

Hargreave Hale
AIM VCT



Cultivating opportunities

**Unaudited interim results
for Hargreave Hale AIM VCT plc
for the six month period ending 31 March 2025**



Contents

	Page
Background to the Company	2
Investment objectives and policy	2
Financial highlights for the six month period ending 31 March 2025	3
Strategy	
Chair's statement	4
Investment Manager's report	9
Investment portfolio summary	13
Top 10 investments	16
Governance	
Principal risks and uncertainties	19
Going concern	19
Other matters	20
Statement of Directors' responsibilities	21
Condensed financial statements	
Condensed income statement	22
Condensed balance sheet	23
Condensed statement of changes in equity	24
Condensed statement of cash flows	27
Explanatory notes	28
Alternative performance measures	36
Alternative performance measures (definitions)	38
Glossary of terms	39
Shareholder information	41
Company information	43

Background to the Company

The Company is an established VCT that aims to generate capital gains and income from its portfolio and to make distributions to Shareholders from capital or income whilst maintaining its status as a VCT. Although the Company's Qualifying Investments are primarily in companies that are listed on AIM, it also has investments in private companies and the AQSE Growth Market. The Company may also make Non-Qualifying Investments in equities and exchange traded funds listed on the main market of the London Stock Exchange, fixed income securities, bank deposits, the IFSL Marlborough Special Situations Fund and the IFSL Marlborough UK Micro-Cap Fund as allowed by the VCT Rules.

The Company was approved as a VCT by HMRC at launch in 2004. It has at all times satisfied the various tests required to maintain its status as a VCT. CGAM has been the appointed Investment Manager of the Company's assets since inception.

Investment objectives

The investment objectives of the Company are to generate capital gains and income from its portfolio and to make distributions from capital or income to Shareholders whilst maintaining its status as a VCT.

Investment policy

The Company intends to achieve its investment objectives by making Qualifying Investments in companies listed on AIM, private companies and companies listed on the AQSE Growth Market, as well as Non-Qualifying Investments as allowed by the VCT Rules.

Qualifying Investments

The Investment Manager will maintain a diversified portfolio of Qualifying Investments which may include equities and fixed interest securities as permitted by the VCT Rules. Investments will primarily be made in companies listed on AIM but may also include private companies that meet the Investment Manager's criteria and companies listed on the AQSE Growth Market. These small companies have a permanent establishment in the UK and, whilst of high risk, will have the potential for significant capital appreciation.

To maintain its status as a VCT, the Company must invest 80 per cent. by value, as measured by the VCT Rules, of funds raised in Qualifying Investments no later than three years after the date on which the Shares are issued. To provide some protection against an inadvertent breach of this rule, the Investment Manager targets a threshold of approximately 85 per cent.

Non-Qualifying Investments

Non-Qualifying Investments must be permitted by the VCT Rules and may include equities and exchange traded funds listed on the main market of the London Stock Exchange, fixed income securities, bank deposits that are readily realisable, the IFSL Marlborough Special Situations Fund and the IFSL Marlborough UK Micro-Cap Fund. Subject to the investment controls below, the allocation to each of these investment classes will vary to reflect the Investment Manager's view of the market environment and the deployment of funds into Qualifying Companies. The market value of the Non-Qualifying Investments (excluding bank deposits) will vary between nil and 50 per cent. of the net assets of the Company. The value of funds held in bank deposits will vary between nil and 30 per cent. of the net assets of the Company.

Investment controls

The Company may make co-investments in investee companies alongside other funds, including other funds managed by the Investment Manager. Other than bank deposits, no individual investment shall exceed 10 per cent. of the Company's net assets at the time of investment. As required by the VCT Rules, the Company's maximum exposure to a single company is 15 per cent. of its net assets at the point of investment.

Borrowings

The Articles permit the Company to borrow up to 15 per cent. of its adjusted share capital and reserves (as defined in the Articles). However, it is not anticipated that the Company will have any borrowings in place and the Directors do not intend to use this authority.

To the extent that any future changes to the Company's investment policy are considered to be material, Shareholder consent to such changes will be sought.

Financial highlights

for the six month period ending 31 March 2025

Net asset value ("NAV") per Share	NAV total return	Tax free dividends paid in the period	Share price total return	Ongoing charges ratio
34.48p⁽¹⁾	-8.19%⁽¹⁾	2.75p	-6.28%⁽¹⁾	2.45%⁽¹⁾

- **£3.6m invested in Qualifying Companies in the period.**
- **92.29% invested by VCT tax value in Qualifying Investments at 31 March 2025.**
- **Offer for subscription launched on 9 October 2024 to raise up to £20m. At the date of this report 14m Shares have been issued raising gross proceeds of £5.4m.**
- **Final dividend of 1.25 pence and special dividend of 1.50 pence per Share paid 14 February 2025.**
- **Interim dividend of 0.75 pence and special dividend of 0.50 pence per Share approved by the Board.**

Summary financial data	Six months ending 31-Mar-25	Six months ending 31-Mar-24	Year ending 30-Sept-24
NAV (£m) ⁽¹⁾	126.75	155.74	148.01
NAV per Share (p) ⁽¹⁾	34.48	43.64	40.55
NAV total return (%) ⁽¹⁾	-8.19	-2.59	-3.86
Market capitalisation (£m)	124.25	150.60	142.34
Share price (p)	33.80	42.20	39.00
Share price discount to NAV per Share (%) ⁽¹⁾	1.97	3.30	3.82
Share price 5 year average discount to NAV per Share (%) ⁽¹⁾	-5.52	-5.83	-5.79
Share price total return (%) ⁽¹⁾	-6.28	1.63	0.00
Loss per Share for the period (p)	-3.39	-1.22	-1.86
Dividends paid per Share (p)	2.75	1.50	4.00
Ongoing charges ratio (%) ⁽¹⁾	2.45	2.45	2.43

(1) Alternative performance measure illustrations and definitions can be found on pages 36 to 38.

Financial Calendar	
Record date for interim dividend	27 June 2025
Payment of interim dividend	25 July 2025
Announcement of annual results for the year ending 30 September 2025	December 2025
Annual General Meeting	February 2026
Payment of annual dividend (subject to approval by Shareholders at the AGM)	February 2026

Chair's statement

Introduction

May I start by welcoming our new Shareholders who have joined us through the new offer and of course by thanking all Shareholders for their ongoing support, which continues to be greatly appreciated.

Once again, we started the financial year on a difficult note with AIM and, more broadly, UK enterprise under pressure from changes to UK fiscal policy. The run up to the 2024 Autumn Budget saw an intensification of the selling pressure on AIM as speculation mounted about potential changes to Business Property Relief for investments in companies listed on AIM. The outcome was better than feared and AIM had a strong rebound on budget day.

Whilst AIM investors were relieved that the worst had not come to pass, the same could not have been said of UK enterprise more broadly. The scale of the tax grab surprised most, even if it had been well trailed, and only served to add to the downward pressure on the economy that followed the election. The UK economy grew by just 0.1% in the three months to 31 December 2024. Although most companies will feel the impact of higher regulated wages (minimum wage and national insurance contributions), the impact is disproportionately high for low margin, high service companies, including several in our portfolio. However, with most of our portfolio focused on other business activities such as technology and healthcare, where there is a greater focus on skilled employment, the impact will be limited.

It is too early to know how the new US approach to international trade will impact the portfolio; we are only just starting to get updates from companies. We estimate that about 10 per cent. of portfolio companies export goods to the US with several more operating manufacturing facilities there. There is a much heavier exposure to the export of services to the US; however, for now those fall outside of the currently proposed tariff regime. Arguably, the greater risk is the potential impact on the global economy.

The high level of exit activity through takeovers of UK public companies has continued to shrink the portfolio. In the period, we exited (through takeover) our investments in Equals Group, Intelligent Ultrasound and Learning Technologies Group. The acquisition of Aquis Exchange by SIX Exchange Group is expected to complete in July 2025. There are several more portfolio companies in bid situations post period end. The Investment Manager has observed an increase in deal flow, including several initial public offerings on AIM. Although an encouraging sign, they report that quality is not yet where they would like to see it and they continue to take a conservative approach to deployment.

Performance

At 31 March 2025, the NAV per Share was 34.48 pence which, after adjusting for the dividends paid in the half year of 2.75 pence, gives a NAV total return for the period of -8.19%⁽¹⁾, which compares with -7.51% on AIM, as measured by the Deutsche Numis Alternative Market ex IC Index Total Return (calculated on a dividend reinvested basis). The Directors consider this to be the most appropriate benchmark, however, due to the range of assets held within the investment portfolio and the investment restrictions placed on a VCT it is not wholly comparable.

Rolling Returns to end March 2025	Six months	1Y	3Y	5Y	10Y
NAV total return ⁽¹⁾	-8.19%	-8.96%	-38.77%	2.79%	8.17%
Share price total return	-6.28%	-7.46%	-37.73%	12.94%	11.03%
NAV total return (dividends reinvested) ⁽²⁾	-8.74%	-10.18%	-41.83%	-10.38%	-8.56%
Share price total return (dividends reinvested) ⁽²⁾	-6.86%	-8.54%	-40.41%	-0.41%	-3.90%
Deutsche Numis Alternative Market ex IC Index Total Return	-7.51%	-6.97%	-32.51%	4.55%	6.56%

Source: CGAM/Bloomberg

(1) Reflecting the significant return of capital through regular and special dividends in recent years, which materially exceeds the dividends paid by the Deutsche Numis Alternative Market ex IC Index Total Return the Board is of the view that it is more accurate to report performance against the benchmark on a (simple) total return basis rather than on a dividends re-invested basis. The Board also notes that approximately 90% of Shareholders do not participate in the Company's DRIS scheme, making the simple total return (without dividends reinvested) more reflective of Shareholder returns as experienced by the vast majority of Shareholders. The definition and illustration of this alternative performance measure can be found on pages 36 to 38.

(2) The NAV total return (dividends reinvested) and share price total return (dividends reinvested) measures have been included to improve comparability with the Deutsche Numis Alternative Market ex IC Index Total Return which is also calculated on that basis. The definitions and illustrations of these alternative performance measures can be found on pages 36 to 38.

(1) Alternative performance measure definitions and illustrations can be found on pages 36 to 38.

The earnings per Share total return for the half year was a loss of -3.39 pence (comprising a capital loss of -3.46 pence and a revenue profit of 0.07 pence). Revenue income in the period decreased by 14% to £1.1m as a result of lower bank interest and dividend income received.

The Share price decreased from 39.00 pence to 33.80 pence over the reporting period which, after adjusting for dividends paid, gives a Share price total return of -6.28%⁽¹⁾.

Investments

The Investment Manager invested £3.6m into five Qualifying Companies during the period. The fair value of Qualifying Investments at 31 March 2025 was £74.0m (58.4% of NAV), invested across 54 AIM companies and seven⁽²⁾ unquoted companies. At the half-year end, the fair values of the non-qualifying equities, the IFSL Marlborough UK Micro-Cap Growth Fund and the IFSL Marlborough Special Situations Fund were £9.2m (7.3% of NAV), £7.8m (6.1% of NAV), and £7.3m (5.8% of NAV) respectively, with most of the non-qualifying equities listed within the FTSE 350 Index and offering good levels of liquidity should the need arise. £18.0m (14.2% of NAV) was held in short-dated investment grade corporate bonds, £0.8m (0.6% of NAV) was invested in VanEck Gold Miners UCITS exchange traded fund and £9.7m⁽³⁾ (7.6% of NAV) was held in cash at the period end (including £6.5m held with the custodian).

Dividend

The Directors continue to maintain their policy of targeting a tax free dividend yield equivalent to 5% of the year end NAV per Share (see page 20 for the full policy).

A final dividend for the year ending 30 September 2024 of 1.25 pence was paid together with a special dividend of 1.50 pence on 14 February 2025.

An interim dividend of 0.75 pence along with a special dividend of 0.50 pence per Share (2024: 1 penny interim and 1.50 pence special dividends) will be paid on 25 July 2025, with an ex-dividend date of 26 June 2025 and a record date of 27 June 2025. The payment of the special dividend reflects the receipt of proceeds from the sale through acquisition of Learning Technologies, Intelligent Ultrasound and Equals Group. The final dividend will be determined at the year end.

Dividend re-investment scheme

Shareholders may elect to reinvest their dividends by subscribing for new Shares in the Company. Further information can be found in the Shareholder information section on page 41.

On 14 February 2025, 2,905,659 Shares were allotted at a price of 37.54 pence per Share. The allotment price was calculated in accordance with the terms and conditions of the DRIS, on the basis of the last reported ex-dividend NAV per Share as at 24 January 2025. These Shares were allotted to Shareholders who elected to receive Shares as an alternative to the final dividend for the year ended 30 September 2024, and special dividend announced on 18 December 2024.

Share buybacks

To maintain compliance with the discount control and management of Share liquidity policy, the Company purchased through Share buybacks 8,627,364 Shares (nominal value: £86,274) during the six month period ending 31 March 2025 at a cost of £3,157,838 (average price: 36.60 pence per Share).

As at 18 June 2025, a further 1,335,404 Shares have been repurchased post the period end at a cost of £446,419 (average price of 33.43 pence per Share).

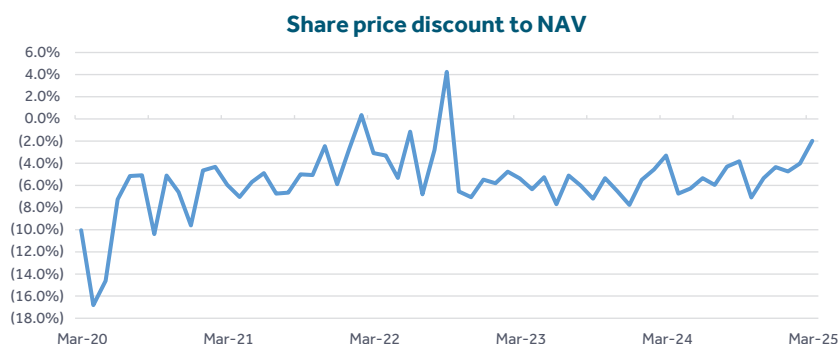
Share price discount

The Company aims to improve liquidity and to maintain a discount of approximately five per cent. to the last published NAV per Share (as measured against the mid-price) by making secondary market purchases of its Shares in accordance with parameters set by the Board (see page 20 for the full policy).

