# Gresham House Income & Growth 2 VCT plc

(Formerly Mobeus Income & Growth VCT plc)

Annual Report and Financial Statements for the year ended 30 September 2025

Gresham House
Specialist investment

Please join us for the

# 2026 Gresham House Income & Growth 2 VCT plc Shareholder event & Annual General Meeting (AGM)

**Monday 2 March 2026**

Leonardo Royal Hotel London St Paul's,
10 Godliman Street, EC4V 5AJ

**10:30am**

Welcome reception

Shareholder presentation

**12:30pm**

Break for lunch and refreshments

**1:30pm**

Gresham House Income & Growth VCT AGM

**1:45pm**

Gresham House Income & Growth 2 VCT AGM

**The Notice of AGM will be posted to shareholders separately, and will include an explanation of the items to be considered. It will be uploaded to the Company's website in due course.**

**Register to attend at https://greshamhouse.com/gresham-house-vcts-agm-2026/ or scan the QR code below.**

*Please note, the event will be held in person only. A recording will be made available to Shareholders who are unable to attend after the meeting.*

**Gresham House Income & Growth 2 VCT plc ("the Company" or "GHV 2")** is a Venture Capital Trust ("VCT") listed on the London Stock Exchange. Its investment portfolio is advised by Gresham House Asset Management Limited ("Gresham House" or "Investment Adviser").

## Your privacy

We are committed to protecting and respecting your privacy. To understand how we collect, use and otherwise process personal data relating to you, or that you provide to us, please read our privacy notice, which can be found at https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/.

## Contents page

# Financial highlights

01

## For the year ended 30 September 2025

As at 30 September 2025
Net assets: **£177.69 million**
Net asset value ("NAV") per share: **54.29 pence**

- Net asset value ("NAV") total return[1] per share was 2.9%.[2]
- Share price total return[1] per share was 0.2%.
- Dividends paid/payable in respect of the year total 4.00 pence per share. Cumulative dividends paid to date since inception in 2004 amount to 174.3 pence per share.
- £8.36 million was invested into six new growth capital investments and five existing portfolio companies during the year.
- Net portfolio unrealised/realised gains were £4.53 million in the year.
- The Company generated £6.95 million in proceeds from three realisations and two other exit events.

[1] Definitions of key terms and alternative performance measures shown above and throughout this report are shown in the Glossary of terms on pages 112 and 113.
[2] Further details on the NAV total return are shown in the Performance and Key Performance Indicators section of the Strategic Report on pages 32 to 35.

# Performance summary

**Cumulative NAV Total return[1] performance over the last 3, 5 and 10 years to 30 September 2025 is 8.3%, 39.7% and 62.2% respectively.**

**The table below shows the cumulative performance since launch as at the end of each of the last five reporting periods.**

| Reporting date | Net assets (£mn) | NAV per share (p) | Share price (mid-market price)[2] (p) | Cumulative dividends paid per share (p) | Cumulative total return per share to Shareholders (NAV basis) (p) | Cumulative total return per share to Shareholders (Share price basis) (p) | Dividends paid and proposed in respect of each year/period[1] (p) |
|---|---|---|---|---|---|---|---|
| 30 September 2025 | 177.69 | 54.29 | 51.60[3] | 172.30 | 226.59 | 223.90 | 4.00[3] |
| 30 September 2024 | 144.32 | 54.70 | 53.50 | 170.30 | 225.00 | 223.80 | 4.00 |
| 31 December 2023 | 95.99 | 58.43 | 55.00 | 166.30 | 224.73 | 221.30 | 9.50 |
| 31 December 2022 | 100.32 | 64.01 | 61.00 | 156.80 | 220.81 | 217.80 | 8.00 |
| 31 December 2021 | 112.96 | 90.31 | 80.00 | 144.80 | 235.11 | 224.80 | 9.00 |

[1] Definitions of key terms and alternative performance measures shown above and throughout this report are shown in the Glossary of terms on pages 112 and 113
[2] Source: Panmure Liberum Limited (mid-market price). The discount on the Company's shares at 30 September 2025 was 4.1% as the share price was based on the NAV per share at 30 June 2025 of 53.79 pence.
[3] The share price at 30 September 2025 has been adjusted for a 2.00 pence dividend paid after the year end on 30 October 2025 which was ex-div at 18 September 2025.

## Dividends payable after the 30 September 2025 year-end

A second interim dividend of 2.00 pence per share was paid on 30 October 2025 to Shareholders on the Register on 19 September 2025.

**Detailed performance data for previous fundraising rounds and for former Matrix Income & Growth 3 VCT and Mobeus Income & Growth 2 VCT Shareholders are shown in a table on pages 106 to 108 of this Annual Report. The tables, which give cumulative total return per share information for the first allotment date for each previous fundraising on both a NAV and share price basis, are also available on the Company's website at** https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/ **where they can be downloaded by clicking on "Table" under "Fund performance".**



# Chair's statement

02

**Clive Boothman**
*Chair*

*I am pleased to present the Annual Report and Financial Statements for Gresham House Income & Growth 2 VCT plc (formerly Mobeus Income & Growth VCT plc) for the year ended 30 September 2025 and to report a 2.9% Net Asset Value Total Return per share (period ended 30 September 2024: 0.50%) alongside a 7.3% tax-free dividend yield in respect of this financial year.*

## Change of Company name

Before reporting on the financial year, I would like to highlight to Shareholders that the Company's name was changed to Gresham House Income & Growth 2 VCT plc (previously Mobeus Income & Growth VCT plc) on 18 June 2025. The name change was necessary as the three-year licence period to use the Mobeus name was due to expire: the new name was chosen to align the Company with the name of Gresham House, as Investment Adviser. There has been no change to the Company's Board, investment or operational teams as a result of this name change. We hope Shareholders enjoy the updated format of this Annual Report and welcome feedback.

The comparative figures refer to the nine months ended 30 September 2024. This period includes the merger with Mobeus Income & Growth 2 VCT plc ("MIG 2") which occurred in July 2024 ("Merger") at which point the Company changed its year-end to 30 September.

## Chair succession

To facilitate the successful merger with MIG 2 and to ensure an orderly Chair succession thereafter, I have remained on the Board beyond the recommended tenure limit of nine years. At the request of the Nomination & Remuneration Committee, I have agreed to continue as Chair for the forthcoming year, stepping down from the Board at the 2027 Annual General Meeting. My fellow Director, Ian Blackburn, will also step down from the Board at that Annual General Meeting. Further information on the Nomination & Remuneration Committee's plans for succession and an explanation of the policy for the tenure of the Chair, in accordance with the requirements of The AIC Corporate Governance Code, can be found in the Corporate Governance Statement on pages 54 to 57.

## Overview

The Company's Net Asset Value ("NAV") Total Return per share was 2.9% (1.59p), which is calculated by adding a dividend of 2.00p paid during the year to the Company's year-end NAV per share of 54.29p, as a percentage of NAV per share at the start of the year (54.70p).

Following the UK Budget on 27 November 2025, the Board welcomes the decision by the UK Government to increase the investment limits applicable to qualifying VCT companies but notes also the reduction in upfront income tax relief from 30% to 20% for subscriptions made from April 2026 onwards. These changes do not affect the VCT's core investment strategy, but they will alter the economics for new investors under the revised regime. Ahead of this change, the Company announced on 12 December 2025 its intention to fundraise to allow investors to benefit from the existing 30% tax relief before the new rules take effect.

The UK macroeconomic environment remains fragile with a combination of anaemic growth, stubbornly high inflation and increasing unemployment. These factors have combined to put pressure on consumer spending and business investment. The Company's portfolio companies were further impacted in the second half of the year by the Government's increase in Employer's National Insurance Contributions. The US Government's tariff policy and widening geopolitical tensions continue to have a destabilising impact on the UK and global economies. Yet despite this, markets have shown greater resilience than initially feared. The extent to which this surprisingly bullish view masks less robust business fundamentals remains to be seen.

The Company has continued to be an active investor, providing investment finance to six new companies and five existing companies during the year totalling £8.36 million (2024: £5.13 million). After the year-end, the Company provided investment finance to two new companies and one existing company. Further details are contained later in my Report and the Investment Adviser's Report on pages 10 to 21.

During the year, the Company divested MyTutor, SEC Group and Rotageek. Further proceeds were also received from the exit of Master Removers Group ("MRG") which occurred in February 2024. The Rotageek divestment was a positive outcome, returning a multiple on cost of 1.5x over the life of the investment. The realisation of MyTutor, although disappointing, returned proceeds at a level which maximized returns to Shareholders in the circumstances.

The portfolio is now predominately made up of younger, early-stage growth companies. Future portfolio performance is likely to be determined by the disproportionate impact of a few high performing investments, whilst conversely, there is likely to be a corresponding increase in the number of business failures. The Board remains supportive of the Investment Adviser's efforts to further strengthen team capability to navigate the uncertain macroeconomic environment and identify attractive investment prospects. This was evidenced by the Investment Adviser's appointment of a new Private Equity Head of Portfolio during the year.

Persistent uncertainty and evolving risk dynamics continue to necessitate active scenario planning across the portfolio companies, with a sustained emphasis on cash discipline. Portfolio directors are encouraging management teams to maintain strict cost control in the near term to ensure readiness to capitalise on market opportunities as they arise. A balance between pursuing growth or profitability is a key consideration across the portfolio. It is encouraging to observe that over 80% of the portfolio companies achieved growing revenues or earnings over the year.

It should be noted that there is a significant degree of concentration, with the top five holdings representing 63.1% of portfolio value and 42.3% of NAV and within this, the Company's holding in Preservica represents 33.2% and 22.3% respectively. Beyond this concentration, the portfolio is well diversified, with only one portfolio sector representing more than 10% by number of investments (business services, 12%).

## Performance

The Company's NAV total return per share was 2.9% (period ended 30 September 2024: 0.5%) after adding back a dividend paid of 2.00 pence per share in the year. Increases in portfolio valuations and returns from liquidity balances and loan instruments are the primary reasons for the increase. Strong valuation contributions were made by Preservica, MPB Group, and CitySwift which were partially offset by falls from Bella & Duke, Vivacity Labs and Connect Childcare. Investment Adviser fees have risen due to the increase in net assets over the year as well as an accrued performance fee (see below). Shareholders should also note that the Company is now benefitting from cost savings that have arisen since the Merger.

| | 2025 (pence per share) | 2024 (pence per share) |
|---|---|---|
| Portfolio gains/(losses) | 1.39 | (0.08) |
| Income | 1.10 | 0.53 |
| Share buybacks and other | 0.28 | 0.60 |
| Gross NAV total return | 2.77 | 1.05 |
| Less: costs | (1.18) | (0.78) |
| NAV total return | 1.59 | 0.27 |
| NAV total return % | 2.9% | 0.5% |

The Board considers that the Investment Adviser's performance should primarily be assessed over a period of at least five years. As part of the Merger, a revised performance incentive scheme was agreed and approved by Shareholders and implemented which is based upon a five-year return period with the first assessment period relating to the five years ended 30 September 2025. The Company's average Annual return is above the average Annual Hurdle target for the five years ended 30 September 2025. As a result, a performance fee of £0.51 million has been accrued. Further information on the Investment Adviser's performance fees can be found in Note 4 on pages 82 and 83.

At the year-end, the Company was ranked in the first quartile over ten years and in the second quartile over three and five years by reference to the Association of Investment Companies' ("AIC") analysis of NAV Total Return (assuming dividends are reinvested). The Board is pleased with the performance of the Company in respect of its peer group over the medium and longer term, but is working to improve the more recent relative performance.

Shareholders should note that, due to the lag in the disclosed performance figures available each quarter, the AIC ranking figures do not fully reflect the final NAV uplift to 30 September 2025, or those of our peers.





## Investment portfolio overview

The Company's portfolio valuation (i.e. investments, excluding cash and liquidity funds held) has increased by £4.53 million (period ended 30 September 2024: loss of £(0.21) million), or 4.0% (period ended 30 September 2024: (0.15)%) on a like-for-like basis, compared to the opening portfolio value at 1 October 2024 of £113.28 million. This net increase was comprised of an unrealised increase in portfolio valuations of £5.65 million (period ended 30 September 2024: decrease of £(0.11 million)) and net realised losses of £(1.12) million (period ended 30 September 2024: £(0.10) million). For information on the major contributors and detractors, please see the Investment Adviser's Report on pages 10 to 21.

At the year-end, the portfolio is substantially comprised of growth capital investments and valued at £119.22 million (period ended 30 September 2024: £113.28 million). The Company's largest five assets by value represent over 60% of the portfolio's value with Preservica accounting for 33.2%. The overall portfolio performance is heavily influenced by these larger investments which continue to be monitored closely by the Investment Adviser as part of its risk appraisal process.

The Company's portfolio valuation methodology has continued to be applied consistently and in line with IPEV guidelines. The Board and Gresham House noted the findings of the FCA's Private Markets Valuation Practices review issued in March 2025. Following this, Gresham House undertook a review of valuation practices applied to the Company's portfolio of investments, the results of which were presented to the Board for review. The Board was reassured by the results of the internal review noting that overall Gresham House demonstrated a sound and well-structured valuation process, underpinned by professional judgement and appropriate external assurance. Nevertheless, Gresham House also took the opportunity to implement some minor enhancements to align more closely with the FCA's recommendations.

During the year under review, a total of £8.36 million (period ended 30 September 2024: £5.13 million) was invested into new and follow-on portfolio companies. The Company invested £6.35 million (period ended 30 September 2024: £1.55 million) into six new investments; Much Better Adventures, Mobility Mojo, Penfold Savings, Nu Quantum, Spinners Group and AskBosco. The Company invested £2.01 million (period ended 30 September 2024: £3.58 million) into five existing portfolio companies; Preservica, Orri, Branchspace, FocalPoint Positioning and SciLeads.

The Company received a total of £6.95 million in proceeds from exits during the year (period ended 30 September 2024: £3.49 million) of which £2.28 million related to the sale of MyTutor. Over the life of this investment, the Company received total proceeds of £3.63 million, equating to a multiple on cost of 0.6x. Rotageek was divested for capital proceeds of £3.99 million contributing a multiple on cost of 1.5x over the life of the investment. In addition, SEC Group (trading as SEC Life Sciences), was disposed of for a nominal sum which, including amounts received over the life of the investment, contributed a multiple on cost of 1.1x. The Company also received £0.68 million further proceeds in respect of the sale of Master Removers Group 2019 Limited as part of the terms of the transaction that occurred in February 2024, taking final returns to 3.3x on cost. Following a restructuring at Wetsuit Outlet, the Company's loan instrument was fully written off, resulting in a £1.12 million loss during the year. Mable Therapy and Azarc were also recognised realised losses during the year in aggregate of £1.20 million.

