

Octopus AIM VCT plc

Half-Yearly Results

Octopus AIM VCT plc announces its unaudited half-yearly results for the six months ended 31 August 2025.

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").

Financial summary

£	Six months to 31 August 2025	Six months to 31 August 2024	Year to 28 February 2025
Net assets (£'000)	112,277	117,750	115,383
(Loss)/Profit after tax (£'000)	(522)	2,521	(6,079)
Net asset value (NAV) per share (p)	47.8	57.2	50.6
Total return per share (%) ¹	(0.6)	2.1	(4.4)
Dividends per share paid in the period (p)	2.5	7.4	9.9
Dividend per share 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 27 January 2026 to those shareholders on the register on 30 December 2025.

Chair's statement

The six months to 31 August 2025 commenced amid considerable turbulence, with geopolitical uncertainty following "Liberation Day" weighing heavily on investor sentiment and overall market confidence. The AIM market's performance at the start of the period was subdued, reflecting these pressures and investor concerns about the challenges affecting AIM. As the period progressed, both AIM and the broader UK capital market made good progress with volatility falling and market participants becoming more optimistic amid encouraging tariff negotiations.

At the start of the period, IPO (initial public offering) and follow-on fundraising activity was subdued, reflecting the understandable caution of companies operating within a volatile macroeconomic environment. Encouragingly, this pause proved temporary as momentum gradually improved, with capital markets rebounding on recovering confidence. Towards the end of the period and post the half-year end a new wave of ambitious, innovative companies has emerged, seeking growth capital and adding fresh energy to an increasingly healthy pipeline of IPO candidates and secondary fundraisings.

Despite this gradual improvement in market sentiment, investors remained selective and cautious, particularly regarding smaller, high-growth businesses. This caution weighed on valuations and contributed to the Company's 0.6% decline in Net Asset Value (NAV) after accounting for the final dividend of 2.5p, and lagging the AIM Index, which rose 9.7% over the period. The divergence in relative performance was largely due to the portfolio's limited exposure to the mining and financial sectors, which drove much of the AIM Index's gains. Many companies in these sectors do not qualify for VCT funding and are therefore not held in the portfolio. This is covered in more detail in the Investment Manager's Review. Looking forward, early signs of recovery and a gradual return in investor confidence provide a foundation for optimism that performance will improve over time.

Encouragingly, policy support continued to provide a reassuring backdrop. The government's reaffirmation of its commitment to Venture Capital Trusts in the Spring Statement demonstrated encouraging support for the channelling of patient, long-term growth capital to UK enterprises. The Chancellor's Mansion House speech was also well received as she reiterated government support for the direction of investment into productive growth sectors, which should further strengthen the foundation for the UK's dynamic small and mid-cap markets. Together, these signals point towards a cautiously brighter outlook defined by recovery, resilience, and renewal across AIM and the wider UK economy.

Transactions with the Investment Manager

Details of amounts paid to the Investment Manager are disclosed in Note 8 to the half-yearly report.

Share buybacks

During the six months to 31 August 2025, the Company repurchased 4,653,994 Ordinary shares at a total cost of £2,205,000. Shareholder feedback gathered by the Investment Manager continues to highlight the importance of this buyback facility to investors. The Board remains committed to maintaining its policy of repurchasing shares at a discount of up to 5% of NAV to the selling shareholder.

Share issues

In this period 11,164,307 new shares were issued, 2,227,986 of these being issued through the Dividend Reinvestment Scheme (DRIS).

Dividends

On 28 August 2025, the Company paid a final dividend of 2.5p per share for the financial year ended 28 February 2025. For the period to 31 August 2025, the Board has declared an interim dividend of 2.5p per share, to be paid on 27 January 2026 to shareholders on the register as at 30 December 2025. This is consistent with the Company's current dividend policy, which targets a minimum annual dividend payment of 5.0p per share or a 5% yield based on the prior year-end share price, whichever is higher. Dividends are typically paid in two instalments each year.

