



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

Company number: 05528235

For UK investors only

Octopus AIM VCT 2 plc (the 'Company') is a venture capital trust (VCT) which aims to provide shareholders with attractive tax-free dividends and long-term capital growth by investing in a diverse portfolio of predominantly AIM-traded companies. The Company is managed by Octopus Investments Limited ('Octopus' or the 'Investment Manager').

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Financial summary

	Six months to 31 May 2023	Six months to 31 May 2022	Year to 30 November 2022
Net assets (£'000)	88,237	103,831	101,794
Loss after tax (£'000)	(9,038)	(26,909)	(36,695)
Net asset value (NAV) per share (p)	53.9	70.5	61.6
Total return (%) ¹	(8.8)	(20.0)	(27.5)
Dividends paid in the period (p)	2.3	2.1	4.2
Interim dividend (p) ²	1.8	2.1	2.3

Key dates

Interim dividend payment date	9 November 2023
Annual results to 30 November 2023 announced	March 2024
Half-yearly results to 31 May 2024	August 2024

¹Total Return is an alternative performance measure calculated as movement in NAV per share in the period plus dividends paid in the period, divided by the NAV per share at the beginning of the period.

²The interim dividend will be paid on 9 November 2023 to shareholders on the register on 13 October 2023.

Chair's statement

The six months to 31 May 2023 have seen a continuation of the challenging conditions for smaller company investments that we outlined in our last annual report. Inflation has remained stubbornly high with the result that expectations for peak interest rates have risen and are now anticipated to remain higher into 2024. As explained further below, the market turbulence resulting from this has been particularly harsh on smaller companies in some of the key sectors in which we invest. Against this background it is disappointing to report the net asset value (NAV) of the Company fell by 8.8% in the period after adding back the 2.3p dividend paid in May 2023 and underperformed the AIM index.

At the time of the full-year results we reported that the flow of fundraisings, particularly new listings, had been weak in the second half of the year. Volatile market conditions have meant that new listings planned for the first half of 2023 have also been delayed although many existing AIM companies have still been able to access funding on lower valuations. Furthermore, market conditions have led to significant numbers of shares now being priced well below their recent peaks despite many individual companies in the portfolio continuing to report encouraging trading momentum.

Against this backdrop of challenge and some opportunity, in accordance with our stated objectives of maintaining predictable levels of returns for investors the Board has declared an interim dividend of 1.8p which will be paid on 9 November 2023 to shareholders on the register on 13 October 2023.



Keith Mullins
Chair
10 August 2023

Investment Manager's review

Overview

The six months to 31 May 2023 has been a frustrating period for smaller company investors. Good growth companies trading robustly have seen their share prices and ratings fall as investors have shied away from taking risks. This has partly been the result of persistently high inflation which has led to interest rates being raised to 5%, further than had been anticipated, with any change of direction now not expected until next year. This nervousness has resulted in many valuations falling to levels not seen since the Financial Crisis nearly 15 years ago and has left the wider equity market trading at a discount of over 25% to its longer-term average. The Company has been particularly badly affected by these market conditions over the past two years as it invests in early stage companies which rely on supportive market conditions for capital until they reach profitability. However, on a more positive note the economy has remained more robust than expected and many companies in the portfolio are still managing significant progress and growth. Valuations are at an attractive level and we see scope to deploy cash profitably once the market becomes comfortable that interest rates have peaked.

Performance

Adding back the 2.3p paid out in dividends in the period, the NAV fell by 8.8% in the six months to 31 May 2023. This compares with a 7.1% fall in the AIM Index, a 1.6% rise in the FTSE Small Cap Index (ex Investment Trusts) and a 0.2% rise in the FTSE All Share Index, all on a total return basis. The Company's relatively high exposure to the healthcare and technology sectors (which had been a reason for good returns in the past) was once again detrimental to performance in a world where risk averse investors have little appetite for earlier stage growth stocks. Companies yet to reach profitability were particularly affected with those needing to raise money now rather than wait for more favourable market conditions suffering some steep falls in their valuations. The VCT rules require investment to be made at this early stage and the benefits of doing so have been clear in past periods.

AIM itself was once again the worst performing index, affected in part by the same factors and the FTSE All Share Index performed noticeably better reflecting a higher weighting in larger companies. The FTSE Small Cap Index (ex Investment Trusts) did better but has a much narrower membership than AIM and its members were not as affected by the conditions described above.

Among the larger and more profitable companies the de-rating of shares was also reflected. The largest single detractor from performance was Ergomed, which gave up some of its former

gains as investor sentiment cooled towards the pharmaceutical sector. It produced final results ahead of expectations and has since reported robust trading at its AGM. Learning Technologies also produced good results and robust trading statements but its shares have been de-rated. Craneware was another negative performer after analysts adjusted their forecasts for higher interest rates and more measured growth expectations in a slow US hospital market. SDI and EKF diagnostics were both punished for profit expectations post-Covid-19 still being set too high. Of the top ten detractors, half were companies still on the pathway to profitability. Lunglife and Maxcyte both suffered (as did other smaller holdings) from being in the healthcare sector and lossmaking despite each reporting encouraging progress and Maxcyte being particularly well funded. Engage XR, which has a virtual reality platform and some very high profile clients successfully raised money in the period and is growing strongly although profitability remains some distance in the future. Popsa, a private company, scaled back its marketing spend to preserve cash and has set its growth expectations at a more modest rate. This, and a review of peer group valuations, caused us to cut the valuation from the previous year-end level.

There were several positive contributors to performance including Equipmake, which has made some encouraging announcements since its successful fundraise, Netcall, which has had upgrades to forecasts as a result of good demand for its Lo-Code software and Hasgrove, another private company, which is still seeing strong demand for its intranet software. In the retail sector both Sosandar and Vertu motors are still trading well and Breedon announced a move to the full list. It will remain a qualifying holding for two years following this. Other smaller contributors include Judges Scientific, Feedback and Spectral MD.

Portfolio activity

In the period under review, the Company made two qualifying investments totalling £1.2 million, a decrease on the £4.6 million we invested in the corresponding period last year, reflecting some caution on the part of companies and brokers about raising new capital against a background of volatile markets. One of these was a small follow-on investment into an existing holding in Equipmake of £0.1 million. Equipmake is an electric drivetrain specialist focusing on retrofitting carbon-intensive vehicles and aeroplanes, most notably diesel buses. The company made its stock market debut in July 2022 and successfully raised a further £6.2 million in January 2023, expanding its shareholder base. We opted to make a small further investment given the exciting progress the team are making.

Investment Manager's review continued

We invested £1.1 million in Itaconix, an existing AIM company. It is a leading producer of plant-based additives for a range of consumer products, from detergents to shampoos. Itaconix's natural polymers help to decarbonise products, whilst providing improved performance, safety and sustainability. The company raised a total of £10.5 million in a heavily over-subscribed share placing, which will be used to support a range of growth initiatives, including the development of new products and applications for its technology.

A number of disposals in the period resulted in a small net overall loss of £0.3 million over book cost. We sold the entire holdings of Adept Telecom and TP Group which were both the subject of cash takeover bids. We also disposed of Itsarm (formerly In The Style). Its business had been very badly affected by a squeeze between the consumer's dwindling appetite for on-line purchases and cost and logistics challenges exacerbated by inflation and the management sold the business for cash. We made partial disposals of Genedrive, Intelligent Ultrasound, Judges Scientific and Nexteq (formerly Quixant).

In the period we also invested £1.5 million of the cash balances into the FP Octopus UK Micro Cap Growth Fund, FP Octopus UK Multi Cap Income Fund and FP Octopus Future Generations Fund at reduced prices. The strategy is to reduce other individually held non-qualifying holdings and replace them with liquid collective funds. Although the funds have had a small negative impact on returns in this period, we expect them to provide a positive return on our cash awaiting investment once stock markets return to a more settled state and equity valuations recover.

