

Octopus AIM VCT 2 plc

octopusinvestments
A brighter way

Data as at 30 June 2024



About the Team



Freda Isingoma



Mark Symington



Dominic Weller



Kate Tidbury



Martin Jager

The Octopus AIM VCTs are managed by the Quoted Companies team who have significant experience across the mid and small cap investment universe and is one of the largest investors in AIM. The team includes Kate Tidbury, Freda Isingoma, Mark Symington, Dominic Weller, Martin Jager, Richard Power, Edward Griffiths, Chris McVey, Jessica Sweeney, Ross MacSween, Matt Irani, Georgia Obadipe, Charles Lucas & Ben Tyson.

Key facts

Net assets	£82.2m
Market cap	£78.6m
Shares issued	187.0m
Launch date	2005
Benchmark	FTSE AIM All-Share TR
Number of holdings	76
Year end	30 November

Current Price

NAV per share*	44.0p
Share price (mid)	42.0p

*NAV reported weekly.

Share buybacks: The VCT can buy back up to 14.99% of the share capital annually at up to a 5% discount, subject to Board and shareholder approval.

Glossary

Net Asset Value (NAV)

The value of the Company's total assets less liabilities.

NAV per share

The NAV divided by the total number of shares in issue.

Total Return (TR)

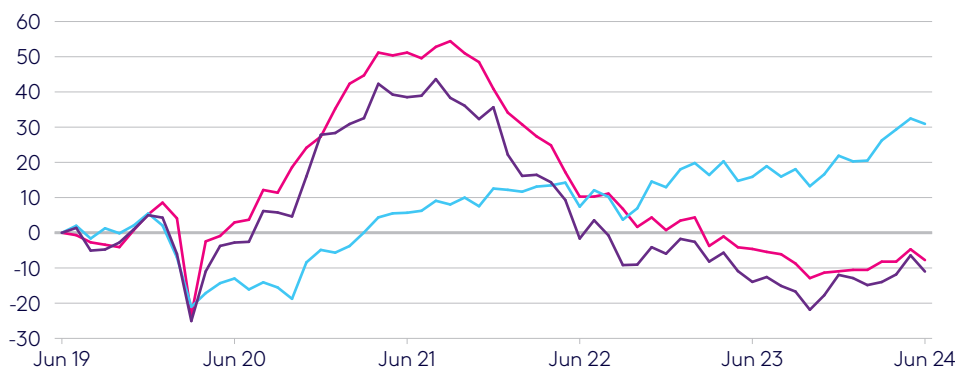
Total return is calculated as movement in NAV per share in the period plus dividends paid in the period.

About the Product

Octopus AIM VCT 2 plc is a Venture Capital Trust (VCT) which aims to provide shareholders with attractive tax-free dividends and long-term capital appreciation by investing in a diverse portfolio of predominantly AIM-quoted companies.

Risk is spread by investing in a number of different businesses across a range of activities and sectors.

Five year performance (%)



	YTD	3 Y	5 Y	2023	2022	2021
Octopus AIM VCT 2 NAV TR	1.86	-36.79	-2.12	-11.74	-30.80	8.88
Octopus AIM VCT 2 Share Price TR	3.57	-38.99	-7.76	-11.60	-28.48	10.66
FTSE AIM All-Share TR	1.09	-35.75	-11.01	-6.40	-30.67	6.12
FTSE All-Share TR	7.43	23.90	30.93	7.92	0.34	18.32

Discrete yearly performance (%)

Year to 30 June	2024	2023	2022	2021	2020
Octopus AIM VCT 2 NAV TR	-3.03	-13.20	-26.21	46.25	2.79
Octopus AIM VCT 2 Share Price TR	-3.32	-13.47	-27.07	46.88	2.93
FTSE AIM All-Share TR	3.41	-12.50	-28.99	42.47	-2.78
FTSE All-Share TR	12.98	7.89	1.64	21.45	-12.99

Source: Lipper and Octopus Investments. VCT performance is shown as a simple return comparison between the NAV at the beginning of the period and the NAV, plus any dividends paid out, at the end of the period. VCT share price performance shown includes reinvested dividends. NAV is stated after deduction of fees.

Key risks

- The value of investments discussed, and any income from them, can fall as well as rise. Investors may not get back the full amount they invest.
- Tax treatment depends on an investor's personal circumstances and may change in the future.
- Tax reliefs depend on the VCT maintaining its VCT-qualifying status.
- VCT shares could fall or rise in value more than other shares listed on the main market of the London Stock Exchange. They may also be harder to sell.
- Past performance is not a reliable indicator of future results.