(1) Alternative performance measure definitions and illustrations can be found on pages 36 to 38.

(2) Excluding companies in administration or at risk of administration with zero value.

(3) Net of prepayments and accruals.



We continued to operate the discount control and management of Share liquidity policy effectively during the period. At 31 March 2025, the Company has one and five year average Share price discounts of 5.00%⁽¹⁾ and 5.52%⁽¹⁾ respectively.

The Share price discount as at 31 March 2025 was 1.97%⁽¹⁾ compared to a discount of 3.82%⁽¹⁾ at 30 September 2024.

As at 18 June 2025 the discount to NAV is 4.99% of the last published NAV per Share.

Offer for subscription

The Directors of the Company announced on 9 October 2024 the launch of an offer for subscription for Shares to raise up to £20m. At 31 March 2025, 8,354,791 Shares have been issued raising gross proceeds of £3.3m. As at 18 June 2025, a further 5,644,987 Shares have been issued post period end raising gross proceeds of £2m.

Company Secretary

With effect from 1 August 2025, CGAM will take over the position of Company Secretary for the Company, replacing JTC (UK) Limited. Under the terms of the new agreement with CGAM, the fees payable by the Company for company secretarial services are expected to decrease from approximately £82,000 to £50,000 per annum.

Cost efficiency

The Board reviews costs incurred by the Company on a regular basis and is focused on maintaining a competitive ongoing charges ratio. The period end ongoing charges ratio was largely unchanged at 2.45%⁽¹⁾ (FY24: 2.43%⁽¹⁾) when calculated in accordance with the AIC "Ongoing Charges" methodology, which is based on the average net assets of the fund within the period (and its comparator).

The Board would like to see the ongoing charges ratio trending back towards its historic levels. Reflecting this, the Board has taken various measures to reduce its fixed overheads, reducing the size of the Board and, in consultation with the Investment Manager, making further efficiencies. This will include the transfer of additional services to the Investment Manager at a lower cost than available through third parties. This is not a new initiative but an extension of a process that has been underway for some time that has already yielded very considerable savings for the Company through the internalisation of legal and financial diligence processes and costs. To achieve this, the Investment Manager has made a further investment into its VCT team, adding new operational and marketing resource at no cost to the Company. In addition, the Investment Manager will receive an additional fee for providing company secretarial services to the Company; however, the hires they have made will allow them to deliver the company secretary role at an approximate cost saving of 40% when compared to the incumbent supplier (see above section). Taken together, we expect the various cost saving measures taken year to date to deliver an annual saving of approximately £0.15m.

Board composition

Angela Henderson did not seek re-election as an independent Non-Executive Director of the Company at the AGM held on 6 February 2025. I wish to take this opportunity to thank Angela for her valuable contribution over the years. Angela was Chair of the MSPEC and Megan McCracken has taken over as Chair following the AGM.

(1) Alternative performance measure definitions and illustrations can be found on pages 36 to 38.

As announced by the Company on 22 May 2025, Busola Sodeinde stepped down from her role as Non-Executive Director of the Company with effect from 21 May 2025. Having considered the composition of the Board and in particular the number of independent Directors, Oliver Bedford (lead fund manager at the Investment Manager) also resigned from his position as a Non-Executive Director with effect from 21 May 2025. I would like to thank Busola and Oliver for the contribution they have made to the Company during their time on the Board. Oliver will continue in his role as lead manager at the Investment Manager in relation to the Company.

Due to the size and nature of the Company and the costs associated with appointing a Non-Executive Director, the Board has decided that no new Non-Executive Directors will be appointed to the Board at the current time.

Shareholder engagement

Shareholder engagement is given a high priority by the Board. The Company provides a significant amount of information, including recorded content, about its activities and performance through its website (www.hargreaveaimvcts.co.uk). The website also allows Shareholders to request (by email) updates on Shareholder events, the performance of the Company (interim management statements, factsheets and video updates) and information on the Company's fundraising activities. Please do register your consent with us through the website.

Whilst the Board strongly encourages Shareholders to make use of everything the website has to offer, the Directors recognise that it is not for everyone. Should you prefer, you can of course continue to communicate with the Chair, any other members of the Board or the Investment Manager by writing to the Company, for the attention of the Company Secretary at the address set out on page 43 of this document or by email to aimvct@canaccord.com.

The Board also wants to provide Shareholders with regular opportunities to meet directly with the Directors and the CGAM VCT investment management team. In addition to the AGM, we expect to hold two in person Shareholder events each financial year and two shareholder webinars.

The next Shareholder event will be a webinar at 12.30pm, 25 July 2025. For those who cannot attend, the Investment Manager will post a recorded video update on the website. This will be followed by the annual year end in person Shareholder presentation at Everyman Cinema Broadgate, London to be held on 26 November 2025. This event will include a review of the 12 months to 30 September 2025 and presentations from various guest speakers. Shareholders are asked to register their attendance at events via email at aimvct@canaccord.com.

Electronic communications

As ever, we are asking Shareholders to opt into electronic communications from the Company and to update their dividend payment preference from bank cheque to bank transfer.

With this in mind, we intend to bring to a close the use of bank cheques for the payment of dividends. The last dividend payment by bank cheque will be in July 2025. Thereafter, all future dividends will be paid by bank transfer. We are therefore asking all Shareholders currently receiving dividends by bank cheque to provide their bank account details ahead of the payment of the final dividend in respect of the year to 30 September 2025, due in February 2026. Shareholders can provide the Registrar with their bank details in several ways:

- Web – via the Shareview portal operated by the Registrar. Please visit www.shareview.co.uk for details on how to register.
- Telephone – by contacting the Registrar on +44 (0) 371 384 2030.

Switching to the digital delivery of Shareholder communications and dividend distributions is more cost efficient, secure and faster whilst also helping to reduce our environmental footprint.

The Company does not print and distribute the interim report to Shareholders. The interim results are available for download from the Company's website (www.hargreaveaimvcts.co.uk). A summary of the results is published via a Regulatory Information Service on the London Stock Exchange. Where necessary, the Administrator can produce and send out a hard copy.

Shareholders are also encouraged to make use of the Shareview portal operated by the Registrar, which can be used to monitor their investment, review their transaction history, see information on dividend payments and update their communication preferences. (The Registrar's contact details can be found on page 43 of this report.)

Regulatory update

There were no major changes to VCT legislation during the period under review.

Consumer Duty

The Consumer Duty Regulation is designed to improve the standard of care provided by firms that are involved in the manufacture or supply of financial products and services to retail clients.

As the Company is not regulated by the FCA, it falls outside of the Consumer Duty regulation. With the transfer of the administration contract from CGWL to CGAM on 1 October 2024, CGAM's responsibilities under Consumer Duty expanded and it is now the designated manufacturer and distributor of the Company. In its capacity as manufacturer, CGAM has conducted a fair value assessment and a target market assessment for the fund. Having reviewed both reports, the Board is satisfied that CGAM has continued to comply with its obligations throughout the period.

VCT status

I am pleased to report that we continue to perform well against the requirements of the VCT Rules and at the period end, the investment test was 92.29% (2024: 93.48%) against an 80% requirement when measured using HMRC's methodology. The Company met all other tests relevant to its status as a VCT.

Key information document ("KID")

In accordance with PRIIPs, the Company's KID is published on the Company's website at www.hargreaveaimvcts.co.uk.

Risk review

The Board has reviewed the risks facing the Company. Further detail can be found in the principal risks and uncertainties section on page 19.

Outlook

Although tail risks remain, broadly speaking the US appears to be inching towards a more moderate and workable position on trade policy. Whilst equity markets have quickly moved to price in a benign outcome, other measures such as borrowing costs and exchange rates continue to signal concern about the medium and long term impact on the US. Historically, this would be perceived as a major risk for the global economy; however, in a multi-polar world, there is potential for a moderate decoupling.

Back at home, the government has completed two reviews that have shown increased support for defence, healthcare and housebuilding. We have good exposure to the first two. There continues to be much discussion about the outlook for the UK as a leading financial hub and the manner in which we support our growth companies. This debate will continue for some time; however, we draw comfort from the level of engagement by a variety of stakeholders. Greater and more coordinated support for the broader growth ecosystem, even if in areas that are adjacent to where we operate, will provide welcome second order benefits.

This has fed through to AIM, which has been strongly positive since the post 'Liberation Day' correction with the index moving higher as investors react to the growth and value opportunity. It remains too early to comment on the durability of the rally but the foundations are being laid. Whilst government spending, as recently outlined, will support the UK growth story for several years to come; we will need to wait until the 2025 Autumn Budget to see whether this is offset by further changes to tax policy.

We continue to see signs that deal flow is improving, albeit slowly. UK fund flows remain negative; that is the missing piece that must fall into place before investors can finally feel that a corner may have been turned.

David Brock

Chair

Date: 18 June 2025

Investment Manager's report

Introduction

This report covers the first half of the 2024/25 financial year, 1 October 2024 to 31 March 2025. The Investment Manager's report contains references to movements in the NAV per Share and NAV total return per Share for the period. Movements in the NAV per Share do not necessarily mirror the earnings per Share total return reported in the accounts and elsewhere, which convey the profit after tax of the Company within the reported period as a function of the weighted average number of Shares in issue for the period.

Investment performance measures contained in this report include income, realised and unrealised gains and losses.

Overview

What would Harold Wilson, who famously quipped that a week was a long time in politics, have made of the extraordinary times we are living through? If JD Vance's Munich speech signalled that the new administration was unconstrained by red lines, established protocols or strategic alliances, few truly anticipated the confusion and chaos that would follow on 'Liberation Day'.

The tumultuous reaction to Trump's Rose Garden speech reflected the upending of the principles that had underpinned global trade for decades. Uncertainty swept through markets as analysts assessed the implications for the global economy, a task that was made considerably more difficult by the rapidly evolving nature of the proposed tariff regime and, more broadly, US trade policy. With future outcomes very difficult to predict and price in, significant volatility emerged in a huge range of financial assets. In the medium term, there are potentially profound implications for the value of invested capital as companies review their business models and supply chains.

Spectacular as this has been, the impact on AIM has been relatively muted. Whilst risk assets in the US were overdue a correction, the same was not true of companies listed on AIM. The early part of the financial year was difficult with the 2024 UK Autumn Budget preceded by some unhelpfully stark messaging from the government. GDP, employment reports and PMI surveys all highlighted a notable softening in the UK economy through the second half of the 2024 calendar year. Measures of UK consumer and business confidence dipped, suggesting that households and companies were becoming increasingly cautious. Both the Office for Budget Responsibility and Bank of England reduced their GDP forecasts for 2025.

Although UK fiscal policy is seen as being negative to growth and positive for inflation, a very significant increase in public spending is expected to support a pick up in UK economic activity in 2025 with the market consensus for GDP growth in 2025 currently +1.0%. While the Bank of England is currently forecasting 3.5% inflation in 2025, significantly above the 2.0% target, the downside risks to the global economy that have subsequently emerged, along with falling energy prices, are expected to reduce CPI to comfortably below 3.0% by early 2026. As a result, the outlook for interest rate cuts has significantly improved with the market now pricing in up to four interest cuts in 2025. For context, the market was expecting just one cut as we entered into 2025.

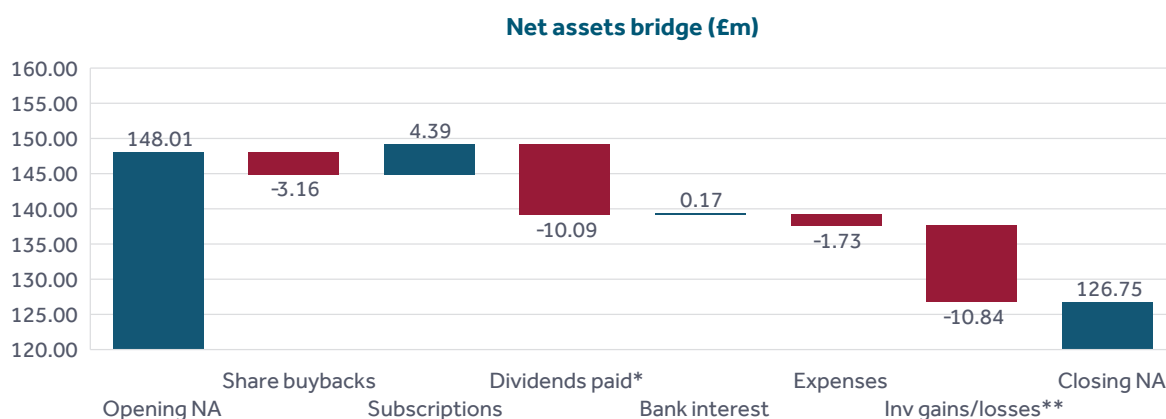
You might reasonably expect all of this to heap more selling pressure onto UK equities. Whilst that was the case within the period under review, it is not so more recently. Although the constantly evolving narrative threatens to undermine the current dynamic, as it stands UK equity markets are going through a mini renaissance. As we have previously observed, UK markets are cheap, both in relative and absolute terms. As the US economy falters and the US exceptionalism narrative comes under pressure, investors are starting to look elsewhere. With a high weighting to more defensive companies, an expectation that the UK economy should emerge relatively unscathed from the new tariff regime, stable politics and low valuations, there is clear interest in UK equities from investors rotating away from US equities. This is yet to result in fund inflows to the IA UK Small Cap sector; however, the flow picture has improved. For now, at least, the market's focus has shifted away from UK fiscal policy to international trade and the impact of tariffs.