Unquoted investments

As stated in the investment policy on page 6, the Company is able to make investments in unquoted companies intending to float. At 31 May 2023 8.0% (31 May 2022: 7.7% and 30 November 2022: 7.9%) of the Company's net assets were invested in unquoted companies. This is after reducing the valuation of the holding in Popsa on the basis of peer group comparisons and slightly increasing the valuation of Hasgrove, which continues to grow strongly.

Transactions with the Investment Manager

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

Share buybacks

In the six months to 31 May 2023, the Company bought back 2,675,889 Ordinary shares for a total consideration of £1,507,000. It is evident from the conversations that the

Investment Manager has that this facility remains an important consideration for investors. The Board remains committed to maintaining its policy of buying back shares at a discount of approximately 4.5% to NAV (equating to up to a 5.0% discount to the selling shareholder after costs).

Share issues

In this period 1,340,242 new shares were issued, through the dividend reinvestment scheme (DRIS).

Dividend

On 25 May 2023, the Company paid a dividend of 2.3p per share, being the final dividend for the year ended 30 November 2022. For the period to 31 May 2023, the Board has declared an interim dividend of 1.8p. This will be paid on 9 November 2023 to shareholders on the register on 13 October 2023. It remains the Board's intention to maintain a minimum annual dividend payment of 3.6p per share or a 5% yield based on the prior year-end share price, whichever is the greater. This will usually be paid in two instalments during each year.

Principal risks and uncertainties

The principal risks and uncertainties are set out in Note 7 to the half-yearly report on page 21.

Outlook

The very real issue of inflation and the need to tighten monetary policy by raising interest rates further than had been anticipated six months ago has prolonged the pain for the share prices of companies exposed to growth sectors. This has impacted the NAV and left some of the more mature companies in the portfolio held for their long-term growth potential valued well below their long-term averages despite profit forecasts showing resilience. It has also had a dampening effect on the new issue pipeline although there are recent signs that this is becoming more active again. Short-term attention is fixed on the monthly inflation figures with the most recent figure showing a larger than expected fall giving hope that interest rates may be nearing their peak. If confirmed it will have a huge impact on investor confidence.

The portfolio's strength is that it is well diversified both in terms of sector exposure and of individual company concentration. At the period end it contained 85 holdings (31 May 2022: 92 holdings and 30 November 2022: 87 holdings) across a range of sectors with exposure to some exciting new technologies in the environmental and healthcare sectors. The Company currently has funds available for new investments as well as supporting those who are still on their journey to profitability. These are

difficult macroeconomic and geopolitical times, but the balance of the portfolio towards profitable companies remains, and the Investment Manager is confident that there will continue to be sufficient opportunities to invest our funds in good companies seeking more growth capital at attractive valuations which we expect will result in improved future returns.

The Octopus Quoted Companies team
10 August 2023

Investment policy

The Company's investment policy has been designed to enable it to comply with the VCT qualifying conditions. The Board intends that the long-term disposition of the Company's assets will be not less than 85% in a portfolio of qualifying AIM, AQSE Exchange traded investments or unquoted companies where in the short to medium term, the management is planning an initial public offering (IPO) on AIM or AQSE Exchange. Investments in unquoted companies are not expected to exceed 10% of the Company's invested portfolio.

The non-qualifying balance will be invested in permitted investments held for short-term liquidity, generally comprising short-term cash or money market deposits with a minimum Moody's long-term debt rating of 'A', authorised funds including those managed by Octopus or directly in equity investments and bonds. This provides a reserve of liquidity which should maximise the Company's flexibility as to the timing of investments, disposals, dividend payments and share buybacks.

Risk is spread by investing in a number of different businesses across a range of industry sectors using a mixture of securities. The maximum amount invested in any one company is limited to the amount permitted pursuant to VCT legislation in a fiscal year and no more than 15% of the value of its investment at

the time of investment. The value of an individual investment is expected to increase over time as a result of trading progress and a continuous assessment is made of its suitability for sale. However, shareholders should be aware that the Company's qualifying investments are held with a view to long-term capital growth as well as income and will often have limited marketability; as a result it is possible that individual holdings may grow in value to the point where they represent a significantly higher proportion of total assets prior to a realisation opportunity being available.

The Company's Articles of Association (the 'Articles') permit borrowings of amounts up to 10% of the adjusted share capital and reserves (as defined in the Company's Articles). However, investments will normally be made using the Company's equity shareholders' funds and it is not intended that the Company will take on any borrowings.

No material changes may be made to the Company's investment policy described above without the prior approval of shareholders by the passing of an Ordinary Resolution. The Directors will continually monitor the investment process and ensure compliance with the investment policy.

Investment portfolio

Quoted investments

Investee company	Sector	Book cost as at 31 May 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2's NAV
Ergomed plc	Pharmaceuticals & Biotechnology	784	4,136	4,920	(1,504)	0.96%	11.98%	5.58%
Breedon Group plc	Construction & Materials	573	2,736	3,309	420	0.28%	0.77%	3.75%
Learning Technologies Group plc	Software & Computer Services	701	2,388	3,089	(935)	0.39%	6.51%	3.50%
Judges Scientific plc	Electronic & Electrical Equipment	188	2,613	2,801	200	0.46%	1.14%	3.17%
Equipmake Holdings plc	Software & Computer Services	1,300	1,422	2,722	786	3.19%	8.10%	3.08%
IDOX plc	Software & Computer Services	356	2,118	2,474	22	0.82%	2.97%	2.80%
Netcall plc	Software & Computer Services	356	2,086	2,442	648	1.35%	3.29%	2.77%
Craneware plc	Health Care Providers	479	1,632	2,111	(1,172)	0.44%	2.89%	2.39%
SDI Group plc	Electronic & Electrical Equipment	119	1,816	1,935	(580)	1.43%	3.57%	2.19%
Sosandar plc	Retailers	1,235	657	1,892	241	3.24%	11.49%	2.14%
GB Group plc	Software & Computer Services	337	1,293	1,630	(152)	0.22%	6.04%	1.85%
Animalcare Group plc	Pharmaceuticals & Biotechnology	824	734	1,558	(324)	1.46%	2.37%	1.77%
Intelligent Ultrasound Group plc	Medical Equipment & Services	1,437	97	1,534	298	4.39%	10.97%	1.74%
Brooks Macdonald Group plc	Investment Banking & Brokerage Services	610	765	1,375	(147)	0.45%	16.33%	1.56%
EKF Diagnostics Holdings plc	Medical Equipment & Services	864	363	1,227	(638)	0.98%	2.75%	1.39%
Nexseq plc	Technology Hardware	339	836	1,175	(190)	1.10%	2.76%	1.33%
Vertu Motors plc	Retailers	777	371	1,148	266	0.54%	1.76%	1.30%
PCI-Pal plc	Software & Computer Services	732	382	1,114	81	3.10%	7.74%	1.26%
Next 15 Group plc	Media	302	775	1,077	(439)	0.15%	11.95%	1.22%
Maxcyte Inc	Pharmaceuticals & Biotechnology	689	381	1,070	(477)	0.32%	1.34%	1.21%
Spectral MD Holdings Ltd	Health Care Providers	1,410	(454)	956	239	1.75%	7.69%	1.08%
Itaconix plc	Industrial	1,059	(104)	955	(104)	3.08%	10.73%	1.08%
Access Intelligence plc	Software & Computer Services	501	359	860	(124)	0.89%	2.13%	0.97%