After the year-end, two new investments were made into a financial services company and Veremark Limited. A further follow-on investment was made into Arkk Consulting Limited, an existing portfolio company. Further details of these investments can be found on page 18.

Further details of investment activity and the performance of the portfolio are contained in the Investment Adviser's Review and the Investment Portfolio Summary on pages 26 to 28.

## Fundraising

In October 2024 the Company, as part of a joint fundraise with Gresham House Income & Growth VCT plc ("GHV 1"), secured subscriptions totalling £45 million (including £10 million over-allotment). The Board views this as a strong demonstration of confidence in the Company by investors.

The fundraise ensured that the Company retained adequate levels of liquidity to continue to take advantage of new investment opportunities and fund further expansion of the businesses in its investment portfolio, seeking the delivery of attractive returns for its Shareholders, including the payment of dividends and enabling it to buy back shares from those Shareholders who wished to sell them.

Following the UK Government's decision to reduce the upfront tax relief from 30% to 20% from 6 April 2026, the Board has taken the decision to launch an Offer for Subscription for the 2025/26 tax year. This will give Shareholders and new investors the opportunity to benefit from upfront income tax relief at the current 30% rate, but also provide additional capital to be deployed into new and existing portfolio companies to take advantage of the higher investment limits also announced as part of the recent UK Budget package. An Offer for Subscription is intended to be launched around late January 2026. To facilitate the Offer for Subscription an increased authority to dis-apply pre-emption rights of 30% is being sought at the AGM. Further information is provided in the Directors' Report on page 51.

## Liquidity

Cash and liquidity fund balances at 30 September 2025 amounted to £58.99 million representing 33.2% of net assets (period ended 30 September 2024: £31.26 million representing 21.7% of net assets). On a pro forma basis, taking into account the 2.00 pence dividend paid after the year-end, cash and liquid balances reduced to 30.7% of net assets. The majority of cash resources are held in liquidity funds with AAA credit ratings, the returns on which have benefitted from higher levels of interest rates which will help support future returns to Shareholders. The Board continues to monitor credit risk in respect of all its cash and near cash resources and prioritises the security and protection of the Company's capital.

## Dividends

The Board was pleased to declare two interim dividends of 2.00 pence per share, totalling 4.00 pence per share in respect of the year ended 30 September 2025. These dividends equated to a dividend yield of 7.3% which is a slight premium to the Company's annual dividend target of 7% of NAV per share at the start of the year. The Board's annual target has been achieved, and often exceeded, in each of the last fourteen financial years (prior to the Merger, the target was on a pence per share basis) (see chart below).

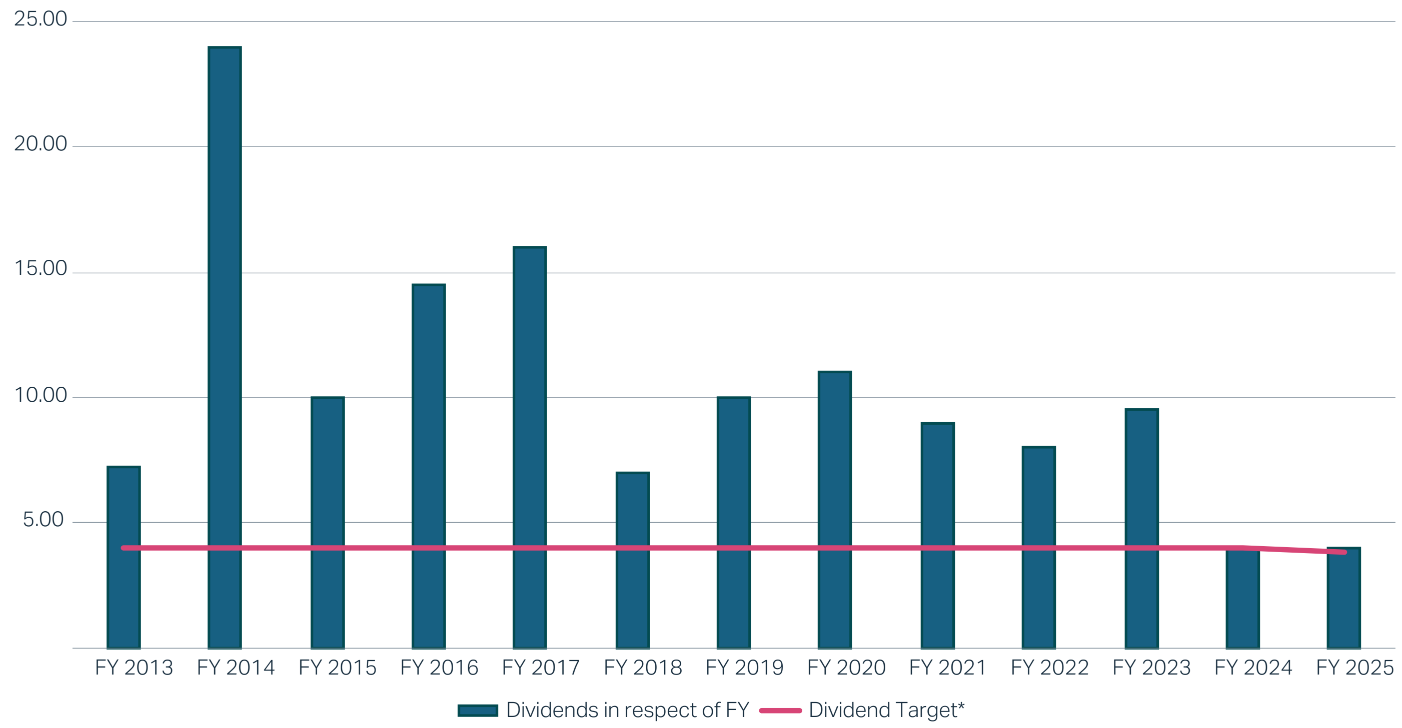
These dividend payments brought cumulative dividends paid per share to date since inception to 174.30 pence. No further dividends will be paid in respect of the year to 30 September 2025.

The nature of investments in younger growth capital investments which are predominantly in the form of equity rather than loans, means that the income yield is unpredictable. A more material constituent of distributable profits may be expected to come from profits on realisations of investments which, by their nature, will be sporadic. Shareholders should also note that there may continue to be circumstances where the Company pays dividends in order to stay above the minimum percentage of assets required to be held in qualifying investments (i.e. by reducing total investments for the purposes of this calculation) or to maintain the target level of distributions to Shareholders. Such dividends paid in excess of net income and capital gains achieved will cause the Company's NAV per share to reduce by a corresponding amount.

## Discontinuance of dividend cheque payments

Following a review of dividend payment practices, the Board has decided to phase out the payment of dividends by cheque. The Board has decided to take this action because cheques are vulnerable to fraud, susceptible to postal risks and increase the chance of a dividend remaining unclaimed. Shareholders who receive dividend payments by cheque were informed of this decision when cheques were posted for the dividend paid on 30 October 2025. A final reminder will be included with the Company's next dividend payment. As explained in these communications, the Board strongly encourages Shareholders to provide the Company's Registrar, City Partnership, with bank account information so that future dividends can be received together with any outstanding dividend monies due. This will also ensure that all future dividends are paid automatically into your bank account.

### Dividends versus target




*For financial years 2025 onwards the target is 7% of NAV per share at the start of the year





## Unclaimed dividends

As at 30 September 2025, the Company's Registrar was holding £1.91 million in unclaimed dividends, including those unclaimed by MIG 2 Shareholders, with around £74,000 having remained unclaimed for over 12 years.

Under the terms of the Company's Articles of Association, any dividends unclaimed for a period of 12 years after having become due for payment shall, if the Board so resolves, be forfeited and shall cease to remain owing by the Company. Your Board would like to ensure Shareholders receive dividends that are owing to them, and would like to remind Shareholders that it is their responsibility to keep their bank account details up to date by informing the Company's Registrar of any changes. Any Shareholders who have not been able to claim their dividends are requested to contact the Company's Registrar on 01484 240 910 or by email at registrars@city.uk.com.

During the forthcoming year, the Board will consider whether to activate the forfeiture provisions in the Company's Articles of Association.

## Dividend investment scheme

Following the Merger, the Company established a Dividend Investment Scheme ("DIS") to allow Shareholders, should they so wish, to receive additional shares in the Company by re-investing their total dividend payment into new shares at the latest published NAV. Shareholders must register their whole shareholding in the DIS, a partial election is not permitted under the Rules of the DIS, which can be found on the Company's website: https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/ under the "Dividend" section along with the mandate form. Shareholders who hold their shares in a Nominee company can still join the DIS scheme by instructing the Nominee provider to elect for the DIS on their behalf. Shareholders can opt-out of the DIS by contacting City Partnership, using their details provided under Corporate information on page 117. The new shares are also eligible for Income Tax Relief.

As at 30 September 2025, 4.0% of the Shareholder base had elected for the DIS. A total of 0.52 million Ordinary shares were allotted as a result of dividends paid during the year resulting in £0.27 million of cash being retained by the Company. This is the first reporting year in which the DIS has operated.

## Share buybacks

During the year, the Company bought back and cancelled 14.17 million of its own shares (period ended 30 September 2024: 3.22 million), representing 5.4% (period ended 30 September 2024: 2.0%) of the shares in issue at the beginning of the year, at a total cost of £7.15 million (period ended 30 September 2024: £1.80 million), inclusive of expenses. The increase reflects the enlarged size of the Company following the Merger, the expiry of the five-year qualifying holding period for certain Shareholders for tax purposes and is in line with a wider VCT market increase in share buyback demand.

It is the Company's policy to cancel all shares bought back in this way. The Board regularly reviews its buyback policy, where its priority is to act prudently and in the interest of remaining Shareholders whilst considering other factors, such as levels of liquidity and reserves, market conditions and applicable law and regulations. Under this policy, the

Credit: Mobility Mojo, portfolio company

Company seeks to maintain the discount at which the Company's shares trade at approximately 5% below the latest published NAV.

The Board has considered the share buyback process and sought to simplify it for Shareholders by facilitating an online process with Redmayne Bentley LLP, an FCA authorised stockbroker. A dedicated online form to initiate a sale of shares back to the Company can be found on the Company's website (https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/) under "Want to sell back your shares?". The use of the service is entirely optional. Investors may instead choose to sell their shares through their existing stockbroker or any other FCA authorised firm, including execution-only platforms. Further information is provided under Shareholder information on pages 103 to 105.

## Change of Auditor

Following Shareholder approval at the Annual General Meeting on 5 March 2025, Johnston Carmichael LLP was appointed as the Company's auditor for the year ended 30 September 2025. The change in auditor was proposed because the previous auditors had reached the maximum 20 years tenure allowed under current legislation.

## New Articles of Association

The Board has proposed new Articles of Association ("Articles") for adoption at the 2026 Annual General Meeting. The proposed changes bring the Articles in line with current market practice. Further information is provided in the Directors Report on page 52.

## Shareholder engagement and Annual General Meeting

Shareholders are reminded that the Company has its own website which contains information about the Company and its investments and is available at: https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/. Information on and access to individual shareholdings can be found at The City Hub Shareholder Portal (https://gresham-house-vcts.cityhub.uk.com/login).

The Board and the Investment Adviser are cognisant of the limited levels of shareholder engagement in the VCT sector and are continuously seeking ways to improve how the Company updates and engages with its shareholders. Further information can be found under Stakeholder Engagement and Directors' Duties on pages 39 to 41, and under Shareholder information on pages 103 to 105.

As part of this improvement, the Board is enhancing the content and format of the Company's 2026 Annual General Meeting ("AGM") which, as in previous years, will be in conjunction with the AGM of GHV 1. A presentation by Gresham House will take place in the morning and will be extended to include a spotlight on inspiring portfolio companies to showcase their growth journeys. It will also provide an opportunity for Shareholders to meet with the Company's Board and representatives of the Investment Adviser. After a break for lunch, the formal AGMs of both the Company and GHV 1 will take place.

The Board intends to hold the next AGM of the Company at 1:45pm on 2 March 2026 at the Leonardo Royal Hotel London St Paul's, 10 Godliman Street, London EC4V 5AJ. A joint presentation by the Investment Adviser to the Company's and GHV 1's Shareholders will therefore take place at 11:00am and a light lunch will be available from 12:30pm. The GHV 1 AGM will be held after lunch at 1:30pm. To promote Shareholder representation and to reflect the economic ownership of the Company's shares, the voting at the AGM will now be conducted by way of a poll compared to a show of hands in previous years. This change in voting format also takes into account the large number of proxy votes that have been received at previous AGMs.

I would like to encourage as many Shareholders as possible to attend: the level of support will determine whether we repeat the expanded AGM format for future years. Further information can be found on the inside front cover, in the Notice of AGM on pages 114 to 116, under Shareholder information on pages 103 to 105 and on the Company's website.

In the event that you are unable to attend in person, a video recording of the AGM will be available on the Company's website following the conclusion of the AGM.

Following the Company name change, the Investment Adviser has been circulating a re-vamped newsletter to Shareholders on a bi-annual basis. Through articles and video content, the newsletter provides updates on the Company, its performance and portfolio company insights. To facilitate improved Shareholder engagement, the newsletter is being sent to all Shareholders for whom the Company's Registrar hold an email address. Shareholders can opt in to receive wider Gresham House marketing communications if they are interested.

The Board recognises that Shareholders are increasingly holding their investments on platforms and welcomes the steps taken by both investment platforms and the AIC to improve shareholder engagement and facilitate shareholders exercising their right to vote. Shareholders who hold their shares in the Company on an investment platform are encouraged to visit https://www.theaic.co.uk/how-to-vote-your-shares for more information on how to vote their shares.

Further information can be found under Shareholder information on pages 103 to 105.





