19 December 2025

HARGREAVE HALE AIM VCT PLC
(the "**Company**" or the "**VCT**")

Full Year Results and Notice of AGM

Hargreave Hale AIM VCT plc announces its results for the year ended 30 September 2025.

The Company also announces that its 2026 Annual General Meeting will be held at 12.30pm on 5 February 2026 at 88 Wood Street, London, EC2V 7QR.

The Company's Annual Report and Financial Statements for the year ended 30 September 2025 and the formal Notice of the Annual General Meeting will be posted to shareholders who have elected to receive hard copies and in accordance with UK Listing Rule 6.4.1 copies of the documents will shortly be available to view on the Company's corporate website at https://www.hargreaveaimvcts.co.uk and have also been submitted to the UK Listing Authority and will be available for inspection from the National Storage Mechanism at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

Strategic report

The report has been prepared by the Directors in accordance with the requirements of Section 414A of the Companies Act 2006.

Financial highlights for the year ended 30 September 2025

Net asset value ("NAV") per share	NAV total return	Tax free dividends per share paid in the period	Share price total return	Ongoing charges ratio ("OCR")
36.46p	-0.22%(1)	4.00p	-1.54%(1)	2.51%(1)

- £4.8 million invested in Qualifying Companies in the year.
- 98.98% invested by VCT tax value in Qualifying Investments at 30 September 2025.
- Final dividend of 1 penny per share proposed for the year end and special dividend of 2 pence per share approved by the Board.
- Offer for subscription closed having raised gross proceeds of £5.6 million.

Summary financial data	**2025**	**2024**
NAV (£m)	135.04	148.01
NAV per share (p)	36.46	40.55
NAV total return (%)(1)	-0.22	-3.86
Market capitalisation (£m)	127.41	142.34
Share price (p)	34.40	39.00
Share price discount to NAV per share (%)(1)	-5.65	-3.82
Share price 5 year average discount to NAV per share (%)(1)	-4.99	-5.79
Share price total return (%)(1)	-1.54	0.00
Loss per share for the year (p)	-0.14	-1.86
Dividends paid per share (p)	4.00	4.00
Ongoing charges ratio (%)(1)	2.51	2.43

(1) Alternative performance measure definitions and illustrations can be found in this report.

Financial calendar	
Record date for final and special dividends	9 January 2026
Annual General Meeting	5 February 2026
Payment of final and special dividends	13 February 2026
Announcement of half-yearly results for the six months ending 31 March 2026	June 2026

Financial calendar

Payment of interim dividend (subject to Board approval)	July 2026

Chair's Statement

Introduction

Once again, I would like to welcome Shareholders who joined us as a result of the recent offer for subscription. As always, we are grateful to new and existing Shareholders who continue to support the VCT, despite the difficult times we continue to live through.

The Investment Association continues to report sustained outflows from UK equities, now extending to four years of uninterrupted monthly outflows. As feared, changes to fiscal policy introduced through the 2024 autumn budget weighed heavily on certain sectors, particularly those in high service, low margin industries such as those in leisure and hospitality. Predictably, their response included price increases and reduced headcount, neither good for the economy.

With the exception of a burst of activity in early 2025, the economy has remained insipid. Since the portfolio is not particularly exposed to cyclical factors, this is unhelpful but not a material barrier to commercial progress and value creation. Regressive fiscal and trade policies, both in the UK and internationally, are a more significant concern since they encourage companies to defer investment and innovation. Despite this, our sense is that our portfolio companies remain as committed as ever to developing and creating value for shareholders despite the many hurdles they have had to clear this year.

Consistent with our updates of the last few years, generating performance remains very difficult in the short term. With the London Stock Exchange reporting a thirty year low for initial public offerings, it is clear that the most exciting companies are choosing to pursue alternative channels for capital and liquidity. We will continue to look for the right opportunities and have responded by becoming more active in private capital markets. This work gives us confidence that the UK continues to brim with innovation and opportunity, even if it is not currently visible on public markets. We do expect this down cycle to turn and remain as committed as ever to investing into UK public companies as and when the situation improves. Until then, we continue to believe that the sector remains in deep value territory.

We are disappointed with the level of capital deployed within the year, which does not reflect the significant pipeline that we continue to advance. We have made an improved start to the new financial year and we hope to report meaningful progress over the coming months.

Performance

As described in more detail in the Investment Manager's report, we are relieved to report finally a period of improved performance (for the second half of the financial year). In saying that, I am of course very aware that we are reporting a marginal loss across the year as a whole. However, after four years of decline, including a further fall in the first half of the financial year, we are happy to report positive returns in the second half of the financial year with a gain of +9.36% in the six months to 30 September 2025. It is extraordinary to think that we must look back to June 2021 to find the last time we were able to report two consecutive quarters of growth in our benchmark index.

The year started with some significant headwinds in the run up to the 2024 autumn budget. It was a challenging period for companies on AIM, in particular those favoured by investors looking for Business Relief or where investors had accumulated significant gains. This selling pressure weighed on our portfolio of AIM investments in the first quarter of the financial year. In the end, the 2024 budget outcome was better than feared for AIM IHT investors; however, other changes to fiscal policy were poorly received by business and financial markets. Evidently, it would be wrong to say that the second half of the financial year was characterised by a more benign macro-economic backdrop. However, investors were willing to look at UK markets through a different and more positive lens, in part due to challenges in other markets. With UK equities significantly undervalued both relative to historical norms and other international markets, it was enough to drive gains in UK domestic indices, including AIM.

At 30 September 2025, the NAV per share was 36.46 pence which, after adjusting for the dividends paid in the year of 4.00 pence, gives a NAV total return for the year of -0.22%(1) which compares with +4.93% on AIM, as measured by the Deutsche Numis Alternative Market ex IC Index Total Return (calculated on a dividends 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.

The earnings per share total return for the year was a loss of -0.14 pence (comprising a revenue profit of 0.22 pence and a capital loss of -0.36 pence). Revenue income decreased by 14% to £2.5m as a result of a reduced allocation to high yielding non-qualifying equity investments and lower bank interest received following rate cuts. Income received into the revenue account exceeded expenses, resulting in a revenue profit for the year of 0.22 pence per share (FY24: 0.20 pence per share).

The share price decreased from 39.00 pence to 34.40 pence over the reporting period which, after adjusting for dividends paid of 4.00 pence per share, gives a share price total return of -1.54%(1).

(1) Alternative performance measure definitions and illustrations can be found in this report.

Investments

The Investment Manager invested £4.8 million into seven Qualifying Companies during the period. The fair value of Qualifying Investments at 30 September 2025 was £73.0 million (54.1% of NAV) invested in 47(2) AIM companies and seven(3) unquoted companies. At the year end, the fair value of equities in Non-Qualifying Companies, the IFSL Marlborough UK Micro-Cap Growth Fund and the IFSL Marlborough Special Situations Fund were £8.4 million (6.3% of NAV), £7.6 million (5.6% of NAV) and £7.1 million (5.3% of NAV) respectively, with most of the equities in Non-Qualifying Companies listed within the FTSE 350 and offering good levels of liquidity should the need arise. £21.1 million (15.6% of NAV) was held in short-dated investment grade corporate bonds, £1.3 million (0.9% of NAV) was invested in VanEck Gold Miners UCITS exchange traded fund and £16.5 million(4) (12.2% of NAV) held in cash at the period end (including £10.6m held with the Custodian). Further information can be found in the Investment Manager's report.

(2) Includes 2 companies listed on the Aquis Exchange and 1 company listed on NASDAQ.
(3) Excluding companies in administration or at risk of administration with zero value.
(4) Net of prepayments and accruals.

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 further in the report for the full policy).

In the 12-month period to 30 September 2025, the Company paid dividends totalling 4.00 pence (FY24: 4.00 pence). A final dividend of 1.25 pence (FY23: 1.50 pence) in respect of the 2024 financial year and a special dividend of 1.50 pence was paid on 14 February 2025. An interim dividend of 0.75 pence along with a special dividend of 0.50 pence (FY24: 1 penny with a special dividend of 1.50 pence) was paid on 25 July 2025. The payment of the special dividends reflected the receipt of proceeds received from the sale of various companies, including Learning Technologies Group, Intelligent Ultrasound Group and Equals Group.

A final dividend of 1 penny is proposed (FY24: 1.25 pence) which, subject to Shareholder approval at the forthcoming AGM, will be paid on 13 February 2026 to ordinary Shareholders on the register on 9 January 2026. A special dividend of 2 pence per share has been approved by the Board. The distribution will return to Shareholders the proceeds from various exits and disposals, including Cohort, together with other profitable realisations from Non-Qualifying Companies. The special dividend will be paid together with the final dividend on 13 February 2026.

Dividend re-investment scheme ("DRIS")

Shareholders may elect to reinvest their dividend by subscribing for new shares in the Company. Further information can be found in the Shareholder Information section.

On 14 February 2025, 2,905,659, ordinary shares were allotted at a price of 37.54 pence per share, which was calculated in accordance with the terms and conditions of the DRIS, on the basis of the last published ex-dividend NAV per share as at close of business on 31 January 2025, to Shareholders who had 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.

On 25 July 2025, 1,474,949, ordinary shares were allotted at a price of 35.06 pence per share, which was calculated in accordance with the terms and conditions of the DRIS, on the basis of the last published ex-dividend NAV per share as at close of business on 11 July 2025, to Shareholders who elected to receive shares as an alternative to the interim and special dividend for the year ended 30 September 2025.

Share buybacks

To maintain compliance with its Discount Control and Management of Share Liquidity policy, the Company purchased, through share buybacks, 13,839,406 ordinary shares (nominal value £138,394) during the 2025 financial year at a cost of £4,897,644 (average price: 35.39 pence per share).

As at 16 December 2025, a further 2,585,633 ordinary shares have been repurchased post the year end at a cost of £882,856 (average price: 34.14 pence per share).

Share price discount

The Company aims to improve liquidity and to maintain a discount of approximately 5 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.

We continued to operate the Discount Control and management of Share Liquidity policy effectively during the period. As at 30 September 2025, the Company had one and five year average share price discounts of 4.59%(1) and 4.99%(1) respectively.

The Company's share price was trading at a discount of 5.65%(1) as at 30 September 2025 compared to a discount of 3.82%(1) as at 30 September 2024, this being calculated using the closing mid-price of the Company's shares on 30 September 2025 as a percentage of the year end NAV per share, as published on 8 October 2025.

As at 16 December 2025, the discount to NAV was 5.51% of the last published NAV per share.

(1) Alternative performance measure definitions and illustrations can be found in this report.

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 £20 million. The offer closed on 12 August 2025 at 12pm.

The offer resulted in gross funds being received of £5.6 million and the issue of 14.9 million shares.

The Company is expecting to launch an offer for subscription for shares to raise up to £20 million (with the discretion to utilise an over-allotment facility to raise up to a further £10 million) in early 2026 (the "Offer"). The Offer is expected to take advantage of the dispensations permitted under the new Prospectus Rules which take effect on 19 January 2026. Under these new rules, the Company would not be required to publish an FCA approved prospectus to make the Offer. However, further details about the Offer will be made available to Shareholders, including details on how to apply for new shares in the Company, once finalised by the Directors. Resolutions are being proposed at the AGM to allow for the issue and allotment of shares pursuant to the terms of the Offer.

Retention Scheme

The Company is proposing to introduce a retention scheme for certain employees of the Investment Manager (the "**Retention Scheme**"), details for which are expected to be available to Shareholders in the new year.

The Retention Scheme being developed would reward the Investment Manager's employees for generating continued growth in the Company going forward and is viewed by the Board as an important way of incentivising, but also retaining, high quality staff at the Investment Manager and ensuring their long-term interests are aligned with Shareholders.

Under the Retention Scheme, a cash performance fee would be payable to the Investment Manager on reaching certain (stringent) performance conditions. The whole of a cash performance fee would be distributed to employees of the Investment Manager on the condition that they agree to reinvest any such cash amount into the Company through subscription for new shares. (To ensure proper incentives are maintained, the majority of the performance fee would likely be deferred, settled over several years and be subject to withholding.)

Final details of the Retention Scheme are expected to be made available in due course, via a separate Shareholder circular. Once finalised, Shareholders will be asked to vote on the Retention Scheme at a separate general meeting of the Company, currently anticipated to be held immediately following the AGM on 5 February 2026.

Capital reductions

At the 2026 AGM, the Company is proposing to cancel the entire amount standing to the credit of the Company's share premium account and capital redemption account and apply the sums resulting from the cancellations to its distributable reserves. These distributable reserves will provide the Company with flexibility to support, amongst other things, ordinary share buy-backs and the payment of dividends and other distributions to Shareholders in the future. Both reductions are subject to Shareholder vote and Court approval.

Company Secretary

On 1 August 2025, CGAM took 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 OCR. The year end OCR was 2.51%(1) (FY24: 2.43%(1)) when calculated in accordance with the AIC "Ongoing Charges" methodology.

The Board would like to see the OCR trending back towards its historical 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 has included 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 which 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, it has taken on the role of Company Secretary, significantly reducing costs to the Company for this service (see section above). Taken together, we expect the various cost saving measures taken within the year to deliver an additional annual saving of approximately £0.15m.

(1) Alternative performance measure definitions and illustrations can be found in this report.

Board composition

Angela Henderson did not seek re-election as an independent Director of the Company at the Annual General Meeting 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 took over as Chair of the MSPEC following the meeting.

As announced by the Company on 22 May 2025, Busola Sodeinde stepped down from her role as 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 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 new Director, the Board has decided that no new Directors will be appointed to the Board at the current time.

Board remuneration

Following a review of Board remuneration, and taking into account peer group analysis and inflation, the Board has agreed to increase its remuneration for the Directors by 4.9%, effective from 1 October 2025.

The annual remuneration of the Chair will increase to £44,500 and the other independent Directors to £34,500.

An additional fee of £1,500 will continue to be paid to the Chair of the MSPEC. The Chair of the Audit Committee will continue to receive an additional fee of £3,000.

Overall, the aggregate fees to be paid to all Directors are expected to reduce by £96,500 for the year ended 30 September 2026.

Annual General Meeting 2026

Shareholders are invited to attend the Company's forthcoming AGM to be held at 12.30 pm on 5 February 2026 at 88 Wood Street, London EC2V 7QR. Shareholders who are unable to attend the AGM in person are invited to vote by proxy ahead of the AGM and submit any questions in writing to the Company Secretary at aimvct@canaccord.com (please include 'HHV AGM' in the subject heading) by 5 pm on 29 January 2026. Answers will be published on the Company's website on 6 February 2026. Voting at the AGM will be conducted by way of a poll to ensure that each vote cast is counted.

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, performance of the fund (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. Shareholders can of course continue to communicate with the Chair, any other member of the Board or the Investment Manager by writing to the Company, for the attention of the Company Secretary, at the address set out in the report 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 Investment Manager's VCT team. In addition to the AGM, we expect to hold two in person Shareholder events each financial year and two Shareholder webinars.

Our annual Shareholder event was held on 1 December 2025, once again at Everyman Cinema Broadgate, City of London. The event included a presentation by the Investment Manager covering the 12 months to 30 September 2025, along with presentations, a fireside chat and a panel discussion with several guest speakers and a number of portfolio companies. The event concluded with the screening of a feature film.

The next Shareholder events include the forthcoming AGM to be held at the Investment Manager's offices at 88 Wood Street, London EC2V 7QR at 12.30 pm on 5 February 2026 and a separate Shareholder webinar at 4.30 pm on 10 February 2026. Shareholders are asked to register their interest in attending Shareholder events through the Company's website (www.hargreaveaimvcts.co.uk) or by emailing aimvct@canaccord.com.

Electronic communications and digital dividends

As previously communicated the last dividend payable by cheque was paid in July 2025.

All future dividends will be paid by bank transfer. We are therefore asking all Shareholders to ensure they have provided 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 no longer prints and distributes interim reports to Shareholders. The Company no longer prints and distributes interim reports to Shareholders. The interim results continue to be available for download on the Company's website (www.hargreaveaimvcts.co.uk) and a summary of the results are 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.

Electronic voting

Electronic proxy voting is available for Shareholders to register the appointment of a proxy and voting instructions for any general meeting of the Company once notice has been given. This service assists the Company to make further printing and production cost savings, reduce our environmental footprint and streamline the voting process for investors.