Investment portfolio continued

Investee company	Sector	Book cost as at 31 May 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2's NAV
Feedback plc	Medical Equipment & Services	1,000	(261)	739	188	5.04%	12.75%	0.84%
Libertine Holdings plc	Industrial Engineering	2,000	(1,300)	700	(800)	7.18%	18.14%	0.79%
Beeks Financial Cloud Group plc	Software & Computer Services	302	397	699	(145)	0.92%	4.51%	0.79%
Clean Power Hydrogen plc	Alternative Energy	1,200	(507)	693	(160)	0.99%	2.49%	0.79%
Diaceutics plc	Health Care Providers	620	32	652	41	0.97%	2.51%	0.74%
Ilika plc	Electronic & Electrical Equipment	706	(101)	605	183	0.89%	2.21%	0.69%
Cambridge Cognition Holdings plc	Health Care Providers	400	160	560	(109)	1.64%	4.11%	0.63%
Gamma Communications plc	Telecommunications Service Providers	183	365	548	26	0.05%	6.82%	0.62%
Ixico plc	Pharmaceuticals & Biotechnology	697	(224)	473	(224)	5.15%	12.87%	0.54%
Oberon Investments Group plc	Investment Banking & Brokerage Services	576	(171)	405	(37)	2.29%	9.64%	0.46%
ENGAGE XR Holdings plc	Software & Computer Services	1,253	(862)	391	(894)	1.96%	10.61%	0.44%
RWS Holdings plc	Industrial Support Services	99	287	386	(172)	0.04%	4.79%	0.44%
Gooch & Housego plc	Technology Hardware & Equipment	281	99	380	66	0.27%	12.62%	0.43%
Evgen Pharma plc	Pharmaceuticals & Biotechnology	700	(359)	341	(245)	3.18%	7.96%	0.39%
TPXimpact Holdings plc	Software & Computer Services	653	(318)	335	(44)	0.96%	2.39%	0.38%
Crimson Tide plc	Software & Computer Services	378	(50)	328	63	1.92%	4.79%	0.37%
Restore plc	Industrial Support Services	171	146	317	(110)	0.09%	12.49%	0.36%
LungLife AI Inc	Pharmaceuticals & Biotechnology	1,386	(1,071)	315	(512)	3.09%	7.72%	0.36%
Velocity Composites plc	Aerospace & Defence	533	(232)	301	144	1.70%	4.24%	0.34%
Mattioli Woods plc	Investment Banking & Brokerage Services	101	196	297	5	0.09%	10.77%	0.34%
Advanced Medical Solutions Group plc	Medical Equipment & Services	190	73	263	(55)	0.05%	12.77%	0.30%
DP Poland plc	Travel & Leisure	677	(418)	259	(3)	0.44%	1.11%	0.29%
Gear4music Holdings plc	Leisure Goods	352	(98)	254	5	1.21%	3.02%	0.29%

Investee company	Sector	Book cost as at 31 May 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2's NAV
GENinCode plc	Medical Equipment & Services	800	(564)	236	36	1.90%	4.74%	0.27%
Northcoders Group plc	Software & Computer Services	253	(45)	208	(46)	1.05%	2.63%	0.24%
KRM22 plc	Closed End Investments	453	(258)	195	(14)	1.27%	3.18%	0.22%
Velocys plc	Alternative Energy	664	(471)	193	(173)	0.50%	1.27%	0.22%
Creo Medical Group plc	Medical Equipment & Services	981	(791)	190	(108)	0.22%	1.80%	0.22%
Verici Dx plc	Pharmaceuticals & Biotechnology	444	(257)	187	(37)	1.10%	2.78%	0.21%
Gelion plc	Electronic & Electrical Equipment	760	(577)	183	(84)	0.48%	1.21%	0.21%
Polarean Imaging plc	Medical Equipment & Services	458	(283)	175	(244)	0.36%	0.90%	0.20%
MyCelx Technologies Corporation	Oil, Gas & Coal	980	(806)	174	33	2.36%	23.17%	0.20%
Renalytix plc	Health Care Providers	228	(75)	153	18	0.19%	0.56%	0.17%
Cordel Group plc	Software & Computer Services	296	(188)	108	(30)	0.99%	2.47%	0.12%
Glantus Holdings plc	Industrial Support Services	1,200	(1,106)	94	(12)	2.30%	5.75%	0.11%
XP Factory plc	Travel & Leisure	659	(566)	93	10	0.28%	0.70%	0.11%
DXS International plc	Software & Computer Services	200	(125)	75	(38)	3.90%	9.76%	0.08%
Enteq Upstream plc	Oil, Gas and Coal	687	(622)	65	(3)	0.97%	2.43%	0.07%
Strip Tinning Holdings plc	Electronic & Electrical Equipment	337	(273)	64	(55)	1.18%	2.95%	0.07%
ReNeuron Group plc	Pharmaceuticals & Biotechnology	990	(926)	64	(202)	2.02%	5.06%	0.07%
Falanx Cyber Security Limited	Industrial Support Services	600	(544)	56	(64)	3.80%	9.50%	0.06%
Mears Group plc	Industrial Support Services	51	(7)	44	9	0.02%	0.67%	0.05%
Rosslyn Data Technologies plc	Software & Computer Services	286	(243)	43	(8)	1.68%	4.21%	0.05%
Abingdon Health plc	Medical Equipment & Services	347	(311)	36	22	0.30%	0.74%	0.04%
Fusion Antibodies plc	Health Care Providers	497	(461)	36	(220)	1.00%	2.50%	0.04%
Genedrive plc	Pharmaceuticals & Biotechnology	145	(112)	33	104	0.18%	0.46%	0.04%

Investment portfolio continued

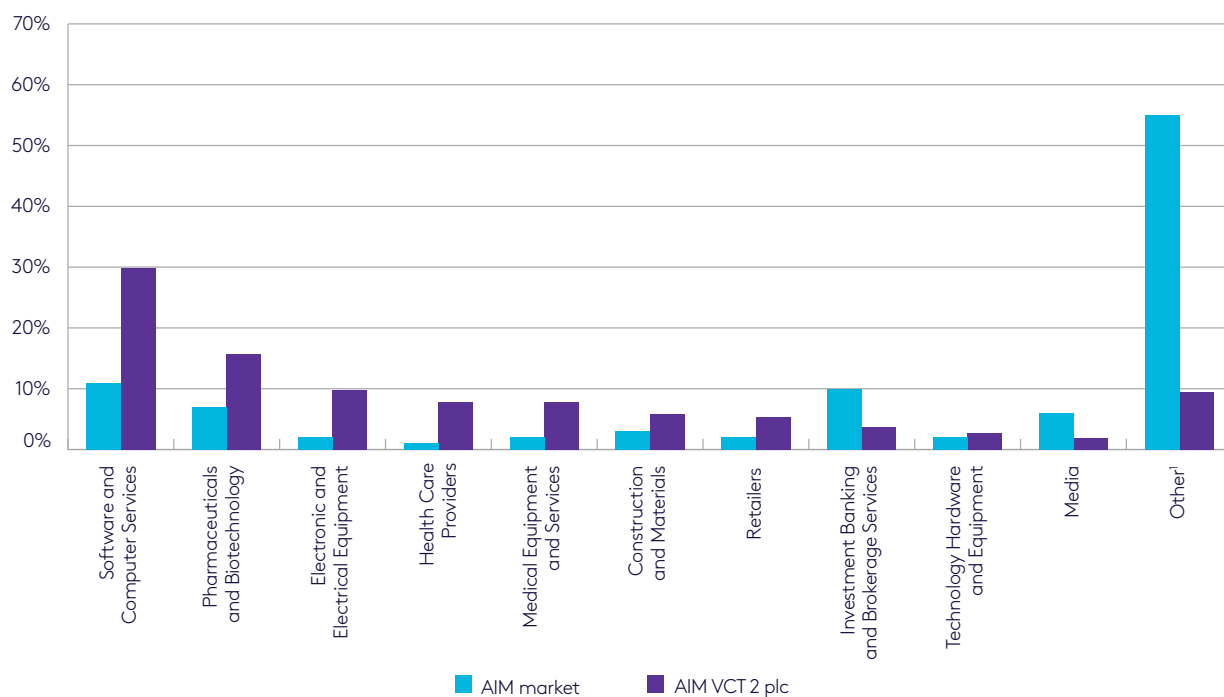
Investee company	Sector	Book cost as at 31 May 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2's NAV
1Spatial plc	Software & Computer Services	200	(169)	31	3	0.06%	3.75%	0.04%
Tasty plc	Travel & Leisure	336	(305)	31	(2)	0.76%	1.61%	0.04%
Osirium Technologies plc	Software & Computer Services	900	(891)	9	(6)	0.51%	1.26%	0.01%
Trackwise Designs plc	Technology Hardware & Equipment	1,289	(1,283)	6	(210)	0.28%	0.70%	0.01%
LoopUp Group plc	Software & Computer Services	197	(192)	5	(5)	0.11%	0.26%	0.01%
Microsaic Systems plc	Electronic & Electrical Equipment	922	(919)	3	(3)	0.27%	0.68%	0.00%
Haydale Graphene Industries plc	Industrial Materials	399	(396)	3	(2)	0.03%	0.08%	0.00%
Location Sciences Group plc	Software & Computer Services	509	(509)	–	–	0.01%	0.02%	0.00%
The British Honey Company plc	General Retailers	880	(880)	–	(276)	4.74%	11.86%	0.00%
WANdisco plc	Software & Computer Services	52	(52)	–	(302)	0.04%	0.11%	0.00%
Total quoted investments		48,430	7,978	56,408	(8,283)			63.93%
Unquoted investments								
Hasgrove plc		153	4,189	4,342	707	2.54%	14.31%	4.92%
Popsa Holdings Ltd		1,060	1,419	2,479	(1,107)	4.30%	10.74%	2.81%
Elucedá Limited		200	(92)	108	(65)	1.60%	4.01%	0.12%
The Food Marketplace Ltd		200	(100)	100	(60)	4.40%	10.99%	0.11%
Rated People Ltd		236	(222)	14	(9)	0.07%	0.32%	0.02%
Airnow plc		838	(838)	–	–	0.28%	0.73%	0.00%
Total unquoted investments		2,687	4,356	7,043	(534)			7.98%