To support the Company's long-term sustainability and ensure it remains well positioned to deliver value for shareholders, the Board has undertaken a review of the current dividend policy. This follows a prolonged period of market volatility, together with a sustained record of high dividend distributions, both of which have together contributed to a reduction in the Net Asset Value (NAV) per share over time.

As a result, from the financial year ended February 2027 onward, a revised dividend policy will be implemented, commencing with the interim dividend payable around January 2027. Under the new dividend policy, the Company will target an annual dividend equivalent to 6% of the opening NAV per share, with the flexibility to distribute additional special dividends in the event of significant portfolio realisations.

This approach is intended to provide shareholders with a reliable stream of tax-free dividends while supporting the Company's capacity for long-term investment growth. It also ensures that, when larger profitable exits occur, shareholders remain well positioned to continue to benefit from material beneficial exits through special dividends, an area in which the Company has consistently delivered strong performance. The Board believes this revised policy achieves the right balance between providing regular returns to shareholders and maintaining the financial strength required to support future value creation.

Board composition

As outlined in the Annual Report and Accounts for the year ended 28 February 2025, Neal Ransome, who served as a director for nine years and as Chair since 2021, stepped down from the Board following the Annual General Meeting on 23 July 2025. I would like to extend my sincere thanks to Neal for his significant contribution and leadership during his tenure. I am pleased to welcome David Docherty to the Board as a director with effect from 23 July 2025. David brings extensive asset management experience, having held a range of senior roles as both a portfolio manager and investment director.

Principal risks and uncertainties

The principal risks and uncertainties are set out in Note 7 to the half-yearly report below.

Outlook

Investors appear cautiously optimistic about UK capital markets. IPO activity and secondary fund raising are beginning to improve, though confidence remains measured ahead of the Autumn Budget. At the same time, current valuations across the AIM market remain low, which is increasingly being viewed as an attractive entry point by long term investors seeking exposure to high growth UK businesses. The proposed reforms could also prove beneficial for AIM VCTs by directing more capital towards these innovative companies. If enacted, we expect these changes to help stimulate IPOs and secondary fund raising, strengthening the broader market's resilience and longer term stability. We believe your Investment Manager is well positioned to invest in new opportunities as they arise.

Joanne Parfrey
Chair

Investment Manager's review

Overview

Since March 2025, the AIM market and broader UK economy have shown tentative but sustained signs of recovery supported by improving macroeconomic fundamentals and resilient corporate trading performance. Despite ongoing geopolitical and market uncertainties, growth has remained steady with the UK amongst the fastest growing G7 nations, demonstrating reassuring resilience amid global volatility. This recovery is supported by robust performance in key sectors such as services and manufacturing. Additionally, inflation has continued to trend downward enabling the Bank of England to make successive interest rate cuts in May and August with further cuts expected in the near term. Coupled with modest improvements in business confidence and investment growth, these factors have stimulated renewed equity market activity, improved investor sentiment and a modest rebound in capital market transactions.

Encouragingly, many AIM companies in your portfolio reported strong earnings growth during the review period, underscoring AIM's crucial role as a platform for innovative small to mid-sized growth businesses. While capital outflows and corporate delistings continue to present challenges, new IPOs and secondary fundraisings have cautiously resumed. Additionally, public recognition of the vital role AIM VCTs play in financing these growth companies was emphasised in the 2025 Spring Budget and Mansion House statements, which highlighted VCTs as key vehicles for channelling capital into UK innovation.

Building on this, the Venture Capital Trust Association (VCTA) has submitted a comprehensive reform proposal to HM Treasury, advocating for a modernisation of VCT rules. Key recommendations include increasing the annual investment limit to £6.5 million and the lifetime limit to £16 million, with higher thresholds for Knowledge Intensive Companies. The proposal also suggests extending the company age eligibility from seven to ten years, and up to 13 years for Knowledge Intensive firms, having secured the scheme's continuation until at least 2035. Designed to counteract inflation's erosion of investment limits and to broaden regional and sectoral support, these reforms aim to ensure VCTs remain essential vehicles for financing high-growth sectors like technology and life sciences. Importantly, the proposed changes are expected to be low cost or cost-neutral to the Exchequer, preserving VCTs' vital role in driving UK innovation and job creation amid varying economic conditions. We strongly welcome these proposals, which have the potential to positively transform the sector.