Regulatory update

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

Consumer duty

The Consumer Duty regulation is designed to improve the standard of care provided by financial firms that are involved in the manufacture or supply of 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 the Company continues to perform well against the requirements of the VCT Rules and at the period end, the investment test was 99.0% (FY24: 100%) against an 80% requirement when measured using HMRC's methodology. The Company satisfied all other tests relevant to its status as a Venture Capital Trust.

Key information document ("KID")

In accordance with the PRIIPs regulations, 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 and emerging risks and uncertainties section.

Outlook

Once again, the Government's unhelpful messaging in the run up to the 2025 autumn budget weighed on economic activity with surveys and GDP releases highlighting a softening in UK economy through the autumn. Measures of UK consumer and business confidence both dipped, suggesting that households and companies were again viewing the autumn budget as a risk event. The FTSE AIM All-Share Index weakened post period end and has lagged other UK indices, perhaps reflecting some investor caution ahead of the 2025 autumn budget.

We were delighted to learn that the Government intends to introduce legislation through the Finance Bill 2025-26 that will significantly increase key thresholds that govern how VCTs deploy capital.

We expect the changes to make a material positive impact on our addressable market, bringing many more exciting companies into scope. This should accelerate our rate of deployment and is undoubtedly good news for the UK's innovation economy. More puzzling is the Treasury's decision in parallel to reduce the level of income tax relief available to investors from 30% to 20% and in the process throttle back the availability of capital. We will continue to engage with the Treasury and other stakeholders on the issue.

We are pleased to report that the Investment Manager is reporting an improvement in deal flow. Post-period end, investments of £2.9 million have been made across two Qualifying Investments. In addition, the team is active on a large number of deals across both public and private markets and expect several deals to close over the coming weeks.

David Brock
Chair
18 December 2025

The Company and its Business Model

The Company was incorporated and registered in England and Wales on 16 August 2004 under the Companies Act 1985, registered number 05206425.

The Company has been approved as a Venture Capital Trust (or VCT) by HMRC under section 259 of the Income Taxes Act 2007. The shares of the Company were first admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange on 29 October 2004. The Company is listed on the main market of the London Stock Exchange. It can be found under the TIDM code "HHV".

In common with many other VCTs and in accordance with the terms of the Articles, the Company has revoked its status as an investment company to allow it to pay dividends out of capital profits.

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 AIFM with a Board comprising three non-executive Directors, all of whom are independent. CGAM acts as Investment Manager and Administrator, whilst CGWL acts as Custodian of the Company. JTC (UK) Limited acted as Company Secretary from 1 October 2024 to 31 July 2025. With effect from 1 August 2025 CGAM was appointed as Company Secretary.

The Board has overall responsibility for the Company's affairs including the determination of its investment policy. However, the Board exercises these responsibilities through delegation to the Investment Manager, the Administrator, the Custodian and the Company Secretary 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 Income Taxes Act 2007.

Investment Objectives, Policy and Strategy

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 Venture Capital Trust.

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 income 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, should have the potential for significant capital appreciation.

To maintain its status as a VCT, the Company must have 80 per cent. by value, as measured by the VCT Rules, of all of its investments in Qualifying Investments throughout accounting periods of the VCT beginning no later than three years after the date on which those 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 Growth 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.

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 utilise 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. Such consent applies to the formal investment policy described above and not the investment process set out below.

Investment process and strategy

The Investment Manager follows a stock specific investment approach based on fundamental analysis of the investee company.

The Investment Manager's fund management team leverages its market connections and meets with numerous companies each week. These meetings provide insight into investee companies, their end markets, products and services, or their competition. Investments are monitored closely and the Investment Manager usually meets or engages with their senior leadership team at least twice each year. Where appropriate, the Company may co-invest alongside other funds managed by the Investment Manager and, depending on the circumstances, this may require Board approval.

The key selection criteria used in deciding which investments to make include, *inter alia*:

- the strength and depth of the management team;
- the business strategy;
- a prudent approach to financial management and forecasting;
- a strong balance sheet;
- profit margins, cash flows and the working capital cycle;
- barriers to entry and the competitive landscape; and
- the balance of risk and reward over the medium and long term.

Qualifying Investments

Investments are made to support the growth and development of a Qualifying Company. The Investment Manager will maintain a diversified portfolio that balances opportunity with risk and liquidity. Qualifying Investments will primarily be made in companies listed on AIM but may also include private companies and companies listed on the AQSE Growth Market. Seed funding is rarely provided and only when the senior leadership team includes proven business leaders known to the Investment Manager.

Working with advisers, the Investment Manager will screen opportunities, often meeting management teams several times prior to investment to gain a detailed understanding of the company. Investments will be sized to reflect the risk and opportunity over the medium and long term. In many cases, the Investment Manager will provide further funding as the need arises and the investment matures. When investing in private companies, the Investment Manager will shape the investment to meet the investee company's needs whilst balancing the potential for capital appreciation with risk management.

Investments will be held for the long term unless there is a material adverse change, evidence of structural weakness, or poor governance and leadership. Partial realisations may be made where necessary to balance the portfolio or, on occasion, to capitalise on significant mispricing within the stock market.

Non-Qualifying Investments

The Investment Manager's VCT team works closely with the Investment Manager's wider fund management team to deliver the investment strategy when making Non-Qualifying Investments, as permitted by the VCT Rules. The Investment Manager will vary the exposure to the available asset classes to reflect its view of the equity markets, balancing the potential for capital appreciation with risk management, liquidity and income.

The Non-Qualifying Investments will typically include a focused portfolio of direct investments in companies listed on the main market of the London Stock Exchange. The portfolio will mix long term structural growth with more tactical investment to exploit short term mispricing within the market.

The use of the IFSL Marlborough Special Situations Fund and the IFSL Marlborough UK Micro-Cap Fund enables the Company to adjust its exposure to small UK companies to reflect market factors and changes to the Company's working capital.

The Investment Manager may use certain exchange traded funds listed on the main market of the London Stock Exchange to gain exposure to asset classes not otherwise accessible to the Company.

Environmental, social and governance considerations

The Investment Manager has a tailored approach to environmental, social and governance ("ESG") issues that is integrated into its investment decision-making process for investments in Qualifying Companies.

The Investment Manager's approach reflects the profile of the investee company and the role of ESG factors in the Company's investment thesis. As a minimum, the ESG review for investments in Qualifying Companies will consider the following areas:

- role, structure and operation of the board (including the application of corporate governance codes);
- treatment of employees (and related laws such as the prevention of modern slavery);
- robustness of accounting and internal controls; and
- environmental and/or social impacts of the business.

The Investment Manager will seek to engage and influence companies on any areas of improvement identified through due diligence and material ESG issues that arise during the term of the investment.

The Investment Manager has published ESG, Engagement and Conflicts Policies and is a signatory to the UN Principles of Responsible Investment. The Company will continue to engage with its investee companies to encourage more substantive reporting on ESG credentials and the development of sustainability goals.

Risk management

The structure of the Company's investment portfolio and its investment strategy has been developed to mitigate risk where possible. Key risk mitigation strategies are as follows:

- the Company has a broad portfolio of investments to reduce stock specific risk;
- flexible allocations to Non-Qualifying Equities, 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 allow the Investment Manager to adjust portfolio risk without compromising liquidity;
- regular meetings with investee companies aid the close monitoring of investments to identify potential risks and allow corrective action where possible; and

- regular Board meetings and dialogue with the Directors, along with policies to control conflicts of interest and co-investment with the IFSL Marlborough fund mandates support strong governance.

Key Performance Indicators

The Directors consider the following KPIs to assess whether the Company is achieving its strategic objectives. The Directors believe these measures help Shareholders assess how effectively the Company is applying its investment policy and are satisfied the results give a fair indication of whether the Company is achieving its investment objectives and policy. The KPIs are established industry measures.

Further commentary on the performance of these KPIs has been provided in the Chair's Statement and Investment Manager's Report.

1 NAV and share price total returns

The Board monitors NAV and share price total return to assess how the Company is meeting its objective of generating capital gains and income from its portfolio and making distributions to Shareholders. The NAV per share decreased from 40.55 pence to 36.46 pence resulting in a loss to ordinary Shareholders of -0.09 pence per share (-0.22%)(1) after adjusting for dividends paid in the year.

The Board considers peer group and benchmark comparative performance. Due to the very low number of AIM VCTs, the Board reviews performance against the generalist VCTs as well as the AIM VCTs to provide a broader peer group for comparison purposes. During the year, the Company changed its performance benchmark from the FTSE AIM All-Share Index Total Return to the Deutsche Numis Alternative Market ex IC Index Total Return, as use of the former is no longer permitted. Both indices are broadly similar, and the Company believes the new benchmark remains an appropriate measure of performance relative to our investment strategy. With 41.3% of the NAV in companies listed on AIM, the Directors consider this to be the most appropriate benchmark. However, HMRC derived investment restrictions and investments in private companies, main market listed companies and bonds mean that the index is not a wholly comparable benchmark for performance.

Rolling Returns to end Sep 2025	**1Y**	**3y**	**5y**	**10y**
NAV total return(2)	-0.22%	-17.83%	-17.85%	10.74%
Share price total return(2)	-1.54%	-24.46%	-11.44%	11.17%
NAV total return (dividends reinvested)(3)	-0.03%	-19.51%	-25.58%	-1.55%
Share price total return (dividends reinvested)(3)	-1.73%	-26.23%	-20.12%	-1.00%
Deutsche Numis Alternative Market ex IC Index Total Return	4.93%	-0.85%	-15.79%	20.27%

Source: CGAM

(1) Alternative performance measure definitions and illustrations can be found in this report.

(2) 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, 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 in this report.

(3) 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 Return which is also calculated on that basis. The definitions and illustrations of these alternative performance measures can be found in this report.

Reflecting the difficult market conditions that continued to weigh on performance through the financial year, and in common with the AIM VCT peer group, the Company reported a modest reduction in the NAV per share. The NAV total return fell behind the benchmark over one, three and five years, reflecting compositional differences between the portfolio and the benchmark. Much of these differences can be attributed to restrictions that flow from the VCT Rules and create structural disconnects to our benchmark. For example, Basic Resources is the largest sector on AIM (18% weighting, +68% return) and was the most significant driver of performance on AIM in the period. This is a sector that is very difficult for VCTs to access. The pattern repeats for Energy (6% sector weighting, +22% return) and the Construction and Materials (7% sector weighting, +12% return). In contrast, the portfolio has significant overweight allocations to the healthcare and technology relative to the benchmark.

Both sectors were negative contributors to AIM within the year under review. Performance was ahead of both the AIM and generalist VCT peer group averages over one year and ahead of the AIM VCT peer group average over three years. Performance continues to lag the generalist VCT peer group over longer time horizons. This is also true of the AIM VCT peer group.

Whilst there are early signs that AIM may have found a bottom in April 2025, the value compression of companies listed on AIM that started in September 2021 remains a dominant theme with AIM continuing to trade at a discount of nearly 40% to its long-term average earnings multiple. The value disconnect looks particularly stark when viewed alongside other global benchmarks. Much of this may be attributed to continued outflows from UK equities with the IA UK small cap sector now into its fifth year of monthly outflows.

Last year, we observed a notable performance gap between the AIM VCT peer group and the generalist VCT peer group over three years. Whilst this has narrowed substantially, it remains the case that generalist VCTs continue to report better three-year performance and substantially better five-year performance.

Further detailed information on peer group performance is available through Morningstar (https://www.morningstar.co.uk) and the AIC (https://www.theaic.co.uk/aic/find-compare-investment-companies).

2. Share price discount to NAV per share

The Company uses secondary market purchases of its shares to improve the liquidity in its shares and support the discount. The discount to NAV per share is an important influence on a selling Shareholder's eventual return. The Company aims to maintain a discount of approximately 5 per cent. to the last published NAV per share (as measured against the mid-price).

The Company's shares traded at a discount of 5.65% (1) as at 30 September 2025 (FY24: 3.82%(1)) when calculated with reference to the 30 September 2025 NAV per share. The one and five year average share price discounts were 4.59%(1) and 4.99%(1) respectively.

The Company's shares are priced against the last published NAV per share with the market typically adjusting the price to reflect the NAV after its publication. In line with the Company's valuation policy, the Company aims to publish the quarter end NAV per share within seven business days of the period end to allow time for the Investment Manager and Board to review and agree the valuation of the private companies held within the investment portfolio.

The Company's share price on 30 September 2025 reflected the last published NAV per share prior to the year end, which was released on 30 September 2025. The 30 September 2025 NAV was reported on 8 October 2025, following the review of the valuations of the private companies.

As at 16 December 2025, the discount to NAV was 5.51% of the last published NAV per share.

(1) Alternative performance measure definitions and illustrations can be found in this report.

3. Ongoing charges ratio

The Company's ongoing charges for the year ended 30 September 2025 were 2.51%(1) (FY24: 2.43%(1)) of the average net assets. The increase in the OCR primarily reflects a reduction in average net assets, driven by a decline in NAV per share and the payment of special dividends. The ratio is calculated using the AIC's "Ongoing Charges" methodology, which divides ongoing expenses by average net assets.

The Board aims to return the OCR to historic levels and has implemented cost-saving measures, as outlined in the Chair's Statement, expected to deliver annual savings of approximately £0.15 million.

While the Company's OCR remains competitive within the broader VCT sector, it is marginally higher than that of other AIM VCTs. Although based on historical data, the ratio offers Shareholders a useful indication of the future cost of managing the fund.

4. Dividends per share

The Company's policy is to target a tax-free dividend yield equivalent to 5% of the year end NAV per share. The Board remains committed to maintaining a steady flow of dividend distributions to Shareholders.

In the 12-month period to 30 September 2025, the Company paid dividends totalling 4.00 pence (FY24: 4.00 pence). A final dividend of 1.25 pence (FY23: 1.50 pence) in respect of the 2024 financial year and a special dividend of 1.50 pence was paid on 14 February 2025. An interim dividend of 0.75 pence along with a special dividend of 0.50 pence (FY24: 1 penny with a special dividend of 1.50 pence) was paid on 25 July 2025.

A final dividend of 1 penny is proposed (FY24: 1.25 pence) which, subject to Shareholder approval at the forthcoming AGM, will be paid on 13 February 2026 to ordinary Shareholders on the register on 9 January 2026. A special dividend of 2 pence per share has been approved by the Board. The distribution will return to Shareholders the proceeds from various exits and disposals, including Cohort, together with other profitable realisations from Non-Qualifying Companies. The special dividend will be paid together with the final dividend on 13 February 2026.

The below table demonstrates how the Board has been able to consistently pay dividends in line with the 5% target and the Company's dividend policy.

Dividends paid/payable by financial year

Year	Year end NAV	Dividends	Yield	Additional information
	pence per share			
2010/11	61.14	4.00	6.5%	
2011/12	61.35	3.25	5.3%	
2012/13	71.87	3.75	5.2%	
2013/14	80.31	4.25	5.3%	
2014/15	74.64	4.00	5.4%	
2015/16	75.93	4.00	5.3%	
2016/17	80.82	4.00	4.9%	
2017/18	87.59	5.40	6.2%	Including special dividend of 1 penny.
2018/19	70.60	3.75	5.3%	
2019/20	73.66	5.40	7.3%	Including a special dividend of 1.75 pence.
2020/21	100.39	7.40	7.4%	Including a special dividend of 2.50 pence.
2021/22	60.19	3.00	5.0%	
2022/23	46.34	4.50	9.7%	Including a special dividend of 2.00 pence.
2023/24	40.55	3.75	9.2%	Including a special dividend of 1.50 pence.
2024/25	36.46	3.75	6.2%	Including special dividends of 1.50 pence and 0.50 pence paid in February 2025 and July 2025 respectively, and a proposed 1 penny final dividend

5. Compliance with VCT Rules

A VCT must be approved by HMRC at all times and, in order to retain its status, the Company must meet a number of tests as set out by the VCT Rules, a summary of which can be found in this report. Throughout the year ended 30 September 2025 the Company continued to meet these tests.