Returning to events within the six months to 31 March 2025, we regrettably report that AIM was again notably weak, with the Deutsche Numis Alternative Market (ex IC) returning -7.51% over the period on a total return basis. This was not specific to AIM, the domestically focused FTSE 250 Index also endured a difficult period as business and financial markets returned a withering assessment of the 2024 Autumn Budget. Ultimately, pressure on UK government borrowing costs forced the Chancellor to announce spending cuts in her 2025 Spring Statement. More will need to be done and we expect the government to come forward with new initiatives to promote growth, contain spending and/or increase taxes. It will be a difficult balancing act.

Performance

In the six months to 31 March 2025 the unaudited NAV per Share decreased from 40.55 pence to 34.48 pence. A final dividend for FY24 of 1.25 pence and a special dividend of 1.50 pence were paid on 14 February 2025, giving a NAV total return to Shareholders of -3.32 pence per Share, which translates to a loss of -8.19%.

The Qualifying Investments made a net contribution of -2.70 pence per Share whilst the Non-Qualifying Investments returned -0.25 pence per Share. The contribution to net asset performance is split out in further detail below.



*Including DRIS.

**Including income.

Qualifying Investments

Positive contributors

In November 2024, Aquis Exchange (+95.8%, +£1.71m) received a takeover offer from its larger Swiss peer SIX Exchange at 727p, equivalent to an enterprise value of £194m. The offer price, which was at a 120% premium to the previous closing price and slightly above the 2021 share price high, resulted in an exit multiple of 4.7x book cost. The deal was approved by Aquis shareholders on 18 December 2024 and is expected to complete in July 2025.

Shares in Cohort (+26.1%, +£1.12m) continued to perform strongly as European nations announced plans to significantly boost defence spending. The UK government announced plans to increase spending to 2.5% of GDP by 2027, an additional spend of £13.4bn p.a. from current levels. The company announced its subsidiary MASS Consultants received a two-year extension to its Joint Command and Staff Training contract for UK Strategic Command worth over £17.5m. Cohort also completed the acquisition of Australian-based satellite communications company EM Solutions.

Oberon Investment Group (+43.3%, +£0.49m) raised a further £2.5m in February 2025, providing additional investment to accelerate growth across corporate broking, wealth management and fund management. We used the opportunity to increase our investment in the company. H1 2025 results showed revenue growth of 78% to £4.8m, coupled with a reduction in EBITDA losses. Current trading remains positive with like for like revenue growth of over 30% expected for FY25 (March YE).

Ilika (+56.5%, +£0.48m) continued to make technical progress with Goliath, its solid state battery technology for electric vehicles (EV). In partnership with the UK Battery Industrialisation Centre, the company built a prototype battery using industrial equipment and processes, demonstrating the scalability of key steps in the manufacturing process. Goliath has achieved energy density parity with current lithium-ion cells, successfully reached its D6 milestone of testing 10Ah cells, and expects to achieve minimum viable product for EV applications within 2026. The company also successfully completed the transfer of its Stereax micro-battery production to US-based partner Cirtec Medical and expects this partnership to generate revenues in H2 2025.

Intelligent Ultrasound (+30.0%, +£0.41m) received a takeover offer from Swedish medical simulation company Surgical Science at 13p in December 2024. The transaction valued Intelligent Ultrasound at an enterprise value of £4.7m. Adjusting for the sale of the Clinical-AI business to GE Healthcare in October 2024 for £40.5m, the offer placed a relatively low value on the simulation division. Whilst we voted against the scheme due to the low valuation, the transaction was approved by shareholders on 6 February 2025 and completed on 18 February 2025.

Negative contributors

Despite reductions to its overheads, a difficult retail environment undermined Kidly (-100.00%, -£1.26m) in its attempts to establish a fundable pathway to profitability. Kidly was placed into administration on 4 March 2025 following a formal sales process. Although the company was subsequently sold from administration, the proceeds did not result in any recoverable value to the Company.

Zoo Digital (-74.3%, -£1.14m) issued a disappointing year-end trading update with FY25 revenues growing 24% to \$50.5m (consensus: \$55m) and EBITDA of at least \$1m. Cash was also below expectations at \$1m. Whilst the film and TV industry has begun to recover from the 2023 strikes, the company has been impacted by project delays and cancellations as streaming platforms continue to evaluate their commercial models.

On 31 March 2025, Equipmake (-40.0%, -£0.93m) announced a £5m strategic investment from Caterpillar Ventures and a development agreement with Caterpillar. We view this outcome as a significant achievement for a company that was operating with limited working capital. The company also announced a development agreement with JCB, and post period-end, a £650,000 development agreement with CorPower Ocean. A new CFO was appointed.

Team Internet (-54.8%, -£0.86m) shares fell sharply in Q4 2024 as the company announced that revenues at a recently acquired online marketing business, Shinez would fall short of expectations. This was followed by the negative news in Q1 2025 when the company announced that 2025 would be impacted by changes being made by Google, with a major impact on revenues in the company's online marketing business. The company also confirmed that it was no longer in talks regarding a potential takeover offer. The year end trading update confirmed 2024 net revenues of \$188m (-2% vs prior year) and an operating profit of \$8.2m following a \$36m impairment to the value of Shinez.

Eagle Eye (-21.3%, -£0.85m) issued a profit warning in January 2025, cautioning that FY25 revenues would be below market expectations due to lengthening sales cycles. The warning was exacerbated by the company's decision to make a strategic shift away from professional services work. More promising was the announcement of a major new partnership with a large software vendor where Eagle Eye will be directly integrated into the vendor's product. Whilst this opportunity will take time to generate revenues, the partnership could become a very material profit generator in time. H1 2025 results reported revenues of £24.2m (unchanged year on year), and adjusted EBITDA of £5.9m. Recurring revenue represented 82% of the total with annual recurring revenue increasing by 16% to £41m. The company continues to benefit from a strong balance sheet with net cash of £11.7m.

Non-qualifying Investments

Within the non-qualifying portfolio, the IFSL Marlborough UK Micro-Cap Growth Fund and IFSL Marlborough Special Situations Fund declined by £1.27m over the period. We reduced our investments in both to release liquidity ahead of scheduled dividend payments.

Within the non-qualifying direct equities portfolio, the weaker outlook for the UK economy following the 2024 Autumn Budget impacted WH Smith and Hollywood Bowl. Bodycote struggled with weak end markets, notably automotive and aerospace, and we sold the position. BAE Systems performed well as the outlook for defence spending in the UK and Europe strengthened and TP ICAP rose as the company announced plans to spin-out its data business Parameta Solutions alongside good results. We exited BAE Systems and took profits in Chemring following strong share price performance and initiated a new position in Trustpilot. The direct equity holdings returned -£0.14m (-1.3%). The losses were offset by gains in the non-qualifying fixed income portfolio, which returned +£0.35m.

We released £0.99m of liquidity through the sale of the Next 3.0% 2026 bond, again to support scheduled dividend payments. The average maturity of the current portfolio of six investment grade corporate bonds is just over two years with an average yield to maturity of 4.9%. This part of the Company's portfolio is expected to generate annual income of approximately £0.85m.

Portfolio structure

The VCT is comfortably through the HMRC defined investment test and ended the period at 92.29% invested as measured by the HMRC investment test.

The market for new Qualifying Investment remained very subdued with just two VCT qualifying IPOs within the 12 months to 31 March 2025. Within the period under review, AIM VCTs invested £27.2m across 17 companies. We were measured in our deployment of capital, investing £3.6m into five companies.

The new Qualifying Investments included follow on investments into Rosslyn Data Technologies and Oberon Investments Group. We invested in one IPO, RC Fornax, in addition to two new equity investments into existing AIM companies, Feedback and IXICO.

Feedback. The company provides software solutions for the NHS which deliver secure, compliant clinical workforce tools and data management. The company's flagship product, Bleepa, is a secure, cloud-based platform that enables healthcare professionals to share and view medical images, as well as notes and other records between primary and secondary care settings. The company has secured partnerships with both a primary care record provider and an IT consultancy to implement the solution. The VCT invested as part of a £6.1m fundraise in November 2024.

IXICO. The company is a contract research organisation which provides tech-enabled imaging analysis services to pharma companies conducting clinical trials in neurological diseases, with a focus on Huntington's disease, Alzheimer's disease and Parkinson's disease. The company has a network of more than 1,000 qualified sites and currently works with 18 pharma clients across 26 studies. The VCT invested as part of a £4m fundraise in October 2024.

RC Fornax. The company is an engineering consultancy founded by former RAF engineers which serves the defence industry. The VCT invested as part of the AIM IPO in February 2025 which raised £3.7m.

Within the qualifying portfolio, we exited through takeover Equals Group, Intelligent Ultrasound and Learning Technologies Group. The Equals Group exit valuation of £277m resulted in a gain of 141% over book cost. The Learning Technologies Group exit valued the company at £858m, a gain of 376% over book cost. We also sold our investments in Gfinity and Surface Transforms following poor performance and reduced our holding in Cohort following a period of strong share price performance.

By market value, the VCT had an increased 58.4% (Sep 24: 56.0%) weighting to Qualifying Investments, an increased 14.2% (Sep 24: 12.9%) weighting to non-qualifying fixed income, a reduced combined 11.9% (Sep 24: 13.4%) weighting to the IFSL Marlborough UK Micro-Cap Growth Fund and IFSL Marlborough Special Situations Fund following disposals, and a reduced 7.3% (Sep 24: 8.1%) weighting to non-qualifying direct equities. New investment into Qualifying Companies and the return of capital through dividend distributions resulted in a reduced weighting to cash of 7.6%⁽¹⁾ (Sep 24: 9.3%⁽¹⁾) of net assets despite inflows from the offer for subscription and the sale of Qualifying and Non-Qualifying Investments.

The HMRC investment tests are set out in Chapter 3 of Part 6, ITA , which should be read in conjunction with this Investment Manager's report. Funds raised by VCTs are first included in the investment tests from the start of the accounting period containing the third anniversary of the date on which the funds were raised. Therefore, the allocation of Qualifying Investments as defined by the VCT Rules can be different to the portfolio weighting as measured by market value relative to the net assets of the VCT.

Post period end update

In the two months to 31 May 2025, AIM (as measured by the Deutsche Numis Alternative Market ex IC Total Return Index) has gained 8.60%. The Company's NAV per Share has increased by 3.6% to 35.71 pence.

As of 18 June 2025, the Share price of 34.10 pence represented a discount of 4.99% to the last published NAV per Share.

(1) Net of prepayments and accruals

For further information please contact:

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Lead Manager

Date: 18 June 2025

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Investment portfolio summary

As at 31 March 2025

	Net Assets % at 31.03.25	Cost £000	Cumulative movement in value £000	Valuation £000	Market	COI ⁽¹⁾
Equity Qualifying Investments						
Cohort plc	4.04	559	4,567	5,126	AIM	Y
Learning Technologies Group plc	3.55	2,238	2,262	4,500	AIM	N
Beeks Financial Cloud Group plc	3.13	1,038	2,927	3,965	AIM	Y
PCI-PAL plc	2.85	2,703	905	3,608	AIM	Y
Aquis Exchange plc	2.76	765	2,738	3,503	AIM	Y
The Property Franchise Group plc	2.74	1,139	2,328	3,467	AIM	Y
Eagle Eye Solutions Group plc	2.47	1,642	1,492	3,134	AIM	Y
Infinity Reliance Ltd (My First Years) ⁽²⁾	2.45	2,500	607	3,107	Unlisted	Y
Oberon Investments plc	2.29	2,615	283	2,898	AIM	N
Qureight Ltd	1.97	2,500	–	2,500	Unlisted	N
Diaceutics plc	1.96	1,550	938	2,488	AIM	Y
Craneware plc	1.35	125	1,590	1,715	AIM	Y
Maxcyte Inc	1.21	1,270	260	1,530	AIM	Y
Itaconix plc	1.14	3,025	(1,578)	1,447	AIM	N
Intercede Group plc	1.13	305	1,131	1,436	AIM	Y
Skillcast Group plc	1.11	1,571	(170)	1,401	AIM	N
Equipmake Holdings plc	1.10	4,162	(2,765)	1,397	AIM	N
Equals Group plc	1.10	750	644	1,394	AIM	N
XP Factory plc	1.07	4,068	(2,713)	1,355	AIM	Y
Ilika plc	1.05	1,636	(304)	1,332	AIM	N
SCA Investments Ltd (Gousto)	1.04	2,484	(1,166)	1,318	Unlisted	Y
AnimalCare Group plc	0.98	720	525	1,245	AIM	Y
Abingdon Health plc	0.89	1,823	(701)	1,122	AIM	N
C4X Discovery Holdingd Ltd	0.87	2,300	(1,193)	1,107	Unlisted	N
Idox plc	0.81	135	892	1,027	AIM	Y
Fadel Partners Inc	0.76	2,300	(1,342)	958	AIM	N
Engage XR Holdings plc	0.75	3,453	(2,503)	950	AIM	N
Tortilla Mexican Grill plc	0.75	1,125	(175)	950	AIM	Y
Team Internet Group plc	0.56	565	142	707	AIM	N
Eden Research plc	0.55	1,855	(1,159)	696	AIM	N
Science in Sport plc	0.53	1,479	(806)	673	AIM	Y
EKF Diagnostics Holdings plc	0.52	565	95	660	AIM	N
OneMedia iP Group plc	0.52	1,141	(489)	652	AIM	Y
Feedback plc	0.50	750	(120)	630	AIM	N
RC Fornax plc	0.48	562	47	609	AIM	N
Ixico plc	0.47	710	(112)	598	AIM	N
Globaldata plc	0.46	173	412	585	AIM	Y
Tristel plc	0.44	543	19	562	AIM	Y
Zoo Digital Group plc	0.31	2,159	(1,763)	396	AIM	N
Blackbird plc	0.31	594	(208)	386	AIM	N
Nexteq plc	0.30	1,209	(826)	383	AIM	N
Zappar Ltd	0.28	1,600	(1,241)	359	Unlisted	N
Tan Delta Systems plc	0.28	504	(155)	349	AIM	N
Hardide plc	0.28	3,566	(3,218)	348	AIM	Y
Faron Pharmaceuticals Oy	0.27	1,133	(790)	343	AIM	N
Rosslyn Data Technologies plc	0.24	1,678	(1,371)	307	AIM	Y
Creo Medical Group plc	0.23	2,329	(2,036)	293	AIM	Y
K3 Business Technology Group plc	0.22	270	6	276	AIM	Y
Arecor Therapeutics plc	0.21	1,687	(1,418)	269	AIM	N
Crimson Tide plc	0.18	1,260	(1,029)	231	AIM	Y
Angle plc	0.17	1,158	(940)	218	AIM	N
Bivictrix Therapeutics Ltd	0.15	1,600	(1,407)	193	Unlisted	N
Eneraqua Technologies plc	0.13	1,401	(1,239)	162	AIM	N
Everyman Media Group plc	0.12	600	(447)	153	AIM	N
Verici DX plc	0.11	1,939	(1,797)	142	AIM	N
Strip Tinning Holdings plc	0.08	1,054	(957)	97	AIM	N
Polarean Imaging plc	0.06	2,081	(2,003)	78	AIM	N