## Environmental, social and governance

The Board and the Investment Adviser believe that the consideration of Environmental, Social and Corporate Governance ("ESG") factors throughout the investment cycle will contribute towards both Shareholder and stakeholder value. To reflect the Company's and the Investment Adviser's commitment to these factors, an enhanced ESG disclosure can be found on pages 36 and 37.

## Fraud warning

Shareholders continue to be contacted in connection with sophisticated but fraudulent financial scams which purport to come from or to be authorised by the Company. The Board strongly recommends Shareholders take time to read the Company's Fraud warning section, including details of who to contact, contained within the Information for Shareholders section on pages 103 to 105.

## Outlook

Despite a number of geopolitical events and domestic uncertainty and the associated impacts on consumer and business confidence, there is a growing level of cautious optimism as inflation and interest rates appear to have peaked. The growth in public market indices continues unabated and there appears to be a growing disconnect with underlying commercial evidence. Notwithstanding this wider market risk, the Board is confident that there continue to be significant opportunities to grow Shareholder value.

The portfolio companies, given that they are predominantly young and early-stage in nature, may feel the impacts of any further economic disruption more than their mature counterparts. The Investment Adviser's experienced portfolio directors are proactively guiding and advising portfolio company management teams to ensure that action is undertaken as necessary and opportunities are capitalised on when they arise.

The Board is confident that the portfolio companies in the majority of cases will be able to withstand these external influences, whilst remaining cognisant of the likelihood of longer investment hold periods and the potential increase in failure rates. Past experience of investing throughout the cycle has demonstrated that appropriate target company investments can be identified and suggests that this volatile period could also provide an opportunity for the Company to source and make new high-quality investments, whilst also increasing our strategic stakes in existing portfolio businesses with significant future potential.

Following a somewhat subdued exit environment in recent years there are some signs of increased acquisition activity with a number of potential exits being reviewed by the Company's Investment Adviser. The Board welcomes the potential increase in exit activity yet remains cognisant that the evergreen nature of VCTs requires patient strategic choices to be made by the Investment Adviser to ensure that long-term shareholder value is maximised.

In summary, the portfolio remains resilient and has demonstrated positive growth with over 80% of portfolio companies having achieved growing revenues or earnings. The Company continues to add to its large, well-diversified portfolio which is managed by a professional and experienced investment team with sufficient capabilities to navigate the volatile economic landscape. The Board and Investment Adviser will continue to work together to drive Shareholder returns further.

The Board and I would like to take this opportunity once again to thank all Shareholders for their continued support.

C. W. Boothman

**Clive Boothman**
*Chair*

26 January 2026

Credit: Much Better Adventures, portfolio company

# Investment Adviser's review

03

**Trevor Hope**
*Managing Director & CIO Private Equity*

**Clive Austin**
*Chair of the Portfolio Valuations Committee*

**Jens Düing**
*Head of Portfolio, Private Equity*

**Tania Hayes**
*Chief Operating Officer, Strategic Equity*

## VCT regulation changes

The Government's decision to increase VCT investment limits from April 2026 provides the Company with greater capacity to support portfolio companies at later stages of their development, enabling us to follow high-performing businesses further on their growth journey while maintaining appropriate portfolio balance. Although the reduction in upfront income tax relief to 20% from April 2026 may influence investor behaviour in future fundraising cycles, it does not affect the fundamentals of our investment strategy. We remain focused on identifying and backing scalable, high-growth companies where additional capital can accelerate value creation and deliver attractive long-term returns for Shareholders. Further information on the increase in VCT investment limits can be found in the Summary of VCT Regulation on page 30.

## Portfolio review

The portfolio demonstrated resilience and achieved steady growth in valuations and income over the year. These results were achieved against a backdrop of continued global uncertainty with market volatility heightened by the imposition of US trade tariffs and an upcoming budget in the UK.

The UK economy continues to struggle to re-establish meaningful growth, with only marginally positive GDP growth registered during the second half of the financial year 2025. Combined with stubborn inflationary pressures and fragile consumer and business confidence, portfolio companies are currently operating in the face of constrained consumer and corporate spending whilst their costs continue to rise.

Within this environment, the balance between growth investment and cash preservation remains a key priority across the portfolio. The majority of portfolio companies are currently well-funded and following the successful fundraise during the year, the Company retains sufficient capital to provide follow-on support where appropriate.

While the portfolio continues to demonstrate growth, the headwinds highlighted in the Half-Year Report have become more apparent. The proportion of portfolio companies achieving revenue or earnings growth over the year by number has moderated to approximately 83% (representing c.85% by portfolio value), compared to over 90% at the prior period-end. Despite this softening, the Investment Adviser remains encouraged by the high absolute level and the general resilience shown across the portfolio. Overall performance remains positive. Further commentary on individual valuation movements and key contributors to performance is provided later in this Report.

The evolving macroeconomic landscape has continued to present challenges for early stage and emerging growth businesses eligible for VCT investment. The increase in Employer's National Insurance Contributions introduced by the UK Government during the year placed additional cost pressures on portfolio companies, particularly in the second half. Accordingly, they may require longer to reach key commercial milestones and achieve scale, which in turn may necessitate additional funding support. Where appropriate, the Investment Adviser will consider opportunities to increase the Company's shareholdings in these companies.





Despite these headwinds, attractive opportunities persist, particularly among businesses benefiting from structural and technological shifts. Companies with resilient business models and differentiated propositions continue to demonstrate growth potential. These trends remain aligned with the Investment Adviser's strategy of targeting enterprises where technology serves as a key driver of value creation, while maintaining a diversified and well-balanced portfolio across sectors and stages of development.

Gresham House is pleased to have been able to provide funding to six exciting new investments during the year as well as provide follow-on funding for five portfolio companies.

In the second half of the year there were positive signs of increased acquisition activity. Despite the slower exit environment of recent years leading to longer hold periods, a number of the Company's assets commenced exit planning strategies over the course of the year. The Company achieved a successful exit of Rotageek, but there were also some disappointing exits and write downs during the year where business models were insufficiently robust to survive in the current environment.

| | Year ended 30 September 2025 £mn | Nine month period ended 30 September 2024 £mn |
|---|---|---|
| Opening portfolio value | 113.28 | 64.14 |
| MIG 2 VCT acquisition | - | 47.71 |
| New and follow-on investments | 8.36 | 5.13 |
| Disposal proceeds | (6.95) | (3.49) |
| *Net realised losses* | *(1.12)* | *(0.10)* |
| *Valuation movements: unrealised gains/(losses)* | *5.65* | *(0.11)* |
| Net investment portfolio gains/(losses) | 4.53 | (0.21) |
| Portfolio value at 30 September | 119.22 | 113.28 |

The Company made new and follow-on investments totalling £8.36 million (period ended 30 September 2024: £5.13 million) during the year, £6.35 million (period ended 30 September 2024: £1.55 million) to six new growth capital investments and £2.01 million (period ended 30 September 2024: £3.58 million) to five follow-on investments. After the year-end, two new investments were made into a financial services company and Veremark Limited. A further follow-on investment was made into Arkk Consulting Limited. Further details of these investments are on the following pages.

The portfolio's valuation changes in the year are summarised as follows:

| Investment Portfolio Capital Movement | Year ended 30 September 2025 £mn | Nine month period ended 30 September 2024 £mn |
|---|---|---|
| Increase in the value of unrealised investments | 16.99 | 6.51 |
| Decrease in the value of unrealised investments | (11.34) | (6.62) |
| Net increase/(decrease) in the value of unrealised investments | 5.65 | (0.11) |
| Realised gains | 1.20 | - |
| Realised losses | (2.32) | (0.10) |
| Net realised losses in the year | (1.12) | (0.10) |
| Net investment portfolio movement | 4.53 | (0.21) |

## New investments during the year

The Company made six new investments totalling £6.35 million during the year, as detailed below:

| | Company | Business | Date of investment | Amount of new investment (£mn) |
|---|---|---|---|---|
| | Mobility Mojo | Disability access assessment platform | October 2024 | 0.42 |

Based in Dublin, Mobility Mojo (https://mobilitymojo.com/) was founded in 2018 and empowers organisations worldwide to create more accessible and inclusive spaces. Mobility Mojo's innovative software platform enables companies to capture, track, enhance, promote and benchmark the accessibility of their buildings in a standardised and cost-effective way across their entire portfolio. The solution significantly reduces the time and expense typically associated with traditional paper-based accessibility audits and it is adaptable to a diverse set of environments, including office spaces, hotels and retail banks. The funding will support Mobility Mojo in expanding its marketing and sales teams, enhancing its SaaS platform with new AI-driven capabilities and recruiting key talent to its leadership team.

| | | | | |
|---|---|---|---|---|
| | Much Better Adventures | Online travel operator specialising in creating unique 'adventure' group trips | November 2024 | 1.13 |

Much Better Adventures (https://www.muchbetteradventures.com/) has developed a reliable, engaging and user-friendly travel platform. This is reflected in the positive customer reviews and strong repeat rates. It has built a strong organic search presence in the UK through a combination of a high-quality website and social content, and curating trips with a clear appeal to its target customers. With this investment the business will be robustly funded with the ability to tune expenditure to market conditions.

| | | | | |
|---|---|---|---|---|
| | Penfold | Pension platform | April 2025 | 0.54 |

Penfold Savings (https://getpenfold.com/) is a pension platform providing the infrastructure and back-end administration for customers to manage and consolidate their pensions. Penfold focuses on the B2B segment, targeting SME businesses that are required to provide employees with a pension as a result of the government's auto-enrolment legislation. Penfold partners with third-party providers for custodianship, while the underlying funds available to members on the platform are supplied by HSBC and BlackRock. Penfold has demonstrated strong growth over the past few years, significantly increasing assets under administration and its recurring revenues. This funding round will enable it to continue scaling its marketing and further build out the platform's functionality.


Credit: Penfold, portfolio company





| | Company | Business | Date of investment | Amount of new investment (£mn) |
|---|---|---|---|---|
| | Nu Quantum | Quantum networking hardware developer | May 2025 | 2.10 |

Nu Quantum (https://www.nu-quantum.com/) is a developer of quantum networking hardware that is used to scale quantum computing systems by interconnecting multiple quantum processors. The business, spun-out of the University of Cambridge's Cavendish Laboratory in 2018, is led by a highly experienced, multi-disciplinary team with significant quantum science and engineering expertise. The investment will be used to support continued product development, expansion of commercial partnerships and to expand the team and laboratory facilities.

| | | | | |
|---|---|---|---|---|
| | Spinners Group | Multi venue competitive socialising venue | May 2025 | 1.08 |

Spinners Group (https://spinnersuk.com/) is a growing multi venue competitive socialising company, targeting students and young professionals outside of the Greater London area, offering customers activities such as darts, bowling and clay shooting alongside food and drink. The investment will be used to leverage a proven concept with locations in Reading, Plymouth and Solihull and rollout the Spinners Group offering across the UK.

| | | | | |
|---|---|---|---|---|
| | AskBosco | Digital advertising agency and AI-powered software platform | June 2025 | 1.08 |

Modo25 Limited (trading as AskBosco) (https://askbosco.io/) is a digital advertising agency and AI-powered software platform. The agency known as Modo25 offers a full suite of digital marketing services, including paid search, paid social, affiliate marketing and search engine optimisation. The software platform known as AskBosco enables brands and agencies to consolidate and visualise all of their marketing data and performance metrics within a single, easy-to-use AI enabled dashboard. This investment will be used to accelerate new customer acquisition.

Credit: Spinners Group, portfolio company

## Further investments during the year

A total of £2.01 million was invested into five existing portfolio companies during the year, as detailed below:

| | Company | Business | Date of investment | Amount of further investment (£mn) |
|---|---|---|---|---|
| branchspace digital reinvented | Branchspace | Provider of cloud-based enterprise software to the aviation industry | November 2024 | 0.27 |

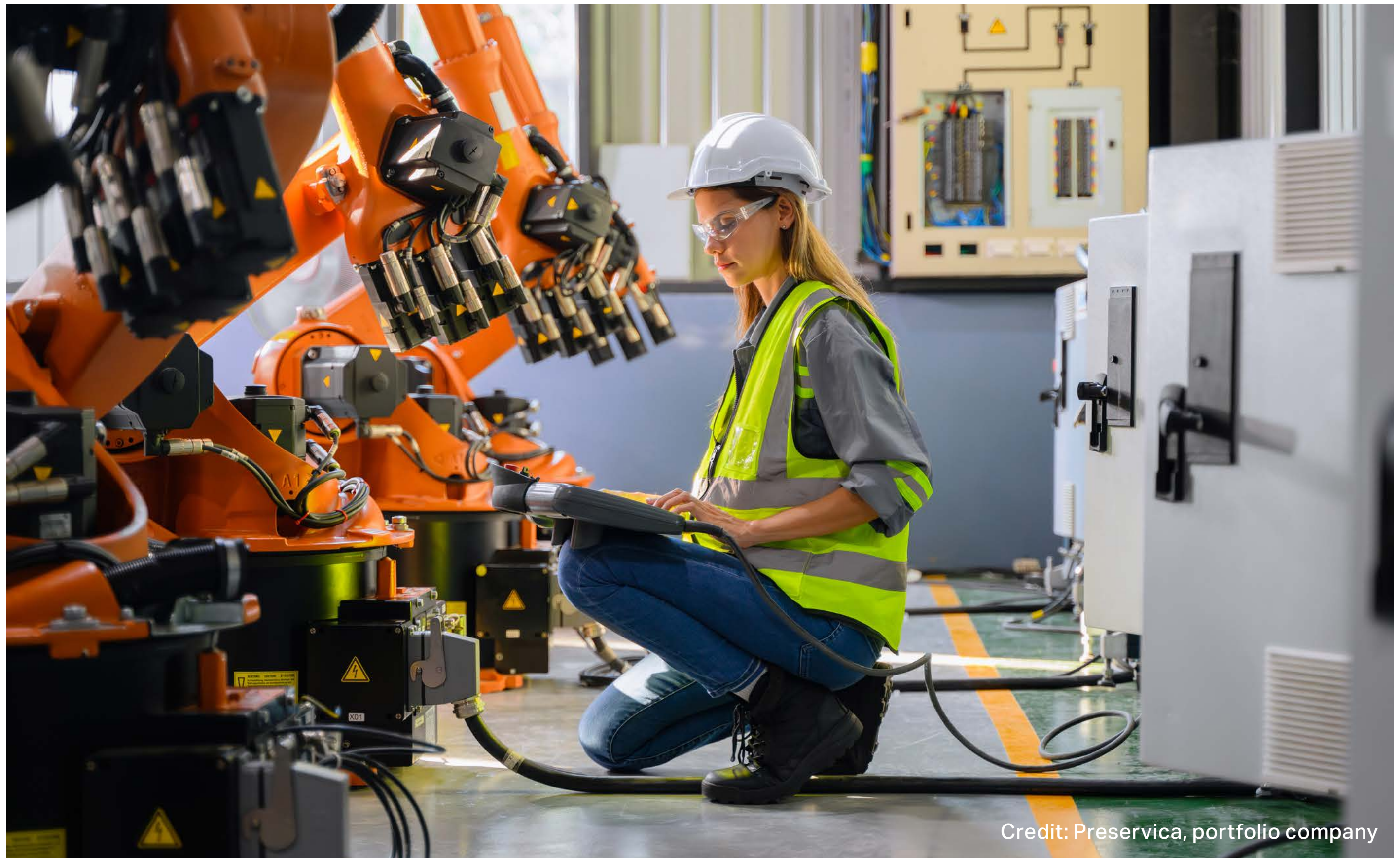
Branchspace (https://www.branchspace.com/) is a well-established specialist digital retailing consultancy and software provider to the aviation and travel industry. Branchspace's offering helps customers to transform their technology architecture to unlock best-in-class digital retailing capabilities, driving distribution efficiencies and an improved customer experience. Across two complementary service offerings, Branchspace can effectively cover the entire airline tech stack and has carved out a market position as sector experts, serving clients including IAG, Lufthansa and Etihad. This funding round will support its growth plans through product development.

| | Company | Business | Date of investment | Amount of further investment (£mn) |
|---|---|---|---|---|
| Preservica Digital Preservation | Preservica | Digital archiving software | December 2024 | 0.46 |

Preservica (https://preservica.com/) is a leading provider of digital preservation solutions and its access software is used around the globe by leading businesses, archives, libraries, museums and government organisations to safeguard and share valuable digital content. This additional funding will give the business extra headroom to attempt to deliver 20-25% ARR growth before seeking an exit in due course.