The investment test decreased marginally from 100% to 98.98% in the financial year. The investment test remained comfortably ahead of the 80% threshold that applies to the Company as at 30 September 2025 and ahead of the target of 85% as set out in the Company's investment policy.

During the period, the Company invested £4.8 million into seven Qualifying Companies, three of which were investments into new Qualifying Companies.

The Board believes that the Company will continue to meet the HMRC defined investment test and other qualifying criteria on an ongoing basis.

For further details please refer to the Investment Manager's report.

Principal and Emerging Risks and Uncertainties

The Directors acknowledge that they are responsible for the effectiveness of the Company's risk management and internal controls and periodically review the principal risks faced by the Company. The Board may fulfil these responsibilities through delegation to CGAM and CGWL as it considers appropriate. The principal risks facing the Company, together with mitigating actions taken by the Board, are set out below:

Risk	Potential consequence	How the Board mitigates risk	Changes during the year
Venture Capital Trust loss of status risk. The Company operates in a complex regulatory environment and faces a number of related risks. A breach of section 259 of the Income Taxes Act 2007 could result in the disqualification of the Company as a VCT.	Loss of VCT approval could lead to the Company losing its exemption from corporation tax on capital gains, Shareholders losing their tax reliefs and, in certain circumstances, being required to repay the initial tax relief on their investment.	To reduce this risk, the Board has appointed an Investment Manager with significant experience in the management of venture capital trusts. The Investment Manager regularly provides the Board with written and verbal reports. The Board also appointed Philip Hare & Associates LLP to monitor compliance with regulations and provide half-yearly compliance reports to the Board.	No change.
Investment risk. Many of the Company's investments are held in small, high risk companies which are either listed on AIM or privately held.	Investment in poor quality companies could reduce the capital and income return to Shareholders. Investments in small companies are often illiquid and may be difficult to realise.	The Board has appointed the Investment Manager which has significant experience of investing in small companies. The Investment Manager maintains a broad portfolio of investments across a wide range of industries and sectors. Individual Qualifying	The growth outlook for the UK economy has diminished with GDP growth expected to reduce from 1.5% in 2025 to 1.4% in 2026 (source: Office for Budget Responsibility, November 2025). The Bank of England is expected to continue to

Risk	Potential consequence	How the Board mitigates risk	Changes during the year
		Investments rarely exceed 5% of net assets. The Investment Manager holds regular company meetings to monitor investments and identify potential risk. The VCT liquidity is monitored on a regular basis by the Investment Manager and reported to the Board quarterly and as necessary.	reduce interest rates, which will provide some support to consumer and business confidence and encourage investment into growth. Offsetting this, the 2024 autumn budget introduced significant increases to regulated wages and National Insurance contributions that increased the cost of employment, limited private sector wage growth and contributed to higher inflation. Changes to Business Relief have reduced the incentives to invest on AIM for those investors seeking to mitigate inheritance tax. The 2025 autumn budget has included changes to personal taxation that may drive changes in consumer behaviour, with implications for the UK economy. The 2025 autumn budget included proposed changes to VCT rules that govern the deployment of capital into Qualifying Companies. These changes are expected to come into effect on 6 April 2026 and will include material increases in several key thresholds. Collectively, the changes will increase the addressable market and improve the Company's ability to provide growth capital to a wider variety of more mature companies, including those within

Risk	Potential consequence	How the Board mitigates risk	Changes during the year
			the existing portfolio. Cyberattacks on several prominent UK companies highlight the elevated risk facing companies and the potential for profound financial harm through direct attack or attacks on key suppliers or customers.
Compliance risk. The Company is required to comply with the FCA UK Listing Rules and the Disclosure Guidance and Transparency Rules, the Companies Act 2006, Accounting Standards, the General Data Protection Regulation and other legislation. The Company is also a small registered UK AIFM and has to comply with the requirements of the AIFM Directive.	Failure to comply with these regulations could result in a delisting of the Company's shares, financial penalties, a qualified audit report and/or loss of Shareholder trust.	Board members have considerable experience of operating at senior levels within quoted businesses. They have access to a range of advisers including solicitors, accountants and other professional bodies and take advice when appropriate. CGWL and CGAM provide compliance oversight to both the Administrator and the Investment Manager and reports to the Board on a quarterly basis.	No change.
Operational risk and outsourcing. Failure in the Investment Manager, Administrator, Custodian, Company Secretary or other appointed third-party systems and controls or disruption to their respective businesses as a result of operational failure, environmental hazards or cyber security attacks.	Failures could put the assets of the Company at risk or result in reduced or inaccurate information being passed to the Board or Shareholders. Quality standards may be reduced through lack of understanding or loss of control.	The Company has in place a risk matrix and a set of internal policies which are reviewed on a regular basis. It has written agreements in place with its third-party service providers. The Board receives regular reports from the Investment Manager, Administrator and Custodian to provide assurance that they operate appropriate control and oversight systems and have in place training and other defence measures to	No change.

Risk	Potential consequence	How the Board mitigates risk	Changes during the year
		mitigate, among other things, the risk of cyber attack. Additionally, the Board receives a control report from the Registrars on an annual basis. Where tasks are outsourced to other third parties, reputable firms are used and performance is reviewed periodically by the MSPEC.	
Key personnel risk. A change in the key personnel involved in the management of the portfolio.	Potential impact on investment performance.	The Board discusses key personnel risk and resourcing with the Investment Manager periodically. To mitigate this risk, the VCT team within the Investment Manager has a large team comprising two fund managers, a portfolio manager, an investment analyst, a legal counsel, a business operations manager, a distribution specialist and a marketing professional.	To reduce key person risk, the Board is currently developing proposals for a new Retention Scheme for eligible employees of the Investment Manager. Please see further in this report for further details.
Exogenous risks such as economic, political, geopolitical financial, climate change and health. Economic risks include recession and sharp changes in interest rates. Political risks include a change in government policy causing the VCT scheme to be brought to an end or altered in such a way that VCTs become less attractive to investors, changes to economic or fiscal policy or the introduction of tariffs	Instability or changes arising from these risks could have an impact on stock markets and the value of the Company's investments so reducing returns to Shareholders. Companies may face restrictions on emissions, water consumption and increased risk of environmental hazards.	Regular dialogue with the Investment Manager provides the Board with assurance that the Investment Manager is following the investment policy agreed by the Board and appraises the Board of the portfolio's current positioning in the light of prevailing market conditions. The Company's investment portfolio is well diversified and the Company has no gearing. The Board regularly reviews investment test forecasts and liquidity analysis, including under stress scenarios, to monitor	The Bank of England continued to reduce interest rates through 2025, decreasing the cost of debt for companies and households. Interest rates are expected to fall further during 2026. However, the war in Ukraine and the potential for conflict elsewhere present a range of risks that may have profound economic and social consequences if they impact access to certain commodities or result in material increases to the cost of living. The 2025 autumn

Risk	Potential consequence	How the Board mitigates risk	Changes during the year
or other restrictions that might impact upon a company's operational model, reduce revenues, depress profit margins and increase the cost of capital. Geopolitical risks include the impact of wars or conflicts. Climate change presents environmental, geopolitical, regulatory and economic risks. Health risks include the possibility of another pandemic.		current and anticipate future performance against HMRC legislation and to ensure the Company has, and will continue to have, access to sufficient liquidity and distributable reserves to maintain compliance with its key policies. The Board keeps abreast of current thinking through contact with industry associations and its advisers. Where appropriate, the Investment Manager undertakes a review of ESG factors as part of the investment process. Climate change, or the need to limit its impact, will result in technological innovation as young companies seek to develop solutions and create opportunities for value creation for existing or new Qualifying Companies.	budget included provisions to reduce the income tax relief available to VCT investors from 30% to 20% with effect from 6 April 2026. Over time, this may lead to a material reduction in the level of capital invested into VCTs and reduce their ability to invest into new Qualifying Companies. The US government introduced a radically different approach to US trade policy, including the introduction of new tariffs on countries exporting goods and services into the US. The full impact of this on portfolio companies is yet to be fully understood, although it is thought to be relatively limited.

Additional risks and further details of the above risks and how they are managed are explained in note 15 of the Financial Statements. Trends affecting future developments are discussed in the Chair's Statement and the Investment Manager's Report.

Additional Disclosures

Long-term viability statement

In accordance with provision 36 of the AIC Code, the Directors have carried out a robust assessment of the Company's current position and its emerging and principal risks. Further details can be found in the Principal and Emerging Risks and Uncertainties section. This assessment has been carried out over a longer period than the 12 months required by the 'Going Concern' provision. The Board conducted this review for a period of five years, which was selected because it:

- is consistent with investors' minimum holding period to retain the 30% income tax relief;
- exceeds the time allowed to deploy funds raised under any current offers in accordance with the VCT Rules; and
- is challenging to forecast beyond five years with sufficient accuracy to provide actionable insight.

The Board considers the viability of the Company as part of its continuing programme of monitoring risk. The Company has a detailed risk control framework, documented procedures and forecasting model in place to reduce the likelihood and impact of risk taking that exceeds the levels agreed by the Board. These controls are reviewed by the Board and Investment Manager on a regular basis.

The Board has considered the Company's financial position and its ability to meet its liabilities as they fall due over the next five years. Forecasts and stress tests have been used to support their assessment and the following factors have been considered in relation to the Company's future viability:

- the Company maintains a highly diversified portfolio of Qualifying Investments;
- the Company is well invested against the HMRC investment test (98.98% at 30 September 2025) and the Board believes the Investment Manager will continue to have access to sufficient numbers of investment opportunities to maintain compliance with the HMRC investment test;
- the Company held £16 million in cash as at 30 September 2025 (including £10.6m held with the Custodian);
- the Company held distributable reserves of £79.9 million at 30 September 2025, equivalent to 21.58 pence per share;
- the Company has a portfolio of Non-Qualifying Investments, most of which are listed in the FTSE 350 and offer good levels of liquidity should the need arise;
- the financial position of the Company at 30 September 2025 was strong with no debt or gearing;
- the offer for subscription launched on 9 October 2024 has provided further liquidity for deployment in line with the Company's policies and to meet future expenses;
- the OCR of the Company at the year end was 2.51%;
- the Company has procedures and forecast models in place to identify, monitor and control risk, portfolio liquidity and other factors relevant to the Company's status as a VCT; and
- the Investment Manager and the Company's other key service providers have contingency plans in place to manage operational disruptions.

In assessing the Company's future viability, the Board has assumed that investors will wish to continue to have exposure to the Company's activities, that performance will be satisfactory and the Company will continue to have access to sufficient capital.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years.

Prospects

The prospects and future development of the Company are discussed in detail in the outlook section of the Chair's statement.

Additional disclosures in the Strategic Report

Additional disclosures required by the Companies Act 2006, the Disclosure Guidance and Transparency Rules and the FRC's Guidance on the Strategic Report are contained in the reports and other disclosures made in this report, which are incorporated by reference into the Strategic Report.

The Strategic Report is approved, by order of the Board of Directors.

David Brock
Chair
18 December 2025

Summary of VCT Rules (for the year ended 30 September 2025)

To maintain its status as a VCT, the Company must be approved by HMRC and comply with a number of conditions. A summary of the most important conditions are detailed below[(1)] :

VCT obligations

VCTs must:

- have 80 per cent. (by VCT tax value) of all funds raised from the issue of shares invested in Qualifying Investments throughout accounting periods of the VCT beginning no later than three years after the date on which those shares are issued;
- have at least 70 per cent. by VCT tax value of Qualifying Investments in Eligible Shares which carry no preferential rights (unless permitted under VCT Rules);
- have at least 30 per cent. of all new funds raised by the Company invested in Qualifying Investments within 12 months of the end of the accounting period in which the Company issued the shares;
- have no more than 15 per cent. by VCT tax value of its investments in a single company (as valued in accordance with the VCT Rules at the date of investment);
- derive most of its income from shares and securities, and, must not retain more than 15 per cent. of its income derived from shares and securities in any accounting period; and
- have their shares listed on the main market of the London Stock Exchange or a European regulated Stock Exchange.

VCTs must not:

- make a Qualifying Investment in any company that:
  - has (as a result of the investment or otherwise) received more than £5 million from State aid investment sources in the 12 months prior to the investment (£10 million for Knowledge Intensive Companies);
  - has (as a result of the investment or otherwise) received more than £12 million from State aid investment sources in its lifetime (or £20 million for Knowledge Intensive Companies);Qualifying Investments
  - in general has been generating commercial revenues for more than seven years (or 10 years for Knowledge Intensive Companies); or
  - will use the investment to fund an acquisition of another company (or its trade and assets).
- make any investment which is not a Qualifying Investment unless permitted by section 274 ITA; and/or
- return capital to Shareholders before the third anniversary of the end of the accounting period during which the subscription for shares occurs.

Qualifying Investments

A Qualifying Investment consists of new shares or securities issued directly to the VCT by a Qualifying Company that at the point of investment:

- has gross assets not exceeding £15 million prior to investment and £16 million post investment;
- carries out activities which are regarded as a Qualifying Trade;
- is a private company or is listed on AIM or the AQSE Growth Market;
- has a permanent UK establishment;
- is not controlled by another company;

- will deploy the money raised for the purposes of the organic growth and development of a Qualifying Trade within two years;
- has fewer than 250 employees (or fewer than 500 employees in the case of certain Knowledge Intensive Companies);
- in general, has not been generating commercial sales for more than seven years (10 years for Knowledge Intensive Companies);
- has not received more than the permitted annual and lifetime limits of risk finance State aid investment;
- meets the risk to capital condition (meaning the Qualifying Company has long-term plans for growth and there is a significant risk that there could be a loss of capital to the Company of an amount exceeding the net return); and
- has not been set up for the purpose of accessing tax reliefs or is in substance a financing business.

(1) Following the 2025 autumn budget announcements, there are expected to be changes to the VCT Rules with effect from April 2026.

Investment Manager's Report

Introduction

This report covers the 2024/25 financial year, 1 October 2024 to 30 September 2025. The Investment Manager's Report contains references to movements in the NAV per share and NAV total return per share. Movements in the NAV per share do not necessarily mirror the earnings per share 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 realised and unrealised gains and losses and income.

Investment report

The financial year to 30 September 2025 was marked by extraordinary political and economic developments. On more than one occasion, Harold Wilson's observation that a week is a long time in politics proved apt. JD Vance's Munich speech in February 2025 signalled a US administration unconstrained by traditional protocols. The confusion that followed 'Liberation Day' and President Trump's Rose Garden speech upended decades of global trade principles, triggering a period of severe market volatility as analysts struggled to interpret the implications of a rapidly evolving US tariff regime.

Liberation Day was preceded by a challenging start to the year following the UK's 2024 autumn budget. Fiscal policy was seen as negative for growth but positive for inflation. Bond markets responded by pushing up UK borrowing costs. Changes to regulated wages weighed heavily on employers and sapped business confidence, leading to a weaker economy, higher unemployment and a drop in consumer confidence. Households retrenched, increasing their savings rate and reducing debt.

UK inflation climbed steadily through the year, peaking at 3.8% in July. Despite inflation peaking at a level that was higher than expected at the start of the year, the Bank of England was able to reduce interest rates to 4.0% through four quarter point cuts. Inflation is expected to fall as we head through 2026, potentially allowing for a further two or three cuts next year.

Consumer sentiment, while still fragile, improved in the early summer but has since remained moribund. Households remain cautious, reflecting concerns about rising unemployment and the risk of higher taxes. UK borrowing costs remained the highest in the G7 as markets became more restless about public spending, fiscal headroom and persistent inflation, and set the scene for a challenging 2025 autumn budget. There was little that could be described as positive, either in the pre-budget communications strategy or the policy proposals put forward by the Chancellor. Business confidence turned lower.

While selling pressure on UK equities was evident in the first half of the financial year, sentiment shifted as the year progressed. UK equity markets, cheap in both relative and absolute terms, began to attract renewed interest as investors questioned the potential impact of the revised US trade policy and rotated towards markets with defensive

characteristics, stable politics and low valuations. The UK, expected to weather tariff changes better than most, became more attractive, though this is yet to result in inflows to UK small-cap funds.

Despite these many challenges, the year was a positive one for UK markets and domestically focused indices. Whilst the path to recovery remains a long one, we are pleased to report finally that, following three years of decline, AIM(1) recorded a gain of +4.93% across the period under review.