Investee company	Sector	Book cost as at 31 May 2023 £'000	Cumulative change in fair value £'000	Fair value as at 31 May 2023 £'000	Movement in period £'000	% equity held by Octopus AIM VCT 2 plc	% equity held by all funds managed by Octopus	Fair value as a % of Octopus AIM VCT 2's NAV
Loan notes								
Osirium Technologies plc	Software & Computer Services	400	-	400	-			0.45%
Total loan notes		400	-	400	-			0.45%
Current asset investments								
FP Octopus UK Micro Cap Growth Fund		4,656	733	5,389	(278)			6.11%
FP Octopus UK Multi Cap Income Fund		4,926	(367)	4,559	(87)			5.17%
FP Octopus UK Future Generations Fund		640	(126)	514	(32)			0.58%
Total current asset investments		10,222	240	10,462	(397)			11.86%
Total fixed and current asset investments				74,313				
Money market funds				13,455				
Cash at bank				903				
Debtors less creditors				(434)				
Total net assets				88,237				

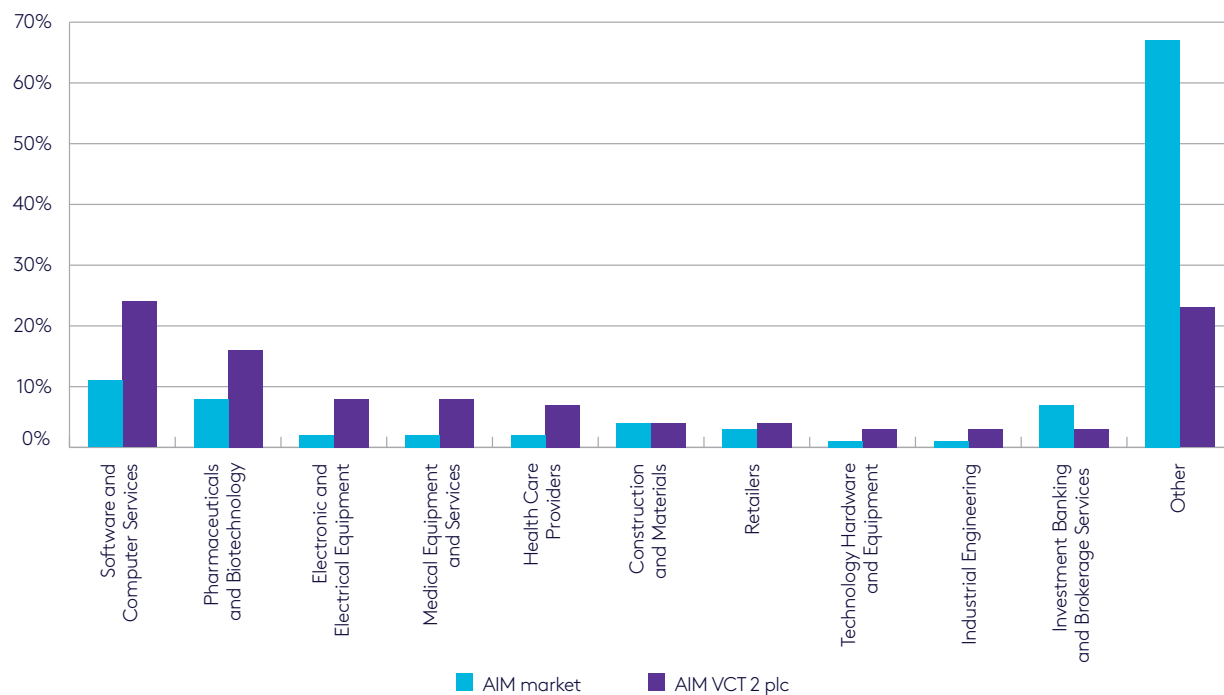
Investment portfolio continued

Sector analysis

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



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



¹Other sectors include Industrial Support Services, Alternative Energy, Industrial Engineering, Telecommunications, Travel and Leisure, Aerospace and Defence, Leisure Goods, Oil, Gas and Coal, Closed End Investments and Industrial Materials.

Directors' responsibilities statement

We confirm that to the best of our knowledge:

- the half-yearly financial statements have been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting' issued by the Financial Reporting Council;
- the half-yearly financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the half-yearly report includes a fair review of the information required by the Financial Conduct Authority Disclosure and Transparency Rules, being:
 - we have disclosed an indication of the important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements;
 - we have disclosed a description of the principal risks and uncertainties for the remaining six months of the year; and
 - we have disclosed a description of related party transactions that have taken place in the first six months of the current financial year, that may have materially affected the financial position or performance of the Company during that period and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board



Keith Mullins
Chair
10 August 2023

Income statement

	Unaudited Six months to 31 May 2023			Unaudited Six months to 31 May 2022			Audited Year to 30 November 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain/(loss) on disposal of fixed asset investments	-	402	402	-	78	78	-	(32)	(32)
Loss on valuation of fixed asset investments	-	(8,417)	(8,417)	-	(24,037)	(24,037)	-	(31,821)	(31,821)
Loss on valuation of current asset investments	-	(397)	(397)	-	(1,733)	(1,733)	-	(2,946)	(2,946)
Investment income	496	-	496	182	-	182	589	19	608
Investment management fees	(211)	(633)	(844)	(271)	(814)	(1,085)	(481)	(1,443)	(1,924)
Other expenses	(278)	-	(278)	(314)	-	(314)	(580)	-	(580)
Profit/(loss) before tax	7	(9,045)	(9,038)	(403)	(26,506)	(26,909)	(472)	(36,223)	(36,695)
Tax	-	-	-	-	-	-	-	-	-
Profit/(loss) after tax	7	(9,045)	(9,038)	(403)	(26,506)	(26,909)	(472)	(36,223)	(36,695)
Earnings per share – basic and diluted	(0.0p)	(5.5p)	(5.5p)	(0.3p)	(17.9p)	(18.2p)	(0.3p)	(24.5p)	(24.8p)

There is no other comprehensive income for the period.