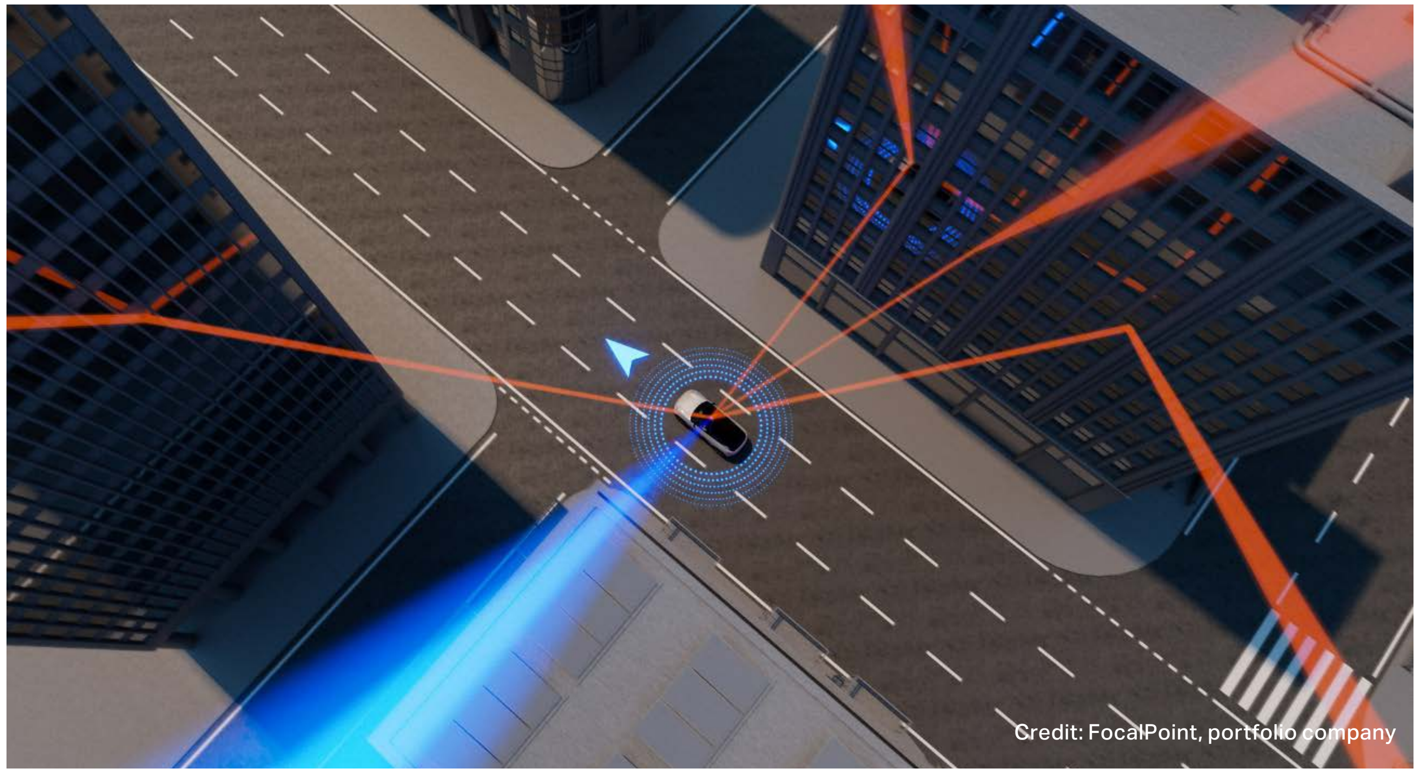
| | Company | Business | Date of investment | Amount of further investment (£mn) |
|---|---|---|---|---|
| FocalPoint | FocalPoint | GPS enhancement software | December 2024 | 0.10 |

Focal Point Positioning (https://focalpointpositioning.com/) is a technology business with a growing IP and software portfolio. Its proprietary technology applies advanced physics and machine learning to dramatically improve satellite-based location sensitivity and accuracy together with reducing costs and enhancing the security of devices such as smartphones, wearables and vehicles. This additional funding is intended to support Focal Point Positioning to deliver on its commercial contract objectives.


Credit: Preservica, portfolio company






Credit: FocalPoint, portfolio company

| | Company | Business | Date of investment | Amount of further investment (£mn) |
|---|---|---|---|---|
| Orri | Orri | Intensive care provider for adults with eating disorders | January – August 2025 | 0.64 |

Orri (https://www.orri-uk.com/) is a specialist daycare provider for patients with eating disorders. Orri provides an alternative to expensive residential in-patient treatment and lighter-touch outpatient services by providing highly structured day and half day sessions either online or in-person at its clinic on Hallam Street, London. This additional funding represents a bridging round to assist the business in stabilising losses and pursue growth alongside the UK Government's digital healthcare agenda.

| | Company | Business | Date of investment | Amount of further investment (£mn) |
|---|---|---|---|---|
| SciLeads | SciLeads | Digital Platform within the life science verticals | August 2025 | 0.54 |

Based in Belfast, SciLeads (https://scileads.com/) is a data and lead generation platform operating within life science verticals, allowing customers to identify, track and convert potential sales leads. SciLeads has grown ARR significantly and this investment will be used to accelerate new customer acquisition, professionalise the product and customer success functions, and to cross-sell opportunities within the existing customer base.

## Portfolio performance and realisations

**Investments still held**

The total valuation increases were £16.99 million (period ended 30 September 2024: £6.51 million), with the main increases being:

| | |
|---|---|
| **Preservica** | £7.96 million |
| **MPB Group** | £1.71 million |
| **CitySwift** | £1.53 million |
| **Arkk Consulting** | £1.42 million |

The portfolio's largest investments have experienced some strong revenue growth which has continued to drive values over the year, in particular Preservica, MPB Group, CitySwift and Arkk Consulting. Preservica's commercial progress continues to be strong with ARR growing significantly year-on-year. MPB Group is trading well in both its US and EU markets with double digit growth in each. CitySwift's recurring revenues have grown nearly 20% year-on-year and EBITDA is ahead of budget. Finally, Arkk Consulting's growth strategy is on track, seeking to accelerate software revenue growth and migration of its subscription services model.

The main reductions within the total valuation decreases of £(11.34) million (period ended 30 September 2024: £(6.62)) were:

| | |
|---|---|
| **Bella & Duke** | £(2.39) million |
| **Vivacity Labs** | £(2.28) million |
| **Connect Childcare** | £(1.73) million |
| **Orri** | £(1.40) million |

Bella & Duke is trading profitably and has increased its EBITDA over the past year, however adviser feedback on valuation benchmarks has resulted in a downward adjustment to enterprise value. Vivacity Labs has seen a slowdown in new business, in part due to the uncertainty of the UK budget cycle. Connect Childcare is being impacted by difficult market conditions. Finally, Orri's growth has not been as anticipated and it has had to reduce costs significantly during the year. However, further funds have been advanced to assist the company in refining its business model to align with the Government's digital healthcare initiative with a recent contract win improving prospects for next year.

The Company's investment values have been partially insulated from market movements and lower revenue growth by the private company prior ranking investment instruments utilised in the financing of many of the portfolio companies which helps to moderate valuation swings.

## Realisation during the year

The Company completed three exits during the year, generating realised gains of £1.20 million and net realised losses for the Company as a whole of £1.12 million, as detailed below:

| | Company | Business | Period of investment | Total cash proceeds over the life of the investment/Multiple over cost |
|---|---|---|---|---|
| | MyTutor | Digital marketplace for online tutoring | May 2017 to May 2025 | £3.63 million<br>0.6x cost |

The Company sold its investment in MyTutorweb (trading as MyTutor) to IXL. The Company received £2.80 million from the sale reflecting a £1.39 million uplift compared to the last valuation before exit at 31 March 2025 and a net realised gain of £0.65 million for the year. Total proceeds received over the life of the investment are £4.46 million compared to an original investment cost of £7.54 million, representing a multiple on cost of 0.6x.

| | | | | |
|---|---|---|---|---|
| | SEC Group (trading as SEC Life Sciences) | Contract and temporary staffing solutions to the life sciences industry | October 2010 to May 2025 | £2.87 million<br>1.1x cost |

The Company sold its investment in SEC Group (trading as SEC Life Sciences) to management for a nominal sum resulting in a zero gain/loss for the year. Total proceeds received over the life of the investment are £2.74 million compared to an original investment cost of £2.44 million, representing a multiple on cost of 1.1x.

| | | | | |
|---|---|---|---|---|
| | Rotageek | Provider of cloud-based enterprise software | August 2018 to May 2025 | £4.14 million<br>1.5x cost |

The Company sold its investment in Rotageek to Elmo Software. The Company received £4.56 million (including interest) from the sale at completion generating a realised gain for the year of £0.76 million. Total proceeds received over the life of the investment are £4.69 million compared to an original investment cost of £3.05 million, representing a multiple on cost of 1.5x.

## Other losses during the year

Following a restructuring at Wetsuit Outlet, the VCT's loan stock instrument was forgiven resulting in a £1.12 million realised loss. This reduced the burden on the investee company's balance sheet in order to provide a possible path to future equity value in the Company's shareholding. Also, the VCT's holdings in Azarc and Mable Therapy were recognised as realised losses amounting to a total of £1.20 million.

As is the nature of risk in relation to growth capital investing, the business models of these companies proved not to be sufficiently viable in the current challenging economic environment. Two further companies, Spanish Restaurant Group and Northern Bloc Ice Cream which had already been written off in prior years, were liquidated during the year.






Credit: Rotageek, portfolio company

## Portfolio income and yield

In the year under review, the Company received the following amounts in interest and dividend income:

| Investment Portfolio Yield | Year ended 30 September 2025 £mn | Nine month period ended 30 September 2024 £mn |
|---|---|---|
| Interest received | 0.75 | 0.47 |
| Dividends received | 0.47 | 0.02 |
| OEIC and bank interest received | 2.89 | 1.10 |
| Total portfolio income in the year | 4.11 | 1.59 |
| | | |
| Net Asset Value at 30 September | 177.69 | 144.32 |
| Income Yield (Income as a % of Net asset value at 30 September)* | 2.3% | 1.1% |

* higher compared to the prior period due to the acquisition of MIG 2 VCT's assets being reflected in the net asset value at the 30 September 2024 period end with interest and dividend income only reflected for the period since the Merger on 26 July 2024.

## Investments after the year-end

The Company made two new investments and one further investment totalling £6.93 million after the year-end, as detailed below:

**New:**

| | Company | Business | Date of investment | Amount of new investment (£mn) |
|---|---|---|---|---|
| - | - | Financial Services | December 2025 | 2.05 |

The name of the company cannot be disclosed in this Annual Report because the company's fundraise remains open.

| | Company | Business | Date of investment | Amount of new investment (£mn) |
|---|---|---|---|---|
| Veremark | Veremark | Provider of background screening and verification checks | January 2026 | 2.53 |

Veremark Limited (https://veremark.com) is a global provider of employee background screening and verification services to enterprise customers. Founded in 2020, Veremark is pursuing a strategy to establish itself as an international category leader outside the United States. Over the past year, the company tripled its annualised revenue run-rate through strong organic growth and disciplined M&A activity. This included the acquisition of UK-based Agenda Screening in July 2025 and Singapore-headquartered RMI in January 2026. The investment provides growth capital to support continued organic expansion, including investment in sales and marketing, product development, and operational infrastructure.

**Existing**:

| | Company | Business | Date of investment | Amount of further investment (£mn) |
|---|---|---|---|---|
| ARKK | Arkk Consulting | Regulatory and tax reporting software provider | December 2025 | 2.10 |

Arkk Consulting Limited (trading as Arkk Solutions) (https://arkksolutions.com) is a leading "Office of the CFO" software provider specialising in reporting, tax automation and digital tagging. Arkk serves over 1,000 customers and has evolved from its origins as a regulatory reporting services provider into a modular, tax and regulation automation platform offering over 30 products across more than 40 reporting jurisdictions. This further investment is to accelerate product development and build out the commercial team to drive growth.