(1) As measured by the Deutsche Numis Alternative Markets (ex IC) Total Returns Index.

Performance

In the 12 months to 30 September 2025, the NAV per share decreased from 40.55 pence to 36.46 pence. Adjusting for 4.00 pence of dividends paid in the year, this gives a total return of -0.22%.

The Qualifying Investments made a net loss of –0.04 pence per share whilst the Non-Qualifying Investments made a net gain of 0.71 pence per share.

Although our portfolio company news flow is, for the most part, determined by the execution of business plans by CEOs and not macroeconomic drivers, our data shows portfolio company performance in aggregate tracked the business confidence surveys or PMI data published over the year, albeit with a lag to reflect time taken for public companies to update markets. As such, there is a distinctive pattern which mirrored the souring of the mood following the 2024 autumn budget and again around Liberation Day before news flow turned more positive through the summer. More recently, surveys showed declining business and a drop in economic activity ahead of the 2025 autumn budget.

As has been a feature of recent years, trading patterns are very different by sector. Defence, for example, where we have had a high exposure through Cohort alongside Non-Qualifying Investments in BAE and Chemring, has been very strong. Consumer discretionary has been mixed, as has life sciences. However, life sciences is a broad church that ranges from AI health tech to pre-clinical stage therapeutic assets. Those looking to introduce AI powered tools are experiencing strong engagement whilst other categories within healthcare are struggling to attract investor interest and capital.

As we noted last year, the 2024 autumn budget cast a long shadow over AIM, undermining performance and introducing idiosyncratic factors that distorted valuations. These have partially dissipated over the year, with AIM performing broadly in line with other domestically focused UK indices. There has been a broader recognition by acquirers and investors that AIM remains home to a large cohort of undervalued companies. Unfortunately, it is strategic acquirers rather than investors that have acted upon this and we have lost several companies to successful bids.

Whilst market distortions continue to weigh on performance, they have not been a factor in those companies that have made the most significant individual contributions to performance. As is nearly always the case, management execution has been the dominant driver of the outcome for most of the 10 companies we highlight below.

Looking forward, we believe that the Qualifying Investments portfolio remains well set and attractively priced. We continue to expect investor interest in small UK companies to return, following the lead of those private equity and trade investors that continue to exploit market inefficiencies. There remains plenty of opportunity for those able and willing to make a long-term investment in UK innovation and growth.

Qureight (+102.4%, +£2.56m) continued to scale its AI-driven clinical analytics platform. The valuation increased reflecting strong commercial traction with a range of pharmaceutical partners.

Cohort (+51.1%, +£2.34m) benefited from the positive environment for defence companies which supported positive earnings momentum over the period. The UK Defence Strategic Review in June 2025 further underlined the UK's commitment to increasing investment in the sector. Following another period of strong order intake, the company reported a record high order book of £616m, and now has visibility over c.96% of expected FY26 revenues. In-line with broader defence sector peers, its shares continue to command a premium to their long-term historical average earnings multiples. Following the £75m acquisition of EM Solutions in FY24, investment into working capital and capital expenditure, the company has net debt of £32.5m (as at 31 October 2025).

Aquis (+101.9%, +£1.82m) received a takeover offer from its larger Swiss peer SIX Exchange at 727p in November 2024. This was a 120% premium to the previous closing price, a 45% premium to the average share price over the prior 12 months and slightly above the 2021 share price high of 720p. This equates to an exit multiple of 4.7x for the VCT. The deal valued Aquis at an enterprise value of £194m representing 7.8x 2024 EV/Sales and 31x 2024 EV/EBITDA. The transaction was completed on 1 July 2025.

The Property Franchise Group (+42.2%, +£1.60m) reported strong results, with revenues and profits significantly increased by the merger with Belvoir in May 2024, and acquisition of Fine & Country and The Guild of Property Professionals in June 2024. On an underlying basis, revenue growth remained solid and earnings per share growth has continued. Management's outlook is cautiously optimistic with regulatory headwinds being offset by ongoing strength in the lettings business and an improving sales pipeline to enable continued growth. The company remains highly cash generative and reported net debt of £10.9m following a period of significant mergers and acquisitions.

Fusion Antibodies (+314.6%, +£0.84m) reported FY25 revenue of £1.97m, up 73% year-on-year, with cost control resulting in reduced losses. The company secured a US patent for its unique OptiMAL antibody discovery platform, and the continued collaboration with the National Cancer Institute demonstrates the significant strategic opportunity for OptiMAL. Cash at year-end was £0.4m, following a £1.17m fundraise, and the company estimated that current funds provide cash runway into FY27.

Eagle Eye (-38.3%, -£1.52m) issued a profit warning in January 2025 and warned that FY25 revenues would be below market expectations. The company attributed the revised guidance to lengthening sales cycles, coupled with a strategic shift away from professional services work. This was followed by the loss of a significant, high-margin contract with a US national grocer which prompted further material downgrades to forecast profit. Despite these setbacks, the company announced a major new partnership with a leading global 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.

Maxcyte (-45.5%, -£1.29m) de-listed from AIM on 26 June 2025. The VCT continues to hold the US line as a Qualifying Investment until July 2026, after which point it will become a Non-Qualifying Investment. Following weaker revenue in its core business and lower milestone revenues from strategic platform partners, the company has initiated a major cost restructuring programme. The company continues to have a strong balance sheet with net cash of $155m expected for FY25, equivalent to over 95% of the market capitalisation of the company.

Kidly (-100.0%, -£1.26m) faced challenging trading conditions which were compounded by balance sheet constraints. The company entered administration in April 2025 and its intellectual property and tangible assets were subsequently acquired by MORI. The sale of the company's trade and assets did not result in any recovery of value for unsecured creditors or shareholders.

Zoo Digital (-65.7%, -£1.01m) has faced a very challenging trading environment as the recovery of the film and TV industry following the 2023 strikes has been offset by project delays and cancellations as streaming platforms continue to evaluate their commercial models. The company has controlled costs in response to this to preserve cash until market conditions improve.

Zappar (-70.1%, -£0.84m) was impacted by the sustained weak demand for extended reality projects which led to a recalibration of its revenue expectations and a cost rationalisation programme. The valuation was reduced to reflect the challenging trading conditions as well as the failed completion of the proposed sale of the company to Infinite Reality.

Reflecting another very difficult market for initial public offerings (IPO), there were just two companies that raised funds from AIM VCTs through an IPO on AIM in the year under review. With so few companies coming to market in recent years, our ability to provide follow on investment has become more constrained. We invested £4.8m into seven Qualifying Companies including one new investment into an IPO on AIM, three follow on investments into existing portfolio companies listed on AIM, and one follow on investment into a company listed on the AQSE APEX and two new investments into companies listed on AIM. The three new investments included Feedback plc, Ixico plc and RC Fornax plc. The follow on investments included Fusion Antibodies, Oberon Investments Group plc, Rosslyn Data Technologies plc and Verici plc.

We reduced our investment in Cohort and made complete exits from Aquis Exchange, Equals Group, Gfinity, Intelligent Ultrasound, K3 Business Technologies Group, Learning Technologies Group, Science in Sport, Surface Transforms and Trakm8. Crossword Cyber Security, Eneraqua Technologies and Kidly Ltd were placed into administration.

Portfolio structure

The VCT is comfortably above the HMRC defined investment test and ended the period at 98.98% invested as measured by the HMRC investment test. By market value, the weighting to Qualifying Investments decreased from 56.0% to 54.1% following several disposals of Qualifying Companies.

The allocation at the year end to direct equity Non-Qualifying Investments decreased from 8.1% to 6.3%. We reduced the investments in the IFSL Marlborough Special Situations Fund and the IFSL Marlborough UK Micro-Cap Growth with the allocations decreasing from 13.4% to 10.9%. The two investments returned +2.2%, +£0.44m in the period.

The direct equity Non-Qualifying Investments, which are mostly held in FTSE 350 companies returned £0.59m. Within the period, the largest contributors to non-qualifying gains were Chemring (+60.5%, £0.60m), TP ICAP (+16.5%, £0.31m) and Wickes (+26.9%, £0.29m). The largest Non-Qualifying Investment losses came from WH Smith (-54.5%, -£0.61m), Hollywood Bowl (-18.5%, -£0.27m) and Bodycote (-7.9%%, -£0.09m).

We maintained a substantial investment in short-dated investment grade corporate bonds, with the allocation increasing from 12.9% to 15.6%. Within the year, we sold a small investment in a Next bond that was close to maturity and subsequently invested into a Santander bond. The average yield to maturity at year end was 4.3%. Our cash weighting increased from 9.3% to 12.2%(1) .

The Company invests across all available investment sectors, although VCT Rules tend to promote investment into sectors such as technology, healthcare and consumer discretionary. In respect of the Qualifying Investment portfolio, the weightings to these three sectors changed slightly over the year as a consequence of additional investment and share price performance, taking their respective shares to 31.4%, 26.8% and 10.7%. There is also a 16.7% weighting to industrials.

The HMRC investment tests are set out in Chapter 3 of Part 6 Income Tax Act 2007, 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 legislation can be different to the portfolio weighting as measured by market value relative to the net assets of the VCT.

(1) Net of prepayments and accruals.

Share buy backs & discount control

13,839,406 shares were acquired by the Company in the year at an average price of 35.39 pence per share. The share price decreased from 39.00p to 34.40p and traded at a discount of 5.65% following the publication of the 30 September 2025 NAV on 8 October 2025.

Post period end update

The NAV per share has decreased from 36.46 pence to 35.56 pence in the period to 12 December 2025, a decrease of 2.5%.

As at 16 December 2025, the share price of 33.60 pence represented a discount of 5.51% to the last published NAV per share.

Economic activity has remained insipid since the financial year end with growth within the UK's dominant services sector weakening and the construction sector continuing to decline. The manufacturing sector has rebounded following a severe slowdown linked to the JLR cyberattack. The economy contracted by 0.1% in the three months to October 2025, having peaked at +0.7% in the three months to March 2025. Market consensus forecasts are for the economy to grow by 0.3% per quarter through 2026, similar to recent trends. Business and consumer confidence remains subdued and corporate newsflow from portfolio companies is reasonable since period end. Trading continues to vary markedly by sector.

Whilst many households (and business owners) are understandably frustrated by the proposed changes to personal taxation, households and companies should at least continue to benefit from further reductions in borrowing costs as the Bank of England continues to reduce base rates through 2026.

For most portfolio companies, the outlook is not significantly altered by the 2025 autumn budget. In contrast to the 2024 budget, with its painful increases in employment taxes, this budget should be seen as an opportunity missed. The policy proposals will not bring an acceleration in economic activity, nor will they accelerate investment. For our part, the proposed changes to key thresholds within VCT legislation are welcomed and should significantly expand our ability to back a wider array of companies than we are currently able to. Crucially, increases in the Gross Asset Test will allow us to provide longer term support. Increases in the annual limit will be helpful to companies considering an initial public offering on AIM, who can now have more confidence in their ability to secure the capital sought through the process.

Deal flow activity has improved noticeably since the year end and we remain hopeful of a significant increase in capital deployed within the current financial year.

For further information please contact:

Oliver Bedford
Lead Fund Manager
18 December 2025

Investment Portfolio Summary
As at 30 September 2025

	Net Assets % at 30.09.25	Cost £000	Cumulative movement in value £000	Valuation £000	Change in value for the year £000[1]	Market	COI[2]
Equity Qualifying Investments							
Cohort plc	3.98	488	4,882	5,370	997	AIM	Y
Qureight Ltd	3.75	2,500	2,560	5,060	2,560	Unlisted	N
The Property Franchise Group plc	3.61	1,139	3,732	4,871	1,445	AIM	Y
Beeks Financial Cloud Group plc	3.02	1,038	3,040	4,078	(529)	AIM	Y
PCI-PAL plc	2.84	2,703	1,136	3,839	246	AIM	Y

	Net Assets % at 30.09.25	Cost £000	Cumulative movement in value £000	Valuation £000	Change in value for the year £000[(1)]	Market	COI[(2)]
Diaceutics plc	2.46	1,550	1,774	3,324	632	AIM	Y
Infinity Reliance Ltd (My 1st Years) [(3)]	2.30	2,500	607	3,107	–	Unlisted	Y
Oberon Investments plc	1.95	2,615	14	2,629	222	AQUIS	Y
Skillcast Group plc	1.89	1,571	976	2,547	637	AIM	N
Eagle Eye Solutions Group plc	1.82	1,642	817	2,459	(1,524)	AIM	Y
Craneware plc	1.73	125	2,207	2,332	421	AIM	Y
SCA Investments Ltd (Gousto)	1.48	2,484	(484)	2,000	682	Unlisted	Y
Equipmake Holdings plc	1.38	4,162	(2,300)	1,862	(466)	AQUIS	N
Intercede Group plc	1.31	305	1,470	1,775	(298)	AIM	Y
XP Factory plc	1.24	4,068	(2,391)	1,677	129	AIM	Y
Ilika plc	1.21	1,636	(9)	1,627	777	AIM	N
Fusion Antibodies plc	1.02	1,124	247	1,371	844	AIM	N
AnimalCare Group plc	1.01	720	641	1,361	12	AIM	Y
Itaconix plc	0.92	3,025	(1,780)	1,245	(297)	AIM	N
C4X Discovery Holdings Ltd	0.82	2,300	(1,193)	1,107	–	Unlisted	N
Abingdon Health plc	0.79	1,823	(757)	1,066	(617)	AIM	N
Verici DX plc	0.76	2,689	(1,668)	1,021	(192)	AIM	N
Idox plc	0.73	135	845	980	(104)	AIM	Y
Ixico plc	0.72	710	261	971	261	AIM	N
EKF Diagnostics Holdings plc	0.67	565	335	900	–	AIM	N
Maxcyte Inc	0.65	1,270	(388)	882	(1,294)	NASDAQ	N
Fadel Partners Inc	0.65	2,300	(1,422)	878	(799)	AIM	N
Tortilla Mexican Grill plc	0.65	1,125	(250)	875	(325)	AIM	Y
Eden Research plc	0.58	1,855	(1,068)	787	(394)	AIM	N
Team Internet Group plc	0.55	565	179	744	(818)	AIM	N
Tristel plc	0.52	543	155	698	(62)	AIM	N
Engage XR Holdings plc	0.51	3,453	(2,762)	691	–	AIM	N
OneMedia iP Group plc	0.42	1,141	(571)	570	(81)	AIM	Y
Arecor Therapeutics plc	0.40	1,687	(1,143)	544	147	AIM	N
Zoo Digital Group plc	0.39	2,159	(1,631)	528	(1,012)	AIM	N
Nexteq plc	0.38	1,209	(692)	517	(43)	AIM	N
Globaldata plc	0.36	173	317	490	(318)	AIM	Y
Hardide plc	0.30	3,566	(3,160)	406	58	AIM	Y

	Net Assets % at 30.09.25	Cost £000	Cumulative movement in value £000	Valuation £000	Change in value for the year £000[1]	Market	COI[2]
Feedback plc	0.29	750	(356)	394	(356)	AIM	N
Rosslyn Data Technologies plc	0.27	1,678	(1,309)	369	(417)	AIM	Y
Tan Delta Systems plc	0.27	504	(136)	368	(116)	AIM	N
Zappar Ltd	0.27	1,600	(1,241)	359	(841)	Unlisted	N
Faron Pharmaceuticals Oy	0.21	1,133	(844)	289	(81)	AIM	N
Creo Medical Group plc	0.20	2,329	(2,059)	270	(282)	AIM	Y
Crimson Tide plc	0.17	1,260	(1,025)	235	(290)	AIM	Y
RC Fornax plc	0.15	563	(355)	208	(355)	AIM	N
Blackbird plc	0.15	594	(392)	202	(630)	AIM	N
Bivictrix Theraputics Ltd	0.14	1,600	(1,407)	193	(579)	Unlisted	N
Everyman Media Group plc	0.13	600	(431)	169	(62)	AIM	N
Strip Tinning Holdings plc	0.09	1,054	(934)	120	(68)	AIM	N
Mycelx Technologies Corporation	0.04	361	(303)	58	(21)	AIM	Y
Angle plc[5]	0.04	1,158	(1,101)	57	(126)	AIM	N
Polarean Imaging plc	0.02	2,081	(2,049)	32	(71)	AIM	N
Kidly Ltd[3]	–	2,660	(2,660)	–	–	Unlisted	N
Crossword Cybersecurity plc	–	2,039	(2,039)	–	(134)	Unlisted	N
Airportr Technologies Ltd[3]	–	1,888	(1,888)	–	–	Unlisted	N
Eneraqua Technologies plc	–	1,401	(1,401)	–	(207)	Unlisted	N
Mporium Group plc	–	33	(33)	–	–	Unlisted	N
Infoserve Group plc[4]	–	–	–	–	–	Unlisted	N
Total – equity Qualifying Investments	**52.21**	**89,949**	**(19,437)**	**70,512**	**(3,739)**		
Qualifying fixed income investments							
Strip Tinning Holdings plc (convertible loan notes)	1.52	2,000	54	2,054	(104)	Unlisted	N
Rosslyn Data Technologies plc (convertible loan notes)	0.32	400	37	437	37	Unlisted	N