- The 'Total' column of this statement is the profit and loss account of the Company; the supplementary revenue return and capital return columns have been prepared in accordance with the AIC Statement of Recommended Practice.
- All revenue and capital items in the above statement derive from continuing operations.
- The Company has only one class of business and derives its income from investments made in shares and securities and from bank and money market funds, as well as Open Ended Investment Company (OEIC) funds.

Balance sheet

	Unaudited As at 31 May 2023		Unaudited As at 31 May 2022		Audited As at 30 November 2022	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments		63,851		78,551		72,249
Current assets:						
Investments	10,462		10,484		9,399	
Money market funds	13,455		3,490		3,515	
Debtors	184		199		205	
Cash at bank	903		11,674		17,217	
	25,004		25,847		30,336	
Creditors: amounts falling due within one year	(618)		(567)		(791)	
Net current assets		24,386		25,280		29,545
Total assets less current liabilities		88,237		103,831		101,794
Called up equity share capital		17		15		17
Share premium		13,637		55,284		12,904
Special distributable reserve		70,902		26,028		76,154
Capital reserve realised		(6,777)		(4,786)		(5,843)
Capital reserve unrealised		13,079		29,850		21,190
Capital redemption reserve		3		2		3
Revenue reserve		(2,624)		(2,562)		(2,631)
Total equity shareholders' funds		88,237		103,831		101,794
NAV per share – basic and diluted		53.9p		70.5p		61.6p

The statements were approved by the Directors and authorised for issue on 10 August 2023 and are signed on their behalf by:



Keith Mullins
Chair

Company number: 05528235

Statement of changes in equity

	Share capital £'000	Share premium £'000	Special distributable reserves ¹ £'000	Capital reserve realised ¹ £'000	Capital reserve unrealised £'000	Capital redemption reserve £'000	Revenue reserve ¹ £'000	Total £'000
As at 1 December 2022	17	12,904	76,154	(5,843)	21,190	3	(2,631)	101,794
Total comprehensive loss for the period	–	–	–	(231)	(8,814)	–	7	(9,038)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	–	–	(1,507)	–	–	–	–	(1,507)
Issue of shares	–	733	–	–	–	–	–	733
Share issue costs	–	–	–	–	–	–	–	–
Dividends paid	–	–	(3,745)	–	–	–	–	(3,745)
Total contributions by and distributions to owners	–	733	(5,252)	–	–	–	–	(4,519)
Other movements:								
Prior years' holding losses now realised	–	–	–	(703)	703	–	–	–
Total other movements	–	–	–	(703)	703	–	–	–
Balance as at 31 May 2023	17	13,637	70,902	(6,777)	13,079	3	(2,624)	88,237

¹The sum of these reserves is an amount of £61,501,000 (31 May 2022: £18,680,000 and 30 November 2022: £67,680,000) which is considered distributable to shareholders.

	Share capital £'000	Share premium £'000	Special distributable reserves ¹ £'000	Capital reserve realised ¹ £'000	Capital reserve unrealised £'000	Capital redemption reserve £'000	Revenue reserve ¹ £'000	Total £'000
As at 1 December 2021	15	54,600	30,826	(4,533)	56,103	2	(2,159)	134,854
Total comprehensive income for the period	–	–	–	(736)	(25,770)	–	(403)	(26,909)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	–	–	(1,719)	–	–	–	–	(1,719)
Issue of shares	–	689	–	–	–	–	–	689
Share issue costs	–	(5)	–	–	–	–	–	(5)
Dividends paid	–	–	(3,079)	–	–	–	–	(3,079)
Total contributions by and distributions to owners	–	684	(4,798)	–	–	–	–	(4,114)
Other movements:								
Prior years' holding gains now realised	–	–	–	483	(483)	–	–	–
Total other movements	–	–	–	483	(483)	–	–	–
Balance as at 31 May 2022	15	55,284	26,028	(4,786)	29,850	2	(2,562)	103,831

¹The sum of these reserves is an amount of £61,501,000 (31 May 2022: £18,680,000 and 30 November 2022: £67,680,000) which is considered distributable to shareholders.

Statement of changes in equity continued

	Share capital £'000	Share premium £'000	Special distributable reserves ¹ £'000	Capital reserve realised ¹ £'000	Capital reserve unrealised £'000	Capital redemption reserve £'000	Revenue reserve ¹ £'000	Total £'000
As at 1 December 2021	15	54,600	30,826	(4,533)	56,103	2	(2,159)	134,854
Total comprehensive income for the period	–	–	–	(1,456)	(34,767)	–	(472)	(36,695)
Contributions by and distributions to owners:								
Repurchase and cancellation of own shares	(1)	–	(3,117)	–	–	1	–	(3,117)
Issue of shares	3	13,698	–	–	–	–	–	13,701
Share issue costs	–	(794)	–	–	–	–	–	(794)
Dividends paid	–	–	(6,155)	–	–	–	–	(6,155)
Total contributions by and distributions to owners	2	12,904	(9,272)	–	–	1	–	3,635
Other movements:								
Cancellation of share premium	–	(54,600)	54,600	–	–	–	–	–
Prior years' holding gains now realised	–	–	–	146	(146)	–	–	–
Total other movements	–	(54,600)	54,600	146	(146)	–	–	–
Balance as at 30 November 2022	17	12,904	76,154	(5,843)	21,190	3	(2,631)	101,794

¹The sum of these reserves is an amount of £61,501,000 (31 May 2022: £18,680,000 and 30 November 2022: £67,680,000) which is considered distributable to shareholders.

Cash flow statement

	Unaudited Six months to 31 May 2023 £'000	Unaudited Six months to 31 May 2022 £'000	Audited Year to 30 November 2022 £'000
Cash flows from operating activities			
Loss before tax	(9,038)	(26,909)	(36,695)
Adjustments for:			
(Increase)/decrease in debtors	21	(14)	(20)
Decrease in creditors	(173)	(195)	(196)
(Gain)/loss on disposal of fixed assets investments	(402)	(78)	32
Loss on valuation of fixed asset investments	8,417	24,037	31,821
Loss on valuation of current asset investments	397	1,733	2,946
Non-cash distributions	–	–	(19)
Cash from operations	(778)	(1,426)	(2,131)
Net cash used in operating activities	(778)	(1,426)	(2,131)
Cash flows from investing activities			
Purchase of fixed asset investments	(1,159)	(4,618)	(6,071)
Proceeds from sale of fixed asset investments	1,542	2,144	2,249
Purchase of current asset investments	(1,460)	(223)	(352)
Net cash flows used in investing activities	(1,077)	(2,697)	(4,174)
Cash flows from financing activities			
Purchase of own shares	(1,507)	(1,719)	(3,117)
Share issues	–	89	12,502
Share issue costs	–	(5)	(794)
Dividends paid (net of DRIS)	(3,012)	(2,480)	(4,956)
Net cash flows used in financing activities	(4,519)	(4,115)	3,635
Decrease in cash and cash equivalents	(6,374)	(8,238)	(2,670)
Opening cash and cash equivalents	20,732	23,402	23,402
Closing cash and cash equivalents	14,358	15,164	20,732
Closing cash and cash equivalents is represented by:			
Cash at bank	903	11,674	17,217
Money market funds	13,455	3,490	3,515
Total cash and cash equivalents	14,358	15,164	20,732

Notes to the half-yearly report

1. Basis of preparation

The unaudited half-yearly report which covers the six months to 31 May 2023 has been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard (FRS) 104 Interim Financial Reporting (March 2018) and the Statement of Recommended Practice (SORP) for Investment Companies issued by the Association of Investment Companies in 2014 (updated in July 2022).

The Directors consider it appropriate to adopt the going concern basis of accounting. The Directors have not identified any material uncertainties to the Company's ability to continue to adopt the going concern basis over a period of at least 12 months from the date of approval of the financial statements. In reaching this conclusion the Directors have had regard to the potential impact on the economy and the Company of the current economic conditions including inflation, the possibility of recession and the war in Ukraine.

