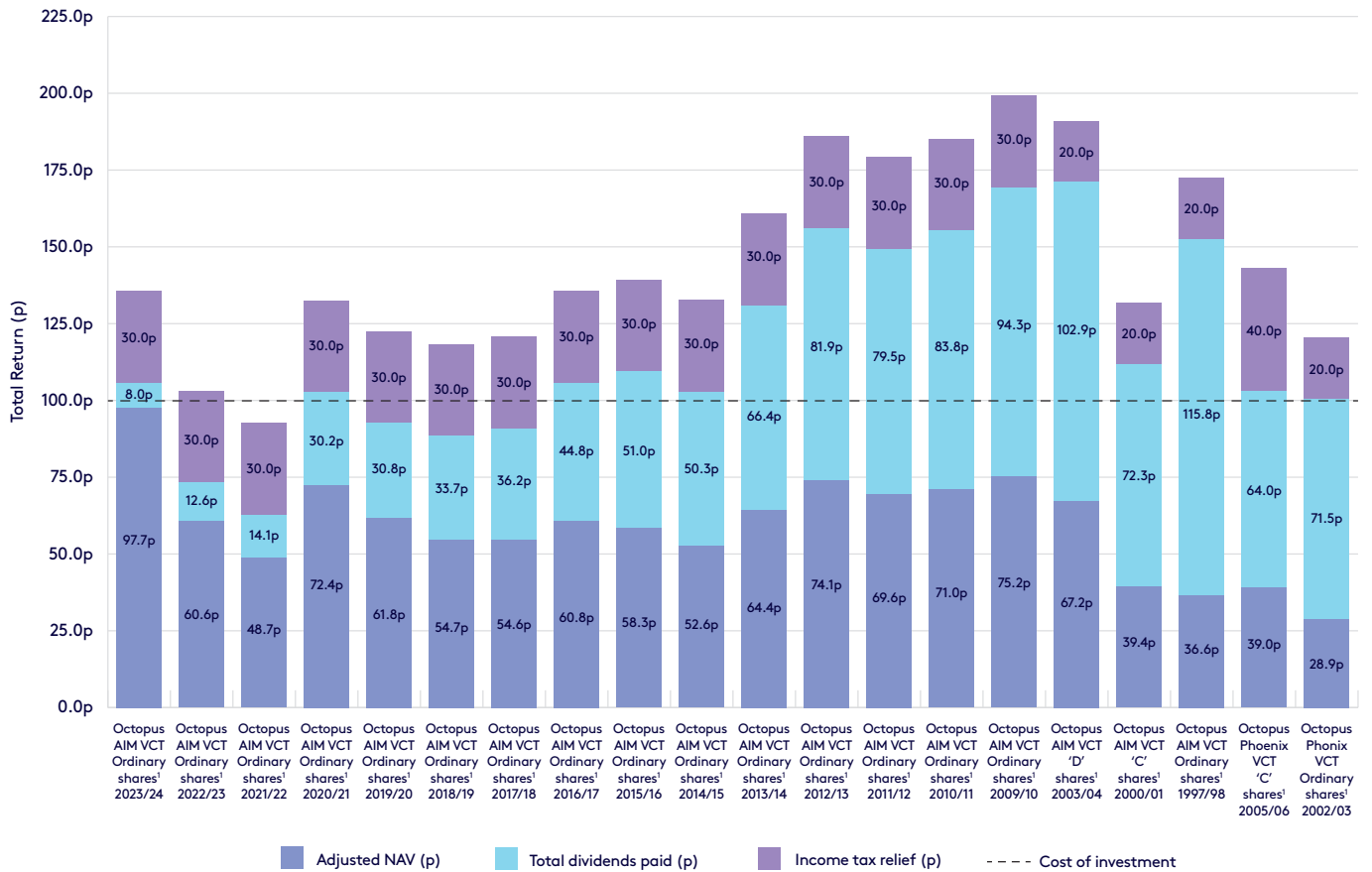
Warning to shareholders

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 wary of any unsolicited advice, offer to buy shares at a discount or offer for free company reports.

Please note that it is very unlikely that either Octopus Investments Limited ('Octopus') or the Company's Registrar would make unsolicited telephone calls to shareholders. In any event any such calls would relate only to official documentation already circulated to shareholders and would never be 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.