	Net Assets % at 31.03.25	Cost €000	Cumulative movement in value €000	Valuation €000	Market	COI ⁽¹⁾
Mycelx Technologies Corporation	0.04	361	(307)	54	AIM	Y
Fusion Antibodies plc	0.03	624	(584)	40	AIM	N
Trakm8 Holdings plc	0.01	486	(473)	13	AIM	N
Bidstack Group plc ⁽⁴⁾	–	2,733	(2,733)	–	Unlisted	N
Kidly Ltd ⁽²⁾⁽⁴⁾	–	2,660	(2,660)	–	Unlisted	N
Laundrapp Ltd ⁽²⁾⁽⁴⁾	–	2,450	(2,450)	–	Unlisted	N
Crossword Cybersecurity plc ⁽⁴⁾	–	2,039	(2,039)	–	Unlisted	N
Airportr Technologies Ltd ⁽²⁾	–	1,888	(1,888)	–	Unlisted	N
Mporium Group plc ⁽⁴⁾	–	33	(33)	–	Unlisted	N
Infoserve Group plc ⁽³⁾⁽⁴⁾	–	–	–	–	Unlisted	N
Total – equity Qualifying Investments	56.36	99,940	(28,498)	71,442		
Qualifying fixed income investments						
Strip Tinning Holdings plc (convertible loan notes)	1.58	2,000	1	2,001	Unlisted	N
Rosslyn Data Technologies plc (convertible loan notes)	0.41	400	117	517	Unlisted	N
Kidly Ltd (convertible loan notes) ⁽⁴⁾	–	1,400	(1,400)	–	Unlisted	N
Total qualifying fixed income investments	1.99	3,800	(1,282)	2,518		
Total Qualifying Investments	58.35	103,740	(29,780)	73,960		
Non-qualifying funds						
IFSL Marlborough UK Micro-Cap Growth fund	6.14	7,471	316	7,787	Unlisted	N
IFSL Marlborough Special Situations fund	5.78	8,403	(1,072)	7,331	Unlisted	N
Vaneck Gold Miners UCITS ETF	0.63	634	159	793	Main	N
Total non-qualifying funds	12.55	16,508	(597)	15,911		
Equity Non-Qualifying Investments						
Hollywood Bowl Group plc	1.27	1,747	(133)	1,614	Main	Y
TP ICAP Group plc	1.14	1,023	422	1,445	Main	Y
National Grid plc	1.03	1,229	74	1,303	Main	N
Chemring Group plc	0.73	822	103	925	Main	Y
Wickes Group plc	0.70	757	131	888	Main	Y
Rotork plc	0.69	899	(22)	877	Main	N
Shell plc	0.67	804	43	847	Main	Y
WH Smith plc	0.64	960	(150)	810	Main	Y
Trustpilot Group plc	0.25	355	(35)	320	Main	Y
Tortilla Mexican Grill plc	0.08	161	(58)	103	AIM	Y
Mycelx Technologies Corporation	0.05	298	(236)	62	AIM	Y
Genagro Services Ltd ⁽⁴⁾	–	–	–	–	Unlisted	Y
Total – equity Non-Qualifying Investments	7.25	9,055	139	9,194		

	Net Assets % at 31.03.25	Cost €000	Cumulative movement in value €000	Valuation €000	Market	COI ⁽¹⁾
Non-qualifying fixed income – bonds						
British Telecommunications 5.75% SNR BDS 07/12/2028	2.44	3,117	(31)	3,086	Main	N
Marks and Spencer plc 3.75% SNR EMTN 19/05/2026	2.42	3,052	13	3,065	Main	N
Royal Bank of Canada 5% SNR NTS 24/01/2028	2.37	3,031	(26)	3,005	Main	N
Natwest Markets plc 6.375% SNR EMTN 08/11/27	2.36	3,000	(8)	2,992	Main	N
Next Group plc 4.375% SNR BDS 02/10/2026	2.35	2,991	(19)	2,972	Main	N
Barclays plc 3.25% SNR NTS 12/02/2027	2.29	2,930	(30)	2,900	Main	N
Total non-qualifying fixed income – bonds	14.23	18,121	(101)	18,020		
Total – Non-Qualifying Investments	34.03	43,684	(559)	43,125		
Total investments	92.38	147,424	(30,339)	117,085		
Cash at bank	7.67			9,726		
Prepayments & accruals	(0.05)			(63)		
Net assets	100.00			126,748		

(1) COI are co-investments made with other funds managed by the Investment Manager at 31 March 2025.

(2) Different classes of shares held in unlisted companies within the portfolio have been aggregated.

(3) Impaired fully through the profit and loss account and therefore shows a zero cost.

(4) Company awaiting liquidation.

The investments listed below are either listed, headquartered or registered outside the UK:

	Listed	Headquartered	Registered
<i>Listed investments:</i>			
Fadel Partners Inc.	UK	USA	USA
Faron Pharmaceuticals Oy	UK/Finland	Finland	Finland
Itaconix plc	UK	USA	UK
Maxcyte Inc	UK/USA	USA	USA
Mycelx Technologies Corporation plc	UK/USA	USA	USA
Polarean Imaging plc	UK	USA	UK
Royal Bank of Canada	UK	Canada	Canada
<i>Unlisted private companies:</i>			
Genagro Ltd ⁽¹⁾	–	UK	Jersey

(1) Company awaiting liquidation.

Top 10 investments

As at 31 March 2025 (by market value)

The Company's top 10 investments are shown below. Each investment is valued by reference to the bid price, or, in the case of unquoted companies, the IPEV Guidelines using one or more valuation techniques according to the nature, facts and circumstances of the investment. Forecasts, where given, are drawn from a combination of broker research and/or Bloomberg consensus forecasts. Forecasts are in relation to a period end for which the company results are yet to be released. Published accounts are used for private companies or public companies with no published broker forecasts. The net asset figures and net cash values are from published accounts in most cases.

Cohort plc		Share price: 1195.0 p	
Investment date	February 2006	Forecasts for the year to	April 2026
Equity held	0.92%	Turnover (£'000)	282,400
Av. Purchase Price	130.2p	Profit before tax (£'000)	33,900
Cost (£'000)	559	Net debt April 2025 (£'000)	(7,500)
Valuation (£'000)	5,126	Net assets April 2025 (£'000)	154,500

Company description

Cohort is the parent company of seven innovative, agile and responsive businesses providing a wide range of services and products for British and international customers in defence, security and related markets. The company offers electronic and surveillance technology solutions and operational support, secure communication systems and networks, test systems and data management services.

Learning Technologies Group plc		Share price: 100.0p	
Investment date	July 2015	Forecasts for the year to	December 2024
Equity held	0.57%	Turnover (£'000)	472,600
Av. Purchase Price	49.7p	Profit before tax (£'000)	88,600
Cost (£'000)	2,238	Net debt June 2024 (£'000)	(57,500)
Valuation (£'000)	4,500	Net assets June 2024 (£'000)	443,700

Company description

Learning Technologies Group provides workplace digital learning and talent management software and services to corporate and government clients. The group offers end-to-end solutions including content and platform solutions, strategic consultancy and analytical insights. The company was acquired by General Atlantic, a private equity sponsor in March 2025, with £4.5m received by the VCT in April 2025 post period end.

Beeks Financial Cloud Group plc		Share price: 210.0p	
Investment date	November 2017	Forecasts for the year to	June 2025
Equity held	2.81%	Turnover (£'000)	37,800
Av. Purchase Price	55.0p	Profit before tax (£'000)	6,000
Cost (£'000)	1,038	Net cash December 2024 (£'000)	7,300
Valuation (£'000)	3,965	Net assets December 2024 (£'000)	39,200

Company description

Beeks Financial Cloud Group is a cloud-based connectivity provider of technology solutions to the financial services sector. The company's Infrastructure-as-a-Service model is optimised for low-latency private cloud compute, connectivity and analytics, providing the flexibility to deploy and connect to exchanges, trading venues and public cloud for a true hybrid cloud experience. The company serves over 1,000 enterprise clients from its global network of data centres.

PCI-Pal plc		Share price: 47.0p	
Investment date	January 2018	Forecasts for the year to	June 2025
Equity held	10.58%	Turnover (£'000)	22,400
Av. Purchase Price	35.2p	Profit before tax (£'000)	800
Cost (£'000)	2,703	Net cash December 2024 (£'000)	4,000
Valuation (£'000)	3,608	Net liabilities December 2024 (£'000)	(2,000)

Company description

PCI Pal is a provider of SaaS solutions that allow companies to take payments from their customers securely. Its products secure payments and data in any business communications environment including voice, chat, social, email, and contact centre and is integrated to and resold by business communications vendors and payment service providers.

Aquis Exchange plc		Share price: 705.0p	
Investment date	October 2016	Forecasts for the year to	December 2025
Equity held	1.80%	Turnover (£'000)	29,300
Av. Purchase Price	153.9p	Profit before tax (£'000)	7,400
Cost (£'000)	765	Net cash December 2024 (£'000)	13,700
Valuation (£'000)	3,503	Net assets December 2024 (£'000)	25,800

Company description

Aquis Exchange is a creator and facilitator of next-generation financial markets, through the provision of accessible, simple and efficient stock exchanges, trading venues and technology. The company's shareholders voted to approve the company's acquisition by SIX Exchange Group AG in December 2025 with the transaction expected to complete in July 2025.

The Property Franchise Group plc		Share price: 420.0p	
Investment date	December 2013	Forecasts for the year to	December 2025
Equity held	1.29%	Turnover (£'000)	84,200
Av. Purchase Price	138.0p	Profit before tax (£'000)	29,800
Cost (£'000)	1,139	Net debt December 2024 (£'000)	(9,100)
Valuation (£'000)	3,467	Net assets December 2024 (£'000)	144,100

Company description

The Property Franchise Group is the UK's largest multi-brand lettings and estate agency franchising group. The group has 1,946 outlets, manages more than 153,000 tenanted properties and is expected to sell in excess of 28,000 properties per annum. The group also includes an established financial services business, facilitating over £4bn of mortgages per annum.

Eagle Eye Solutions Group plc		Share price: 362.0 p	
Investment date	April 2014	Forecasts for the year to	June 2025
Equity held	2.91%	Turnover (£'000)	47,700
Av. Purchase Price	189.7p	Profit before tax (£'000)	5,400
Cost (£'000)	1,642	Net cash December 2024 (£'000)	11,700
Valuation (£'000)	3,134	Net assets December 2024 (£'000)	35,900

Company description

Eagle Eye is a SaaS technology company that creates digital connections enabling personalised, real-time marketing solutions for large retailers. Through Eagle Eye AIR, the company's loyalty and promotions omnichannel SaaS platform, companies connect all aspects of the customer journey in real time, unlocking the capability to deliver personalisation and a streamlined marketing execution and opening up new revenue streams through promotions, loyalty apps, subscriptions and gift services.

Infinity Reliance Ltd (My 1st Years)		Unquoted	
Investment date	May 2018	Results for the year to	December 2023
Voting rights held	9.66%	Turnover (£'000)	21,000
Av. Purchase Price	4670.4p	Loss before tax (£'000)	(2,900)
Cost (£'000)	2,500	Net cash December 2024 (£'000)	6,200
Valuation (£'000)	3,107	Net assets December 2024 (£'000)	9,100
Income Recognised in period (£)	–		

Company description

My 1st Years is a European retail platform that focuses on the sale of personalised baby and children's gifts primarily through e-commerce channels. The product range includes bespoke presents for newborn babies to seven year olds, as well as for christenings, birthdays and Christmas.

Oberon Investments plc		Share price: 4.30 p	
Investment date	August 2024	Forecasts for the year to	March 2025
Equity held	9.08%	Turnover (£'000)	14,300
Av. Purchase Price	3.9p	Loss before tax (£'000)	1,600
Cost (£'000)	2,615	Net cash September 2024 (£'000)	2,300
Valuation (£'000)	2,898	Net assets September 2024 (£'000)	6,400

Company description

Oberon Group is a financial boutique comprising three divisions: investment management, wealth planning and corporate advisory & broking. The investment management and wealth planning divisions offer bespoke client solutions to high-net-worth individuals. The corporate advisory & broking division offers strategic advice and bespoke corporate services to UK growth companies.

Qureight Ltd ⁽¹⁾		Unquoted	
Investment date	March 2024	Results for the year to	December 2023
Voting rights held	13.35%	Turnover (£'000)	–
Av. Purchase Price	7394.0p	Profit/(loss) before tax (£'000)	–
Cost (£'000)	2,500	Net cash December 2024 (£'000)	400
Valuation (£'000)	2,500	Net assets December 2024 (£'000)	800
Income Recognised in period (£)	–		

(1) Company has total exemption from full accounts.