The principal accounting policies have remained unchanged from those set out in the Company's 2022 Annual Report and Accounts.

2. Publication of non-statutory accounts

The unaudited half-yearly report for the six months ended 31 May 2023 does not constitute statutory accounts within the meaning of Section 415 of the Companies Act 2006. The comparative figures for the year ended 30 November 2022 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditor's report on those financial statements, in accordance with chapter 3, part 16 of the Companies Act 2006, was unqualified. This half-yearly report has not been reviewed by the Company's auditor.

3. Earnings per share

The earnings per share at 31 May 2023 are calculated on the basis of 163,971,209 shares (31 May 2022: 147,560,275 and 30 November 2022: 147,948,350), being the weighted average number of shares in issue during the period.

There are no potentially dilutive capital instruments in issue and, so no diluted returns per share figures are relevant.

4. Net asset value per share

The net asset value per share is based on net assets as at 31 May 2023 divided by 163,837,197 shares in issue at that date (31 May 2022: 147,345,533 and 30 November 2022: 165,172,844).

5. Dividends

The Directors have declared an interim dividend of 1.8 pence per share (2022: 2.1 pence per share) payable from the special distributable reserve. This dividend will be paid on 9 November 2023 to those shareholders on the register at 13 October 2023. On 25 May 2023 the prior year final dividend of 2.3 pence per share was paid.

6. Buybacks and share issues

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

Date	No. of shares	Price (p)	Cost (£)
15 December 2022	274,131	57.9	159,000
19 January 2023	436,267	57.7	252,000
16 February 2023	432,226	58.5	253,000
16 March 2023	731,856	55.6	407,000
20 April 2023	442,177	55.6	246,000
18 May 2023	359,232	53.1	190,000
Total	2,675,889		1,507,000

The weighted average price of all buybacks during the period was 56.3 pence per share.

During the six months ended 31 May 2023 the Company issued the following shares:

Date	No. of shares	Price (p)	Net proceeds (£)
25 May 2023 (DRIS)	1,340,242	54.7	733,000
Total	1,340,242		733,000

The weighted average allotment price of all shares issued during the period net of costs was 54.7 pence per share.

7. Principal risks and uncertainties

The Company's principal risks are: VCT qualifying status risk; Operational risk; Regulatory and reputational risk, Valuation risk, Investment risk, Financial risk; and Economic and price risk. These risks, and the way in which they are managed, are described in more detail in the Company's Annual Report and Accounts for the year ended 30 November 2022. The Board has also considered emerging risks, including the conflict in Ukraine, the ongoing inflationary pressure and the unstable economic environment, which the Board seeks to mitigate by setting policy and reviewing performance. Otherwise, the Company's principal risks and uncertainties have not changed materially since the date of that report.

8. Related party transactions

The Company has employed Octopus Investments Limited ('Octopus' or 'the Investment Manager') throughout the period as Investment Manager. Octopus has also been appointed as Custodian of the Company's investments under a Custodian Agreement. The Company has been charged £844,000 by Octopus as a management fee in the period to 31 May 2023 (31 May 2022: £1,085,000 and 30 November 2022: £1,924,000). The management fee is payable quarterly and is based on 2% of net assets measured at quarterly intervals.

The Company receives a reduction in the management fee for the investments in other Octopus managed funds, being the Multi Cap Income Fund, Micro Cap Growth Fund and Future Generations Fund, to ensure the Company is not double charged on these products. This amounted to £29,000 in the period to 31 May 2023 (31 May 2022: £32,000 and 30 November 2022: £57,000). For further details please refer to the Company's Annual Report and Accounts for the year ended 30 November 2022. Details of amounts invested in Octopus managed funds can be found on page 11.

As at 31 May 2023, Octopus Investments Nominees Limited (OINL) held nil shares (2022: nil) in the Company as beneficial owner. Throughout the period to 31 May 2023 OINL purchased nil shares (2022: 3,632) at a cost of £nil (2022: £3,000) and sold 4,284 shares (2022: 3,632) for proceeds of £2,000 (2022: £3,000). This is classed as a related party transaction as Octopus, the Investment Manager, and OINL are part of the same group of companies. Any such future transactions, where OINL takes over the legal and beneficial ownership of Company shares will be announced to the market and disclosed in annual and half yearly reports.

9. Post-balance sheet events

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

- Partial disposals of FP Octopus UK Multi Cap Income Fund for total consideration of £360,000;
- A partial disposal of EKF Diagnostics Holdings plc for total consideration of £250,000;
- Partial disposals of Glantus Holdings plc for total consideration of £86,000;
- Investments totalling £360,000 into FP Octopus UK Micro Cap Growth Fund;
- An investment of £80,000 into FP Octopus UK Future Generations;
- On 15 June 2023, the Company purchased for cancellation 219,586 Ordinary shares at a price of 52.0p;
- On 5 July 2023, the Company announced its intention to launch a new offer for subscription later in the year;
- On 13 July 2023, the Company purchased for cancellation 320,586 Ordinary shares at a price of 50.3p.

Notes to the half-yearly report continued

10. Fixed asset investments

Accounting policy

The Company's principal financial assets are its investments and the policies in relation to those assets are set out below.

Purchases and sales of investments are recognised in the financial statements at the date of the transaction (trade date).

These investments will be managed and their performance evaluated on a fair value basis in accordance with a documented investment strategy and information about them has to be provided internally on that basis to the Board. Accordingly, as permitted by FRS 102, the investments are measured as being fair value through profit or loss (FVTPL) on the basis that they qualify as a group of assets managed, and whose performance is evaluated, on a fair value basis in accordance with a documented investment strategy. The Company's investments are measured at subsequent reporting dates at fair value.

In the case of investments quoted on a recognised stock exchange, fair value is established by reference to the closing bid price on the relevant date or the last traded price, depending upon convention of the exchange on which the investment is quoted. This is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines.

Gains and losses arising from changes in fair value of investments are recognised as part of the capital return within the Income Statement and allocated to the capital reserve – unrealised. The Managers review changes in fair value of investments for any permanent reductions in value and will give consideration to whether these losses should be transferred to the Capital reserve – realised.

In the preparation of the valuations of assets the Directors are required to make judgements and estimates that are reasonable and incorporate their knowledge of the performance of the investee companies.

Fair value hierarchy

Paragraph 34.22 of FRS 102 suggests following a hierarchy of fair value measurements, for financial instruments measured at fair value in the balance sheet, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). This methodology is adopted by the Company and requires disclosure of financial instruments to be dependent on the lowest significant applicable input, as laid out below:

Level 1: The unadjusted, fully accessible and current quoted price in an active market for identical assets or liabilities that an entity can access at the measurement date.

Level 2: Inputs for similar assets or liabilities other than the quoted prices included in Level 1 that are directly or indirectly observable, which exist for the duration of the period of investment.

Level 3: This is where inputs are unobservable, where no active market is available and recent transactions for identical instruments do not provide a good estimate of fair value for the asset or liability.

There have been no reclassifications between levels in the period. The change in fair value for the current and previous period is recognised through the profit and loss account.

Disclosure

	Level 1: Quoted equity investments £'000	Level 3: Unquoted investments £'000	Total £'000
Cost as at 1 December 2022	49,113	3,087	52,200
Opening unrealised gain at 1 December 2022	15,159	4,890	20,049
Valuation at 1 December 2022	64,272	7,977	72,249
Purchases at cost	1,159	–	1,159
Disposal proceeds	(1,542)	–	(1,542)
Profit on realisation of investments	402	–	402
Change in fair value in year	(7,883)	(534)	(8,417)
Valuation at 31 May 2023	56,408	7,443	63,851
Cost at 31 May 2023	48,430	3,087	51,517
Closing unrealised gain at 31 May 2023	7,978	4,356	12,334
Valuation at 31 May 2023	56,408	7,443	63,851

Level 1 valuations are valued in accordance with the bid price on the relevant date. Further details of the fixed asset investments held by the Company are shown within the Interim Management Report.