The table below depicts the Net Asset Value (NAV) per share and the dividends that have been paid since the launch of Octopus AIM VCT plc for the different share classes. The figures represent the NAV, rebased to assume investment (including initial charge) at 100p, and adjusted in accordance with the relevant conversion factors. Investment has been assumed at the first allotment of each tax year:



Shareholder information and contact details continued

The objective of the table below is to show the return of each individual share class (representing the first allotment from each tax year), assuming no subsequent corporate actions had occurred, so that the NAV plus cumulative dividends shown at the bottom of the table relates directly to the original investment. There is now only one share class, that being Ordinary shares (formerly D shares).

Dividends paid in the period ended	Ordinary shares 2023/24	Ordinary shares 2022/23	Ordinary shares 2021/22	Ordinary shares 2020/21	Ordinary shares 2019/20	Ordinary shares 2018/19	Ordinary shares 2017/18	Ordinary shares 2016/17	Ordinary shares 2015/16	Ordinary shares 2014/15	Ordinary shares 2013/14	Ordinary shares 2012/13	Ordinary shares 2011/12	Ordinary shares 2010/11	Ordinary shares 2009/10	D shares 2003/04	C shares 2000/01	Ordinary shares 1997/98	Phoenix 'C' shares 2005/06	Phoenix Ordinary shares 2002/03
28 February 1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.88	-	-
29 February 2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.13	-
28 February 2001	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.25	-
28 February 2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.55	6.50	-	-
28 February 2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.50	3.50	-	-
29 February 2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.50	0.50	0.50	0.50	-	0.15
28 February 2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.25	0.50	0.50	-	-	6.50
28 February 2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.30	2.31	2.15	-	-	1.00
28 February 2007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.00	7.21	6.70	4.00	-	9.35
29 February 2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.00	5.38	5.00	5.00	-	11.00
28 February 2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.00	2.93 ¹	2.72 ¹	4.35	-	6.00
28 February 2010	-	-	-	-	-	-	-	-	-	-	-	-	-	5.59 ¹	2.50	2.93 ¹	2.72 ¹	4.05 ¹	-	3.00 ¹
28 February 2011	-	-	-	-	-	-	-	-	-	-	-	-	-	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.53 ¹	1.13 ¹
31 August 2011	-	-	-	-	-	-	-	-	-	-	-	-	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.53 ¹	1.13 ¹
29 February 2012	-	-	-	-	-	-	-	-	-	-	-	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.53 ¹	1.13 ¹
31 August 2012	-	-	-	-	-	-	-	-	-	-	-	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.53 ¹	1.13 ¹
28 February 2013	-	-	-	-	-	-	-	-	-	-	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.53 ¹	1.13 ¹
31 August 2013	-	-	-	-	-	-	-	-	-	-	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.53 ¹	1.13 ¹
28 February 2014	-	-	-	-	-	-	-	-	-	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.53 ¹	1.13 ¹
31 August 2014	-	-	-	-	-	-	-	-	-	2.35 ¹	2.87 ¹	3.31 ¹	3.11 ¹	3.17 ¹	3.36 ¹	3.00	1.76 ¹	1.63 ¹	1.74 ¹	1.29 ¹
28 February 2015	-	-	-	-	-	-	-	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
31 August 2015	-	-	-	-	-	-	-	5.90 ¹	5.32 ¹	6.51 ¹	7.50 ¹	7.04 ¹	7.19 ¹	7.61 ¹	6.80	3.99 ¹	3.70 ¹	3.95 ¹	-	2.92 ¹
28 February 2016	-	-	-	-	-	-	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
31 August 2016	-	-	-	-	-	-	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
28 February 2017	-	-	-	-	-	2.03 ¹	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
31 August 2017	-	-	-	-	-	2.44 ¹	2.71 ¹	2.60 ¹	2.35 ¹	2.87 ¹	3.31 ¹	3.11 ¹	3.17 ¹	3.36 ¹	3.00	1.76 ¹	1.63 ¹	1.74 ¹	-	1.29 ¹
28 February 2018	-	-	-	-	2.20 ¹	2.03 ¹	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
31 August 2018	-	-	-	-	2.60 ¹	2.44 ¹	2.71 ¹	2.60 ¹	2.35 ¹	2.87 ¹	3.31 ¹	3.11 ¹	3.17 ¹	3.36 ¹	3.00	1.76 ¹	1.63 ¹	1.74 ¹	-	1.29 ¹
28 February 2019	-	-	-	2.30 ¹	2.20 ¹	2.03 ¹	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
31 August 2019	-	-	-	2.76 ¹	2.60 ¹	2.44 ¹	2.71 ¹	2.60 ¹	2.35 ¹	2.87 ¹	3.31 ¹	3.11 ¹	3.17 ¹	3.36 ¹	3.00	1.76 ¹	1.63 ¹	1.74 ¹	-	1.29 ¹
29 February 2020	-	-	6.47 ¹	5.51 ¹	5.04 ¹	4.88 ¹	5.42 ¹	5.21 ¹	4.69 ¹	5.75 ¹	6.62 ¹	6.21 ¹	6.34 ¹	6.71 ¹	6.00	3.52 ¹	3.27 ¹	3.48 ¹	-	2.58 ¹
31 August 2020	-	-	2.69 ¹	2.30 ¹	2.20 ¹	2.03 ¹	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
29 February 2021	-	-	2.18 ¹	3.23 ¹	2.76 ¹	2.60 ¹	2.44 ¹	2.71 ¹	2.60 ¹	2.35 ¹	2.87 ¹	3.31 ¹	3.11 ¹	3.17 ¹	3.36 ¹	3.00	1.76 ¹	1.63 ¹	-	1.29 ¹
31 August 2021	-	-	1.81 ¹	2.69 ¹	2.30 ¹	2.20 ¹	2.03 ¹	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	-	1.07 ¹
29 February 2022	5.42 ¹	4.35 ¹	6.47 ¹	5.51 ¹	5.04 ¹	4.88 ¹	5.42 ¹	5.21 ¹	4.69 ¹	5.75 ¹	6.62 ¹	6.21 ¹	6.34 ¹	6.71 ¹	6.00	3.52 ¹	3.27 ¹	3.48 ¹	-	2.58 ¹
31 August 2022	2.26 ¹	1.81 ¹	2.69 ¹	2.30 ¹	2.20 ¹	2.03 ¹	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	1.45 ¹	-	1.07 ¹
28 February 2023	4.36 ¹	2.71 ¹	2.18 ¹	3.23 ¹	2.76 ¹	2.60 ¹	2.44 ¹	2.71 ¹	2.60 ¹	2.35 ¹	2.87 ¹	3.31 ¹	3.11 ¹	3.17 ¹	3.36 ¹	3.00	1.76 ¹	1.63 ¹	-	1.29 ¹
31 August 2023	3.63 ¹	2.26 ¹	1.81 ¹	2.69 ¹	2.30 ¹	2.20 ¹	2.03 ¹	2.26 ¹	2.17 ¹	1.96 ¹	2.39 ¹	2.76 ¹	2.59 ¹	2.64 ¹	2.80 ¹	2.50	1.47 ¹	1.36 ¹	-	1.07 ¹
Cumulative dividends paid	7.99	12.65	14.14	30.16	30.80	33.68	36.17	44.73	51.02	50.36	66.30	82.00	79.56	83.77	94.38	102.85	72.39	115.69	63.96	71.43
Adjusted NAV as at 31 August 2023 ² (assuming investment at 100p)	97.7	60.6	48.7	72.4	61.8	54.7	54.6	60.8	58.3	52.6	64.4	74.1	69.6	71.0	75.2	67.2	39.4	36.6	39.0	28.9
Adjusted NAV plus cumulative dividends paid ³	105.69	73.25	62.84	102.56	92.60	88.38	90.77	105.53	109.32	102.96	130.70	156.10	149.16	154.77	169.58	170.05	111.79	152.29	102.96	100.33