Company description

Qureight's proprietary technology uses artificial intelligence to analyse medical images of the respiratory system through its innovative approach to clinical data curation and artificial intelligence-powered digital biomarkers. This approach enables researchers and scientists to analyse disease progression and drug responses in patients across a range of complex conditions.

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Principal risks and uncertainties

The principal risks facing the Company relate to the Company's investment activities and include VCT approval, investment, compliance, operational risk and outsourcing, key personnel and exogenous risks such as economic, political, financial, climate change and health risks. Other risks faced by the Company include market risk, currency risk, interest rate risk, liquidity risk and credit risk. These risks and the way in which they are managed are described in more detail in the Company's annual report and accounts for the year ended 30 September 2024 on pages 21 to 22. The Company's principal risks and uncertainties have not changed materially since the date of that report.

Going concern

The Company's business activities and the factors affecting its future development are set out in the Chair's statement on pages 4 to 8 and the Investment Manager's report on pages 9 to 12. The Company's principal risks are set out above.

The Board receives regular reports from the Investment Manager and the Administrator and reviews the financial position, performance and liquidity of the Company's investment portfolio. Revenue forecasts and expense budgets are prepared at the start of each financial year and performance against plan is reviewed by the Board. Cash forecasts are prepared and reviewed by the Board as part of the HMRC investment test compliance monitoring.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months. No material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

On behalf of the Board of Directors.

David Brock
Chair

Date: 18 June 2025

Other matters

Dividend policy

The Company's dividend policy is to target a tax free dividend yield equivalent to five per cent. of the year end NAV per Share. The ability to pay dividends is dependent on the Company's available distributable reserves and cash resources, the Companies Act 2006, the UK Listing Rules and the VCT Rules. The policy is non-binding and at the discretion of the Board. Dividend payments may vary from year to year in both quantum and timing. The level of dividend paid each year will depend on the performance of the Company's portfolio. In years where there is strong investment performance, the Directors may consider a higher dividend payment, including the payment of special dividends. In years where investment performance is not as strong, the Directors may reduce or even pay no dividend.

Discount control policy and management of Share liquidity

The Company aims to improve liquidity and to maintain a discount of approximately five per cent. to the last published NAV per Share (as measured against the mid-price) by making secondary market purchases of its Shares in accordance with parameters set by the Board.

This policy is non-binding and at the discretion of the Board. Its operation depends on a range of factors including the Company's liquidity, Shareholder permissions, market conditions and compliance with applicable laws and regulations. These factors may restrict the effective operation of the policy and prevent the Company from achieving its objectives.

Diversity

As at the date of this report, the Board comprises two male Non-Executive Directors and one female Non-Executive Director with a range of experience, skills, length of service and backgrounds. The Board will always appoint the best person for the job. However, the Board considers diversity when reviewing Board composition and has made a commitment to consider diversity when making future appointments. It will not discriminate on the grounds of gender, race, ethnicity, religion, sexual orientation, age or physical ability.

Environmental, Social and Governance (ESG) considerations

The Board seeks to maintain high standards of conduct with respect to ESG issues and to conduct the Company's affairs responsibly.

The Company does not have any employees or offices and so the Board does not maintain any specific policies regarding employee, human rights, social and community issues but does expect the Investment Manager to consider them when fulfilling its role. The Company qualifies for an exemption from the Streamlined Energy and Carbon Reporting requirements as a low energy use company with regards to greenhouse gas emissions (producing less than 40,000kWh of energy per year) and, therefore, is not obliged to report emissions from its operations. The Company, whilst exempt, continues to monitor and develop its approach to the recommendations of the Task Force on Climate-Related Financial Disclosures.

The management of the Company's investment portfolio has been delegated to its Investment Manager, CGAM. The Company has adopted specific policies on divestment and excluded activities and it expects the Investment Manager to take account of ESG considerations in its investment process for the selection and ongoing monitoring of underlying investments. The Board has also given the Investment Manager discretion to exercise voting rights on resolutions proposed by investee companies. Further detail regarding the Investment Manager's approach to ESG issues can be found in the Company's annual report and accounts for the year ended 30 September 2024 on pages 12 to 13.

To minimise the direct impact of its activities, the Company offers electronic communications where acceptable to reduce the volume of paper it uses and uses Carbon Balanced paper manufactured at an FSC accredited mill to print its financial reports. Vegetable based inks are used in the printing process where appropriate.

David Brock

Chair

Date: 18 June 2025

Statement of directors' responsibilities in respect of the half-yearly financial report

In accordance with Disclosure Transparency Rule (DTR) 4.2.10, David Brock (Chair), Justin Ward and Megan McCracken, the Directors of the Company, confirm that to the best of their knowledge that:

- The half-yearly financial results have been prepared in accordance with UK Generally Accepted Accounting Practice ("UK GAAP") and give a true and fair view of the assets, liabilities, financial position and loss of the Company as at 31 March 2025 as required by DTR 4.2.4;
- The interim management report consisting of the Chair's statement, Investment Manager's report, investment portfolio summary, principal risks and uncertainties disclosure and notes to the half-yearly report includes a fair review of the information required by the Financial Conduct Authority Disclosure and Transparency Rules, being:
 - 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;
 - a description of the principal risks and uncertainties for the remaining six months of the year; and
 - 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 of Directors.

David Brock
Chair

Date: 18 June 2025

Condensed income statement

for the six month period to 31 March 2025 (unaudited)

	Note	For the six month period to 31 March 2025 (unaudited)			For the six month period to 31 March 2024 (unaudited)		
		Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Net loss on investments held at fair value through profit or loss	5	–	(11,753)	(11,753)	–	(3,226)	(3,226)
Income	2	1,088	–	1,088	1,270	–	1,270
		1,088	(11,753)	(10,665)	1,270	(3,226)	(1,956)
Management fee		(281)	(844)	(1,125)	(319)	(959)	(1,278)
Other expenses		(559)	(48)	(607)	(934)	(6)	(940)
		(840)	(892)	(1,732)	(1,253)	(965)	(2,218)
Profit/(loss) on ordinary activities before taxation		248	(12,645)	(12,397)	17	(4,191)	(4,174)
Taxation		–	–	–	–	–	–
Profit/(loss) after taxation		248	(12,645)	(12,397)	17	(4,191)	(4,174)
Basic and diluted earnings/(loss) per Share	3	0.07p	(3.46)p	(3.39)p	0.00p	(1.22)p	(1.22)p

The 'Total £000' columns set out above are the income statements of the Company for the relevant period; 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 statements derive from continuing operations. There was no other comprehensive income other than the 'Profits/(loss) after taxation' for the six-month periods as set out above. The explanatory notes on pages 28 to 35 are an integral part of these financial statements.

Condensed income statement

for the year ended 30 September 2024 (audited)

	Note	For the year to 30 September 2024 (audited)		
		Revenue £000	Capital £000	Total £000
Net loss on investments held at fair value through profit or loss	5	–	(5,341)	(5,341)
Income	2	2,849	–	2,849
Management fee		(641)	(1,924)	(2,565)
Other expenses		(1,485)	(43)	(1,528)
		(2,126)	(1,967)	(4,093)
Profit/(loss) on ordinary activities before taxation		723	(7,308)	(6,585)
Taxation		–	–	–
Profit/(loss) after taxation		723	(7,308)	(6,585)
Basic and diluted earnings/(loss) per Share	3	0.20p	(2.06)p	(1.86)p

The 'Total £000' column of this statement is the income statement of the Company for the relevant period; 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. There was no other comprehensive income other than the 'Profits/(loss) after taxation' for the year as set out above. The explanatory notes on pages 28 to 35 are an integral part of these financial statements.

Condensed balance sheet

as at 31 March 2025 (unaudited)

	Note	31 March 2025 (unaudited) €000	31 March 2024 (unaudited) €000	30 September 2024 (audited) €000
Fixed assets				
Investments at fair value through profit or loss	5	117,085	135,868	134,277
Current assets				
Debtors	7	721	573	1,047
Funds held with Custodian		3,279	9,804 ⁽¹⁾	8,846
Cash at bank and in hand		6,447	10,379 ⁽¹⁾	4,766
		10,447	20,756	14,659
Creditors: amounts falling due within one year	8	(784)	(882)	(927)
Net current assets		9,663	19,874	13,732
Total assets less current liabilities		126,748	155,742	148,009
Capital and Reserves				
Called up Share capital		3,676	3,569	3,649
Share premium		25,496	15,578	21,222
Capital redemption reserve		465	331	379
Capital reserve – unrealised		14,206	15,682	16,046
Special reserve		145,771	170,116	159,022
Capital reserve – realised		(61,590)	(47,304)	(50,785)
Revenue reserve		(1,276)	(2,230)	(1,524)
Total Shareholders' funds		126,748	155,742	148,009
Net asset value per Share (basic and diluted)	4	34.48p	43.64p	40.55p

The explanatory notes on pages 28 to 35 are an integral part of these financial statements.

- (1) Cash at bank and in hand in the Balance Sheet has been restated to show separately 'Funds held with Custodian' and 'Cash at bank and in hand' for the six months ended 31 March 2024, to conform with the requirements of the Companies Act 2006 – Statutory format of the Balance Sheet. There is no impact on other line items in the Balance Sheet nor the total net current asset as a result of separating these line items.

Condensed statement of changes in equity

for the six month period to 31 March 2025 (unaudited)

	Note	Non-distributable reserves				Distributable reserves ⁽¹⁾			Total £000
		Share capital £000	Share premium £000	Capital redemption reserve £000	Capital reserve unrealised £000	Special reserve £000	Capital reserve realised £000	Revenue reserve £000	
At 1 October 2024		3,649	21,222	379	16,046	159,022	(50,785)	(1,524)	148,009
Loss and total comprehensive income for the period									
Realised losses on investments	5	–	–	–	–	–	(2,906)	–	(2,906)
Unrealised losses on investments	5	–	–	–	(8,847)	–	–	–	(8,847)
Management fee charged to capital		–	–	–	–	–	(844)	–	(844)
Transaction costs charged to capital		–	–	–	–	–	(42)	–	(42)
Income allocated to capital	2	–	–	–	–	–	–	–	–
Due diligence investments costs		–	–	–	–	–	(6)	–	(6)
Revenue profit after taxation for the period		–	–	–	–	–	–	248	248
Total loss after taxation for the period		–	–	–	(8,847)	–	(3,798)	248	(12,397)
Contributions by and distributions to owners									
Subscription Share issues	9	84	3,266	–	–	–	–	–	3,350
Issue costs	14	–	(54)	–	–	–	–	–	(54)
Share buybacks	9	(86)	–	86	–	(3,158)	–	–	(3,158)
DRIS Share issues	9	29	1062	–	–	–	–	–	1,091
Equity dividends paid	6	–	–	–	–	(10,093)	–	–	(10,093)
Total contributions by and distributions to owners		27	4,274	86	–	(13,251)	–	–	(8,864)
Other movements									
Diminution in value	5	–	–	–	7,007	–	(7,007)	–	–
Total other movements		–	–	–	7,007	–	(7,007)	–	–
At 31 March 2025		3,676	25,496	465	14,206	145,771	(61,590)	(1,276)	126,748

Reserves available for distribution are special reserve, capital reserve realised and revenue reserve. Total distributable reserves at 31 March 2025 were £82.7m (adjusted to remove £0.2m accumulation income included in the revenue reserve but not distributable) (2024: £120.5m). The explanatory notes on pages 28 to 35 are an integral part of these financial statements.

- (1) 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 March 2025, £79.4m of the special reserve is subject to this restriction.

Condensed statement of changes in equity

for the six month period to 31 March 2024 (unaudited)

	Note	Non-distributable reserves				Distributable reserves ⁽¹⁾			Total £000
		Share capital £000	Share premium £000	Capital redemption reserve £000	Capital reserve unrealised £000	Special reserve £000	Capital reserve realised £000	Revenue reserve £000	
At 1 October 2023		3,278	286	272	13,640	177,762	(41,071)	(2,247)	151,920
Loss and total comprehensive income for the period									
Realised losses on investments	5	–	–	–	–	–	(182)	–	(182)
Unrealised losses on investments	5	–	–	–	(3,044)	–	–	–	(3,044)
Management fee charged to capital		–	–	–	–	–	(959)	–	(959)
Income allocated to capital	2	–	–	–	–	–	–	–	–
Due diligence investment costs		–	–	–	–	–	(6)	–	(6)
Revenue profit after taxation for the period		–	–	–	–	–	–	17	17
Total loss after taxation for the period		–	–	–	(3,044)	–	(1,147)	17	(4,174)
Contributions by and distributions to owners									
Subscription Share issues	9	339	15,141	–	–	–	–	–	15,480
Issue costs	14	–	(329)	–	–	–	–	–	(329)
Share buybacks	9	(59)	–	59	–	(2,497)	–	–	(2,497)
DRIS Share issues	9	11	480	–	–	–	–	–	491
Equity dividends paid	6	–	–	–	–	(5,149)	–	–	(5,149)
Total contributions by and distributions to owners		291	15,292	59	–	(7,646)	–	–	7,996
Other movements									
Diminution in value	5	–	–	–	5,086	–	(5,086)	–	–
Total other movements		–	–	–	5,086	–	(5,086)	–	–
At 31 March 2024		3,569	15,578	331	15,682	170,116	(47,304)	(2,230)	155,742

Reserves available for distribution are special reserve, capital reserve realised and revenue reserve. Total distributable reserves at 31 March 2024 were £120.5m (adjusted to remove £0.1m accumulation income included in the revenue reserve but not distributable). The explanatory notes on pages 28 to 35 are an integral part of these financial statements.

- (1) 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 March 2024, £108.9m of the special reserve is subject to this restriction.