Level 3 investments are reported at fair value in accordance with FRS 102 Sections 11 and 12, which is determined in accordance with the latest IPEV guidelines. In estimating fair value, there is an element of judgement, notably in deriving reasonable assumptions, and it is possible that, if different assumptions were to be used, different valuations could have been attributed to some of the Company's investments.

Level 3 investments include £400,000 (31 May 2022: £400,000 and 30 November 2022: £400,000) of convertible loan notes held at cost, which is deemed to be current fair value, in addition to this the Company holds six unquoted investments which are classified as level 3 in terms of fair value hierarchy. These are valued based on a range of valuation methodologies, determined on an investment specific basis. The price of recent investment is used where a transaction has occurred sufficiently close to the reporting date to make this the most reliable indicator of fair value. Where recent investment is not deemed to indicate the most reliable indicator of fair value i.e. the most recent investment is too distant from the reporting date for this to be deemed a reasonable indicator, other market based approaches including earnings multiples, annualised recurring revenues, discounted cashflows or net assets are used to determine a fair value for the investments.

All capital gains or losses on investments are classified at FVTPL. Given the nature of the Company's venture capital investments, the changes in fair value of such investments recognised in these financial statements are not considered to be readily convertible to cash in full at the balance sheet date and accordingly these gains are treated as holding gains or losses.

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

About Octopus AIM VCT 2 plc

The Company was launched as Close IHT AIM VCT plc and raised £25 million in March 2006 through an offer for subscription. The name changed from Close IHT AIM VCT plc to Octopus IHT AIM VCT plc on 8 September 2008. On 12 August 2010 the Company acquired the assets and liabilities of Octopus Third AIM VCT plc (formerly Octopus Second AIM VCT plc) (the 'merger') and changed its name from Octopus IHT AIM VCT plc to Octopus Second AIM VCT plc. Shareholders of Octopus Third AIM VCT received 0.48356191 Ordinary shares in the Company for each Ordinary share they held prior to the merger. Prior to July 2009 Octopus Third AIM had two classes of shares, Ordinary and C shares. The C shares converted into Ordinary shares in July 2009 and C shareholders received 2.4313 Ordinary shares for each C share held. The prospectus also raised a total of £6.4 million for the Company.

A Top-up offer launched on 6 February 2012 and which closed on 5 April 2012, which raised £1.3 million for the Company. A Top-up offer was launched on 25 April 2012 and closed on 31 July 2012, which raised a further £0.5 million for the Company.

On 1 February 2013, the Board launched an offer for subscription with the target of raising £10.0 million for the Company. The offer closed on 17 January 2014, having raised £5.9 million.

On 30 January 2014, the Company name changed to Octopus AIM VCT 2 plc.

A combined new share offer was launched on 3 February 2014 to raise up to £4.1 million. This closed on 28 March 2014, fully subscribed.

A combined fundraising with Octopus AIM VCT plc was launched on 29 August 2014 to raise up to £8 million with an over-allotment facility of £4 million. This offer closed, fully subscribed, on 11 August 2015.

The Board decided to open a further Offer for subscription, again combined with Octopus AIM VCT plc, to raise up to £8 million with an over-allotment facility of £4 million on 21 December 2015. This Offer closed, fully subscribed, on 21 October 2016.

A Top-up offer launched on 6 February 2017 to raise up to £4.3 million, and closed fully subscribed on 18 April 2017.

A combined fundraising with Octopus AIM VCT plc was launched on 16 June 2017 to raise up to £12 million for the Company with an over-allotment facility of £4 million, and closed fully subscribed on 14 November 2017.

On 3 August 2018 a prospectus offer was launched alongside Octopus AIM VCT plc to raise up to £8 million with a £4 million over-allotment facility. This prospectus closed to new applications fully subscribed on 28 September 2018.

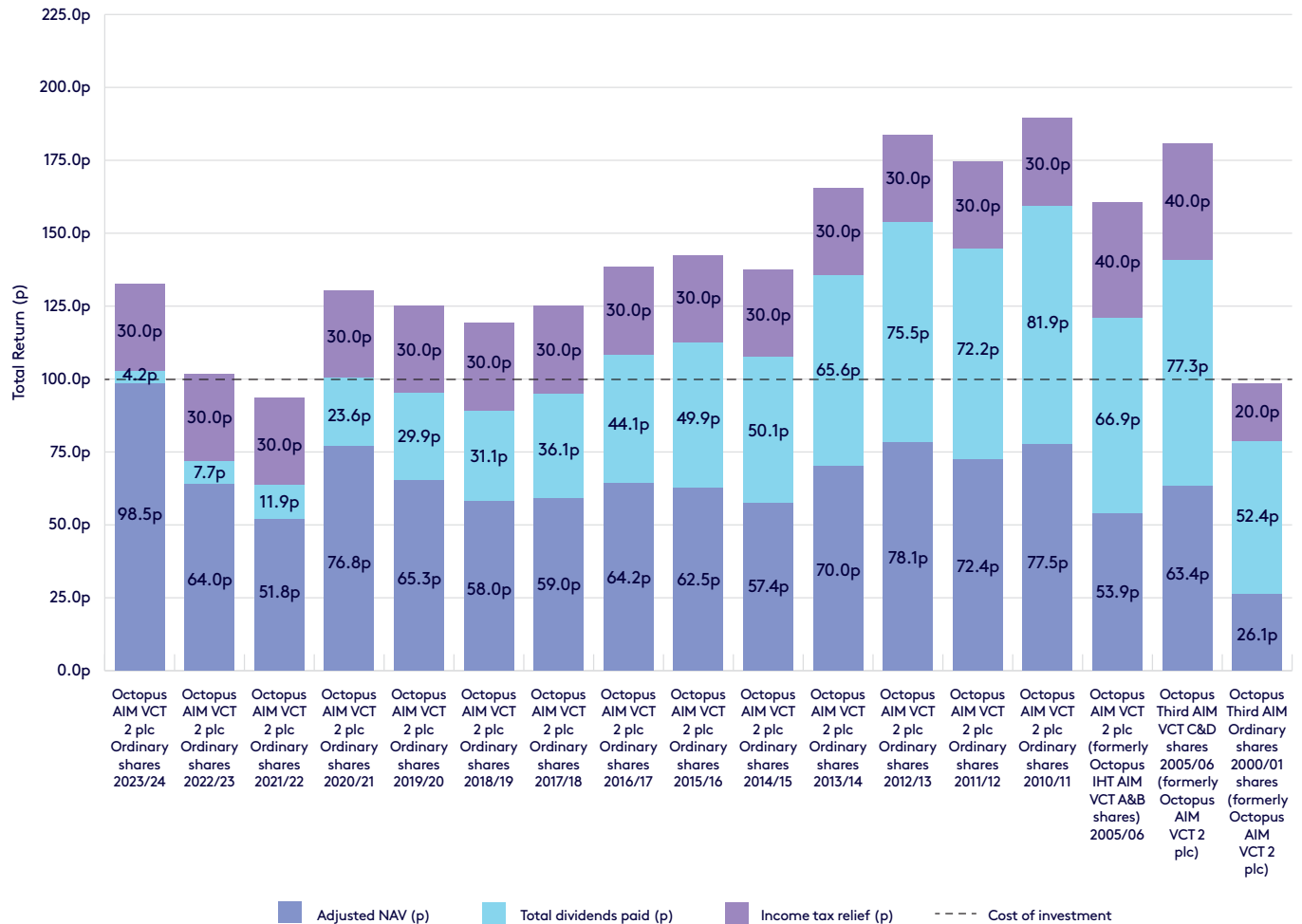
A combined fundraising with Octopus AIM VCT plc by way of an issue of new shares was launched on 29 November 2019 to raise up to £8 million for the Company with an over-allotment facility of £4 million. This offer closed, fully subscribed for the main offer and having raised £1 million via the over-allotment, on 27 February 2020.