	Net Assets % at 30.09.25	Cost £000	Cumulative movement in value £000	Valuation £000	Change in value for the year £000(1)	Market	COI(2)
Kidly Ltd (convertible loan notes)	–	1,400	(1,400)	–	(1,262)	Unlisted	N
Total qualifying fixed income investments	**1.84**	**3,800**	**(1,309)**	**2,491**	**(1,329)**		
Total Qualifying Investments	**54.05**	**93,749**	**(20,746)**	**73,003**	**(5,068)**		
Non-qualifying funds							
IFSL Marlborough UK Micro-Cap Growth Fund	5.63	6,396	1,202	7,598	158	Unlisted	N
IFSL Marlborough Special Situations Fund	5.26	7,258	(162)	7,096	286	Unlisted	N
Vaneck Vectors Gold Miners ETF	0.95	634	644	1,278	622	Main	–
Total non-qualifying funds	11.84	14,288	1,684	15,972	1,066		
Equity non-qualifying investments							
TP ICAP Group plc	1.14	1,023	517	1,540	218	Main	Y
Hollywood Bowl Group plc	1.12	1,747	(232)	1,515	(526)	Main	N
Chemring Group plc	1.09	823	650	1,473	432	Main	Y
National Grid plc	1.02	1,229	150	1,379	48	Main	N
Wickes Group plc	0.82	757	353	1,110	428	Main	Y
Rotork plc	0.70	899	50	949	60	Main	N
Trustpilot Group plc	0.24	355	(27)	328	(27)	Main	Y
Tortilla Mexican Grill plc	0.07	161	(66)	95	(35)	Main	Y
Mycelx Technologies Corporation	0.05	298	(231)	67	(25)	Main	Y
Genagro Services Ltd	–	–	–	–	–	AIM	Y
Total – equity non-qualifying investments	6.25	7,292	1,164	8,456	573		
Non-qualifying fixed income – bonds							
British Telecommunications 5.75% SNR BDS 07/12/2028	2.31	3,102	16	3,118	15	Main	N

	Net Assets % at 30.09.25	Cost £000	Cumulative movement in value £000	Valuation £000	Change in value for the year £000(1)	Market	COI(2)
Marks and Spencer plc 3.75% SNR EMTN 19/05/2026	2.28	3,073	7	3,080	(10)	Main	N
Royal Bank of Canada 5% SNR NTS 24/01/2028	2.25	3,026	14	3,040	21		
Natwest Markets plc 6.375% SNR EMTN 08/11/2027	2.23	2,982	26	3,008	8	Main	N
Next Group plc 4.375% SNR BDS 02/10/2026	2.22	2,995	5	3,000	17	Main	N
Barclays plc 3.25% SNR NTS 12/02/2027	2.19	2,949	2	2,951	27	Main	N
Santander 3.875% NTS 15/10/2029	2.16	2,934	(22)	2,912	(22)	Main	N
Total non-qualifying fixed income – bonds	**15.64**	**21,061**	**48**	**21,109**	**56**		
Total – non-qualifying investments	**33.73**	**42,641**	**2,896**	**45,537**	**1,695**		
Total investments	**87.78**	**136,390**	**(17,850)**	**118,540**	**(3,373)**		
Cash at bank	3.98			5,378			
Funds held with Custodian	7.87			10,626			
Prepayments & accruals	0.37			493			
Net assets	**100.00**			**135,037**			

(1) The change in fair value has been adjusted for additions and disposals in the year and as such does not reconcile to the unrealised total in note 7. The difference is £7.0 million which is the total of 18 full investment disposals in the year.

(2) COI – Co investments with other funds managed by the Investment Manager at 30 September 2025.

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

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

(5) Angle plc changed its name to CelLBxHealth plc with effect from 9 October 2025.

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

	Listed	Headquartered	Registered
Listed Investments:			
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	UK	USA	USA

	Listed	Headquartered	Registered
Polarean Imaging plc	UK	USA	UK
Royal Bank of Canada 5% SNR NTS 24/01/2028	UK/Germany	Canada	Canada
Santander 3.875% NTS 12/02/2027	UK/Germany/ Switzerland	Spain	Spain
Unlisted private companies:			
Genagro Ltd[1]	—	UK	Jersey

(1) Companies awaiting liquidation.

Top 10 Investments

As at 30 September 2025 (by market value)

The 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 and exclude amortisation, share based payments and exceptional items. 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: 1432.0p**
Investment date	Feb-06	Forecast for the year to	April 2026
Equity held	0.80%	Turnover (£'000)	290,000
Av. Purchase Price	130.2p	Profit before tax (£'000)	33,200
Cost (£'000)	488	Net cash April 2025 (£'000)	5,300
Valuation (£'000)	5,370	Net assets April 2025 (£'000)	160,100

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.

Qureight Ltd			**Unquoted**
Investment date	Mar-24	Results for the year to	December 2024
Voting rights held	15.13%	Turnover (£'000) [1]	-
Av. Purchase Price	7394.0p	Profit before tax (£'000) [1]	-
Cost (£'000)	2,500	Net cash December 2024 (£'000)	5,100
Valuation (£'000)	5,060	Net assets December 2024 (£'000)	5,200
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.

The Property Franchise Group plc	**Share Price: 590.0p**

Investment date	Dec-13	Forecasts for the year to	December 2025
Equity held	1.29%	Turnover (£'000)	85,400
Av. Purchase Price	138.0p	Profit before tax (£'000)	30,400
Cost (£'000)	1,139	Net (debt) June 2025 (£'000)	(10,900)
Valuation (£'000)	4,871	Net assets June 2025 (£'000)	148,200

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.

Beeks Financial Cloud Group plc			**Share Price: 216.0p**
Investment date	Nov-17	Forecast for the year to	June 2026
Equity held	2.80%	Turnover (£'000)	41,000
Av. Purchase Price	55.0p	Profit before tax (£'000)	7,000
Cost (£'000)	1,038	Net cash June 2025 (£'000)	7,400
Valuation (£'000)	4,078	Net assets June 2025 (£'000)	43,200

Company description

Beeks Financial Cloud Group plc 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: 50.0p**
Investment date	Jan-18	Forecast for the year to	June 2026
Equity held	10.57%	Turnover (£'000)	23,500
Av. Purchase Price	35.2p	Loss before tax (£'000)	(1,000)
Cost (£'000)	2,703	Net cash June 2025 (£'000)	3,900
Valuation (£'000)	3,839	Net liabilities June 202 (£'000)	(1,200)

Company description

PCI-PAL plc 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.

Diaceutics plc			**Share price: 163.0p**
Investment date	Jul-19	Forecast for the year to	December 2025
Equity held	2.40%	Turnover (£'000)	40,200
Av. Purchase Price	76.0p	Profit before tax (£'000)	1,600
Cost (£'000)	1,550	Net cash June 2025 (£'000)	10,400
Valuation (£'000)	3,324	Net assets June 2025 (£'000)	37,200

Company description

The Diaceutics proprietary diagnostic commercialisation platform ("DXRX") integrates real-world diagnostic testing data from a global network of laboratories to enable the supply of precision medicine therapeutics to patients. The company provides its solutions to leading pharmaceutical and biotech companies in Europe and the USA.

Infinity Reliance Ltd (My 1st Years)			**Unquoted**
Investment date	May-18	Results for the year to	December 2024
Voting rights held	9.66%	Turnover (£'000)	23,300
Av. Purchase Price	4670.4p	Profit before tax (£'000)	13
Cost (£'000)	2,500	Net cash December 2024 (£'000)	5,700
Valuation (£'000)	3,107	Net assets December 2024 (£'000)	8,700
Income recognised in period (£)	—		

Company description

My 1st Years is a European retail platform that focusses 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: 3.90p**
Investment date	Aug-24	Forecast for the year to	March 2026
Equity held	8.61%	Turnover (£'000)	22,000
Av. Purchase Price	3.9p	Loss before tax (£'000)	5,500
Cost (£'000)	2,615	Net cash March 2025 (£'000)	1,800
Valuation (£'000)	2,629	Net assets March 2025 (£'000)	6,000

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 and broking division offers strategic advice and bespoke corporate services to UK growth companies.

Skillcast Group plc			**Share price: 60.0p**
Investment date	Nov-21	Forecast for the year to	December 2025
Equity held	4.74%	Turnover (£'000)	15,400
Av. Purchase Price	37.0p	Profit before tax (£'000)	1,600
Cost (£'000)	1,571	Net cash June 2025 (£'000)	11,500
Valuation (£'000)	2,547	Net assets June 2025 (£'000)	6,400

Company description

Skillcast Group is a leading technology and content provider that helps companies in the UK and EU to manage governance, risk and compliance through a proprietary cloud-based platform. The company provides solutions for e-learning, policy attestations, staff declarations, workplace surveys, compliance, and training registers to transform how companies manage their compliance processes and meet regulatory obligations. The company has over 1,200 clients, including FTSE 100 and Euronext 100 firms, in a range of business sectors.

Eagle Eye Solutions Group plc			**Share price: 284.0p**
Investment date	Apr-14	Forecast for the year to	June 2026
Equity held	2.90%	Turnover (£'000)	44,400
Av. Purchase Price	189.7p	Profit before tax (£'000)	100
Cost (£'000)	1,642	Net cash June 2025 (£'000)	12,300
Valuation (£'000)	2,459	Net assets June 2025 (£'000)	32,700

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, streamline marketing execution and open up new revenue streams through promotions, loyalty apps, subscriptions and gift services.

For further information please contact:

Oliver Bedford
Lead Fund Manager
18 December 2025

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and the Financial Statements in accordance with applicable law and regulations. They are also responsible for ensuring that the Annual Report includes information required by the UK Listing Rules of the Financial Conduct Authority.

The Companies Act 2006 (and related legislation) requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors are required to prepare the Financial Statements and have elected to prepare the Company Financial Statements in accordance with UK GAAP. The Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK GAAP, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a directors' report, a strategic report and directors' remuneration report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, and disclose with reasonable accuracy at any time the financial position of the Company, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced and understandable, and provide the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

Website publication

The Directors are responsible for ensuring this Annual Report and the Financial Statements are made available on a website. The Company's website address is https://www.hargreaveaimvcts.co.uk.

These Financial Statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Directors' responsibility statement pursuant to DTR4

Each of the Directors, David Brock (Chair), Megan McCracken and Justin Ward, confirms to the best of their knowledge that:

- the Financial Statements have been prepared in accordance with UK GAAP and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company; and
- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that it faces..

Disclosure of information to the Auditor

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

For and on behalf of the Board.

David Brock
Chair
18 December 2025

Income Statement

		Year to 30 September 2025			Year to 30 September 2024		
	Note	**Revenue £000**	**Capital £000**	**Total £000**	**Revenue £000**	**Capital £000**	**Total £000**
Net loss on investments held at fair value through profit or loss	7	–	361	361	–	(5,341)	(5,341)
Income	2	2,451	51	2,502	2,849	–	2,849
		2,451	412	2,863	2,849	(5,341)	(2,492)
Management fee	3	(564)	(1,692)	(2,256)	(641)	(1,924)	(2,565)
Other expenses	4	(1,068)	(56)	(1,124)	(1,485)	(43)	(1,528)
		(1,632)	(1,748)	(3,380)	(2,126)	(1,967)	(4,093)
Profit/(loss) on ordinary activities before taxation		819	(1,336)	(517)	723	(7,308)	(6,585)
Taxation	5	–	–	–	–	–	–
Profit/(loss) after taxation		819	(1,336)	(517)	723	(7,308)	(6,585)

	Note	Year to 30 September 2025 Revenue £000	Capital £000	Total £000	Year to 30 September 2024 Revenue £000	Capital £000	Total £000
Basic and diluted earnings/(loss) per share		0.22p	(0.36)p	(0.14)p	0.20p	(2.06)p	(1.86)p

The above results arise from activities classified as continuing operations. The total column within the Income Statement represents the Statement of Total Comprehensive Income of the VCT prepared in accordance with Financial Reporting Standards (FRS 102). The supplementary revenue and capital return columns are prepared in accordance with the Statement of Recommended Practice issued in November 2014 (updated in July 2022 or any further latest update) by the Association of Investment Companies (AIC SORP).

The accompanying notes are an integral part of these Financial Statements.

Balance Sheet

As at 30 September 2025

Company Registration Number 5206425 (In England and Wales)

	Note	2025 £000	2024 £000
Fixed assets			
Investments at fair value through profit or loss	7	**118,540**	**134,277**
Current assets			
Debtors	9	**1,313**	**1,047**
Funds held with Custodian	15	**10,626**	**8,846**
Cash at bank and in hand		**5,378**	**4,766**
		17,317	**14,659**
Creditors: amounts falling due within one year	10	**(820)**	**(927)**
Net current assets		**16,497**	**13,732**
Total assets less current liabilities		**135,037**	**148,009**
Capital and Reserves			
Called up share capital	11	**3,704**	**3,649**
Share premium		**28,211**	**21,222**
Capital redemption reserve		**517**	**379**
Capital reserve – unrealised		**22,393**	**16,046**
Special reserve		**139,385**	**159,022**
Capital reserve – realised		**(58,468)**	**(50,785)**
Revenue reserve		**(705)**	**(1,524)**
Total Shareholders' funds		**135,037**	**148,009**
Net asset value per share (basic and diluted)	**12**	**36.46p**	**40.55p**

The accompanying notes are an integral part of these financial statements.

These Financial Statements were approved and authorised for issue by the Board of Directors on 18 December 2025 and signed on its behalf by

David Brock

Chair

18 December 2025

Statement of Changes in Equity
For the year ending 30 September 2025

		Non-distributable reserves				Distributable reserves [1]			
	Note	Share Capital £000	Share Premium £000	Capital Redemption Reserve £000	Capital Reserve Unrealised £000	Special Reserve £000	Capital Reserve Realised £000	Revenue Reserve £000	Total £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 year									
Realised (losses) on investments	7	—	—	—	—	—	(3,281)	–	(3,281)
Unrealised gains on investments	7	—	—	—	3,642	–	–	–	3,642
Management fee charged to capital	3	—	—	—	—	—	(1,692)	–	(1,692)
Transaction costs charged to capital		—	—	—	—	—	(49)	—	(49)
Income allocated to capital	2	—	—	—	—	—	51	—	51
Due diligence investments costs	4	—	—	—	—	—	(7)	—	(7)
Revenue profit after taxation for the year		—	—	—	—	—	—	819	819
Total (loss) after taxation for the year		—	—	—	**3,642**	—	**(4,978)**	**819**	**(517)**
Contributions by and distributions to owners									

		Non-distributable reserves				Distributable reserves (1)			
	Note	Share Capital £000	Share Premium £000	Capital Redemption Reserve £000	Capital Reserve Unrealised £000	Special Reserve £000	Capital Reserve Realised £000	Revenue Reserve £000	Total £000
Subscription share issues	11	149	5,536	—	—	—	—	—	5,685
Issue costs	11	—	(111)	—	—	—	—	—	(111)
Share buybacks	11	(138)	—	138	—	(4,898)	—	—	(4,898)
DRIS share issues	11	44	1,564	—	—	—	—	—	1,608
Equity dividends paid	16	—	—	—	—	(14,739)	—	—	(14,739)
Total contributions by and distributions to owners		**55**	**6,989**	**138**	**—**	**(19,637)**	**—**	**—**	**12,455**
Other movements									
Capital reduction	11	—	—	—	—	—	—	—	—
Diminution in value		—	—	—	2,705	—	(2,705)	—	—
Total other movements									
At 30 September 2025		**3,704**	**28,211**	**517**	**22,393**	**139,385**	**(58,468)**	**(705)**	**135,037**

Reserves available for distribution are capital reserve realised, special reserve and revenue reserve. Total distributable reserves at 30 September 2025 were £79.9 million, adjusted to remove £0.3 million accumulation income included in the revenue reserve but not distributable (2024: £106.6 million). The accompanying notes 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 2025, £79.4 million of the special reserve is subject to this restriction.