Condensed statement of changes in equity

for the year ended 30 September 2024 (audited)

	Note	Non-distributable reserves				Distributable reserves ⁽¹⁾			Total
		Share capital £000	Share premium £000	Capital redemption reserve £000	Capital reserve unrealised £000	Special reserve £000	Capital reserve realised £000	Revenue reserve £000	
At 1 October 2023		3,278	286	272	13,640	177,762	(41,071)	(2,247)	151,920
Loss and total comprehensive income for the year									
Realised losses on investments	7	–	–	–	–	–	(3,570)	–	(3,570)
Unrealised losses on investments	7	–	–	–	(1,771)	–	–	–	(1,771)
Management fee charged to capital	3	–	–	–	–	–	(1,924)	–	(1,924)
Transaction costs charged to capital							(33)	–	(33)
Income allocated to capital	2	–	–	–	–	–	–	–	–
Due diligence investments costs	4	–	–	–	–	–	(10)	–	(10)
Revenue profit after taxation for the year		–	–	–	–	–	–	723	723
Total loss after taxation for the year		–	–	–	(1,771)	–	(5,537)	723	(6,585)
Contributions by and distributions to owners									
Subscription Share issues	11	445	19,876	–	–	–	–	–	20,321
Issue costs	11	–	(347)	–	–	–	–	–	(347)
Share buybacks	11	(107)	–	107	–	(4,472)	–	–	(4,472)
DRIS Share issues	11	33	1,407	–	–	–	–	–	1,440
Equity dividends paid	16	–	–	–	–	(14,268)	–	–	(14,268)
Total contributions by and distributions to owners		371	20,936	107	–	(18,740)	–	–	2,674
Other movements									
Diminution in value		–	–	–	4,177	–	(4,177)	–	–
Total other movements		–	–	–	4,177	–	(4,177)	–	–
At 30 September 2024		3,649	21,222	379	16,046	159,022	(50,785)	(1,524)	148,009

Reserves available for distribution are capital reserve realised, special reserve and revenue reserve. Total distributable reserves at 30 September 2024 were £106.6m, adjusted to remove £0.1m accumulation income included in the revenue reserve but not distributable (2023: £134.4m). The explanatory notes on pages 28 to 35 are an integral part of these financial statements.

- (1) 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 30 September 2024, £108.9m of the special reserve is subject to this restriction.

Condensed statement of cash flows

for the six month period to 31 March 2025 (unaudited)

	Note	31 March 2025 (unaudited) £000	31 March 2024 (unaudited) £000	30 September 2024 ⁽¹⁾ (audited) £000
Total loss on ordinary activities before taxation		(12,397)	(4,174)	(6,585)
Realised losses on investments	5	2,906	182	3,570
Unrealised losses on investments	5	8,847	3,044	1,771
Decrease in debtors	7	326	902	428
(Decrease)/increase in creditors	8	(143)	(24)	21
Non-cash distributions	2	(78)	(64)	(143)
Unclaimed dividend forfeiture		(4)	–	4
Amortisation for discount/premium on bonds		(11)	(71)	(129)
Net cash (outflow) from operating activities		(554)	(205)	(1,063)
Purchase of investments	5	(10,322)	(22,530)	(27,582)
Sale of investments	5	15,850	15,691	20,356
Net cash provided by/(used in) investing activities		5,528	(6,839)	(7,226)
Share buybacks	9	(3,158)	(2,497)	(4,472)
Issue of Share capital	9	3,350	15,480	20,321
Issue costs	14	(54)	(329)	(347)
Dividends paid	6	(8,998)	(4,658)	(12,832)
Net cash provided by financing activities		(8,860)	7,996	2,670
Net increase/(decrease) in cash		(3,886)	952	(5,619)
Opening cash		13,612	19,231	19,231
Closing cash		9,726	20,183	13,612

The explanatory notes on pages 28 to 35 are an integral part of these financial statements.

(1) 30 September 2024 cash flow represents annual results

Explanatory notes

for the six month period to 31 March 2025 (unaudited)

Basis of preparation

The Company has prepared its half-yearly financial results for the six month period ending 31 March 2025. The condensed financial statements have been prepared in accordance with UK GAAP, including Financial Reporting Standard 104 and with the Companies Act 2006 and the Statement of Recommended Practice for "Financial Statements of Investment Trust Companies and Venture Capital Trusts" July 2022.

They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company's 2024 annual report.

1. Significant accounting policies

The Company has applied the same accounting policies and methods of computation in its interim condensed financial statements as in its 2024 annual financial statements.

Segmental reporting

There is considered to be one operating segment being investment in equity and debt securities.

Key judgements and estimates

The preparation of the financial statements requires the Board to make judgements and estimates that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The most critical judgements and estimates mainly relate to the determination of the fair valuation of unquoted investments. The policies for these are set out in the notes to the financial statements. The IPEV Guidelines describe a range of valuation techniques, as described in the "financial instruments" section on pages 30 to 31.

The nature of estimation means that the actual outcomes could differ from those estimates. Estimates and underlying assumptions are under continuous review with particular attention paid to the carrying value of the investments.

Key judgements when determining the fair value of unquoted investments include:

- selecting risk factors to include in the valuation model;
- peer group selection; and
- loan note conversion scenarios.

Key estimates involved in determining the fair value of unquoted investments include:

- forecast compliance within the appropriate financial metric;
- future working capital requirements;
- liquidity risk;
- determining the appropriate discount to apply to peer group selection; and
- the probabilities applied to the loan note conversion scenarios.

Further areas requiring judgement are the allocation of income and expenses, recognition and classification of unusual or special dividends as either capital or revenue in nature, the permanent impairment of investments and categorisation of public companies between level 1 and level 2 of the fair value hierarchy.

2. Income

	Six months to 31 March 2025 (unaudited) £000	Six months to 31 March 2024 (unaudited) £000	Year ended 30 September 2024 (audited) £000
Income from investments			
Revenue:			
Dividend income	308	374	973
Interest from bonds	443	513	1,031
Interest from loan notes	118 ⁽¹⁾	56	171
Bank interest	174	263	531
Accumulation fund income ⁽²⁾	45	64	143
Total revenue income	1,088	1,270	2,849

- (1) The Company's accrued fixed interest from a convertible loan note in Rosslyn Data Technologies plc of £33.2k was converted into ordinary shares on 25 October 2024.
- (2) Accumulation income from the IFSL Marlborough Special Situations and Marlborough UK Micro-Cap Growth funds.

3. Basic and diluted (loss) per Share

	Six months to 31 March 2025 (unaudited)	Six months to 31 March 2024 (unaudited)	Year ended 30 September 2024 (audited)
(Loss) per Share	(3.39p)	(1.22p)	(1.86p)
Net (loss) for the period	(£12,397,388)	(£4,174,334)	(£6,585,156)
Weighted average number of Shares	365,349,941	342,161,187	353,964,930

4. Net asset value per Share

	Six months to 31 March 2025 (unaudited)	Six months to 31 March 2024 (unaudited)	Year ended 30 September 2024 (audited)
Net asset value per Share	34.48p	43.64p	40.55p
Net assets	£126,747,776	£155,742,030	£148,009,450
Number of Shares in issue at period end	367,610,934	356,864,474	364,977,848

5. Investments

	Quoted Investments ⁽¹⁾ 31-Mar-25 £000	Unquoted Investments 31-Mar-25 £000	Total Investments 31-Mar-25 £000	Total Investments 31-Mar-24 £000	Total Investments 30-Sep-24 £000
Opening valuation	120,496	13,781	134,277	132,120	132,130
Purchases at cost	9,922	400	10,322	22,530	27,582
Non-cash distribution	78	–	78	64	143
Sale proceeds	(15,850)	–	(15,850)	(15,691)	(20,356)
Realised losses	(2,880)	(26)	(2,906) ⁽²⁾	(182)	(3,570)
Unrealised losses	(6,017)	(2,830)	(8,847) ⁽²⁾	(3,044)	(1,771)
Amortisation for discount/ premium on bonds	11	–	11	71	129
Re-classification adjustments ⁽³⁾	224	(224)	–	–	–
Closing valuation	105,984	11,101	117,085	135,868	134,277
Cost at period end	118,837	28,586	147,423	158,633	155,769
Unrealised gains/(losses) at period end	15,185	(978)	14,207	15,682	16,046
Diminution in value at period end ⁽⁴⁾	(28,038)	(16,507)	(44,545)	(38,447)	(37,538)
Valuation at period end	105,984	11,101	117,085	135,868	134,277

- (1) Includes the IFSL Marlborough Special Situations Fund and the IFSL Marlborough UK Micro-Cap Fund with valuations of £7.33m and £7.79m respectively as at 31 March 2025.
- (2) The net loss on investments held at fair value through profit or loss in the income statement is the sum of the realised losses and unrealised losses for the period as detailed in the table above.
- (3) Crossword Cybersecurity plc was placed into administration and delisted on 18 November 2024 (£0.13m) and Rosslyn Data Technologies plc's loan note instrument, issued in September 2023, was converted into ordinary shares on 25 October 2024 (£0.36m) resulting in a net movement of £0.23m. The transfer values reflected in the table are the brought forward values as at 30 September 2024.
- (4) Diminishments of £10.74m were made in the six-month period ending 31 March 2025. Once adjusted for disposals of (£3.71m) and diminishment reversals (£0.03m) the net movement in the period is £7.00m. Diminishments carried forward are £44.54m.

Financial Instruments – fair value measurement hierarchy

The table below sets out fair value measurements using FRS102 (appendix to section 2 fair value measurement) fair value hierarchy. The Company has one class of assets, being held at fair value through profit or loss.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Valued by reference to valuation techniques using inputs that are not based on observable market data.

	Level 1 Investments £'000	Level 2 Investments £'000	Level 3 Investments £'000	Total Investments £'000
Six months ended 31 March 2025 (unaudited)	76,844	29,140	11,101	117,085
Year ended 30 September 2024 (audited)	91,496	29,000	13,781	134,277
Six months ended 31 March 2024 (unaudited)	91,452	33,678	10,738	135,868

Transfers between level 3 and level 1 occur when a previously unquoted investment undertakes an initial public offering, resulting in its equity becoming quoted on an active market. There have been no instances of a transfer between level 3 and level 1 in the current period (2024: none).

Transfers between level 1 and/or 2 and 3 would occur when a quoted investment's market becomes inactive, or the portfolio company elects to delist. There was one transfer from level 1 to level 3 in the current period from Crossword Cybersecurity plc (placed into administration and delisted on 18 November 2024), the period end investment value was nil (2024: none). There were no transfers from level 2 to level 3 (2024: none). Transfer values are as at 31 March 2025.

There were transfers of £5.0m between level 1 and level 2 in the current period where the investments market is not sufficiently active (2024: £0.2m). There were transfers of £1.4m between level 2 and level 1 (2024: £6.8m). Transfer values are as at 31 March 2025.

Level 3 financial assets

	Equity Shares 31-Mar-25 £000	Preference Shares 31-Mar-25 £000 ⁽¹⁾	Loan Notes 31-Mar-25 £000	Total Level 3 31-Mar-25 £000	Total Level 3 31-Mar-24 £000	Total Level 3 30-Sep-24 £000
Opening valuation	4,396	5,607	3,778	13,781	9,553	9,553
Transfers from levels 1 and 2	134 ⁽²⁾	–	–	134	–	3,294
Transfer to level 1	–	–	(358) ⁽³⁾	(358)	–	–
Purchases at cost	–	–	400	400	4,501	4,500
Sale proceeds	–	–	–	–	(800)	(802)
Realised (losses)/gains	(26) ⁽⁴⁾	–	–	(26)	–	(3,099)
Unrealised (losses)/gains	(1,528)	–	(1,302)	(2,830)	(2,516)	335
Closing valuation	2,976	5,607	2,518	11,101	10,738	13,781

(1) The preference shares held are in the nature of equity.

(2) Crossword Cybersecurity plc was placed into administration and delisted on 18 November 2024. The transfer value included in the table is the brought forward value as at 30 September 2024.

(3) Rosslyn Data Technologies plc's loan note instrument, issued in September 2023, was converted at par value, including accrued interest, into ordinary shares on 25 October 2024 at a price of 5 pence per share. The transfer value reflected in the table is the carried forward value as of 30 September 2024.

(4) Flowgroup plc was dissolved on 9 March 2025.

The following table sets out the basis of valuation for the material Level 3 investments and those where the value has materially changed during the period, held within the portfolio at 31 March 2025.

In assessing fair value, the Board and the Investment Manager considered a range of valuation methodologies including EV/ Sales, and EV/EBITDA multiples for the current and next financial year. Where appropriate, the Investment Manager also assessed value using discounted cash flow analysis. Where observable market multiples were available, these were used as part of peer group analysis. Market based multiples were taken as reference points with discounts applied (where appropriate) to reflect liquidity and forecast risk.