## Environmental, social and governance

The Investment Adviser and the Board believe that the consideration of environmental, social and corporate governance ("ESG") factors throughout the investment cycle will contribute towards both Shareholder and stakeholder value. Following the year-end, Gresham House commenced its latest ESG survey of the unquoted portfolio companies, to identify how these companies think about ESG and what ESG data is being reported and monitored. Further details on our ESG approach and policies can be found in the Strategic Report on pages 36 to 38.

## Outlook

Macroeconomic uncertainty will continue to impact all sectors and businesses to varying degrees. The UK economy remains sluggish with little improvement evidenced during the latter half of the financial year 2025. However, Gresham House continues to believe this will present attractive opportunities for your Company which, by its evergreen nature, has the advantage of being able to take a longer-term view of both new and portfolio follow-on investments. Pockets of innovation exist and technological developments such as Fintech, AI, digital health and quantum computing technology are some of the sectors which Gresham House believe will present growth opportunities for company equity value and positive investor returns. The Company's portfolio contains investments in these areas and Gresham House will continue to pursue additional opportunities supporting visionary management teams who have a deep appreciation of their industries.

The knowledge and experience of our dedicated investment team will be increasingly important for the foreseeable future as they support their portfolio management teams in times of uncertain markets. In this respect, Gresham House is well placed by having one of the largest and most experienced teams in the industry. Despite this knowledge pool, the Investment Adviser is acutely aware of the evolving risk profile of potential high quality VCT investments which are increasingly commanding higher entry prices. Further, experience has shown that successful growth capital investments can have longer hold periods, whilst failures can materialise sooner, impacting performance in the medium-term.





Gresham House is very appreciative of the continued support from existing and new Shareholders. Having successfully raised funds in the year, Gresham House is pleased to support the Board's fundraising intentions for 2025/26. The expanded investment limits announced as part of the November UK Budget will support Gresham House's ability to provide funding to new opportunities, but also to help support existing portfolio companies achieve greater scale which is for the benefit of Shareholders.

We are cognisant of portfolio concentration which has resulted from the portfolio's higher value assets performing strongly. Nevertheless, the portfolio as a whole remains well funded and is exhibiting resilience. The varied portfolio across a wide range of sectors positions the Company to take advantage of the long-term investment horizon of VCTs and affords Gresham House the ability to choose the optimal time to exit an investment to maximise Shareholder value.

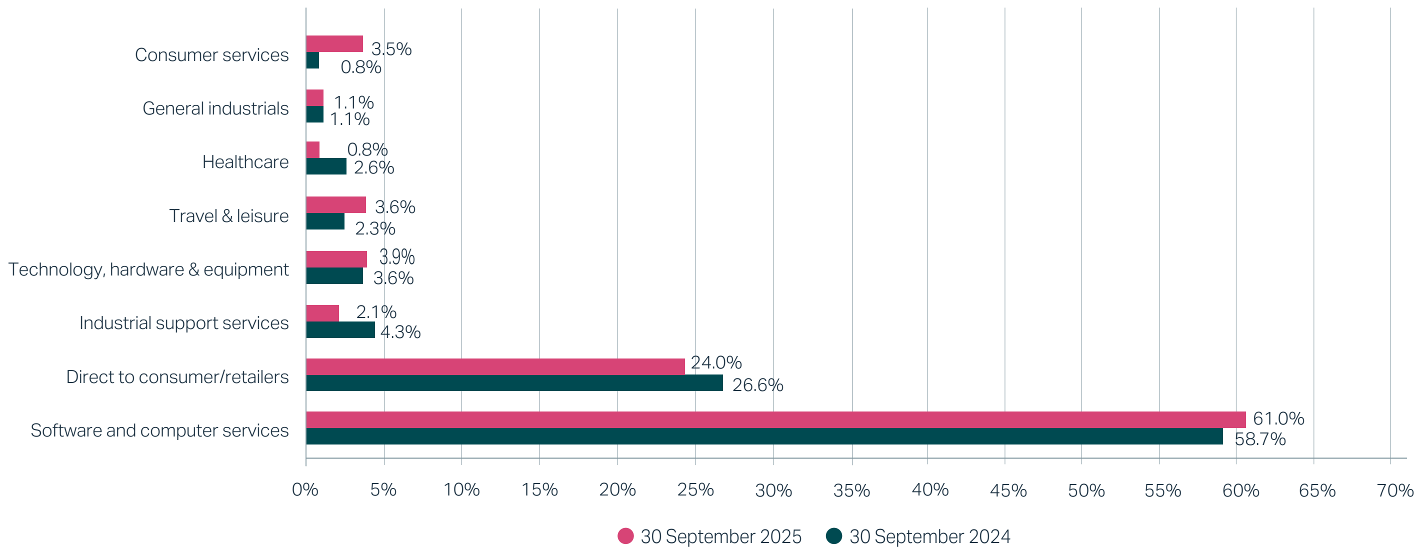
**Gresham House Asset Management Limited**
*Investment Adviser*

26 January 2026

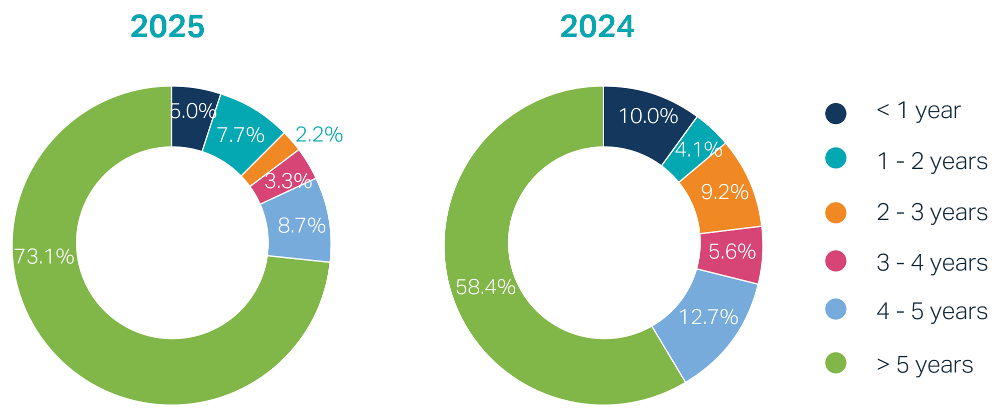
Credit: Buster & Punch, portfolio company

## Investments by market sector

Investments by value remain spread across a number of FTSE sectors, primarily in software and computer services, direct to consumer/retailers and industrial support services. Although the portfolio appears concentrated on two main sectors, the range of companies contained within these sectors is considered to be very diverse. The Investment Adviser continues to target further investments to complement these sectors.



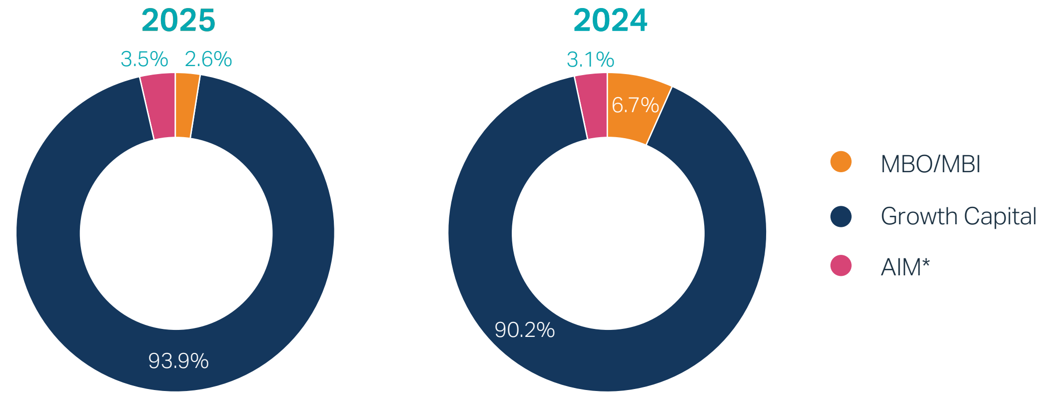

## Age of the portfolio by value








## Type of investment by value




Investments made after the 2015 rule changes are all growth capital investments which are young businesses using the Company's investment for growth and development purposes (as defined under VCT legislation).

Investments made before the 2015 rule change include all investments made under the Investment Adviser's management buyout ("MBO") strategy and management buy in ("MBI") strategies. This typically includes MBO and MBI investments which are more mature, but also contains some growth capital investments.

* Within AIM is an unquoted investment in Rapunzel Newco Limited valued on a NAV basis. As the main asset of Rapunzel Newco Limited is its holding in Virgin Wines UK plc, an AIM quoted company, its valuation is driven by the quoted bid price of Virgin Wines UK plc.


Credit: Caledonian Leisure, Portfolio Company

03 Investment Adviser's review - Principal investments in the Portfolio

# Principal investments in the Portfolio
## at 30 September 2025 by valuation

### Preservica Limited

www.preservica.com

| | |
|---|---|
| Investment Cost | £7,389,000 |
| Book cost | £15,888,000 |
| Valuation | £39,598,000 |

Basis of valuation
Revenue multiple

Equity % held
26.7%

Income receivable in year
£206,598

Business
Seller of proprietary digital archiving software

Location
Abingdon, Oxfordshire

Original transaction
Growth capital

**Audited financial information**

| | |
|---|---|
| Year ended | 31 March 2025 |
| Turnover | £15,808,000 |
| Operating loss | £(1,611,000) |
| Loss before taxation | £(2,040,000) |
| Net liabilities | £(7,811,000) |
| Year ended | 31 March 2024 |
| Turnover | £13,711,000 |
| Operating loss | £(2,881,000) |
| Loss before taxation | £(3,291,000) |
| Net liabilities | £(5,988,000) |

**Movements during the year**

Follow on investment of £0.46 million.

### MPB Group Limited

www.mpb.com

| | |
|---|---|
| Investment Cost | £2,275,000 |
| Book cost | £7,224,000 |
| Valuation | £17,019,000 |

Basis of valuation
Revenue multiple

Equity % held
6.3%

Income receivable in year
Nil

Business
Online marketplace for used photographic equipment

Location
Brighton

Original transaction
Growth capital

**Audited financial information**

| | |
|---|---|
| Year ended | 31 March 2025 |
| Turnover | £199,313,000 |
| Operating loss | £(604,000) |
| Loss before taxation | £(7,600,000) |
| Net assets | £19,183,000 |
| Year ended | 31 March 2024 |
| Turnover | £172,621,000 |
| Operating loss | £(2,079,000) |
| Loss before taxation | £(8,166,000) |
| Net assets | £23,888,000 |

**Movements during the year**

None.

### Data Discovery Solutions Limited (trading as Active Navigation)

www.activenavigation.com

| | |
|---|---|
| Investment Cost | £5,994,000 |
| Book cost | £7,214,000 |
| Valuation | £8,445,000 |

Basis of valuation
Revenue multiple

Equity % held
22.1%

Income receivable in year
Nil

Business
Provider of global market leading file analysis software for information governance, security and compliance

Location
London

Original transaction
Growth capital

**Audited financial information**

| | |
|---|---|
| Year ended | 29 June 2024 |
| Turnover | £18,535,000 |
| Operating profit | £2,090,000 |
| Profit before taxation | £2,001,000 |
| Net assets | £9,136,000 |
| Year ended | 29 June 2023 |
| Turnover | £12,051,000 |
| Operating profit | £1,623,000 |
| Profit before taxation | £991,000 |
| Net assets | £5,851,000 |

**Movements during the year**

None.

Financial information above and opposite is derived from publicly available Report and accounts. The valuation of each investee company is derived in line with the valuation methodology detailed in Note 8 and is typically based upon each investee company's latest management accounts information not yet disclosed to public sources.

Further details of the investments in the portfolio may be found on the Gresham House VCTs' website: https://greshamhouse.com/strategic-equity/private-equity/the-gresham-house-vcts/.

Operating profit is stated before charging depreciation and amortisation, where appropriate, for all investee companies.

Book cost figures above include the fair value of assets acquired from Mobeus Income & Growth 2 VCT plc ("MIG 2") acquired on 26 July 2024. Investment cost is the cash amounts invested by the Company and also includes amounts invested by the former Mobeus Income & Growth 2 VCT plc (MIG 2) prior to the merger on 26 July 2024. Valuation represents the fair value of the Company's and former MIG 2's instruments at 30 September 2025.

### Arkk Consulting Limited (trading as Arkk Solutions)

www.arkksolutions.com

| | |
|---|---|
| Investment Cost | £3,368,000 |
| Book cost | £3,771,000 |
| Valuation | £5,924,000 |

Basis of valuation
Revenue multiple

Equity % held
14.2%

Income receivable in year
£77,687

Business
Provider of services and software to enable organisations to remain compliant with regulatory reporting requirements

Location
London

Original transaction
Growth capital

**Audited Financial information**

| | |
|---|---|
| Year ended | 31 December 2024 |
| Turnover | £7,911,000 |
| Operating profit | £1,533,000 |
| Loss before taxation | £(599,000) |
| Net liabilities | £(1,261,000) |
| Year ended | 31 December 2023 |
| Turnover | £7,003,000 |
| Operating profit | £1,816,000 |
| Loss before taxation | £(62,000) |
| Net liabilities | £(1,151,000) |

**Movements during the year**

None.

### Caledonian Leisure Ltd

www.caledonian.com

| | |
|---|---|
| Investment Cost | £1,204,000 |
| Book cost | £1,824,000 |
| Valuation | £4,244,000 |

Basis of valuation
Earnings multiple

Equity % held
14.4%

Income receivable in year
£512,741

Business
UK leisure and experience breaks provider

Location
Leeds

Original transaction
Growth Capital

**Audited Financial information**

| | |
|---|---|
| Year ended | 31 December 2024 |
| Turnover | £63,399,000 |
| Operating profit | £2,386,000 |
| Profit before taxation | £2,897,000 |
| Net assets | £5,173,000 |
| Year ended | 31 December 2023 |
| Turnover | £55,006,000 |
| Operating profit | £1,455,000 |
| Profit before taxation | £1,665,000 |
| Net assets | £3,254,000 |

**Movements during the year**

None.