Statement of Changes in Equity

For the year ending 30 September 2024

		Non-distributable reserves				Distributable reserves (1)			
	Note	**Share Capital £000**	**Share Premium £000**	**Capital Redemption Reserve £000**	**Capital Reserve Unrealised £000**	**Special Reserve £000**	**Capital Reserve Realised £000**	**Revenue Reserve £000**	**Total £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)

	Note	Share Capital £000	Share Premium £000	Capital Redemption Reserve £000	Capital Reserve Unrealised £000	Special Reserve £000	Capital Reserve Realised £000	Revenue Reserve £000	Total £000
		Non-distributable reserves				Distributable reserves [1]			
At 1 October 2023		**3,278**	**286**	**272**	**13,640**	**177,762**	**(41,071)**	**(2,247)**	**151,920**
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									
Capital reduction	11	—	—	—	—	—	—	—	—
Diminution in value		—	—	—	4,177	—	(4,177)	—	—
Total other movements									
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 £106.6 million, adjusted to remove £0.1 million accumulation income included in the revenue reserve but not distributable (2023: £134.4million). The accompanying notes 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, £108.9 million of the special reserve is subject to this restriction.

Statement of Cash Flows

	Note	2025 £000	2024 £000
Total loss on ordinary activities before taxation		**(517)**	**(6,585)**
Realised losses on investments	7	**3,281**	**3,570**
Unrealised (gains)/losses on investments	7	**(3,642)**	**1,771**
Increase/decrease in debtors		**(266)**	**428**
(Decrease)/increase in creditors		**(107)**	**21**
Amortisation for discount/premium on bonds		**(33)**	**(129)**
Unclaimed dividend forfeiture		**(4)**	**4**
Non-cash distributions	2	**(166)**	**(143)**

	Note	2025 £000	2024 £000
Net cash (outflow) from operating activities[1]		**(1,454)**	**(1,063)**
Purchase of investments	7	**(14,491)**	**(27,582)**
Sale of investments	7	**30,788**	**20,356**
Net cash from/(used in) investing activities		**16,297**	**(7,226)**
Share buybacks	11	**(4,898)**	**(4,472)**
Issue of share capital	11	**5,685**	**20,321**
Issue costs	11	**(111)**	**(347)**
Dividends paid	16	**(13,127)**	**(12,832)**
Net cash (used in)/from financing activities		**(12,451)**	**2,670**
Net increase/(decrease) in cash and cash equivalents		**2,392**	**(5,619)**
Opening cash and cash equivalents[2]		**13,612**	**19,231**
Closing cash and cash equivalents[3]		**16,004**	**13,612**

(1) The Company received cash dividends of £852,761 (2024: £977,491) and interest of £1,162,216 (2024: £1,711,217).

(2) The opening cash and cash equivalents include £8,845,455 (2024: £8,119,302) of funds held with Custodian.

(3) The closing cash and cash equivalents include £10,626,055 (2024: £8,845,455) of funds held with Custodian.

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

Hargreave Hale AIM VCT plc is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given in the Company Information section of the report and the nature and principal business activities are set out in the Strategic Report.

Basis of preparation

The Financial Statements have been prepared in accordance with UK GAAP, including FRS 102 and with the Companies Act 2006 and the SORP

Going Concern

The Financial Statements have been prepared on a going concern basis and on the basis that the company maintains its VCT status.

The Directors have assessed the Company’s ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for a period of 12 months from the date these Financial Statements were approved.

The Company has sufficient cash at bank, funds held with Custodian (£5.4 million and £10.6 million respectively at 30 September 2025) and liquid assets held across a diversified portfolio of investments in listed companies to meet obligations as they fall due. The Company is a closed-ended fund, where assets are not required to be liquidated to meet day-to-day redemptions. The major driver of cash outflows (dividends, buybacks and investments) are managed in accordance with the Company’s key policies at the discretion of the Board or, in the case of the Company’s investments, the Investment Manager.

The Board has reviewed forecasts and stress tests to assist them with their going concern assessment. These tests have included the modelling of a 15% reduction in NAV, whilst also considering ongoing compliance with the VCT investment test. It was concluded that in a plausible downside scenario the Company would continue to meet its liabilities.

The Directors have carefully considered the principal risk factors facing the Company, and their potential impact on income into the portfolio and the NAV. The Directors are of the opinion that the Company has sufficient cash and other liquid assets to continue to operate as a going concern, including under a stress scenario.

The Investment Manager's VCT team comprises eight, and includes dedicated fund management resource, a business operations manager, a marketing professional and a legal counsel, who together have more than 50 years of investment experience, including 40 years working in support of the Company. The Investment Manager and the Company's other key service providers have contingency plans in place to manage operational disruptions. The Directors have not identified any material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. Therefore, they are satisfied that the Company should continue to operate as a going concern and report its Financial Statements on that basis.

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.

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.

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below:

Financial instruments

All investments are classified as fair value through profit or loss. Investments are measured initially and subsequently at fair value which is deemed to be market bid prices for listed investments and investments traded on AIM. Unquoted investments are valued using the most appropriate methodology recommended by the IPEV Guidelines published in December 2022. Investments deemed to be associates due to the shareholding and level of influence exerted over the portfolio company are measured at fair value using a consistent methodology to the rest of the trust's portfolio as permitted by FRS 102 and Para. 32 of the SORP.

Where no active market exists for the particular asset, the Company holds the investment at fair value as determined by the Investment Manager and approved by the Board. Valuations of unquoted investments are reviewed on a quarterly basis and more frequently if events occur that could have a material impact on the investment.

In estimating fair value for an unquoted investment, the Investment Manager will apply one or more valuation techniques according to the nature, facts and circumstances of the investment. The Investment Manager will use reasonable current market data and inputs combined with market participant assumptions. The assessment of fair value will reflect the market conditions at the measurement date irrespective of which valuation technique is used. The IPEV Guidelines describe a range of valuation techniques, including but not limited to relevant observable market multiples, independent arms-length transactions, income, discounted cash flows and net assets. The fair value of convertible loan notes is estimated by aggregating the net present value of the bond component and the derivative value of the option to convert into equity. The derivative value of the option to convert a particular loan note is the probable weighted average of the present value of each conversion scenario described in the loan note instrument as calculated using the Black Scholes option pricing model.

Investments are recognised and derecognised at trade date where a purchase or sale is under a contract whose terms require delivery within the time frame established by the market concerned. Purchases and sales of unlisted investments are recognised when the contract for acquisition or sale becomes unconditional. Transaction costs in relation to the purchase or sale of investments are recognised as a capital expense.

These investments will be managed and their performance evaluated on a fair value basis in accordance with a documented investment strategy and information about them is provided internally on that basis to the Board.

Gains and losses arising from changes in fair value (realised and unrealised) are included in the net profit or loss for the period as a capital item in the income statement and are taken to the unrealised capital reserve or realised capital reserve as appropriate.

If an investment has been impaired such that there is no realistic expectation that there will be a full return from the investment, the loss is treated as a diminution in value and transferred to the capital reserve realised. The Company conducts impairment reviews on a quarterly basis. In the case of equity investments, impairment reviews are triggered when unrealised losses exceed 50% of book cost, or if the loss when realised would lead to a material reduction in the Company's distributable reserves. Fixed income investments are reviewed for impairment if the issuing company's ability to repay is uncertain unless there are reasonable grounds to believe that the loan could be recovered through the sale of the company or its trading assets.

Other financial assets and liabilities comprise receivables, payables, cash and cash equivalents which are measured at amortised cost. There are no financial liabilities other than payables.

Cash at bank and in hand

For the purposes of the Balance Sheet, cash at bank and in hand is cash held in bank accounts subject to immediate access.

Funds held with Custodian

For the purposes of the Balance Sheet, funds held with Custodian is cash held at CGWL (see note 15). Cash held with CGWL is to meet short term liquidity requirements and is available on demand with no restrictions or penalties.

For the purposes of the Statement of Cash Flows, cash comprises cash at bank and in hand and funds held with Custodian as defined above.

Income

Equity dividends are analysed to consider if they are revenue or capital in nature on a case-by-case basis and are taken into account on the ex-dividend date, net of any associated tax credit. Fixed returns on non-equity shares and debt securities are recognised on a time apportionment basis so as to reflect the effective yield, provided there is no reasonable doubt that payment will be received in due course. All other income is recognised on an accruals basis. Other income is treated as a repayment of capital or revenue depending on the facts of each particular case.

Expenditure

All expenditure is accounted for on an accruals basis.

Where a clear connection with the maintenance or enhancement of value of the investments can be demonstrated, expenses are allocated to capital. Accordingly, of investment management fees, 75% are allocated to the capital reserve realised and 25% to the revenue account in line with the Board's expected long-term split of investment returns in the form of capital gains to the capital column of the income statement. Due diligence costs incurred for prospective private company purchases and transaction costs in relation to the purchase and sale of investments are charged to capital.

All other expenditure is charged to the revenue account.

Capital reserves

Realised profits and losses on the disposal of investments, due diligence costs, income that is capital in nature, losses realised on investments considered to be diminished in value and 75% of investment management fees are accounted for in the capital reserve realised.

Increases and decreases in the valuation of investments held at the year end are accounted for in the capital reserve unrealised.

Operating segments

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

Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not yet reversed at the balance sheet date. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Current tax is expected tax payable on the taxable profit for the period using the current tax rate and laws that have been enacted or substantially enacted at the reporting date. The tax effect of different items of income and expenditure is allocated between capital and revenue on the same basis as the particular item to which it relates.

Approved VCTs are exempt from tax on capital gains from the sale of fixed asset investments. The Directors intend that the Company will continue to conduct its affairs to maintain its VCT status. No deferred tax has been provided in respect of any capital gains or losses arising from the revaluation or disposal of investments.

Dividends

Only dividends recognised during the year are deducted from revenue, capital or special reserves. Equity dividends are recognised in the accounts when they become legally payable.

Interim dividends are approved by the Board of Directors and may be varied or rescinded at any time before payment, therefore the liability is only established when the dividend is actually paid. Final dividends are subject to approval at the AGM. Where a dividend is stated to be payable on a future date, the liability is established on that date.

Functional currency

The Company is required to nominate a functional currency, being the currency in which the Company predominantly operates. The Board has determined that sterling is the Company's functional currency. Sterling is also the currency in which these accounts are presented.

Capital structure

Share Capital
Ordinary shares are classed as equity. The ordinary shares in issue have a nominal value of one penny and carry one vote each. Substantial holdings in the Company are disclosed in the Directors' Report.

Share Premium
This reserve represents the difference between the issue price of shares and the nominal value of shares at the date of issue, net of related issue costs.

Capital Redemption Reserve
This reserve is used for the cancellation of shares bought back under the buyback facility.

Special Reserve
Distributable reserve used to pay dividends and re-purchase shares under the buyback facility and accounts for transfers from the share premium and capital redemption reserve following capital reductions.

Capital Reserve Realised
Gains/losses on disposal of investments, due diligence and transaction costs, income that is capital in nature, diminishment of financial assets and 75% of the investment management fee are accounted for in the capital reserve realised.

Capital Reserve Unrealised
Unrealised gains and losses on investments held at the year end arising from movements in fair value are taken to the capital reserve unrealised.

Revenue Reserve
Net revenue profits and losses of the Company.

2. Income

	2025 £000	2024 £000
Income from investments:		
Revenue:		
Dividend income	777	973
Interest from bonds	894	1,031
Interest from loan notes	239(1)	171
Bank interest	409	531
Accumulation fund income(2)	132	143
Total revenue income	2,451	2,849
Capital:		
Return of Capital	51(3)	—
Total capital income	51	—
Total income	2,502	2,849

(1) The Company's accrued fixed interest from a convertible loan note in Rosslyn Data Technologies plc (£33.2k) was converted into shares.

(2) Accumulation income from the IFSL Marlborough Special Situations and Marlborough UK Micro-Cap Growth funds.

(3) Equals Group plc special dividend paid as part of the takeover by Alakazam Holdings BidCo Limited. The takeover consisted of a capital distribution to shareholders made up of a cash consideration of 135 pence per share and a special dividend of 5 pence per share.

3. Management fees

	2025 Revenue £000	2025 Capital £000	2025 Total £000	2024 Revenue £000	2024 Capital £000	2024 Total £000
Management fees	564	1,692	2,256	641	1,924	2,565

The IMA terminates on 12 months' notice, subject to earlier termination in certain circumstances. In the event of termination by the Company on less than the agreed notice period, compensation may be payable to the Investment Manager in lieu of the unexpired notice period. No notice had been given by the Investment Manager or by the Board to terminate the agreement as at the date of approval of these accounts.

The Investment Manager receives an investment management fee of 1.7% per annum of the NAV of the Company, calculated and payable quarterly in arrears. At 30 September 2025, £567,978 (2024: £615,231) was owed in respect of management fees. The Company receives a reduction to the annual management fee for investments in other funds managed by the Investment Manager, being any investment in the IFSL Marlborough Special Situations Fund and/or the IFSL Marlborough UK Micro-Cap Growth Fund so the Company is not charged twice for these services. This amounted to £63,774 for the year to 30 September 2025 (2024: £75,184). The Investment Manager has agreed to indemnify the Company against annual running costs exceeding 3.5% of its net assets. No fees were waived between 1 October 2024 and 30 September 2025 and no fees were waived between 1 October 2023 and 30 September 2024 under the indemnity.

4. Other expenses

	2025 £000	2024 £000
Other revenue expenses:		
Administration fee	250	250
Directors' fees	186	216
Legal & professional	22	27
London Stock Exchange fees	57	83
Registrar's fee	64	46
Website and marketing	42	36
Printing, postage and stationary	35	42
Auditors' remuneration – for audit services	65	63
VCT monitoring fees	15	14
Company secretarial fees	75	73
Custody fee	30	30
Directors' and officers' liability insurance	20	27
Broker's fee	5	5
VAT	127	128
Other expenses(1)	75	76
Provision against income receivable	—	368(2)
Total other revenue expenses	1,068	1,485
Other capital expenses:		
Due diligence costs	6	9
VAT on due diligence costs	1	1
Transaction costs on investment transactions charged to capital(3)	49	33
Total other capital expenses	56	43
Total other expenses	1,124	1,528

(1) Other expenses include FCA fees, AIC membership fees, VCT Association fees, recruitment costs, professional subscriptions, licence costs, Shareholder event costs and other nominal expenses.

(2) Kidly loan stock interest impairment of £362,795 and XP Power plc cancelled dividend of £5,700.

(3) During the year the Company incurred transaction costs of £37,012 (2024: £23,907) and £12,053 (2024: £9,439) on purchases and sales respectively.

The Directors' remuneration above includes national insurance contributions. Directors' remuneration excluding employer's national insurance contributions is detailed in the Directors' Remuneration Report.

The maximum aggregate Directors' emoluments authorised by the Articles are detailed in the Directors' Remuneration Report.

5. Tax on ordinary activities

The tax charge for the year is based on the standard rate of UK Corporation Tax of 25% (2024: 25%).

	2025 Total £000	**2024 Total £000**
Loss on ordinary activities before taxation	(517)	(6,585)
UK Corporation Tax: 25% (2024: 25%)	(129)	(1,646)
Effect of non taxable (gains)/losses on investments	(90)	1,335
Effect of non taxable UK dividend income	(240)	(242)
Effect of disallowed costs	12	8
Deferred tax not recognised	447	545
Current tax charge	—	—

At the 30 September 2025 the Company had tax losses carried forward of £28,489,053 (2024: £26,556,949). It is unlikely that the Company will generate enough taxable income in the future to use these expenses to reduce future tax charges and therefore no deferred tax asset has been recognised.