Level 3 Unquoted Investments	
Infinity Reliance Ltd (My 1st Years)	Trading continues to be positive in 2025 with the company reporting revenue growth despite the continued weak consumer environment. EBITDA growth in 2025 will be limited by investments designed to increase the addressable market in the medium term. The fair value of the investment was unchanged as the valuation rolled forward into the financial year ending March 2026. The valuation was reviewed against EV/Sales multiples across a peer group of listed companies which was broadly static.
BiVictriX Therapeutics Ltd	On 12 August 2024, BiVictriX announced the proposed cancellation of admission of its ordinary shares to trading on AIM and re-registration as a private limited company after the directors concluded that the company's market capitalisation did not fully reflect the positive achievements nor the underlying prospects of the business and was a potential barrier to future growth and funding, as well as potential partnership and licensing opportunities. The cancellation took effect from 11 September 2024. The company is currently actively exploring funding options. The valuation of the investment is a composite valuation which includes the closing bid prior to delisting and a wind-up scenario which may emerge if funding cannot be secured. The valuation of the holding was reduced during the period to reflect the building funding risk.
C4X Discovery Holdings Ltd	C4X Discovery has undergone a period of management change following its transition to a private company. The former Executive Chairman Clive Dix retired from the company, and David Lawrence joined the company as Non-Executive Chairman. There were also other senior leadership changes, including the appointment of the Interim CEO and Chief Scientific Officer to the board. The company continues to progress its portfolio of proprietary pre-clinical therapeutic assets focused on immunology and inflammation. The valuation of the investment is a composite valuation that includes a risked net present value analysis of the company's balance sheet cash and partnered drug development assets, and a sum of the parts analysis which considers milestones which are due to be received by the company in the near term.
Kidly Ltd	Despite reductions to its overheads, a difficult retail environment undermined Kidly's attempts to establish a fundable pathway to profitability. Kidly was placed into administration on 4 March 2025 following a formal sales process. Although the company was subsequently sold from administration, the proceeds did not result in any recoverable value to the Company.
Qureight Ltd	Qureight has made good progress in driving adoption of its proprietary technology powered by artificial intelligence which enables more effective analysis of imaging data in clinical trials. The company has also secured strategic partnerships with pharma industry clients and invested significantly in building out a strong senior leadership team to support its future growth ambitions. The valuation was set with reference to FY25 EV/Sales multiples and assessed against listed peers.
SCA Investments Ltd (Gousto)	The company closed 2024 strongly with EBITDA and cash ahead of budget and significantly improved year on year. Revenue growth in 2025 is expected to support further increases in 2025. The fair value of the investment was unchanged within the period with the valuation set with reference to FY25 EV/EBITDA multiples and assessed against listed peers.
Zappair Ltd	Ongoing weakness in the demand for extended reality projects led to a recalibration in revenue expectations for the company accompanied by the completion of a cost rationalisation program during the period. The valuation of the investment was reviewed against listed peers using EV/Sales multiple and was reduced to reflect the weaker outlook combined with lower comparable peer group multiples. The non completion of the previously anticipated sale of the company to Infinite Reality during the period meant the valuation was also reduced to reflect continuation as an independent company.
Rosslyn Data Technologies plc – convertible loan note	Rosslyn Data Technologies made good commercial progress over the period with the deployment of its initial contract with a major new client and leading global technology company. Rosslyn Data Technologies secured £3.3m in additional equity and convertible loan note funding in October 2024. As part of this fundraising, the Company committed to converting the current 2023 convertible loan note into equity and investing into a new 2024 convertible loan note. There was an increase to the fair value of the convertible loan notes with the value of the conversion option calculated using the Black-Scholes option pricing model.

Level 3 Unquoted Investments

Strip Tinning plc – convertible loan note	Whilst there have been short-term trading challenges in the automotive sector which impacted near term revenues, Strip Tinning achieved strong sales success with lifetime value of nominations increasing to £106m, including an extension to its contract to supply the autonomous taxi operator Zoox. The fair value of the convertible loan notes have reduced modestly over the period with the value of the conversion option calculated using the Black-Scholes option pricing model.
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6. Dividends paid

Summary of dividends paid in the six months to 31 March 2025 and the financial year ending 30 September 2024 are detailed below:

	Six months ended 31 March 2025 (unaudited) £'000	Year ended 30 September 2024 (audited) £'000
Final capital dividend of 1.50 pence for the year ended 30 September 2023		5,149
Special capital dividend of 1.50 pence per Share paid for the year ended September 2024		5,474
Interim capital dividend of 1 penny per Share for the year ended 30 September 2024		3,649
Final capital dividend of 1.25 pence per Share for the year ended 30 September 2024	4,588	
Special capital dividend of 1.50 pence per Share paid for the year ended September 2025	5,505	
Dividends unclaimed ⁽¹⁾	–	(4)
Total	10,093⁽²⁾	14,268⁽³⁾

- (1) Unclaimed dividends for a period of 12 years revert to the Company.
- (2) The difference between total dividends paid for the period ending 31 March 2025, and the cash flow statement is £1,095,000 which is the value of dividends reinvested under the DRIS of £1,091,000 for the period and the £4,000 received by the Company for unclaimed dividends for a period over 12 years.
- (3) The difference between total dividends paid for the period ending 30 September 2024 and the cash flow statement is £1,436,000 which reflects the value of dividends reinvested under the DRIS of £1,440,000 less the £4,000 due to the Company for unclaimed dividends for a period over 12 years.

7. Debtors

	Six months to 31 March 2025 (unaudited) £000	Six months to 31 March 2024 (unaudited) £000	Year ended 30 September 2024 (audited) £000
Prepayments	88	104	29
Accrued income	633	469	949
Other debtors	–	–	69
	721	573	1,047

8. Creditors: amounts falling due within one year

	Six months to 31 March 2025 (unaudited) £000	Six months to 31 March 2024 (unaudited) £000	Year ended 30 September 2024 (audited) £000
Trade Creditors	2	5	12
Accruals	782	877	915
	784	882	927

9. Transactions in Shares

Buybacks

During the half year, 8,627,364 Shares (2024: 5,858,590) were purchased through the buyback facility at a cost of £3,157,838 (2024: £2,496,726). The repurchased Shares represent 2.36% (2024: 1.79%) of the opening Share capital in issue on 1 October 2024. The acquired Shares have been cancelled.

Share issues

During the half year, the Company issued 8,354,791 new Shares (nominal value £83,548) under the 2024/25 offer for subscription, representing 2.29% of the opening share capital at prices ranging from 38.83 pence to 41.75 pence per share. Gross funds of £3,350,387 were received by the Company. Once adjusted for issue costs this resulted in net proceeds of £3,295,565.

The Company also issued 2,905,659 Shares at an allotment price of 37.54 pence per Share under the DRIS.

10. Contingencies, guarantees and financial commitments

There were no contingencies, guarantees or financial commitments of the Company at 31 March 2025.

11. Legal form and principal activities

The Company was incorporated and registered in England and Wales on 16 August 2004 under the Companies Act 1985, registered number 5206425.

The Company has been approved as a Venture Capital Trust by HMRC under section 259 of ITA. The Shares of the Company were first admitted to the Official List of the UK Listing Authority and trading on the London Stock Exchange on 29 October 2004 and can be found under the TIDM code "HHV".

The Company's principal activity is to invest in a diversified portfolio of qualifying small UK based companies, primarily trading on AIM, with a view to generating capital returns and income from its portfolio and to make distributions from capital and income to Shareholders whilst maintaining its status as a VCT.

The Company is registered as a small UK Alternative Investment Fund Manager (AIFM) with a Board comprising three Non-Executive Directors, all of whom are independent. CGAM acts as administrator of the Company, and will provide company secretarial services to the Company from 1 August 2025. JTC (UK) Limited will provide company secretarial services to the Company until 31 July 2025. The Company's Custodian is CGWL.

The Board has overall responsibility for the Company's affairs including the determination of its investment policy, however, the Board may exercise these responsibilities through delegation to CGAM, CGWL and JTC (UK) Limited as it considers appropriate.

The Directors have managed and continue to manage the Company's affairs in such a manner as to comply with Section 259 of the ITA.

12. Cautionary statement

These interim results should not be taken as a guide to the results for the financial period ending 30 September 2025.

This report may contain forward looking statements with regards to the financial condition and results of the Company, which are made in the light of current economic and business circumstances. Nothing in this report should be considered as a profit forecast.

13. Publication of non-statutory accounts

The financial information contained in the 31 March 2025 income statement, balance sheet, statement of cash flows and statement of changes in equity has not been audited and does not comprise full financial statements within the meaning of Section 434 of the Companies Act 2006. No statutory accounts in respect of any period after 30 September 2024 have been reported on by the Company's auditor.

The comparative figures for the financial year ended 30 September 2024 have been extracted from the 2024 annual report. Those accounts have been reported on by the Company's auditor and lodged with the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

14. Related party transactions and conflicts of interest

The remuneration of the Directors of the Company as at 31 March 2025 is disclosed in the table below.

Director	Role	Fees for the six-month period ending 31 March 2025 (£)
David Brock	Chair	21,250
Oliver Bedford ⁽³⁾	Director	15,250
Angela Henderson ⁽¹⁾	Former Director	12,193
Megan McCracken ⁽²⁾	Director (Chair of MSPEC)	16,720
Busola Sodeinde ⁽⁴⁾	Director	16,500
Justin Ward	Director (Chair of Audit Committee)	18,000

(1) Angela Henderson retired as a Director of the Company and Chair of the MSPEC on 6 February 2025.

(2) Megan McCracken assumed the position of Chair of the MSPEC effective 7 February 2025.

(3) Oliver Bedford retired as a Director of the Company on 21 May 2025.

(4) Busola Sodeinde retired as a Director of the Company on 21 May 2025.

Transactions with the manager

As the Company's Investment Manager, CGAM is a related party to the Company for the purposes of the UK Listing Rules. As the Investment Manager and CGWL are part of the same Canaccord Wealth group, CGWL also falls into the definition of related party.

Oliver Bedford, a Non-Executive Director of the Company until 21 May 2025, is also an employee of the Investment Manager which received fees of £15,250 for the six month period ended 31 March 2025 in respect of his position on the Board (2024: £14,750). Of these fees £7,625 (2024: £7,375) was owed at the period end.

CGAM acts as Administrator and CGWL acts as Custodian to the Company. Their respective fees for the six month period ended 31 March 2025 and during the last financial year for the Company were:

	31 March 2025 (£)	31 March 2024 (£)	30 September 2024 (£)
Custody	15,000	15,000	30,000
Administration	125,000	125,000	250,000
Total	140,000	140,000	280,000
Still owed at the period end	69,586	69,680	69,585

Under an offer agreement dated 9 October 2024, CGAM was appointed by the Company to administer the Company's 2024/25 offer for subscription for Shares and act as receiving agent in relation to the offer. Under the terms of the agreement CGAM, as Administrator, received a fee of 3.5% of the gross proceeds of the 2024/25 offer for providing these services. From this fee, the Administrator agreed to discharge commissions payable to financial advisers in respect of accepted applications for Offer Shares submitted by them, including any trail commission, and also agreed to discharge and/or reimburse all costs and expenses of and incidental to the 2024/25 offer and the preparation of the prospectus including: FCA vetting fees in relation to the prospectus; sponsor and legal fees; expenses of the Company and CGAM; the Company's tax adviser's fees and expenses; Registrar's fees; costs of printing, postage, advertising, publishing and circulating of the prospectus; and marketing of the offer, including any introductory commission and discounts to investors. The Company remains responsible for the payment of listing fees associated with the admission of the new Shares to the Closed-Ended Investment Funds category of the Official List and to trading on the main market of the London Stock Exchange. If, following the final admission of Shares under the 2024/25 offer, the aggregate fee paid to CGAM exceeds the costs and expenses referred to above by more than £25,000, then CGAM will rebate an amount equalling such surplus to the Company subject to a maximum rebate of £100,000.

During the half year, the Company issued 8,354,791 Shares (nominal value £83,548) under the terms of the 2024/25 offer for subscription, representing 2.29% of the opening Share capital on 1 October 2024, at prices ranging from 38.83 pence to 41.75 pence per Share. Gross funds of £3,350,387 were received by the Company from the issuance of such Shares. As marketing adviser and receiving agent to the Company, CGAM was entitled to 3.5% of the gross proceeds received (£117,264), often referred to as the 'premium'. From this, CGAM paid for the allotment of additional Shares to investors with a value of £62,442, resulting in net fees payable to CGAM of £54,822. This was then used to pay for other costs associated with the prospectus and marketing of the 2024/25 offer.

CGAM is appointed as Investment Manager to the Company and receives an investment management fee of 1.7% of the NAV per annum.

Investment management fees for the half-year are £1,125,641 (2024: £1,277,846). Of these fees £517,287 (2024: £623,452) was still owed at the period end. As the Investment Manager to the Company and the investment adviser to the IFSL Marlborough Special Situations and IFSL Marlborough UK Micro-Cap Funds (in which the Company may invest), the Investment Manager makes an adjustment as necessary to its investment management fee to ensure the Company is not charged twice for its services.

Upon completion of an investment, the Investment Manager is permitted under its IMA with the Company to charge private investee companies a fee equal to 1.5% of the investment amount. This fee is subject to a cap of £40,000 per investment and is payable directly from the investee company to the Investment Manager. The Investment Manager may recover external due diligence and transactional services costs directly from private investee companies. Fees of £16,000 (2024: £37,502) were charged to investee companies in the period to 31 March 2025 under this agreement.

Total commission of £11,163 (2024: £25,803) was paid to CGWL in the half year for broker services.

The Investment Manager has agreed to indemnify the Company and keep indemnified the Company in respect of the amount by which the annual running costs of the Company exceed 3.5% of the net assets of the Company. Such costs shall exclude any VAT payable thereon and any payments to financial intermediaries, the payment of which is the responsibility of the Company. No fees were waived by the Investment Manager in the first half of the financial year under the indemnity.

The Company also held £6,446,426 in the client account at CGWL at 31 March 2025 (2024: £10,378,993).

15. Post balance sheet events

Buybacks

Since the period end, a further 1,335,404 Shares have been purchased at an average price of 33.43 pence and a total cost of £446,419.

Share issues

Since the period end, a further 5,644,987 new Shares have been issued (nominal value £56,450) raising net proceeds of £1,976,309.

Investments

The Company has made the following investments since the period end:

	Amount Invested £000	Investment into existing company
Qualifying Investments		
Fusion Antibodies plc	£500	Yes
Non-Qualifying Investments		
None		

Corporate Actions

On 3 April 2025, K3 Business Technology Group Plc announced that £29,000,000 can be returned to shareholders by way of a Tender offer.

On 16 April 2025, the company received £4,500,000 for its shareholding in Learning Technologies Group Plc, which was acquired by Leopard UK Bidco Ltd. The acquisition was previously approved by shareholders on 6 February 2025.