### Rapunzel Newco Limited (holds a direct shareholding in Virgin Wines UK plc)

www.virginwines.co.uk

| | |
|---|---|
| Investment Cost | 89,000 |
| Book cost | £1,382,000 |
| Valuation | £4,194,000 |

Basis of valuation
NAV basis (by reference to a quoted price of Virgin Wines UK plc)

Equity % held
15.9%

Income receivable in year
Nil

Business
Online wine retailer

Location
Norwich

Original transaction
Management buyout

**Audited financial information[1]**

| | |
|---|---|
| Period ended | 27 June 2025 |
| Turnover | £59,021,000 |
| Operating profit | £2,294,000 |
| Profit before taxation | £1,592,000 |
| Net assets | £22,620,000 |
| Period ended | 28 June 2024 |
| Turnover | £59,000,500 |
| Operating profit | £1,233,000 |
| Profit before taxation | £1,681,000 |
| Net assets | £23,320,000 |

[1] Audited financial information relates to Virgin Wines UK plc.

**Movements during the year**

None.

# Principal investments in the Portfolio
## at 30 September 2025 by valuation

### End Ordinary Group Limited (trading as Buster and Punch)

www.busterandpunch.com

| | |
|---|---|
| Investment Cost | £3,117,000 |
| Book cost | £3,388,000 |
| Valuation | £3,726,000 |

Basis of valuation
Earnings multiple

Equity % held
16.2%

Income receivable in year
Nil

Business
Industrial inspired lighting and interiors retailer

Location
London

Original transaction
Growth capital

**Audited financial information**

| | |
|---|---|
| Year ended | 31 March 2025 |
| Turnover | £21,301,000 |
| Operating loss | £(1,771,000) |
| Loss before taxation | £(2,667,000) |
| Net assets | £10,631,000 |
| Year ended | 31 March 2024 |
| Turnover | £22,281,000 |
| Operating profit | £790,000 |
| Loss before taxation | £(128,000) |
| Net assets | £12,896,000 |

**Movements during the year**

None.

### Legatics Holding Limited

www.legatics.com

| | |
|---|---|
| Investment Cost | £2,142,000 |
| Book cost | £2,271,000 |
| Valuation | £3,195,000 |

Basis of valuation
Revenue multiple

Equity % held
13.6%

Income receivable in year
Nil

Business
SaaS LegalTech software provider

Location
London

Original transaction
Growth capital

**Unaudited financial information**

| | |
|---|---|
| Year ended | 31 May 2024 |
| Turnover | Not disclosed |
| Operating profit | Not disclosed |
| Profit/(loss) before taxation | Not disclosed |
| Net assets | £12 |
| Year ended | 31 May 2023 |
| Turnover | Not disclosed |
| Operating profit | Not disclosed |
| Profit/(loss) before taxation | Not disclosed |
| Net assets | £3,192 |

**Movements during the year**

None.

### Huddl Mobility Limited (trading as CitySwift)

www.cityswift.com

| | |
|---|---|
| Investment Cost | £1,124,000 |
| Book cost | £1,131,000 |
| Valuation | £2,689,000 |

Basis of valuation
Revenue multiple

Equity % held
4.2%

Income receivable in year
Nil

Business
Passenger transport data and scheduling software provider

Location
Galway City, Ireland

Original transaction
Growth capital

**Audited financial information**

| | |
|---|---|
| Year ended | 31 December 2024 |
| Turnover | Not disclosed |
| Operating profit/(loss) | Not disclosed |
| Profit/(loss) before taxation | Not disclosed |
| Net assets | £2,914,000 |
| Year ended | 31 December 2023 |
| Turnover | Not disclosed |
| Operating profit/(loss) | Not disclosed |
| Loss before taxation | Not disclosed |
| Net assets | £5,540,000 |

**Movements during the year**

None.

Financial information above and opposite is derived from publicly available Report and accounts. The valuation of each investee company is derived in line with the valuation methodology detailed in Note 8 and is typically based upon each investee company's latest management accounts information not yet disclosed to public sources.

Further details of the investments in the portfolio may be found on the Gresham House VCTs' website: https://greshamhouse.com/strategic-equity/private-equity/the-gresham-house-vcts/

Operating profit is stated before charging depreciation and amortisation, where appropriate, for all investee companies.

Book cost figures above include the fair value of assets acquired from Mobeus Income & Growth 2 VCT plc ("MIG 2") acquired on 26 July 2024. Investment cost is the cash amounts invested by the Company and also includes amounts invested by the former Mobeus Income & Growth 2 VCT plc (MIG 2) prior to the merger on 26 July 2024. Valuation represents the fair value of the Company's and former MIG 2's instruments at 30 September 2025.





### Ozone Financial Technology Limited

www.ozoneapi.com

| | |
|---|---|
| Investment Cost | £2,202,000 |
| Book cost | £2,444,000 |
| Valuation | £2,552,000 |

Basis of valuation
Revenue multiple

Equity % held
2.8%

Income receivable in year
Nil

Business
Open banking software developer

Location
London

Original transaction
Growth Capital

**Unaudited financial information**

| | |
|---|---|
| Year ended | 30 September 2024 |
| Turnover | Not disclosed |
| Operating profit/(loss) | Not disclosed |
| Profit/(loss) before taxation | Not disclosed |
| Net assets | £4,612,000 |
| Year ended | 30 September 2023 |
| Turnover | Not disclosed |
| Operating profit/(loss) | Not disclosed |
| Profit/(loss) before taxation | Not disclosed |
| Net liabilities | £(1,136,000) |

**Movements during the year**

None.

### Nu Quantum Limited

www.nu-quantum.com

| | |
|---|---|
| Investment Cost | £2,099,000 |
| Book cost | £2,099,000 |
| Valuation | £2,099,000 |

Basis of valuation
Recent investment price

Equity % held
1.6%

Income receivable in year
Nil

Business
Developer of quantum networking hardware and software

Location
Cambridge

Original transaction
Growth Capital

**Unaudited Financial information**

| | |
|---|---|
| Year ended | 30 September 2024 |
| Turnover | Not disclosed |
| Operating loss | Not disclosed |
| Loss before taxation | Not disclosed |
| Net Assets | £5,049,000 |
| Year ended | 30 September 2023 |
| Turnover | Not disclosed |
| Operating loss | Not disclosed |
| Loss before taxation | Not disclosed |
| Net assets | £5,702,000 |

**Movements during the year**

New investment of £2.10 million.

### EOTH Limited (trading as Equip Outdoor Technologies)

https://equipuk.com

| | |
|---|---|
| Investment Cost | £1,901,000 |
| Book cost | £2,096,000 |
| Valuation | £2,070,000 |

Basis of valuation
Cost (reviewed for impairment)

Equity % held
0.0%

Income receivable in year
£130,325

Business
Branded outdoor equipment and clothing (Rab and Lowe Alpine)

Location
London

Original transaction
Growth Capital

**Unaudited Financial information**

| | |
|---|---|
| Year ended | 31 January 2025 |
| Turnover | £106,438,000 |
| Operating profit | £15,715,000 |
| Profit before taxation | £13,934,000 |
| Net Liabilities | £(10,545,000) |
| Year ended | 31 January 2024 |
| Turnover | £105,742,000 |
| Operating profit | £15,887,000 |
| Profit before taxation | £12,985,000 |
| Net Liabilities | £(3,830,000) |

**Movements during the year**

None.

# Investment portfolio summary

## as at 30 September 2025

Rose Investment made prior to 2015 VCT rule change

Teal Investment made after 2015 VCT rule change

| Gresham House portfolio of investments *(Date of investment)* | Market sector | Total Investment cost[2] £'000 | Total book cost[2] £'000 | Valuation £'000 | Like for like valuation increase/ (decrease) over year[1] | % of portfolio by value | % of equity held by funds managed and advised by Gresham House |
|---|---|---|---|---|---|---|---|
| **Investment Portfolio** | | | | | | | |
| **Preservica Limited** *(Dec-15)* Seller of proprietary digital archiving software | Software and computer services | 7,389 | 15,888 | 39,598 | 25.5% | 33.2% | 57.8% |
| **MPB Group Limited** *(Jun-16)* Online marketplace for used photographic and video equipment | Retailers | 2,275 | 7,224 | 17,019 | 11.1% | 14.3% | 13.5% |
| **Data Discovery Solutions Limited (trading as Active Navigation)** *(Nov-19)* Provider of global market leading file analysis software for information governance, security and compliance | Software and computer services | 5,994 | 7,214 | 8,445 | (7.2)% | 7.1% | 46.8% |
| **Arkk Consulting Limited (trading as Arkk Solutions)** *(May-19)* Provider of services and software to enable organisations to remain compliant with regulatory reporting requirements | Software and computer services | 3,368 | 3,771 | 5,924 | 31.5% | 5.0% | 30.1% |
| **Caledonian Leisure Limited** *(Mar-21)* Provider of UK leisure and experience breaks | Travel & leisure | 1,204 | 1,824 | 4,244 | 42.4% | 3.6% | 27.5% |
| **Rapunzel Newco Limited (holds a direct shareholding in Virgin Wines UK plc (AIM quoted))[5]** *(Nov-13)* Online Wine retailer | Retailers | 89 | 1,382 | 4,194 | 20.5% | 3.5% | 41.6% |
| **End Ordinary Group Limited (trading as Buster and Punch)** *(Mar-17)* Industrial inspired lighting and interiors retailer | Retailers | 3,117 | 3,388 | 3,276 | (11.3)% | 2.7% | 34.6% |
| **Legatics Holding Limited** *(Jun-21)* SaaS LegalTech software provider | Software and computer services | 2,142 | 2,271 | 3,195 | 33.7% | 2.7% | 28.5% |





| Gresham House portfolio of investments *(Date of investment)* | Market sector | Total Investment cost[2] £'000 | Total book cost[2] £'000 | Valuation £'000 | Like for like valuation increase/ (decrease) over year[1] | % of portfolio by value | % of equity held by funds managed and advised by Gresham House |
|---|---|---|---|---|---|---|---|
| **Huddl Mobility Limited (trading as CitySwift)** *(Dec-23)* Passenger transport data and scheduling software provider | Software and computer services | 1,124 | 1,131 | 2,689 | 132.3% | 2.3% | 17.4% |
| **Ozone Financial Technology Limited** *(Dec-23)* Open banking software developer | Software and computer services | 2,202 | 2,444 | 2,552 | (10.4)% | 2.1% | 11.8% |
| **Nu Quantum Limited** *(May-25)* Developer of quantum networking hardware and software | Technology, hardware & equipment | 2,099 | 2,099 | 2,099 | New investment | 1.8% | 6.5% |
| **EOTH Limited (trading as Equip Outdoor Technologies)** *(Oct-11)* Branded outdoor equipment and clothing (Rab and Lowe Alpine) | Retailers | 1,901 | 2,096 | 2,070 | - | 1.7% | 0.0% |
| **Bella & Duke Limited** *(Feb-20)* A premium frozen raw dog food provider | Retailers | 2,062 | 5,473 | 2,062 | (53.7)% | 1.7% | 21.2% |
| **Veritek Global Holdings Limited** *(Jul-13)* Maintenance of imaging equipment | Industrial support services | 1,653 | 1,610 | 1,986 | (17.8)% | 1.7% | 49.4% |
| **Scileads Limited** *(Mar-24)* A data and lead generation platform operating within life science verticals | Software and computer services | 1,748 | 1,748 | 1,877 | 10.6% | 1.6% | 29.4% |
| **Vivacity Labs Limited** *(Feb-21)* Provider of artificial intelligence & urban traffic control systems | Technology, hardware & equipment | 4,290 | 4,063 | 1,844 | (55.3)% | 1.5% | 32.5% |
| **IPV Limited** *(Nov-19)* Provider of media asset software | Software and computer services | 1,426 | 1,292 | 1,426 | 100.0% | 1.2% | 22.7% |
| **OnSecurity Technology Limited** *(Jun-24)* Cybersecurity services business | Software and computer services | 1,423 | 1,556 | 1,360 | (29.9)% | 1.1% | 20.0% |
| **Proximity Insight Holdings Limited** *(Feb-22)* Offers a 'Super-App' that is used by the customer- facing teams of brands and retailers to better-engage with customers | Software and computer services | 1,285 | 1,285 | 1,285 | 33.5% | 1.1% | 20.4% |
| **Cognassist UK Limited** *(Mar-23)* Provider of neurodiversity assessments and support software | Software and computer services | 1,030 | 1,075 | 1,252 | 8.1% | 1.0% | 22.2% |
| | | | | | | | |
| **Other investments made prior to 2015 VCT rule change outside Top 20[3]** | | 5,517 | 3,476 | 1,143 | | 1.0% | |
| **Other investments made after 2015 VCT rule change outside Top 20[4]** | | 24,071 | 19,359 | 9,686 | | 9.1% | |

# Investment portfolio summary
as at 30 September 2025

Rose Investment made prior to 2015 VCT rule change
Teal Investment made after 2015 VCT rule change

| Gresham House portfolio of investments *(Date of investment)* | Market sector | Total Investment cost[2] £'000 | Total book cost[2] £'000 | Valuation £'000 | Like for like valuation increase/ (decrease) over year[1] | % of portfolio by value | % of equity held by funds managed and advised by Gresham House |
|---|---|---|---|---|---|---|---|
| **Other Portfolio[3,4]** | | 29,588 | 22,835 | 10,829 | | 10.1% | |
| **Total investments** | | 77,407 | 91,669 | 119,226 | | 100.0% | |
| Current asset investments and cash and cash equivalents[6] | | 58,986 | 58,986 | 58,986 | | | |
| **Total investments** | | 136,393 | 150,655 | 178,212 | | 100.0% | |
| Other assets | | | | 356 | | | |
| Current liabilities | | | | (880) | | | |
| **Net assets** | | | | 177,688 | | | |
| **Portfolio split by type** | | | | | | | |
| **Investment made prior to 2015 VCT rule change** | | 9,160 | 8,564 | 9,393 | | 7.9% | |
| **Investment made after 2015 VCT rule change** | | 68,247 | 83,105 | 109,833 | | 92.1% | |
| **Total investment portfolio** | | 77,407 | 91,669 | 119,226 | | 100.0% | |

1 This percentage change in 'like for like' valuations is a comparison of the 30 September 2025 valuations with the 30 September 2024 valuations (or where a new investment has been made in the year, the investment amount), having adjusted for any partial disposals, loan stock repayments or new investments in the year.

2 Total investment cost reflects the cash amounts invested by the Company and also includes amounts invested by the former Mobeus Income & Growth 2 VCT plc (MIG 2) prior to the merger on 26 July 2024. Total book cost reflects the cash amounts invested by the Company, plus the cost of acquisition of MIG 2's assets at the date of the merger.