Performance

Over the six months to 31 August 2025, the NAV declined by 0.6% on a total return basis, compared to a 9.7% increase in the AIM Index, a 11.8% rise in the FTSE Small Cap Index (excluding Investment Trusts), and a 7.1% gain in the FTSE All Share Index, all on a total return basis. The AIM Index's performance was largely driven by the precious metals and mining sectors, benefiting from higher commodity prices, particularly gold, which, as a significant sector weight, had an outsized effect. In contrast, the FTSE All Share Index's growth was supported by a broader range of sectors including financials, aerospace and defence, and consumer staples. The financial sector gains were mainly led by banks, while aerospace and defence saw increased investor interest amid ongoing geopolitical uncertainties. Tobacco was the main contributor within consumer staples. The FTSE Small Cap Index (ex-Investment Trusts) was boosted by strong sector performance of financials, mining, and specialty retail, which experienced resilient demand. Your portfolio underperformed primarily due to its limited exposure to top-performing sectors such as mining and financials, which generally are outside of VCT qualification criteria. While the AIM Index remains the most appropriate benchmark, it is worth noting that a considerable portion of it lies outside our investable universe.

Several companies contributed positively to performance during the period. Haydale Graphene Industries plc made strong commercial progress with its graphene-based JustHeat product line, securing commitments for over 40 pilot installations across Welsh housing providers and signing a strategic UK-wide distribution agreement with Quidos Protect, a network of qualified heating engineers. JustHeat also received UL (Underwriters Laboratories) certification, enabling commercial sales in the US and Canada, significantly expanding its market opportunity. SDI Group plc delivered on full-year market expectations, driven by improved second-half demand and a solid order book despite macroeconomic challenges. The company also announced a Â£4.75 million acquisition of Severn Thermal Solutions, expected to be immediately earnings enhancing. Craneware plc was the subject of a bid from Bain Capital at a premium to the prevailing share price. Although the Board rejected the approach, it has sharpened investor focus on the company's fundamental value. Aurigo International plc provided encouraging updates on their autonomous vehicle division, including the launch of AutoCargo (an autonomous vehicle developed with UPS to transport heavy cargo) and announced a strategic partnership with Swissport to deploy its technology at Zurich Airport.

Among the detractors during the period was GB Group plc, whose share price faced downward pressure mainly due to cautious sentiment around US spending. Despite this, the company continued to trade broadly in line with market expectations, supported by steady operational progress and initiatives to strengthen its US identity business. The company's announcement of its intention to move from AIM to the Main Market by 30 October introduced additional selling pressure, temporarily depressing the share price. GENinCode plc faced delays in FDA approval for its tests, which, while frustrating, there still remains significant growth opportunities for the business in its market. RC Fornax plc downgraded its revenue expectations after failing to convert its pipeline, a disappointing update from a company that listed with strong growth ambitions and seemed well positioned to benefit from increased defence spending. Beek Financial Cloud announced a strategic shift towards a revenue-share model, intended to boost long-term profitability. However, this approach involves greater commercial risk, which was poorly received by the market. Despite this, the business remains well positioned for growth, recently securing significant Proximity Cloud wins and renewals worth approximately 10 million.

Portfolio activity

During the period under review, the Company made one qualifying investment totalling Â£0.1 million, a decrease from the Â£2.1 million invested in the same period last year. This investment was a follow-on into Aurigo International plc, a specialist in designing and developing fully integrated smart airside solutions for the aviation industry. Aurigo successfully raised Â£14 million during the period, led by a strategic investor, Next Gen Mobility, leaving the company well capitalised to accelerate its growth trajectory with a focus on expanding its autonomous vehicle portfolio and airport deployments globally.