On 17 April 2025, Science in Sport Plc announced a recommended cash offer by Einstein Bidco Limited for 34 pence per share in cash. The acquisition was approved by shareholders on 29 May 2025. The acquisition is expected to complete in June 2025.

On 25 April 2025, the company received £1,368,768 for its shareholding in Equals Group Plc, which was acquired by Alakazam Holdings Bidco Ltd. The acquisition was previously approved by shareholders on 8 January 2025.

On 1 May 2025, Trakm8 Holdings Plc announced a recommended cash offer by Brilliant UK Ltd. for 9.5 pence per share in cash. The acquisition remains subject to approval by a 75% majority of shareholders.

Alternative performance measures

An alternative performance measure is a financial measure of the Company's historic or future financial performance, financial position or cash flows which is not defined or specified in the applicable financial reporting framework.

The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for a VCT.

The definition of each APM can be found on page 38. Where the calculation of the APM is not detailed within the financial statements, an explanation of the methodology employed is below:

NAV total return

		31 March 2025	31 March 2024
Opening NAV per Share	A	40.55p	46.34p
Final dividend paid	B	1.25p	1.50p
Special dividend paid	C	1.50p	–
Closing NAV per Share	D	34.48p	43.64p
NAV total return	$((B+C+D-A)/A)*100$	-8.19%	-2.59%

NAV total return (dividends reinvested)

		31 March 2025	% Return
Opening NAV per Share (30 September 2024)	A	40.55p	
Closing NAV per Share (31 March 2025)		34.48p	
	Final dividend paid February 2025	1.25p	
	Special dividend for year paid February 2025	1.50p	
Total dividend payments		2.75p	
Closing NAV per Share plus dividends paid		37.23p	-8.19% (-2.59% 31 March 2024)
Half yearly performance of reinvested dividends		-0.23p	
NAV total return (dividends reinvested)	$((B-A)/A)*100$	B	-8.74% (-2.67% 31 March 2024)

Share price total return

		31 March 2025	31 March 2024
Opening Share price	A	39.00p	43.00p
Final dividend paid	B	1.25p	–
Special dividend paid	C	1.50p	1.50p
Closing Share price	D	33.80p	42.20p
Share price total return	$((B+C+D-A)/A)*100$	-6.28%	1.63%

Share price total return (dividends reinvested)

		31 March 2025	% Return
Opening Share price (30 September 2024)	A	39.00p	
Closing Share price (31 March 2024)		33.80p	
	Final dividend paid February 2025	1.25p	
	Special dividend for year paid February 2025	1.50p	
Total dividend payments		2.75p	
Closing Share price plus dividends paid		36.55p	-6.28% (1.63% 31 March 2024)
Half yearly performance of reinvested dividends		-0.22p	
Share price total return (dividends reinvested)	$((B-A)/A)*100$	B	-6.86% (1.66% 31 March 2024)

Ongoing charges ratio

The ongoing charges ratio has been calculated using the AIC's "Ongoing Charges" methodology.

		31 March 2025 £000	31 March 2024 £000
Investment management fee ⁽¹⁾		2,251	2,556
Other expenses ⁽¹⁾⁽²⁾		1,114	1,074
VCT proportion of IFSL Marlborough funds expenses ⁽¹⁾		117	147
Ongoing charges	A	3,482	3,777
Average net assets	B	142,089	154,284
Ongoing charges ratio	(A/B)*100	2.45%	2.45%

(1) Figures for the periods ending 31 March 2024 and 31 March 2025 have been annualised to calculate the OCR.

(2) Other expenses exclude London Stock Exchange fees of £8.7k, and transaction fees of £42k (March 2025) and £35k (March 2024) for admission of Shares under the applicable offer for subscriptions by the Company, and prior year recognised loan stock interest and dividends not receivable of £368k (March 2024) as the Board do not consider these costs to be ongoing costs to the fund. As per the AIC's "Ongoing Charges" methodology, transaction costs are also excluded.

Share price discount

		31 March 2025	31 March 2024
Share price	A	33.80p	42.20p
NAV per Share	B	34.48p	43.64p
Discount	((A/B)-1)*100	1.97%	3.30%

The 1-year average discount of 5.00% is calculated by taking the average of the Share price discount at each month end between 1 April 2024 and 31 March 2025.

The 5-year average discount of 5.52% is calculated by taking the average of the Share price discount at each month end between 1 April 2020 and 31 March 2025.

Alternative performance measures (definitions)

Alternative performance measure (or “APM”)

An alternative performance measure is a financial measure of the Company’s historical or future financial performance, financial position or cash flows which is not defined or specified in the applicable financial reporting framework.

The Company uses the following alternative performance measures:

Net Asset Value (or “NAV”)

The value of the Company’s assets, less its liabilities.

NAV per Share

The net asset value divided by the total number of Shares in issue at the period end.

NAV total return

The NAV total return shows how the NAV per Share has performed over a period of time in percentage terms taking into account both capital returns and dividends paid. We calculate this by adding the dividends paid in the period to the closing NAV per Share and measuring the percentage change relative to the opening NAV per Share.

NAV total return (dividends reinvested)

The NAV total return (dividends reinvested) shows the percentage movement in the NAV total return per Share over time taking into account both capital returns and dividends paid assuming dividends are re-invested into new Shares. To be consistent with industry standard practice, the allotment price of the new Shares issued in place of the cash dividend is assumed to be the prevailing ex-dividend NAV per Share on the day the Shares go ex-dividend. This differs from the methodology followed by the Registrar when issuing Shares under the Company’s DRIS.

Ongoing charges ratio (or “OCR”)

The ongoing costs of managing and operating the Company divided by its average net assets. Calculated in accordance with AIC guidance, this figure excludes ‘non-recurring costs’.

Share price discount

As stock markets and share prices vary, a VCT’s share price is rarely the same as its NAV. When the share price is lower than the NAV per share it is said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV per share and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share it is said to be trading at a premium.

Share price total return

The Share price total return shows performance over a period of time in percentage terms by reference to the mid-price of the Company’s Shares taking into account dividends paid and payable having passed the ex-dividend date in the period and any return of capital if applicable.

We calculate this by adding the dividends paid and payable having passed the ex-dividend date in the period to the closing mid-price and measuring the percentage change relative to the opening mid-price.

Share price total return (dividends reinvested)

The performance of the Company’s Share price on a total return basis assuming dividends are reinvested in new Shares at the mid-price of the Shares on the ex-dividend date.

Glossary of terms

Glossary of terms

Administrator (or "CGAM")

Canaccord Genuity Asset Management Limited.

AIC

The Association of Investment Companies.

AIM

The Alternative Investment Market operated by the London Stock Exchange.

AQSE Growth Market

The Growth Market of the Aquis Stock Exchange, a recognised investment exchange for growth companies operated by Aquis Exchange plc.

Articles

The articles of association of the Company, from time to time.

Bloomberg UK Large/Mid/Small Index Total Return

Measures the total return of the underlying Bloomberg UK Large/Mid/Small index combining both capital performance and income. Calculated on a dividends re-invested basis.

Board

The board of directors of the Company, from time to time.

Canaccord Wealth

In the UK & Europe, Canaccord Wealth is a trading name of Canaccord Genuity Wealth Limited (CGWL), CG Wealth Planning Limited (CGWPL), Canaccord Genuity Asset Management Limited (CGAM), Canaccord Genuity Wealth (International) Limited (CGWIL) and Cantab Asset Management Limited (CAML). In Scotland, Adam & Company is a trading name of CGWL and CGWPL. They are subsidiaries of Canaccord Genuity Group Inc.

Company

Hargreave Hale AIM VCT plc.

Custodian (or "CGWL")

Canaccord Genuity Wealth Limited.

Deutsche Numis Alternative Market ex IC Index Total Return

Measures the total return of the underlying Deutsche Numis Alternative Market ex IC index combining both capital performance and income. Calculated on a dividends re-invested basis.

Director

A director of the Company.

DRIS

The dividend reinvestment scheme operated by the Company.

Earnings per Share total return

Total profit/(loss) for the reporting period divided by the weighted average number of Shares in issue.

FCA

The Financial Conduct Authority.

HMRC

HM Revenue & Customs.

IMA

Investment management agreement between the Company and the Investment Manager, dated 7 September 2023 (as amended).

Investment Manager (or “CGAM”)

Canaccord Genuity Asset Management Limited.

IPEV Guidelines

International Private Equity and Venture Capital Valuation guidelines.

IPO

The process by which a company obtains a first listing or quotation for securities on an investment exchange and offers securities to the public for the first time.

ITA

Income Tax Act 2007, as amended.

MSPEC

The Management and Service Provider Engagement Committee of the Board.

Non-Qualifying Company or Non-Qualifying Investment

An investment made by the Company which is not a Qualifying Investment and is permitted under the VCT Rules.

Offer Shares

New Shares issued or to be issued pursuant to the Offer for Subscription of Shares in Hargreave Hale AIM VCT plc launched on 9 October 2024.

PRIIPS

(Retained EU legislation) Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs).

Qualifying Company or Qualifying Investment

An investment made by a Venture Capital Trust in a trading company which comprises a qualifying holding under Chapter 4 of Part 6 of the ITA.

Registrar

Equiniti Limited.

SaaS

Software-as-a-Service.

Shareholders

Holders of Shares, from time to time.

Shares

Ordinary shares of 1 penny each in the capital of the Company, from time to time.

UK GAAP

United Kingdom Generally Accepted Accounting Practice and applicable law.

UK Listing Rules

The rules published by the FCA and contained in the UK Listing Rules sourcebook as part of the FCA Handbook.

VCT or Venture Capital Trust

Venture capital trust as defined in section 259 ITA.

VCT Rules

All legislation, rules and regulations that apply to VCTs from time to time, including the ITA.

Shareholder information

Shareholder information

The Company's Shares (Code: HHV) are listed on the London Stock Exchange. Shareholders can visit the London Stock Exchange website, www.londonstockexchange.com, for the latest news and Share prices of the Company. Further information for the Company can be found on its website at www.hargreaveaimvcts.co.uk.

Net asset value per Share

The Company's NAV per Share as at 13 June 2025 was 35.89 pence per Share. The Company publishes its unaudited NAV per Share on a weekly basis.

Dividends

The Board has approved the payment of an interim dividend of 0.75 pence and a special dividend of 0.50 pence per Share in respect of the six months ended 31 March 2025.

The last dividend payment by bank cheque will be paid in July 2025. The Board is therefore asking Shareholders to provide their bank details ahead of the payment of any final dividend in respect of the year to 30 September 2025, which would be due to be paid in February 2026. Mandates can be obtained by contacting the Registrar. Alternatively, bank details can be updated through the Registrar's Shareview system.

Dividend re-investment scheme

The Company offers a DRIS allowing Shareholders to elect to receive all of their dividends from the Company in the form of new Shares. Shareholders may elect to join the DRIS at any time by completing a DRIS mandate form. Mandates can be obtained by contacting the Registrar, or by visiting the Company's website at www.hargreaveaimvcts.co.uk. As new Shares will be issued, Shareholders are also able to claim tax relief on the Shares, including 30 per cent. income tax relief on their investment (subject to the terms of the VCT Rules and the personal circumstances of the Shareholder). To exit the DRIS, a revoke form must be completed and returned to the Registrar. Revoke forms can be obtained by contacting the Registrar or by visiting the Company's website at www.hargreaveaimvcts.co.uk. To receive future dividends electronically, please complete a bank mandate form or update your account details via the Shareview system. Please note that submitting a mandate alone will not remove you from the DRIS scheme.

Selling your Shares

The Company aims to improve the liquidity in its Shares and to maintain a discount of approximately 5% to the last published NAV per Share (as measured against the mid-price of the Shares) by making secondary market purchases. This policy is non-binding and at the discretion of the Board. The effective operation of the policy is dependent on a range of factors which may prevent the Company from achieving its objectives. As a result, there is no guarantee Shareholders will be able to sell their Shares or the discount to NAV per Share at which they may be sold.

VCT Share disposals are exempt of capital gains tax when the disposal is made at arm's length, which means a Shareholder should sell their Shares to a market maker through a stockbroker or another share dealing service. In practice, this means that the price achieved in a sale is likely to be below the mid-price of the Shares and, therefore, the discount is likely to be more than five per cent. to the last published NAV per Share.

VCT Share disposals settle two business days post trade if the Shares are already dematerialised or placed into CREST ahead of the trade, or 10 days post trade if the stock is held in certificated form.

Investors who sell their Shares before the fifth anniversary of the Share issuance are likely to have to repay their income tax relief. Canaccord Wealth can facilitate the sale of Shares and is able to act for Shareholders who wish to sell their Shares. However, Shareholders are free to nominate any stockbroker or share dealing service to act on their behalf. If you are a Shareholder and would like further information from Canaccord Wealth, please contact the VCT administration team at aimvct@canaccord.com or call 01253 376622.

Please note that CGWL will need to be in possession of the Share certificate and a completed CREST transfer form before executing the sale. If you are a Shareholder and have lost your Share certificate, then you can request a replacement certificate from the Registrar. The Registrar will send out an indemnity form, which you will need to sign. The indemnity form will also need to be countersigned by a UK insurance company or bank that is a member of the Association of British Insurers. Since indemnification is a form of insurance, the indemnifying body will ask for a payment to reflect their risk. Fees will reflect the value of the potential liability.

Shareholder enquiries:

For general Shareholder enquiries, please contact CGAM on 01253 376622 or by e-mail to aimvct@canaccord.com. For enquiries concerning the performance of the Company, please contact the Investment Manager on 0207 523 4837 or by e-mail to aimvct@canaccord.com.

Other published information can be found on the Company's website at www.hargreaveaimvcts.co.uk.

Change of address

To notify the Company of a change of address please contact the Registrar at the address on page 43. Alternatively, address details can be updated through the Registrar's Shareview system.

Company information

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Justin Ward

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