There is no taxation charge in relation to capital gains or losses. No asset or liability has been recognised in relation to capital gains or losses on revaluing investments. The Company is exempt from such tax as a result of its intention to maintain its status as a Venture Capital Trust.

6. Basic and diluted earnings/(loss) per share

	2025 Revenue £000	**2025 Capital £000**	**2025 Total £000**	**2024 Revenue £000**	**2024 Capital £000**	**2024 Total £000**
Return (£)	819	(1,336)	(517)	723	(7,308)	(6,585)
Earnings/(loss) per ordinary share	0.22p	(0.36)p	(0.14)p	0.20p	(2.06)p	(1.86)p

The earnings per share is based on 369,065,613 ordinary shares (2024: 353,964,930), being the weighted average number of shares in issue during the year.

7. Investments

	Quoted investments(1) 2025 £000	**Unquoted investments 2025 £000**	**Total investments 2025 £000**	**Quoted investments(1) 2024 £000**	**Unquoted investments 2024 £000**	**Total investments 2024 £000**
Opening valuation	120,496	13,781	134,277	122,567	9,553	132,120
Purchases at cost	14,091	400	14,491	23,082	4,500	27,582
Non-cash distribution	166	—	166	143	—	143
Sale proceeds	(30,788)	—	(30,788)	(19,554)	(802)	(20,356)
Realised gains/(losses)	1,927	(5,208)	(3,281)(2)	(471)	(3,099)	(3,570)(2)
Unrealised (losses)/gains	(1,719)	5,361	3,642(2)	(2,106)	335	(1,771)(2)

	Quoted investments(1) 2025 £000	Unquoted investments 2025 £000	Total investments 2025 £000	Quoted investments(1) 2024 £000	Unquoted investments 2024 £000	Total investments 2024 £000
Amortisation for discount/premium on bonds	33	—	33	129	—	129
Re-classification adjustment	18(3)	(18) (3)	—	(3,294)	3,294	—
Closing valuation	104,224	14,316	118,540	120,496	13,781	134,277
Cost at 30 September	111,586	24,805	136,391	129,295	26,474	155,769
Unrealised gains/(losses)	21,020	1,372	22,392	16,845	(799)	16,046
Diminution in value (4)	(28,382)	(11,861)	(40,243)	(25,644)	(11,894)	(37,538)
Closing valuation	104,224	14,316	118,540	120,496	13,781	134,277

(1) Includes the IFSL Marlborough Special Situations Fund and the IFSL Marlborough UK Micro-Cap Fund with valuations of £7.1m (2024: £9.4m) and £7.6m (2024: £10.4m) respectively as at 30 September 2025. Whilst unlisted, the two investments are UCITS funds with daily dealing and daily published pricing.

(2) The net gain on investments held at fair value through profit or loss in the income statement of £361k (2024: loss £5,341k) is the sum of the realised and unrealised gains/losses for the year as detailed in the table above.

(3) Crosswords Cybersecurity plc (£133k) and Eneraqua plc (£207k) delisted on 18 November 2024 and 22 August 2025 respectively, Rosslyn convertible loan note and accrued interest (£358k) converted to listed equity shares.

(4) Diminishments of £12,938,528 (2024: £11,899,074) were made in the year. Once adjusted for disposals/dissolutions (£10,233,268) (2024: (£7,373,105)) the net movement for the year is £2,705,260 (2024: £4,176,721). Diminishments carried forward are £40,243,423 (2024: £37,538,163).

Transaction Costs

During the year the Company incurred transaction costs of £37,012 (2024: £23,907) and £12,053 (2024: £9,439) on purchases and sales respectively. These amounts are included in capital expenses.

Fair Value Measurement Hierarchy

The table below sets out fair value measurements using FRS 102 (appendix to section 2 fair value measurement) fair value hierarchy. The Company has one class of assets, being 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..

	2025 Level 1 £'000	2025 Level 2 £'000	2025 Level 3 £'000	2025 Total £'000	2024 Level 1 £'000	2024 Level 2 £'000	2024 Level 3 £'000	2024 Total £'000
Investments	69,620	34,604	14,316	118,540	91,496	29,000	13,781	134,277

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 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 have been no transfers from level 1 to level 3 in the current year (2024: one) and no transfers from level 2 to level 3 (2024: one). Transfer values at 30 September 2025.

There were transfers of £4.7m between level 1 and level 2 in the current period where the investments market is not sufficiently active (2024: £53.6k). There were transfers between level 2 and level 1 of £0.8m (2024: £3.8m). Transfer values at 30 September 2025.

Level 3 financial assets

	2025 Equity shares £'000	2025 Preference shares £'000(1)	2025 Loan notes £'000	2025 Total £'000	2024 Equity shares £'000	2024 Preference shares £'000(1)	2024 Loan notes £'000	2024 Total £'000
Opening balance	4,396	5,607	3,778	13,781	2,984	3,069	3,500	9,553
Transfer from Level 1 and 2	341(2)	—	—	341	3,294	—	—	3,294
Transfer to Level 2	—	—	(358) (3)	(358)				
Purchases at cost	—	—	400	400	—	2,500	2,000	4,500
Sale proceeds	—	—	—	—	(2)	—	(800)	(802)
Realised (losses)(3)	(4,996)	(213)	—	(5,209)	(2,199)	(600)	(300)	(3,099)
Unrealised (losses)/gains	3,917	2,773	(1,329)	5,361	319	638	(622)	335
Closing valuation	3,658	8,167	2,491	14,316	4,396	5,607	3,778	13,781

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

(2) Crosswords Cybersecurity plc and Eneraqua plc delisted on 18 November 2024 and 22 August 2025 respectively.

(3) Rosslyn convertible loan note and accrued interest converted to listed equity shares.

(4) Flowgroup, Bidstack and Laundrapp all dissolved in the year.

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 year, held within the portfolio at 30 September 2025.

In assessing fair value, 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.

The Investment Manager also undertook sensitivity analysis to consider the impact of a 30% movement in the peer group multiples, both higher and lower. The use of alternative investment structures such as convertible loan stock by the Company or other investors can lead to asymmetric movements in value in response to different upside and downside scenarios. For further information on sensitivities, please see note 15.

Level 3 Unquoted Investments

BiVictriX plc	BiVictrix raised equity in June 2025 to fund the continuation of pre-clinical development work for its bispecific antibody drug conjugate programme focused on ovarian cancer. The company continues to actively explore its funding options to enable its programmes to commence clinical trials. The valuation of the investment is a composite valuation which includes the price of the most recent fundraise 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 plc	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. In May 2025 the company received a €8m milestone payment from Sanofi for the IL-17A inhibitor program. 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.
Infinity Reliance Ltd (My 1st Years)	Trading continues to be positive in calendar year 2025 with the company reporting double digit 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.
Kidly Ltd	The online children's lifestyle store Kidly was acquired by the baby and childrenswear brand MORI in April 2025. The company had entered administration prior to the acquisition. MORI purchased Kidly's intellectual property and tangible assets. Following a review of the company's financial position, the fair value of the investment in Kidly was marked down to nil in January 2025.
Qureight Ltd	The valuation was reviewed with reference to FY26 forecast revenues and assessed against listed peers using EV/Sales multiples adjusted for liquidity and forecast risk. Commercial momentum strengthened considerably over the period, with significant contract wins year-to-date and improved revenue visibility from signed and late-stage opportunities. While the peer group re-rated over the period, the company's strong commercial traction, improved revenue visibility from signed and late-stage opportunities, and de-risking of the revenue forecast as the business scales operational delivery across an expanded pharma partner base led to an increase in the fair value of the investment.
Rosslyn Data Technologies plc – convertible loan note	In October 2024 Rosslyn Data Technologies secured £3.3m in additional equity and convertible loan note funding. As part of this fundraise, the Company committed to converting the 2023 convertible loan note into equity and investing into a new 2024 convertible loan note. Rosslyn Data Technologies continued to make commercial progress over the period with the deployment of its initial contract with a major new client and leading global technology company. However, progress has not been as fast as planned and so there was a decrease to the fair value of the convertible loan

	notes, with the value of the conversion option calculated using the Black-Scholes option pricing model declining, as well as the bond principal.
SCA Investments Ltd (Gousto)	The company closed 2024 strongly with EBITDA and cash ahead of budget and significantly improved year on year. 2025 is expected to deliver further growth in revenues and EBITDA. 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.
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 has achieved strong sales success with lifetime value of contract nominations increasing to £106m, including an extension to its contract to supply the autonomous taxi operator Zoox. Cost reduction initiatives have limited losses, and the company expects to reach breakeven in the next financial year. 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.
Zappar 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 programme during the period. The valuation of the investment was reviewed against listed peers using EV/Sales multiples 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.

8. Significant interests

At the year end the Company held 3% or more of the issued share capital of the following investments:

Investment	Holding %	Investment	Holding %
Engage XR Holdings plc	16.45%	XP Factory plc	7.37%
Rosslyn Data plc	13.85%	Hardide plc	7.36%
PCI-PAL plc	10.57%	One Media iP Group plc	7.33%
Verici DX plc	10.38%	Tortilla Mexican Grill plc	7.17%
Abingdon Health plc	9.66%	Fusion Antibodies plc	7.10%
Itaconix plc	8.80%	Crimson Tide plc	6.39%
Oberon Investments plc	8.61%	Eden Research plc	5.68%
Feedback plc	8.56%	Skillcast Group plc	4.74%
Equipmake Holdings plc	8.31%	Zoo Digital Group plc	4.48%
Ixico plc	8.06%	Strip Tinning Holdings plc	3.13%
Fadel Partners Inc	7.89%	RC Fornax plc	3.02%

9. Debtors

	2025 £000	2024 £000
Prepayments	27	29
Accrued income	1,237	949
Other debtors	49	69
	1,313	1,047

10. Creditors: amounts falling due within one year

	2025 £000	2024 £000
Trade Creditors	—	12
Accruals	820	915
	820	927

11. Called up share capital

	2025 £000	2024 £000
Allotted, called-up and fully paid: 370,378,427 (2024: 364,977,848) ordinary shares of 1p each.	3,704	3,650

During the year 13,839,406 (2024: 10,657,350) ordinary shares were purchased through the buyback facility at a cost of £4,897,644 (2024: £4,472,418). The repurchased shares represent 3.79% (2024: 3.25%) of ordinary shares in issue on 1 October 2024. The acquired shares have been cancelled.

During the year, the Company issued 14,859,377 ordinary shares of 1 penny (nominal value £148,594) in an offer for subscription, representing 4.07% of the opening share capital at prices ranging from 34.82p to 41.75p per share. Gross funds of £5,684,983 were received. The 3.5% premium of £198,974 payable to CGAM under the terms of the offer was reduced by £87,588, being the discount awarded to investors in the form of additional shares, reducing the net fees payable to CGAM to £111,386.

On 14 February 2025, 2,905,659, ordinary shares were allotted at a price of 37.54 pence per share, which was calculated in accordance with the terms and conditions of the DRIS, on the basis of the last published ex-dividend NAV per share as at close of business on 31 January 2025, 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.

On 25 July 2025, 1,474,949, ordinary shares were allotted at a price of 35.06 pence per share, which was calculated in accordance with the terms and conditions of the DRIS, on the basis of the last published ex-dividend NAV per share as at close of business on 11 July 2025, to Shareholders who elected to receive shares as an alternative to the interim and special dividend for the year ended 30 September 2025.

Further details of the Company's capital structure can be seen in note 1.

Income entitlement

The revenue earnings of the Company are available for distribution to holders of ordinary shares by way of interim, final and special dividends (if any) as may from time to time be declared by the Directors.

Capital entitlement

The capital reserve realised and special reserve of the Company are available for distribution to holders of ordinary shares by way of interim, final and special dividends (if any) as may from time to time be declared by the Directors.

Voting entitlement

Each ordinary Shareholder is entitled to one vote on a show of hands and on a poll to one vote for each ordinary share held. Notices of meetings and proxy forms set out the deadlines for valid exercise of voting rights and other than with regard to Directors not being permitted to vote on matters upon which they have an interest, there are no restrictions on the voting rights of ordinary Shareholders.

Transfers

There are no restrictions on transfers except dealings by Directors, persons discharging managerial responsibilities and their persons closely associated which may constitute insider dealing or is prohibited by the rules of the FCA.

The Company is not aware of any agreements with or between Shareholders which restrict the transfer of ordinary shares, or which would take effect or alter or terminate in the event of a change of control of the Company.

12. Net asset value per ordinary share

	30 September 2025	30 September 2024
Net assets (£'000)	135,037	148,009
Shares in issue	370,378,427	364,977,848
NAV per share (p)	36.46	40.55

There are no potentially dilutive capital instruments in issue and as such, the basic and diluted NAV per share are identical.

13. Contingencies, guarantees and financial commitments

There were no contingencies, guarantees or financial commitments of the Company at the year end (2024: nil).

14. Related party transactions and conflicts of interest

The remuneration of the Directors, who are key management personnel of the Company, is disclosed in the Directors' Remuneration Report.

Transactions with the Investment Manager

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

Oliver Bedford, who was a Director of the Company until 21 May 2025 is also an employee of the Investment Manager which received fees of £19,470 in the year ended 30 September 2025 in respect of his position on the Board (2024: £29,500). None of these fees were still owed at the year-end.

With effect from 1 October 2024, the administration agreement between the Company and CGWL was novated to CGAM. Under the terms of the novation agreement, the administration fees paid by the Company were unchanged at £250,000 (plus VAT) and CGWL continues to receive a fee of £30,000 per annum in relation to its appointment as the Custodian. Any initial or trail commissions paid to Financial Intermediaries are paid by CGAM.

On 1 August 2025, CGAM took over the position of Company Secretary for the Company, replacing JTC (UK) Limited. A formal agreement detailing the responsibilities of CGAM, as the Company Secretary to the Company, is in place. Under the terms of the agreement, the annual fees for company secretarial work are £50,000 per annum.

CGAM and CGWL acted as Administrator and Custodian respectively for the year ended 30 September 2025, and CGAM acted as Company Secretary from 1 August 2025 to 30 September 2025. The fees received for these support functions were as follows:

	30 September 2025	30 September 2024
Custody	30,000	30,000
Administration	250,000	250,000
Company Secretary	8,333	Nil
Total	288,333	280,000
Still owed at the year end	77,960	69,585

Under an offer agreement dated 9 October 2024, CGAM was appointed by the Company to administer an offer for subscription in the 2024/25 tax year and acted as receiving agent in relation to the offer. Under the terms of the agreement CGAM received a fee of 3.5 per cent. of the gross proceeds of the offer for providing these services. 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.

The Administrator also agreed to discharge and/or reimburse all costs and expenses of and incidental to the offer and the preparation of the prospectus, including without limitation to the generality of the foregoing, 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 the prospectus and marketing the offer, including any introductory commission and discounts to potential investors. However, the Administrator was not responsible for the payment of listing fees associated with the admission of the ordinary shares to the Official List and to trading on the main market of the London Stock Exchange.

During the year, the Company issued 14,859,377 ordinary shares of 1 penny (nominal value £148,594) in an offer for subscription, representing 4.07% of the opening share capital at prices ranging from 34.82p to 41.75p per share. Gross funds of £5,684,983 were received. The 3.5% premium of £198,974 payable to CGAM under the terms of the offer was reduced by £87,588, being the discount awarded to investors in the form of additional shares, reducing the net fees payable to CGAM to £111,386.

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

Investment management fees for the year are £2,256,176 (2024: £2,565,844) as detailed in note 3. Of these fees £567,978 (2024: £615,231) were still owed at the year end. As the Investment Manager to the Company and the investment adviser to the IFSL Marlborough Special Situations Fund and the IFSL Marlborough UK Micro-Cap Fund (in which the Company may and does invest), the Investment Manager makes an adjustment as necessary to its investment management fee to ensure the Company is not charged twice for their services.

Upon completion of an investment, the Investment Manager is permitted under the IMA to charge private investee companies a fee equal to 1.5 per cent. 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 also recover external due diligence and transaction services costs directly from private investee companies. No fees (2024: £37,502) were charged to investee companies in the year under this agreement.