Following the merger with Octopus Phoenix VCT plc and various share reorganisations, there is now only one share class, Ordinary shares. For Octopus Phoenix VCT plc Ordinary shares and C shares, the figures above represent a notionally adjusted NAV per share in accordance with the relevant conversion factors listed in About Octopus AIM VCT plc on page 21.

¹Notional dividends adjusting for conversion and assuming an investment at 100p, of Phoenix 'C' shares into Phoenix Ordinary shares, and relevant AIM VCT shares into AIM VCT Ordinary shares (formerly D shares).

²NAV adjusted for conversion of relevant shares into AIM VCT Ordinary shares at the date of each conversion. Phoenix Ordinary shares adjusted as at the date of the merger.

³NAV plus cumulative dividends based on NAV adjusting for conversion, assuming an investment at 100p, showing the notional return to shareholders based on their original investment share class.

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Neal Ransome (Chair)
Andrew Boteler
Stephen Hazell-Smith
Joanne Parfrey

Company number

Registered in England No: 03477519

Legal Entity Identifier (LEI)

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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 Company's total assets less liabilities. It is equal to the total shareholders' funds.

Total return (APM)

Total return is calculated as movement in NAV per share in the period plus dividends paid in the period, dividend 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.

Net asset value per share or NAV per share

The value of the Company's total assets less liabilities divided by the total number of shares in issue.



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