We invested Â£0.6 million in Applied Nutrition plc, a UK-based developer and seller of sports nutrition and wellness products. The company serves both domestic and international markets through retail and wholesale channels. The investment in this non-qualifying Main List company is part of our liquidity management strategy and aims to increase exposure to UK equities where valuations appear significantly undervalued. Applied Nutrition has demonstrated strong momentum, with H1 2025 revenue of Â£47.6 million, exceeding IPO guidance, and year-on-year normalised growth of approximately 19%. The company is well positioned for sustained growth supported by expanding distribution across the UK and Europe, new customer wins, and a growing direct-to-consumer channel, presenting an excellent entry point with potential for significant multi-year returns. Furthermore, the portfolio continues to hold certain existing non-qualifying AIM investments where we see potential for further share price appreciation. During the year, we partially disposed of our holding in the FP Octopus UK Multi Cap Income Fund, realising proceeds of Â£0.7 million.

Over the period, disposals generated a net gain of Â£10 million over book cost and produced cash proceeds of Â£16.8 million. Partial sales were made in Sosandar plc, Next 15 Group plc, Applied Nutrition plc, and Gooch & Housego plc. We also fully exited nine holdings, including Ricardo plc, Breedon Group plc, Intelligent Ultrasound Group plc, Learning Technologies Group plc, RWS Holdings plc, Restore plc, Maxcyte Inc., Advanced Medical Solutions Group plc, and RC Fornax plc. The sale of Breedon Group (as a result of the company moving to the Mair List in 2023), was a standout trade, delivering approximately a 6.5x return and realising substantial profits. This exemplifies the success of our long-term investment strategy and the value it can create for shareholders over time.

At the end of the period, 30.3% of the Company's net assets were held in cash or collective investment funds providing short-term liquidity reflective of the recent disposals.

Unquoted investments

As stated in the investment policy, the Company is able to make investments in unquoted companies intending to float. At 31 August 2025, 11.1% (31 August 2024: 8.7% and 28 February 2025: 13.2%) of the Company's net assets were invested in unquoted companies.

The decrease since the year end is driven by the disposal of Intelligent Ultrasound Group, an AIM company which had been temporarily reclassified as unquoted before being sold early in the period, excluding this the value of unquoted investments has increased. This uplift reflects the higher valuation of Hasgrove, which has continued to trade strongly operationally.

Outlook

The UK's economic outlook through the end of 2025 and into 2026 is characterised by modest growth amid ongoing geopolitical and political uncertainties. Despite this backdrop, AIM is showing renewed strength, with both IPO and secondary fundraising activity steadily gaining momentum as investor confidence gradually returns. Market sentiment remains slightly cautious ahead of the Autumn Budget, where potential tax changes could impact market dynamics. Proposed VCT reforms are expected to enhance AIM's appeal by increasing the pools of capital for small businesses, and in turn supporting a robust pipeline of IPOs in the years ahead. Collectively, these factors contribute to a balanced outlook for UK equity markets, blending near-term challenges with stronger structural foundations for sustained growth. Encouragingly, since the period end, your portfolio has invested Â£1.1 million, with a promising pipeline of new potential investments continuing to develop.

The Octopus Quoted Companies team
Octopus Investments

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.

By Order of the Board

Joanne Parfrey
Chair

Income statement

	Unaudited			Unaudited			Audited		
	Six months to 31 August 2025			Six months to 31 August 2024			Year to 28 February 2025		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
(Loss)/gain on disposal of fixed asset investments	£"	(1,125)	(1,125)	£"	(41)	(41)	£"	1,059	1,059
Gain on disposal of current asset investments	£"	1	1	£"	£"	£"	£"	£"	£"
Gain/(loss) on valuation of fixed asset investments	£"	196	196	£"	713	713	£"	(6,264)	(6,264)
Gain/(loss) on valuation of current asset investments	£"	465	465	£"	1,851	1,851	£"	(352)	(352)
Investment income	1,225	£"	1,225	1,370	£"	1,370	2,209	£"	2,209
Investment management fees	(245)	(733)	(978)	(270)	(810)	(1,080)	(518)	(1,561)	(2,079)
Other expenses	(306)	£"	(306)	(292)	£"	(292)	(652)	£"	(652)
Profit/(loss) before tax	674	(1,196)	(522)	808	1,713	2,521	1,039	(7,118)	(6,079)
Tax	£"	£"	£"	£"	£"	£"	£"	£"	£"
Profit/(loss) after tax	674	(1,196)	(522)	808	1,713	2,521	1,039	(7,118)	(6,079)
Earnings per share									
£" basic and diluted	0.3p	(0.5p)	(0.2p)	0.4p	0.8p	1.2p	0.5p	(3.4p)	(2.9p)

- 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 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 Open Ended Investment Company (OEIC) funds.