Investment Enquiries

To speak to any of our fund managers, please call:

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Top ten holdings (%)

FP Octopus UK Micro Cap Growth P Acc	7.3
Hasgrove Limited	6.8
Breedon Group plc	4.5
Craneware plc	4.4
FP Octopus UK Multi Cap Income S Acc	3.9
Judges Scientific plc	3.4
Learning Technologies Group plc	3.2
IDOX plc	2.7
Popsa Holdings Limited	2.6
Animalcare Group plc	2.4
Total	41.1

Top ten sectors (%)

Software & Computer Services	15.6
Unit Trusts	12.5
Unquoted Investment	9.6
Electronic & Electrical	6.8
Pharmaceuticals & Biotech	5.0
Support Services	4.6
Construction & Building	4.5
Telecommunication Services	3.2
General Retailers	3.2
Specialty & Other Finance	3.1
Total	68.0

5-year dividend history

Pay Date	Type	Div. per share
07 Nov 2019	Special	3.90p
07 Nov 2019	Interim	2.10p
22 May 2020	Final	2.10p
05 Nov 2020	Interim	2.10p
21 May 2021	Final	2.10p
12 Nov 2021	Special	1.70p
12 Nov 2021	Interim	2.10p
27 May 2022	Final	2.10p
10 Nov 2022	Interim	2.10p
25 May 2023	Final	2.30p
09 Nov 2023	Interim	1.80p
27 Jun 2024	Special	3.60p
27 Jun 2024	Final	1.80p

The Board targets a minimum dividend of 2.5p each half year with the final adjusted annually, based on the year-end share price, so that shareholders receive either 5p per annum or a 5% yield, whichever is greater at the time.

Fees & codes

Management fee	2.00%
Total ongoing charges*	2.20%
ISIN code	GB00B0JQZZ80
Sedol code	B0JQZZ8
Ticker (LSE)	OSEC

* Calculated as at 30 November 2023.

Directors

Keith Mullins (Chairman)
Andy Raynor
Brad Ormsby
Virginia Bull

Due to rounding, tables may not sum correctly.

Monthly commentary

The Net Asset Value (NAV) of the Octopus AIM VCT2 increased by 3.30% during the month. This compares to a 4.91% fall in the FTSE AIM All Share and a 1.15% decrease in the FTSE All Share, both on a total return basis.

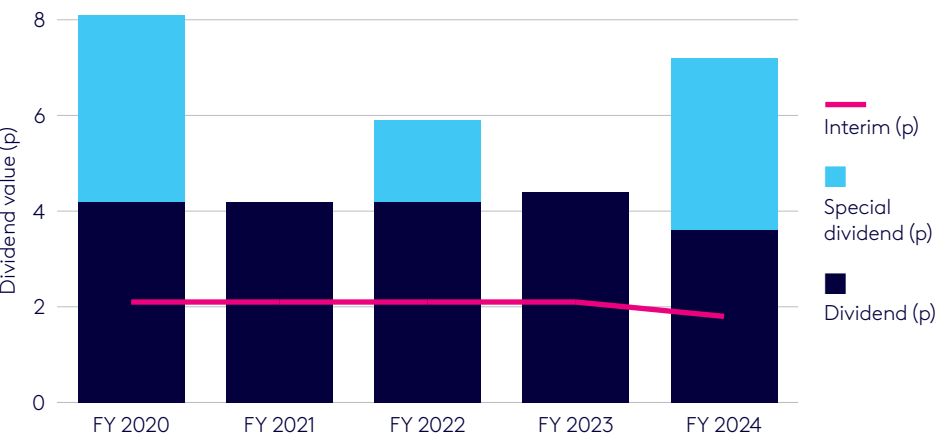
The UK equity market retreated in June, following months of recovery. Price volatility returned mainly due to uncertainty as the UK braces itself for the general election. Encouragingly, macroeconomic indicators are positive, with inflation now at 2% and a cut in interest rates expected at the end of the summer. Undoubtedly, this will provide a more stable platform from which the UK equities market can continue to grow.

Contributors to performance over the month included customer engagement solutions business, **Netcall**, who reversed the negative share price movement of last month against a backdrop of limited news flow. Technology and software solutions provider, **Crimson Tide**, who were subject to bid approaches by two publicly listed companies, **CheckIt** and **Ideagen**, at approximately a 12% and 92% premium respectively from the traded price prior to the first bid approach. **CheckIt** has more recently announced that it no longer has an interest in acquiring the company. Software solutions provider, **Pulsar Group**, saw its shares continue to rally following its positive full year results in May, and increased optimism around future prospects due to its adoption of AI. Musical instrument retailer, **Gear4music**, published final results showing improved margin, profitability and net debt reduction. Furthermore, the company has made management changes over the last few months, which the market has welcomed.

Contributors to performance over the month included communication services business, **Next 15 Group**, who gave a four-month trading update in line with market expectations, but which highlights the continued challenges of its current trading environment. Scientific instrument business, **Judges Scientific**, saw its share price fall despite the announcement of a £2.25 million bolt-on acquisition of Rockwash Geodata, a company specialising in rock cuttings and chippings digitalisation. Software solutions business, **IDOX**, saw its shares fall despite announcing a positive half year result which highlighted 20% revenue growth, as a result of a full period of contribution from its acquisition of Emapsite. Healthcare software provider, **Craneware**, saw its share price come back slightly following a sustained period of share price growth.

Despite market weakness in June, we still believe that there are increasing signs of recovery across the market. An example of this is the rising number of IPO and further fundraising which is providing much needed pockets of optimism and market sentiment positivity. Undoubtedly, as appetite for risk increases, this should result in UK smaller growth company share prices improving significantly from recent historic lows, reflective of the trading progress being made by our underlying portfolio companies.

Tax-free dividend payments over last five years



Based on ex-dividend dates per financial year 30 November 2023.

Important information

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