3 Other investments made prior to the 2015 VCT rule change comprise: CGI Creative Graphics International Limited and Racoon International Group Limited.

4 Other investments made after the 2015 VCT rule change comprise: Connect Childcare Group Limited, Penfold Technology Limited, Modo25 Limited (trading as AskBosco), Spinners Group Limited, Gentianes Solutions Limited (trading as Much Better Adventures), Manufacturing Services Investment Limited (trading as Wetsuit Outlet), Branchspace Limited, Lads Store Limited (trading as Bidnamic), Mobility Mojo Limited, FocalPoint Positioning Limited, Pets' Kitchen Limited (trading as Vet's Klinic), Mable Therapy Limited, Orri Limited, Azarc.io, Connect Earth Limited, Dayrize B.V., Parsley Box Limited, BookingTek Limited and Kudos Innovations Limited.

5 Rapunzel Newco Limited is a Level 2 investment. The value of Rapunzel Newco Limited, an unquoted company, is determined by reference to the quoted bid price of Virgin Wines UK plc. For further details on the classification of investments see Notes 8 and 15.

6 Disclosed as Current asset investments (£nil) and Cash and cash equivalents (£58,986) within Current assets in the Balance sheet on page 76.



# Strategic report

04

## Company objective and business model

### Objective

The objective of the Company is to provide investors with a regular income stream, by way of tax-free dividends generated from income and capital returns, while continuing, at all times, to qualify as a VCT.

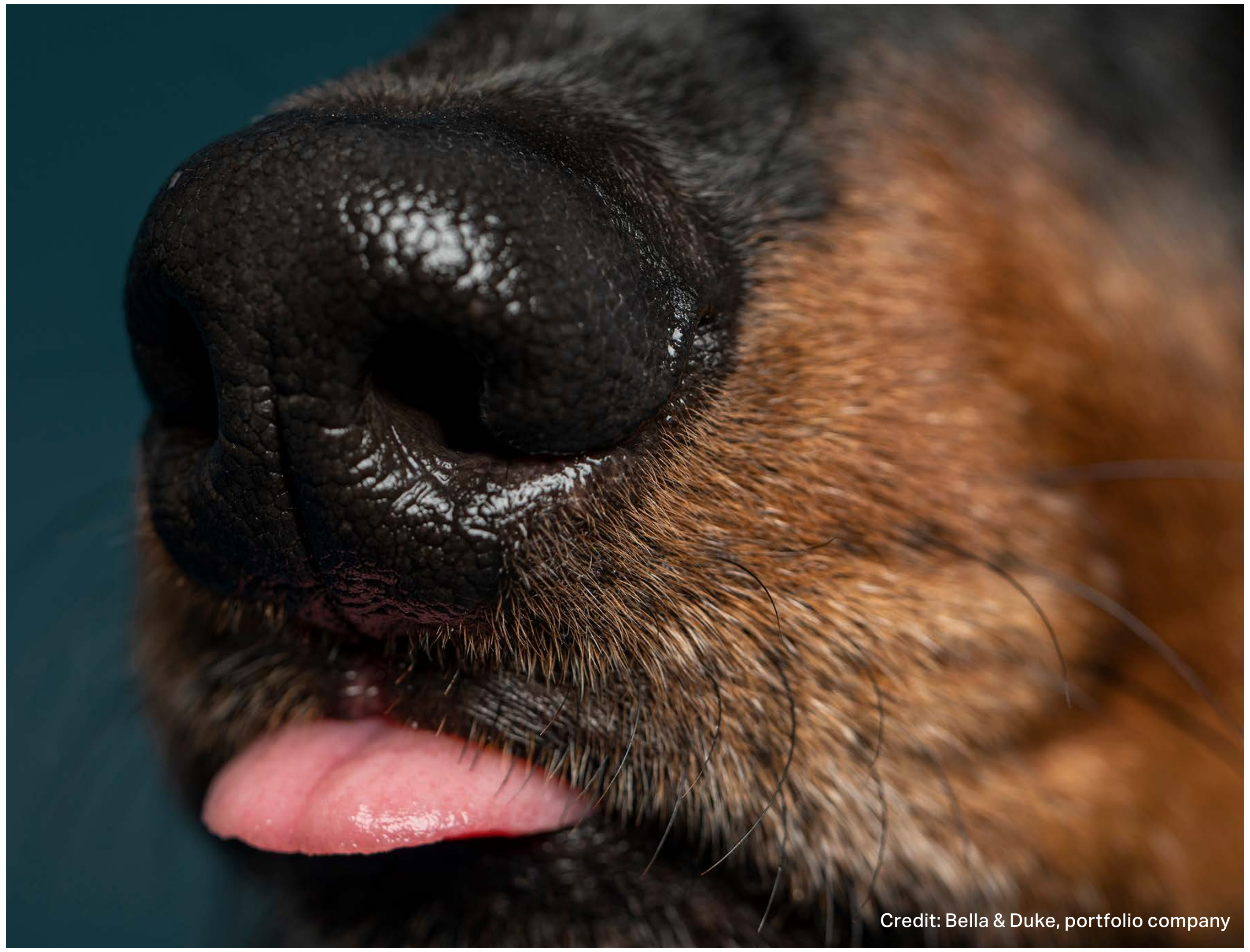
### Summary of Investment Policy

The Company's Investment Policy is to invest primarily in a diverse portfolio of UK unquoted companies. Investments are generally structured as part loan and part equity in order to receive regular income, to generate capital gain upon sale and to reduce the risk of high exposure to equities. To further spread risk, investments are made in a number of different businesses across different industry sectors.

The Company's cash and liquid resources are held in a range of instruments which can be of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

The Company seeks to make investments in accordance with the requirements of VCT regulation. A summary of this is set out on the next page.

The full text of the Company's Investment Policy is set out on page 38 of this Strategic Report.



Credit: Bella & Duke, portfolio company

# Summary of VCT regulation

To maintain its status as a VCT, the Company must meet a number of conditions, the most important of which are that:

- The Company is required to hold at least 80%, by VCT tax value[1] of its total investments (shares, securities and liquidity) in VCT qualifying holdings, within approximately three years of a fundraising;
- All qualifying investments made by VCTs after 5 April 2018, together with qualifying investments made by funds raised after 5 April 2011 are, in aggregate, required to comprise at least 70% by VCT tax value in "eligible shares", which carry no preferential rights (save as may be permitted under VCT rules);
- No investment in a single company or group of companies may represent more than 15% (by VCT tax value) of the Company's total investments at the date of investment;
- The Company must pay sufficient levels of income dividend from its revenue available for distribution so as not to retain more than 15% of its income from shares and securities in a year;
- The Company's shares must be listed on the London Stock Exchange or a regulated European stock market;
- Non-qualifying investments cannot be made, except for certain exemptions in managing the Company's short-term liquidity;
- VCTs are required to invest 30% of funds raised in an accounting period beginning on or after 6 April 2018 in qualifying holdings within 12 months of the end of that accounting period; and
- The period for reinvestment of the proceeds on disposal of qualifying investments is 12 months.

To be a VCT qualifying holding, new investments must be in companies:

- Which carry on a qualifying trade;
- Which have no more than £15 million of gross assets at the time of investment and no more than £16 million immediately following investment from VCTs;
- Whose maximum age is generally up to seven years (ten years for knowledge intensive businesses);
- That receive no more than an annual limit of £5 million and a lifetime limit of £12 million (for knowledge intensive companies the lifetime limit is £20 million, and the annual limit is £10 million), from VCTs and similar sources of State Aid funding; and
- That use the funds received from VCTs for growth and development purposes.

In addition, VCTs may not:

- Offer secured loans to investee companies, and any returns on loan capital above 10% must represent no more than a commercial return on the principal; and
- Make investments that do not meet the 'risk to capital' condition (which requires a company, at the time of investment, to be an entrepreneurial company with the objective to grow and develop, and where there is a genuine risk of loss of capital).

[1] VCT tax value means as valued in accordance with prevailing VCT legislation. The calculation of VCT tax value is arrived at using tax values, based on the cost of the most recent purchase of an investment instrument in a particular company, which may differ from the actual cost of each investment shown in the Investment Portfolio Summary on pages 26 to 28.

From 6 April 2026, the following revised eligibility thresholds for VCT qualifying holdings will apply. New investments must be in companies:

- Which have no more than £30 million of gross assets at the time of investment and no more than £35 million immediately following investment from VCTs; and
- Which have no more than an annual limit of £10 million and a lifetime limit of £24 million (for knowledge intensive companies the lifetime limit is £40 million, and the annual limit is £20 million) from VCTs and similar sources of State Aid funding.





# The Company and its business model

The Company is a Venture Capital Trust and its Objective and Investment Policy are designed to ensure that it continues to qualify as a VCT, and continues to be approved as such by HM Revenue & Customs ("HMRC"), whilst maximising returns to Shareholders from both income and capital. A summary of the most important rules that determine VCT approval is contained in the panel headed Summary of VCT regulation on the previous page.

As a fully listed company on the London Stock Exchange, the Company is required to comply with the listing rules governing such companies. The listing also fulfils a requirement for VCT approval to maintain its VCT status.

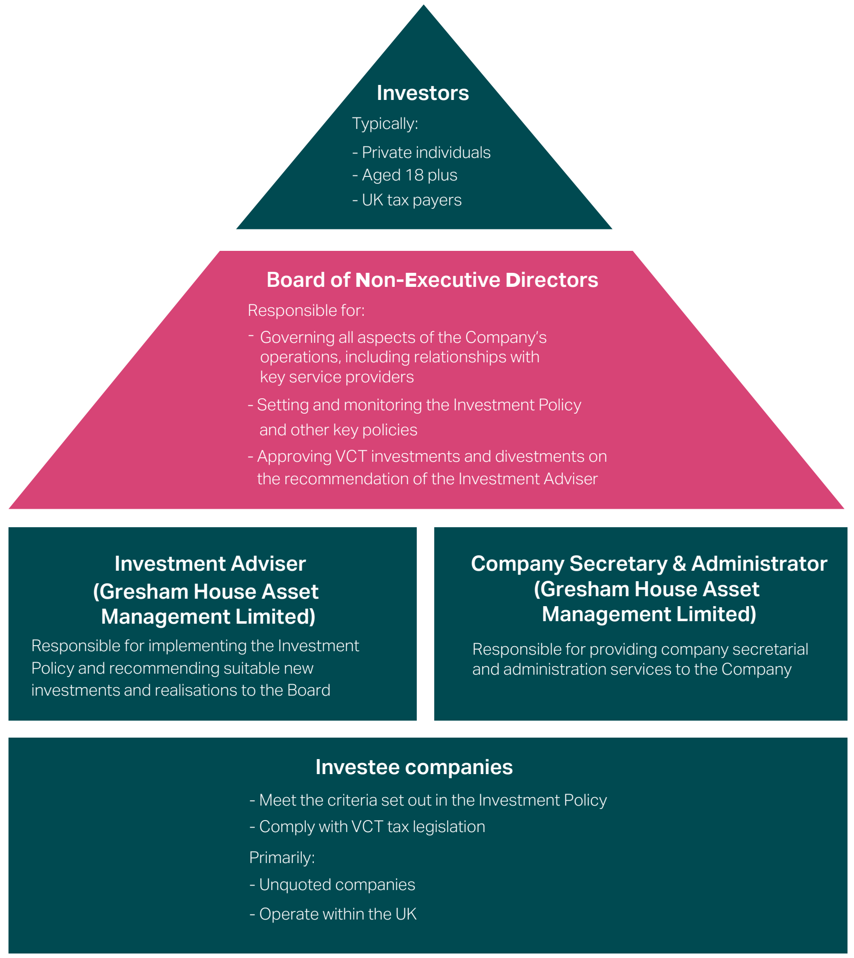
The Company is an externally advised Fund with a Board comprising Non-Executive Directors only. The Board has overall responsibility for the Company's affairs including the determination of its Investment Policy (material changes to which are subject to approval by Shareholders). Investment advice and operational support are outsourced to external service providers (including the Investment Adviser, Registrar, Company Secretary and Administrator), with the key strategic and operational framework and key policies set and monitored by the Board. Investment and divestment proposals are originated, negotiated and recommended by the Investment Adviser and are then subject to comment, approval or rejection by the Directors. Further details are contained in the Stakeholder Engagement and Directors' Duties section on pages 39 to 41.

The Company usually co-invests alongside the Baronsmead VCTs and the other Gresham House VCT managed or advised by Gresham House, in new unquoted investments in proportion to the relative net assets of each VCT (excluding direct AIM investments).

The total percentage of equity held in each investment by all funds advised by the Investment Adviser is shown in the Investment portfolio summary on pages 26 to 28.

Private individuals invest in the Company to benefit from both income and capital returns from the portfolio. By subscribing for shares in a VCT they also receive immediate income tax relief (currently 30% of the amount subscribed by an investor, post 5 April 2026: 20%). Investors receive tax-free dividends from the Company and incur no capital gains tax upon the eventual sale of the shares. These tax benefits are subject to the VCT maintaining its approved VCT status and the shares being held for a minimum of five years from the date of subscription.

The Company's business model is set out in the diagram below.



# Performance and key performance indicators

The Board has identified six key performance indicators that it uses to assess the Company's progress. Some of these are classified as alternative performance measures ("APMs") in line with Financial Reporting Council ("FRC") guidance. See Glossary of terms for details on pages 112 and 113. APMs are measures of performance in addition to the data reported in the Financial Statements:

1 Relative shareholder total returns;
2 Relative and Absolute NAV total returns;
3 Dividends paid compared with the dividend target;
4 Management of share price discount to NAV;
5 Compliance with VCT legislation; and
6 Management of expenses.

## 1 Relative shareholder total returns

**The Board monitors the total returns received by Shareholders. These total returns take into account both income received (dividends) and capital (share price) movements. The Company's total returns are then compared with those achieved by other similar VCTs. The Company has a target of maintaining performance in the top quartile of this peer group with particular emphasis placed upon the longer-term five and ten-year periods.**

The total returns of the Company and its rankings against other companies in an Index of VCTs which are members of the Association of Investment Companies ("AIC") have been as follows:

| Year to 30 September 2025 | Total return (share price basis) % (Quartile) | Average VCT Total return (share price basis) % |
|---:|---:|---:|
| 3 years | 5.8% (2nd) | (13.8)% |
| 5 years | 65.2% (1st) | 10.3% |
| 10 years | 162.9% (1st) | 53.3% |

Source: AIC 30 September 2025

The above data was prepared by Morningstar on behalf of the AIC on the basis that dividends were reinvested in shares in the Company on the last trading day of the month in which the shares were quoted ex-dividend.