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

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

Balance sheet

	Unaudited As at 31 August 2025		Unaudited As at 31 August 2024		Audited As at 28 February 2025	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments		64,458		86,354		81,535
Current assets:						
Investments	14,095		16,155		14,283	
Money market funds	31,486		13,267		18,204	
Debtors	405		266		252	
Applications cash ¹	4		5		4,350	
Cash at bank	2,512		2,389		2,296	
	48,502		32,082		39,385	
Creditors: amounts falling due within one year	(683)		(686)		(5,537)	
Net current assets		47,819		31,396		33,848
Total assets less current liabilities		112,277		117,750		115,383
Called-up equity share capital		2,347		2,058		2,282
Share premium		21,566		20,707		16,226
Capital redemption reserve		455		369		408
Special distributable reserve		110,034		107,619		118,070
Capital reserve realised		(25,470)		(28,174)		(33,351)
Capital reserve unrealised		3,004		15,735		12,081
Revenue reserve		341		(564)		(333)
Total equity shareholders' funds		112,277		117,750		115,383
NAV per share - basic and diluted		47.8p		57.2p		50.6p

¹Cash held but not yet allotted

The statements were approved by the Directors and authorised for issue on 18 November 2025 and are signed on their behalf by:

Joanne Parfrey
Chair
Company No: 03477519

Statement of changes in equity

	Share capital	Share premium	Capital redemption reserve	Special distributable reserves ¹	Capital reserve realised ¹	Capital reserve unrealised	Revenue reserve ¹	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 March 2025	2,282	16,226	408	118,070	(33,351)	12,081	(333)	115,383
Total comprehensive loss for the period	â€"Â	â€"Â	â€"Â	â€"Â	(1,857)	661	674	(522)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(47)	â€"Â	47	(2,205)	â€"Â	â€"Â	â€"Â	(2,205)
Issue of shares	112	5,619	â€"Â	â€"Â	â€"Â	â€"Â	â€"Â	5,731
Share issue costs	â€"Â	(279)	â€"Â	â€"Â	â€"Â	â€"Â	â€"Â	(279)
Dividends paid	â€"Â	â€"Â	â€"Â	(5,831)	â€"Â	â€"Â	â€"Â	(5,831)
Total contributions by and distributions to owners	65	5,340	47	(8,036)	â€"Â	â€"Â	â€"Â	(2,584)
Other movements:								
Prior years' holding gains now realised	â€"Â	â€"Â	â€"Â	â€"Â	9,738	(9,738)	â€"Â	â€"Â
Total other movements	â€"Â	â€"Â	â€"Â	â€"Â	9,738	(9,738)	â€"Â	â€"Â
As at 31 August 2025	2,347	21,566	455	110,034	(25,470)	3,004	341	112,277

¹The sum of these reserves is an amount of £84,905,000 (31 August 2024: £98,219,000 and 28 February 2025: £84,386,000) which is considered distributable to shareholders. The Income Taxes Act 2007 restricts distribution of capital from reserves created by the conversion

of the share premium account into a special distributable reserve until the third anniversary of the share allotment that led to the creation of that part of the share premium account. As at 31 August 2025, £75,897,000 of the special reserve is distributable under this restriction.