On 20 August 2020, a prospectus offer was launched alongside Octopus AIM VCT plc to raise a total of up to £8 million with a £4 million over-allotment facility. This prospectus closed, fully subscribed for the main offer and having raised £1 million via the over-allotment, on 30 November 2020.

On 19 August 2021, a prospectus offer was launched alongside Octopus AIM VCT plc to raise up to £12 million for the Company with a £4 million over-allotment facility. This prospectus closed fully subscribed on 13 September 2021.

On 22 September 2022, a prospectus offer was launched alongside Octopus AIM VCT plc to raise up to £8 million for the Company with a £4 million over-allotment facility. This prospectus closed fully subscribed on 13 October 2022.

The tables below depict the net asset value (NAV) per share and the dividends that have been paid since the launch of Octopus AIM VCT 2 plc for the different share classes. The figures represent the NAV, rebased to assume investment (including initial charge) at 100p, and adjusted in accordance with the relevant conversion factors. Investment has been assumed at the first allotment of each tax year:



About Octopus AIM VCT 2 plc continued

Dividends paid during the period ending	Octopus AIM VCT 2 Ordinary shares 2023/24	Octopus AIM VCT 2 Ordinary shares 2022/23	Octopus AIM VCT 2 Ordinary shares 2021/22	Octopus AIM VCT 2 Ordinary shares 2020/21	Octopus AIM VCT 2 Ordinary shares 2019/20	Octopus AIM VCT 2 Ordinary shares 2018/19	Octopus AIM VCT 2 Ordinary shares 2017/18	Octopus AIM VCT 2 Ordinary shares 2016/17	Octopus AIM VCT 2 Ordinary shares 2015/16	Octopus AIM VCT 2 Ordinary shares 2014/15	Octopus AIM VCT 2 Ordinary shares 2013/14	Octopus AIM VCT 2 Ordinary shares 2012/13	Octopus AIM VCT 2 Ordinary shares 2011/12	Octopus AIM VCT 2 Ordinary shares 2010/11	Octopus AIM VCT (formerly IHT AIM VCT A&B shares) 2005/06	Octopus Second AIM VCT C&D shares 2005/06 (formerly Octopus Second AIM VCT)	Octopus Third AIM Ordinary shares 2000/01 (formerly Octopus Second AIM VCT plc)
30 Nov 2003																	1.6
30 Nov 2004																	
30 Nov 2005																	
30 Nov 2006															1.4		1.0
30 Nov 2007															2.0	0.8	7.0
30 Nov 2008															2.0	2.2	11.0
30 Nov 2009															2.0	2.0	2.0
30 Nov 2010															2.5	5.4	2.2
30 Nov 2011														4.7 ¹	3.3	3.9 ¹	1.6 ¹
30 Nov 2012												2.3 ¹	4.4 ¹	4.6 ¹	3.2	3.8 ¹	1.6 ¹
30 Nov 2013											4.5 ¹	5.1 ¹	4.7 ¹	5.0 ¹	3.5	4.1 ¹	1.7 ¹
30 Nov 2014										4.3 ¹	5.2 ¹	5.8 ¹	5.4 ¹	5.8 ¹	4.0	4.7 ¹	1.9 ¹
30 Nov 2015								7.0 ¹	6.4 ¹	7.8 ¹	8.7 ¹	8.1 ¹	8.6 ¹	6.0	7.1 ¹	2.9 ¹	
30 Nov 2016								4.8 ¹	4.6 ¹	4.3 ¹	5.2 ¹	5.8 ¹	5.4 ¹	5.8 ¹	4.0	4.7 ¹	1.9 ¹
30 Nov 2017							4.5 ¹	4.9 ¹	4.8 ¹	4.4 ¹	5.3 ¹	5.9 ¹	5.5 ¹	5.9 ¹	4.1	4.8 ¹	2.0 ¹
30 Nov 2018						4.5 ¹	4.6 ¹	5.0 ¹	4.9 ¹	4.5 ¹	5.5 ¹	6.1 ¹	5.6 ¹	6.0 ¹	4.2	4.9 ¹	2.0 ¹
30 Nov 2019					9.8 ¹	8.7 ¹	8.9 ¹	9.7 ¹	9.4 ¹	8.6 ¹	10.5 ¹	11.7 ¹	10.9 ¹	11.6 ¹	8.1	9.5 ¹	3.9 ¹
30 Nov 2020				6.0 ¹	5.1 ¹	4.5 ¹	4.6 ¹	5.0 ¹	4.9 ¹	4.5 ¹	5.5 ¹	6.1 ¹	5.6 ¹	6.0 ¹	4.2	4.9 ¹	2.0 ¹
30 Nov 2021			5.7	8.4 ¹	7.2 ¹	6.3 ¹	6.5 ¹	7.0 ¹	6.8 ¹	6.3 ¹	7.7 ¹	8.6 ¹	7.9 ¹	8.5 ¹	4.2	4.9 ¹	2.0 ¹
30 Nov 2022		5.0	4.0	6.0 ¹	5.1 ¹	4.5 ¹	4.6 ¹	5.0 ¹	4.9 ¹	4.5 ¹	5.5 ¹	6.1 ¹	5.6 ¹	6.0 ¹	5.9	6.9 ¹	2.9 ¹
30 Nov 2023	4.2	2.7	2.2	3.3 ¹	2.8 ¹	2.5 ¹	2.5 ¹	2.7 ¹	2.7 ¹	2.4 ¹	3.0 ¹	3.3 ¹	3.1 ¹	3.3 ¹	2.3	2.7 ¹	1.1 ¹
Total dividends paid (assumed investment at 100p)	4.2	7.7	11.9	23.7	30.0	31.0	36.2	44.2	50.1	50.4	65.8	75.5	72.1	81.8	66.9	77.3	52.3
Adjusted NAV (assumed investment at 100p)	98.5p	64.0p	51.8p	76.8p²	65.3²	58.0²	59.0²	64.2²	62.5²	57.4²	70.0²	78.1²	72.4²	77.5²	53.9	63.4²	26.1²
NAV plus total dividends (assumes investment at 100p)	102.7	71.7	63.8	100.5³	95.4³	88.9³	95.2³	108.4³	112.6³	107.8³	135.8³	153.6³	144.5³	159.3³	120.8	140.7³	78.4³

Following the merger with Octopus Third AIM VCT plc and various share re-organisations, there is now only one share class, Ordinary shares. For Octopus Third AIM VCT Ordinary shares and 'C' and 'D' shares, the figures above represent a notionally adjusted NAV per share in accordance with the relevant conversion factors.

Notes

- Octopus Third AIM VCT 'D' shares converted into 'C' shares in May 2009, in accordance with a conversion factor of 1 'C' share for each 'D' share.
- Octopus Third AIM VCT 'C' shares converted into Octopus Third AIM VCT Ordinary shares in May 2009, in accordance with a conversion factor of 2.4313 Ordinary shares for each 'C' share.
- Octopus AIM VCT 2 plc (previously Octopus IHT AIM VCT) 'B' shares converted into 'A' shares in May 2009, in accordance with a conversion factor of 1 'A' share for each 'B' share.
- Octopus Third AIM Ordinary shares converted into Octopus AIM 2 (post-August 2010) Ordinary shares in August 2010, in accordance with a conversion factor of 0.48356191 Octopus AIM 2 Ordinary share (post-August 2010), for each Octopus Third AIM Ordinary share.
- In August 2010, Octopus IHT AIM VCT was renamed Octopus Second AIM VCT, and subsequently changed its name to Octopus AIM VCT 2 plc.

¹Notional dividends assuming investment at 100p and adjusting for conversion of various share classes into Octopus AIM VCT 2 plc Ordinary shares.

²NAV assuming investment at 100p and adjusting for conversion of various share classes into Octopus AIM VCT 2 plc Ordinary shares.

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

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