Total commission of £20,169 was paid to CGWL in the year for broker services (2024: £31,925).

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 per cent. 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 financial year under the indemnity.

The Company also held £10,626,055 in the client account held at CGWL at 30 September 2025 (2024: £8,845,455).

15. Financial instruments

Risk management policies and procedures

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 Venture Capital Trust.

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.

At least 80% of the Company's funds have been invested in qualifying holdings during the year under the HMRC investment test definition. The balance of the Company's funds were invested in liquid assets (such as non-qualifying equities, fixed income securities and bank deposits). The Company is managed as a VCT in order that Shareholders may benefit from the tax relief available.

This strategy exposes the Company to certain risks, which are summarised below.

The structure in place to manage these risks is set out in the Corporate Governance Report.

A detailed review of the investment portfolio is contained in the Investment Manager's Report.

Classification of financial instruments

The investments at year end comprise two types of financial instruments. The basis of valuation is set out below:

- Equities – fair value through the profit and loss account.
- Fixed income securities – fair value through the profit and loss account

Other financial assets comprise cash at bank and in hand of £5,377,835 (2024: £4,766,381), funds held with Custodian of £10,626,055 (2024: £8,845,455), accrued income and debtors of £1,285,752 (2024: £1,017,944), which is classified as 'loans and receivables measured at amortised cost'. Financial liabilities consist of trade creditors and accruals of £820,058 (2024: £926,784) which are classified as 'financial liabilities measured at amortised cost'.

Market risk

Market price risk arises from any fluctuations in the value of investments held by the Company. Adherence to investment policies mitigates the risk of excessive exposure to any particular type of security or issuer. In particular, other than bank deposits, no individual investment shall exceed 10 per cent. of the Company's net assets at the time of investment. However, many of the investments are in small companies traded on AIM which by virtue of their size carry more risk than investments in larger companies listed on the main market of the London Stock Exchange.

Market risk is monitored by the Board on a quarterly basis and on an ongoing basis, through the Investment Manager.

The following table summarises exposure to market risk by valuation technique at the year end date:

As at 30 Sep 25

Valuation technique	Fair value of investments (£000)	Key inputs	Observable input?	Range	Weighted average range	Sensitivity %	Sensitivity to changes in significant inputs	
Quoted Equities Closing bid prices	83,114,498	London Stock Exchange, Bloomberg	Yes	n/a	n/a	30%	£17,507,036	-£17,507,036
Quoted Fixed Income Closing bid prices (fixed income)	21,109,060	London Stock Exchange, Bloomberg	Yes	n/a	n/a	30%	£588,943	-£588,943
Unquoted Equities Recent transaction price	192,885	n/a	No	n/a	n/a	30%	£102,115	-£34,038
Sum of the parts	1,106,841	Composite valuation using more than one valuation technique	No	n/a	n/a	30%	-£45,044	-£286,095
Market approach using comparable trading multiples*	10,525,858	EV/NTM EBITDA multiple	No	Not disclosed	Not disclosed	30%	£1,658,708	-£1,220,492
		EV/NTM revenue	No	0.8x-5.1x	0.1x-3.0x	30%	£1,976,941	-£1,896,081

As at 30 Sep 25

Valuation technique	Fair value of investments (£000)	Key inputs	Observable input?	Range	Weighted average range	Sensitivity %	Sensitivity to changes in significant inputs	
		multiple Illiquidity discount	No	15%	15%	10%	£1,790,944	-£1,604,507
Convertible Loan Notes Black Scholes Option Pricing Model	2,490,599	Stock price, Risk free rate, Volatility	No	n/a	n/a	30%	£236,138	-£101,268
						Total Sensitivity	£23,815,781	-£23,238,460

* Fair Value of Investments: total value of companies using both EBITDA and Revenue multiples.

If market prices had been 30% higher or lower while all other variables remained unchanged, the return attributable to ordinary Shareholders for the year ended 30 September 2025 would have increased by £23,815,781 (2024: £20,988,954) or decreased by £23,238,460 (2024: £21,686,392) respectively.

The assessment of market risk is based on the Company's equity and fixed income portfolio including private company investments, as held at the year end. The assessment uses the AIM All-Share Index and the FTSE 250 Index as proxies for the AIM Qualifying Investments and quoted Non-Qualifying Investments and illustrates, based on historical price movements and their relationship to movements in the FTSE 100 index, their potential change in value in relation to change in value of the reference index.

The review has also examined the potential impact of a 30% move in the market on the convertible loan note investments held by the Company, whose values will vary according to the price of the underlying security into which the loan note instrument has the option to convert.

Currency risk

The Company is not directly exposed to currency risk and does not invest in currencies other than sterling. There are indirect exposures through movements in the foreign exchange market as a consequence of investments held in companies who report in foreign currencies, the impact of such exposure would be insignificant.

Interest rate risk

The Company is fully funded through equity and has no debt and further all significant interest income is at a fixed rate; therefore, interest rate risk is not considered a material risk.

The Company's financial assets and liabilities are denominated in sterling as follows:

	30 September 2025			
	Fixed Rate £000	**Variable Rate £000**	**Non-Interest Bearing £000**	**Total £000**
Investments	23,600	–	94,940	118,540
Cash at bank and in hand	–	5,378	–	5,378
Funds held with Custodian	–	10,626	–	10,626
Other current assets (net)	1,136	–	177[(1)]	1,313
Other current liabilities (net)	–	–	(820)	(820)
Net assets	24,736	16,004	94,297	135,037

	30 September 2024			
	Fixed Rate £000	Variable Rate £000	Non-Interest Bearing £000	Total £000
Investments	22,866	—	111,411	134,277
Cash at bank and in hand	—	4,766	—	4,766
Funds held with Custodian	—	8,846	—	8,846
Other current assets (net)	823	—	224[2]	1,047
Other current liabilities (net)	—	—	(927)	(927)
Net assets	23,689	13,612	110,708	148,009

(1) Includes prepayments of £27k which is not considered a financial asset.

(2) Includes prepayments of £29k which is not considered a financial asset.

Interest rate risk exposure relates to cash and cash equivalents (bank deposits) where interest income is primarily linked to bank base rates. Interest rate risk exposure on debt instruments is reflected in the market risk and since these securities are valued at fair value, no additional disclosure is made in this respect. Movements in interest rates on cash and cash equivalents are not considered a material risk.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet obligations as they fall due. The Company has no debt and maintains sufficient investments in cash or cash equivalents, or readily realisable securities to pay trade creditors and accrued expenses (£820,058 as at 30 September 2025). Liquidity risk is not considered material. As at 30 September 2025 the Company held £16,003,890 in cash or cash equivalents.

Credit risk

Credit risk relates to the risk of default by a counterparty. The Company may have credit risk through investments made in unsecured loan stock issued by Qualifying Companies or through Non-Qualifying Investments in fixed income securities and exchange traded funds. No assets are past the due date for payment.

An investment will be impaired if the investee company is loss making and does not have sufficient funds available to transition into profit and in the opinion of the Investment Manager may fail to secure sufficient equity or debt funding to transition into profit, or if the borrower defaults or is expected to default on payment of accrued interest or repayment of the principal sum.

The maximum credit risk exposure equates to the carrying value of assets at the balance sheet date:

	2025 £000	2024 £000
Fixed income securities;		
—Qualifying Investments (convertible loan notes)	2,491	3,778
—Non-qualifying investments (investment grade corporate bonds)	21,109	19,088
Total fixed income securities	23,600	22,866
Cash at bank and in hand	5,378	4,766
Funds held at Custodian	10,626	8,846
Other assets	1,313	1,047
	40,917	37,525

Cash held with Custodian comprises bank deposits held through CGWL (trading as Canaccord Wealth) of £10.6 million (2024: £8.8 million). Funds are held with banks that are authorised and regulated to carry on banking or deposit-taking business. All these meet the requirements of the UK's FCA CASS rules. In addition, only banks holding a S&P Global A1 or A2 credit ratings[1] will be included in the selection process. Through its treasury function, Canaccord Wealth uses a tiered level approach to counterparty selection to reflect different maturities of cash held on deposit.

Funds held on deposit through CGWL, are pooled with cash deposits from other clients of CGWL and diversified across a specified panel of banks. Canaccord Wealth's treasury function reviews panel members ahead of selection and prioritises the safety of client assets with the panel selection process placing an emphasis on quality and security. Participating banks must be rated as investment grade by at least two international credit rating agencies. Canaccord Wealth will also consider the expertise and market reputation of the bank; review a bank's financial statements and consider its capital and deposit base; consider the geographical location of the parent; monitor a bank's credit default swaps; and ask the bank to complete a due diligence questionnaire. The Canaccord Wealth treasury function maintains regular contact with panel banks, typically meeting them every six months or so. There are no withdrawal restrictions on the Company's cash held with CGWL.

(1) Or equivalent credit rating at other rating agencies, including Fitch and Moody's.

Fair value of financial assets and financial liabilities

Equity investments are held at fair value. No investments are held for trading purposes only.

Capital management policies and procedures

The current policy is to fund investments through equity. No future change to this policy is envisaged. As a public limited company, the Company is required to hold a minimum £50,000 share capital.

The Company's capital is summarised in notes 1 and 11 to these accounts. The Company has no debt and is fully funded by equity.

16. Dividends

	2025 Ord £000	2024 Ord £000
Paid per share:		
Special capital dividend of 1.50 pence for year ended 30 September 2024	—	5,474
Paid per share:		
Final capital dividend of 1.50 pence for year ended 30 September 2023	—	5,149
Paid per share:		
Interim capital dividend of 1 penny for year ended 30 September 2024	—	3,649
Paid per share:		
Final capital dividend of 1.25 pence for year ended 30 September 2024	4,588	—
Paid per share:		
Special capital dividend of 1.50 pence for year ended 30 September 2025	5,505	—
Paid per share:		
Interim capital dividend of 0.75 pence for year ended 30 September 2025	2,787	—
Paid per share:		
Special capital dividend of 0.50 pence for year ended 30 September 2025	1,859	—
Dividends unclaimed	—	(4)[2]
	14,739[1]	14,268[3]
Proposed per share:		
Final capital dividend of 1 penny for the year ended 30 September 2025	3,678	—
Proposed per share:		
Special capital dividend of 2.00 pence for the year ended 30 September 2026	7,356	—

	2025 Ord £000	2024 Ord £000
Paid per share:		
Final capital dividend of 1.25 pence for the year ended 30 September 2024	—	4,591
Paid per share:		
Special capital dividend of 1.50 pence for the year ended 30 September 2025	—	5,510

(1) The difference between total dividends paid for the period ending 30 September 2025 and the cash flow statement is £1,612,000 which reflects the amount of dividends reinvested under the DRIS of £1,608,000 and the receipt of £4,000 cash for unclaimed dividends for a period of 12 years.

(2) Unclaimed dividends for a period of 12 years due/reverted to the Company.

(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 amount 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.

17. Post balance sheet events

Share buybacks

As at 16 December 2025, 2,585,633 ordinary shares have been purchased at an average price of 34.14 pence per share and a total cost of £882,856.

New investments

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

	Amount invested £000	Investment into existing company
Qualifying Investments		
Abingdon Health plc	1,500	Yes
KRM 22 plc	1,340	No
Non-Qualifying Investments		
London Stock Exchange Group plc	795	No

Disposals

The Company has made the following full disposals since the period end:

	Proceeds £000
Qualifying Investments	
Polarean Imaging plc	7
Non-Qualifying Investments	
Chemring Group plc	1,327
Vaneck Vectors Gold Miners ETF	1,246

Corporate Actions

On 25 November 2025, Idox plc announced a recommended cash aquisition by Frankel UK Bidco Limited, to be effected via a Scheme of Arrangement under Part 26 of the Companies Act. The proposed acquisition price is 71.5 pence for each ordinary share held and is expected to become effective before the end of the first quarter of 2026.

Proposed Fundraise

On 10 December 2025, the Board announced that the Company expects to open an offer for subscription on or around 27 January 2026 (the "**Offer**"). It is expected that the Company will seek to raise no less than £20 million under the Offer, together with the discretion to utilise an over-allotment facility to raise up to a further £10 million. In line with previous offers, CGAM expects to offer an "early bird discount". Full details of the Offer will be set out in a document to be published by the Company in the new year.

Retention Scheme

The Company is proposing to introduce a Retention Scheme for certain employees of the Investment Manager that provide services to the Company. Final details of the Retention Scheme are expected to be made available in due course, via a separate Shareholder circular. Once finalised, Shareholders will be asked to vote on the Retention Scheme at a separate general meeting of the Company, currently anticipated to be held immediately following the AGM on 5 February 2026.

Alternative performance measures

An APM 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 is in the Alternative Performance Measures (Definitions) section of the report. Where the calculation of the APM is not detailed within the Financial Statements, an explanation of the methodology employed is below:

NAV total return

		30 September 2025	**30 September 2024**
Opening NAV per share	A	40.55p	46.34p
Special dividend paid	B	1.50p	1.50p
Final dividend paid	C	1.25p	1.50p
Interim dividend paid	D	0.75p	1.00p
Special dividend paid	E	0.50p	—
Closing NAV per share	F	36.46p	40.55p
NAV total return	((B+C+D+E+F-A)/A)*100	-0.22%	-3.86%

NAV total return (dividends reinvested)

			30 September 2025	**% Return**
Opening NAV per share (30 September 2024)		A	40.55p	
Closing NAV per share (30 September 2025)		36.46p		
	Final dividend for year paid February 2025	1.25p		
	Special dividend February 2025	1.50p		
	Interim dividend July 2025	0.75p		
	Special dividend July 2025	0.50p		

			30 September 2025	% Return
Total dividend payments			4.00p	
Closing NAV per share plus dividends paid			40.46p	-0.22% (-3.86% 30 September 2024)
In year performance of reinvested dividends			0.08p	
NAV total return (dividends reinvested)	((B-A)/A)*100	B	40.54p	-0.02% (-4.21% 30 September 2024)

Share price total return

		30 September 2025	30 September 2024
Opening share price	A	39.00p	43.00p
Special dividend paid	B	1.50p	1.50p
Final dividend paid	C	1.25p	1.50p
Interim dividend paid	D	0.75p	1.00p
Special dividend paid	E	0.50p	—
Closing share price	F	34.40p	39.00p
Share price total returns	((B+C+D+E+F-A)/A)*100	-1.54%	0.00%

Share price total return (dividends reinvested)

			30 September 2025	% Return
Opening share price (30 September 2024)		A	39.00p	
Closing share price (30 September 2025)			34.40p	
	Final dividend for year paid February 2025	1.25p		
	Special dividend February 2025	1.50p		
	Interim dividend July 2025	0.75p		
	Special dividend July 2025	0.50p		
Total dividend payments			4.00p	
Closing share price plus dividends paid			38.40p	-1.54% (0.00% 30 September 2024
In year performance of reinvested dividends			-0.07p	

			30 September 2025	% Return
Share price total return (dividends reinvested)	((B-A)/A)*100	B	38.33p	-1.72% (-0.18% 30 September 2024)

Ongoing charges ratio

The OCR has been calculated using the AIC's "Ongoing Charges" methodology.

		30 September 2025 £000	30 September 2024 £000
Investment management fee		2,256	2,565
Other expenses		1,059(1)	1078
VCT proportion of IFSL Marlborough funds expenses		115	153
Ongoing charges	A	3,430	3,796
Average net assets	B	136,532	156,509
Ongoing charges ratio	(A/B)*100	2.51%	2.43%

(1) Other expenses exclude London Stock Exchange fees of £15,461 for admission of shares under the offer for subscription 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

		30 September 2025	30 September 2024
Share price	A	34.40p	39.00p
Net asset value per share	B	36.46p	40.55p
Discount	((A/B)-1)*100	-5.65%	-3.82%

The 1-year average discount of -4.59% is calculated by taking the average of the share price discount at each month end between 1 October 2024 and 30 September 2025.

The 5-year average discount of -4.99% is calculated by taking the average of the share price discount at each month end between 1 October 2020 and 30 September 2025.

Alternative Performance Measure (or "APM")

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 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 year 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 dividend re-investments scheme.

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, this situation is called 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 past 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 past 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.

END

For further information, please contact:

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