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

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special distributable reserves £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Revenue Reserve £'000	Total £'000
As at 1 March 2024	2,038	18,041	341	124,213	(24,622)	10,470	(1,372)	129,109
Total comprehensive profit for the period					(851)	2,564	808	2,521
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(28)		28	(1,663)				(1,663)
Issue of shares	48	2,666						2,714
Share issue costs								
Dividends paid				(14,931)				(14,931)
Total contributions by and distributions to owners	20	2,666	28	(16,594)				(13,880)
Other movements:								
Prior years' holding losses now realised					(2,701)	2,701		
Total other movements					(2,701)	2,701		
As at 31 August 2024	2,058	20,707	369	107,619	(28,174)	15,735	(564)	117,750

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

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special distributable reserves £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 March 2024	2,038	18,041	341	124,213	(24,622)	10,470	(1,372)	129,109
Total comprehensive loss for the year					(502)	(6,616)	1,039	(6,079)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(67)		67	(3,687)				(3,687)
Issue of shares	311	17,114						17,425
Share issue costs		(864)						(864)
Dividends paid				(20,521)				(20,521)
Total contributions by and distributions to owners	244	16,250	67	(24,208)				(7,647)
Other movements:								
Cancellation of share premium		(18,065)		18,065				
Prior years' holding gains now realised					(8,228)	8,228		
Total other movements		(18,605)		18,605	(8,228)	8,228		
Balance as at 28 February 2025	2,282	16,226	408	118,070	(33,351)	12,081	(333)	115,383

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

Cash flow statement

	Unaudited Six months to 31 August 2025 £'000	Unaudited Six months to 31 August 2024 £'000	Audited Year to 28 February 2025 £'000
Cash flows from operating activities			
(Loss)/profit before tax	(522)	2,521	(6,079)
Adjustments for:			
(Increase)/decrease in debtors	(153)	400	414

(Decrease)/increase in creditors	(508)	(39)	466
Loss/(gain) on disposal of fixed assets	1,125	41	(1,059)
(Gain) on disposal of current assets	(1)	â€“	â€“
(Gain)/loss on valuation of fixed asset investments	(196)	(713)	6,264
(Gain)/loss on valuation of current asset investments	(465)	(1,851)	352
Net cash (utilised in)/generated by operating activities	(720)	359	358
Cash flows from investing activities			
Purchase of fixed asset investments	(692)	(6,129)	(11,280)
Proceeds from sale of fixed asset investments	16,840	797	4,890
Purchase of current asset investments	â€“	(408)	(1,008)
Proceeds from sale of current asset investments	654	â€“	270
Net cash generated by/(utilised in) investing activities	16,802	(5,740)	(7,128)
Cash flows from financing activities			
Movement in applications account	(4,346)	1	4,346
Purchase of own shares	(2,205)	(1,663)	(3,687)
Proceeds from share issues (net of DRIS)	3,041	24	13,678
Share issues costs	(279)	â€“	(864)
Dividends paid (net of DRIS)	(3,141)	(12,241)	(16,774)
Net cash (utilised in)/generated by financing activities	(6,930)	(13,879)	(3,301)
Â Increase/(decrease) in cash and cash equivalents	9,152	(19,260)	(10,071)
Opening cash and cash equivalents	24,850	34,921	34,921
Closing cash and cash equivalents	34,002	15,661	24,850
Cash and cash equivalents comprise			
Cash at bank	2,512	2,389	2,296
Applications cash	4	5	4,350
Money market funds	31,486	13,267	18,204
Â Total cash and cash equivalents	34,002	15,661	24,850

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

Condensed notes to the financial statements

1. Basis of preparation

The unaudited financial statements which cover the six months to 31 August 2025 has been prepared in accordance with the Financial Reporting Councilâ€™s (FRC) Financial Reporting Standard 104 â€“Interim Financial Reportingâ€™ (September 2024) and the Statement of Recommended Practice (SORP) for Investment Companies reâ€“issued by the Association of Investment Companies in July 2022.

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

2. Publication of non-statutory accounts

The unaudited financial statements for the six months ended 31 August 2025 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 2025 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditorâ€™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 Companyâ€™s auditor.

3. Earnings per share

The earnings per share is calculated on the basis of 233,374,216 Ordinary shares (31 August 2024: 202,899,157 and 28 February 2025: 209,959,577), 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 2025 divided by 234,668,999 shares in issue at that date (31 August 2024: 205,846,926 and 28 February 2025: 228,158,686).

	31 August 2025	31 August 2024	28 February 2025
Net assets (Â£â€™000)	112,277	117,750	115,383
Shares in issue	234,668,999	205,846,926	228,158,686
Net asset value per share	47.8p	57.2p	50.6p

5. Dividends

The interim dividend declared of 2.5p per Ordinary share will be paid on 27 January 2026 to those shareholders on the register on 30 December 2025.

6. Buybacks and share issues

During the six months ended 31 August 2025 the Company repurchased the following shares.

Date	No. of shares	Price (p)	Cost (Â£)
20 March 2025	1,053,974	47.4	499,500
16 April 2025	888,536	45.4	403,400
15 May 2025	590,908	47.3	279,500
19 June 2025	774,234	49.6	384,000
17 July 2025	549,397	49.8	273,600
21 August 2025	796,945	45.8	365,000
Total	4,653,994	Â	2,205,000

The weighted average price of all buybacks during the period was 47.4p per share.

During the six months ended 31 August 2025 the Company issued the following shares.

Date	No. of shares	Price (p)	Net proceeds (Â£)
27 March 2025	8,893,138	52.2	4,642,000
22 May 2025	43,183	50.1	22,000
28 August 2025 (DRIS)	2,227,986	47.9	1,067,000
Total	11,164,307	Â	5,731,000

The weighted average allotment price of all shares issued during the period was 51.2p 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 2025. The Board has also considered emerging risks, including geo-political protectionism, climate change and cyber security. The Board seeks to mitigate risks by setting policy and reviewing performance. Otherwise, the Company's principal risks and uncertainties have not changed materially since the date of that report.

8. Related party transactions

The Company has employed Octopus Investments Limited 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 Â£978,000 by Octopus as a management fee in the period to 31 August 2025 (31 August 2024: Â£1,080,000 and 28 February 2025: Â£2,079,000). The management fee is payable quarterly and is based on 2% of net assets at six-month intervals.

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 Â£34,000 in the period to 31 August 2025 (31 August 2024: Â£43,000 and 28 February 2025: Â£86,000). For further details please refer to the Company's Annual Report and Accounts for the year ended 28 February 2025.

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 2025, OINL held nil shares (31 August 2024: nil shares and 28 February 2025: nil shares) in the Company as beneficial owner, with a nil book cost (31 August 2024: Â£nil and 28 February 2025: Â£nil).

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.

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. All investments are initially recognised at transaction price and subsequently measured at fair

value. Changes in fair value are recognised in the Income Statement.

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 companies we invest in.

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 2025	73,811	7,245	81,056
Opening unrealised gain at 1 March 2025	(8,737)	9,216	479
Valuation at 1 March 2025	65,074	16,461	81,535
Purchases at cost	692		692
Disposal proceeds	(14,044)	(2,796)	(16,840)
Loss on realisation of investments	(1,125)		(1,125)
Change in fair value in year	181	15	196
Closing valuation at 31 August 2025	50,778	13,680	64,458
Cost at 31 August 2025	68,483	5,089	73,572
Closing unrealised gain at 31 August 2025	(17,705)	8,591	(9,114)
Valuation at 31 August 2025	50,778	13,680	64,458

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.

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 £1,200,000 (31 August 2024: £1,080,000 and 28 February 2025: £1,200,000) of convertible loan notes held at cost, which is deemed to be current fair value. In addition to this the Company holds six 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.

10. Post balance sheet events

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

On 25 September 2025, the Company purchased for cancellation 825,787 Ordinary shares at a price of 46.42p.

On 23 October 2025, the Company purchased for cancellation 770,561 Ordinary shares at a price of 46.07p.

11. Half Yearly Report

The unaudited half-yearly report for the six months ended 31 August 2025 will shortly be available to view on the Company's website <https://octopusinvestments.com/our-products/venture-capital-trusts/octopus-aim-vcts/>

A copy of the half-yearly report will be submitted to the National Storage Mechanism and will shortly be available for inspection at:
<https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

For further enquiries, please contact:

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