Overall, the Board considers the long term relative shareholder total returns to be very good. The nature of VCT investing reflects a medium to long-term horizon particularly by reference to the five-year hold period for investors to be eligible for upfront income tax relief.

## 2 Relative and Absolute NAV total returns

**The Board also monitors relative net asset value total returns. These returns are calculated as above but using NAVs rather than share prices. This removes the effects of changes in the discounts/premiums at which share prices trade, relative to NAVs, which the Investment Adviser does not directly control. The Board uses NAV total returns to measure the relative performance of the Investment Adviser. The Company has a target of maintaining performance in the top quartile of its peer group with particular emphasis placed upon the longer-term five and ten-year periods.**

The returns of the Company and its rankings against other companies in an Index of VCTs which are members of the AIC have been as follows:

| Year to 30 September 2025 | Total return (NAV basis) % (Quartile) | Average VCT Total return (NAV basis) % |
|---:|---:|---:|
| 3 years | 3.0% (2nd) | (7.0)% |
| 5 years | 43.8% (2nd) | 12.4% |
| 10 years | 128.2% (1st) | 48.0% |

Source: AIC 30 September 2025

The above data was prepared by Morningstar on behalf of the AIC on the basis that dividends were reinvested in the Company on the last trading day of the month in which the shares were quoted ex-dividend.



04 Strategic report - Performance and key performance indicators

Overall, the Board considers the long term relative NAV total returns to be good. The nature of VCT investing reflects a medium to long-term horizon particularly by reference to the five-year hold period for investors to be eligible for upfront income tax relief.

### NAV total returns for the year/period

| | | Year ended 30 September 2025 (pence per share) | Period ended 30 September 2024 (pence per share) |
|---|---|---:|---:|
| Total return (p) | Closing NAV per share | 54.29 | 54.70 |
| | Plus: dividends paid in year/period | 2.00[1] | 4.00 |
| | NAV Total return for year/period | 56.29 | 58.70 |
| | Less: opening NAV per share | 54.70 | 58.43 |
| | NAV Return for year/period[2] | 1.59 | 0.27 |
| | % NAV Total return for year/period | 2.9% | 0.5% |

[1] Dividends paid in the year refer to the interim dividend of 2.00 pence per share paid on 11 April 2025 in respect of the year under review.

[2] The analysis of the source of the NAV Return of 1.59 pence per share is set out below:

| | 2025 | | 2024 | |
|---|---:|---:|---:|---:|
| Opening NAV per share | | 54.70 | | 58.43 |
| Gross portfolio capital returns | 1.38 | | (0.08) | |
| Gross income returns | 1.10 | | 0.53 | |
| Costs | (1.18) | | (0.78) | |
| Other movements | 0.29 | | 0.60 | |
| NAV Total Return for the year | | 1.59 | | 0.27 |
| Closing NAV per share (excluding dividends paid) | | 56.29 | | 58.70 |
| Less: dividends paid in the year | | (2.00) | | (4.00) |
| **Closing NAV per share** | | **54.29** | | **54.70** |

The NAV return for the period of 1.59 pence per share is split between its capital and revenue elements (expressed in £ millions) under Review of financial performance for the year below.

The Company does not consider it appropriate to set a specific annual cumulative return per share target for the year. However, Shareholders should note that the Board assesses these returns against the Company's ability to meet its annual dividend target (see Section 3 Dividends paid compared with dividend target).

Before any performance fee is payable, Shareholders must benefit from an average annual NAV total return over a five-year period of the higher of i) 6% per annum and ii) the Bank of England base rate plus 2%. For details, see Note 4 to the Financial Statements.

### Review of financial performance for the year/period

| | Year ended 30 September 2025 (£mn) | Period ended 30 September 2024 (£mn) |
|---|---:|---:|
| Capital return | 1.72 | (1.32) |
| Revenue return | 2.02 | 0.45 |
| Total return | 3.74 | (0.87) |

The revenue profit for the year of £2.02 million (0.79 pence of NAV return for the year per weighted average number of shares in issue during the year, net of costs charged to revenue) has increased over the previous period. The revenue profit is derived from income, primarily from liquidity fund interest, outweighing revenue expenses. This has increased due to higher dividends received in the year as well as both the impact of the enlarged entity following the merger in July 2024 and the comparative reflecting a nine month period. Other expenses have increased as a result of the enlarged entity, however this increase has been moderated by the ongoing cost savings arising from operating as one VCT compared to two prior to the merger.

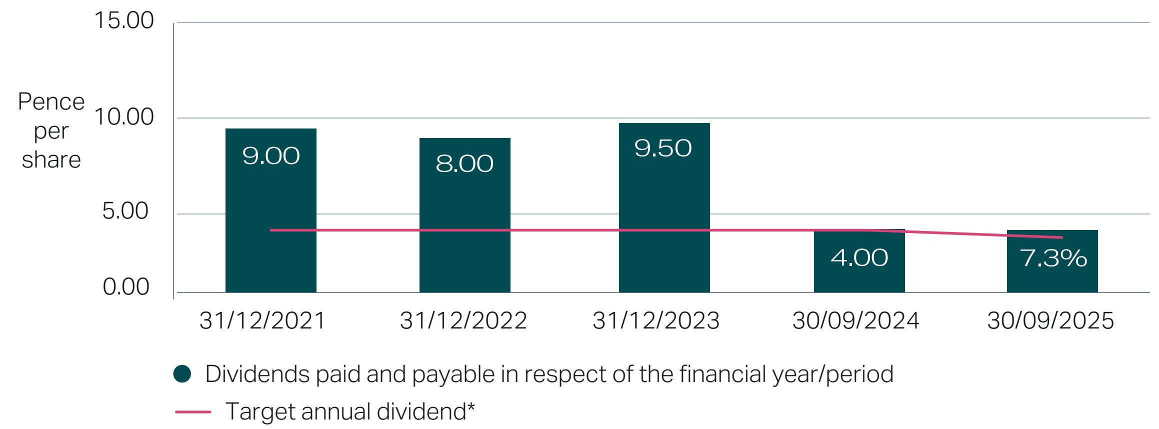
The capital return for the year of £1.72 million (0.66 pence in NAV return for the year per weighted average number of shares in issue during the year, plus costs charged to capital) is due primarily to a net increase in unrealised valuations of the portfolio companies, partially offset by Investment adviser fees charged to capital (including a performance fee payable) as well as realised losses recognised in the year.

## 3 Dividends paid compared with the dividend target

**The Company has a target of paying an annual dividend of at least 7% of the opening NAV per share in respect of each financial year.**

The Company's objective is to provide Shareholders with an attractive stream of tax-free dividends. The Board intends to continue to maximise the stream of dividend distributions to its Shareholders from the income and capital gains generated by the portfolio or from other distributable reserves. However, the ability of the Company to pay dividends in the future cannot be guaranteed and will be subject to performance and available cash and reserves.

**Dividends paid and payable in respect of the financial year/period**




* For financial years 2025 onwards the target is 7% of NAV per share at the start of the year. In prior years, the dividend target was on a pence per share basis, being 4 pence per share.

**Dividends paid or payable per share in respect of the financial year ended 30 September 2025 exceeded the Company's 7% annual target. An achieved yield of 7.3% comprised a dividend of 2.00 pence per share, paid to Shareholders on 11 April 2025 and a 2.00 pence dividend paid after the year-end on 30 October 2025, respectively. Cumulative dividends paid/payable to date since the inception of the current share fund are now 174.30 pence per share.**

## 4 Management of share price discount to NAV

**The Board recognises that Shareholders may wish to sell their shares from time to time and that the secondary market for VCT shares can be limited. Subject to applicable regulation and market conditions and the Company having sufficient available funds and distributable reserves, it is the Board's current intention to pursue a buy back policy with the objective of maintaining the discount to the latest published NAV per share at which the shares trade at approximately 5%. The Board's priority will remain to act prudently and in the interests of remaining Shareholders.**

The discount for the Company's shares at 30 September 2025 was 4.1% (period ended 30 September 2024: 4.6%) based upon the share price shown in the Performance summary on page 2 and the NAV at 30 June 2025 of 53.79 pence per share.

Shareholders granted the Directors authority to buy back up to 50,660,482 of the Company's shares, representing 14.99% of the shares in issue at the date of the notice of the meeting, at the AGM held on 5 March 2025. Shares bought back under this authority are cancelled and the Directors do not intend to exercise this authority unless they believe that in doing so it would result in an increase in net assets per share, which would be in the interests of Shareholders generally. A resolution to renew this authority will be proposed at the forthcoming AGM, further details of which can be found on page 52.



04 Strategic report - Performance and key performance indicators

During the year-ended 30 September 2025, the Company bought back 14,579,277 shares, representing 5.5% of its issued share capital at the beginning of the year. The Company agreed to purchase shares from Panmure Liberum at a discount to the latest previously announced NAV per share in line with the stated discount policy at the time. The Company subsequently purchased these shares at prices ranging from 49.20 pence to 51.97 pence per share and cancelled them.

## 5 Compliance with VCT legislation

**In making their investment in a VCT, Shareholders become eligible for a number of tax benefits under VCT tax legislation, as long as the Company also complies with VCT tax legislation. To achieve this, the Company must meet a number of tests set by the VCT tax legislation.**

The principal tests are summarised in the panel entitled Summary of VCT regulation on page 30. Throughout the year-ended 30 September 2025, and at the date of this Report, the Company continued to meet these tests.

## 6 Management of expenses

**Shareholders will be aware there are a number of costs involved in operating a VCT. Shareholders do not bear costs in excess of the expense cap of 3.00%.**

The Board monitors costs using the Ongoing Charges Ratio which is set out in the table below:

| Financial period/ year | 2025 | 2024 |
|---|---|---|
| Ongoing charges (using AIC recommended methodology) | **2.37%** | 2.29% |
| Performance fee | **0.28%** | - |
| Ongoing charges plus performance fee | **2.65%** | 2.29% |

The Ongoing Charges Ratio has been calculated using the AIC recommended methodology.

This figure shows Shareholders the annual percentage reduction in shareholder returns as a result of recurring operational expenses, assuming markets remain static and the portfolio is not traded. Although the ongoing charges figure is based upon historical information, it provides Shareholders with an indication of the likely level of costs that will be incurred in managing the Company in the future. The ongoing charges figure has marginally increased primarily due to Investment Adviser fees being calculated on a quarterly basis and the impact on net assets of the fundraising allotments early in the financial year.

### Investment Adviser fees and other expenses

Investment Adviser fees charged to both revenue and capital have increased from £1.72 million to £4.28 million. This increase reflects the impact of the net assets acquired as part of the acquisition of Mobeus Income and Growth 2 VCT plc on 26 July 2024 as well as the successful fundraise which closed in October 2024. A performance fee of £0.51 million has also been accrued – see Note 4 on page 82 for further details.

Other expenses have increased from £0.40 million to £0.60 million, primarily due to the operating costs of an enlarged entity being inherently higher, but also due to the comparative figure reflecting a nine month period. However, the benefit of the costs savings arising from the merger has moderated the apparent increase. Further details of these expenses and merger costs are contained in the Financial Statements on pages 75 to 101 of this Annual Report.

# Environmental, Social and Governance

The Company is required, by company law, to provide details of environmental (including the impact of the Company's business on the environment), employee, human rights, social and community issues, including information about any policies it has in relation to these matters and the effectiveness of these policies.

The Board and the Investment Adviser believe that responsible investment involves the integration of Environmental, Social and Governance ("ESG") factors within the investment process and that these factors should be considered alongside financial and strategic issues. The Company therefore complies with current reporting and other ESG standards for investment companies, through its monitoring of the ESG risks and opportunities of its investee companies. The Company will continue to evolve its processes and reporting as ESG requirements change. More broadly, the Company complies with the Association of Investment Companies Corporate Governance Code ("the AIC Code").

The Investment Adviser has been a signatory to the United Nations-supported Principles for Responsible Investment ("PRI") since February 2018. In the 2024 PRI assessment, the Investment Adviser achieved ratings of 4 or 5 stars (out of 5) across all relevant modules. The Investment Adviser scored 93% (5 Stars) compared to a median of 73% in the Private Equity module.

When seeking new investment opportunities, the Investment Adviser operates with a list of exclusions which preclude it from investing in any businesses operating in areas perceived to be unsustainable or detrimental to wider society, or any businesses that have committed purposeful breaches of regulation or have engaged in unlawful activity. Each potential new investment was subject to a comprehensive due diligence process encompassing commercial, financial and ESG principles. This process helped in the formulation and agreement of strategic objectives at the stage of business planning and investment.

The Investment Adviser incorporates ESG considerations throughout the investment process, including valuation, and this is communicated to the Board on a quarterly basis. A framework based on ten key ESG themes is used to structure analysis, monitor and report on ESG risks and opportunities across the lifecycle of investments. The Investment Adviser also utilises an ESG Decision Tool and annual ESG surveys to set benchmarks, measure improvements, and develop best practices.

Gresham House has knowledge and expertise in sustainability and the Investment Adviser has continued to work closely with each portfolio company board to support them in addressing their particular ESG challenges and opportunities, which are diverse across the entire portfolio.

The Investment Adviser undertakes an annual ESG survey to understand how its VCT unquoted investments respond to relevant ESG risks and opportunities and how these are considered as part of their operations. The survey asks unquoted investee businesses a range of questions based on the ESG_VC framework across a range of material ESG factors. It asked them to indicate the relevance of those material ESG factors to their business, as well as their ability to influence those factors. Repeating the survey annually allows companies to demonstrate progression against material ESG issues and forms the basis of meaningful ESG engagements between Gresham House and its unquoted portfolio companies.

For more information on the Investment Adviser's commitments and approach to ESG integration and engagement, including its climate-related disclosures, please see the following documents.

Sustainable Investment Report (now a comprehensive annual sustainability disclosure aligned with the International Sustainability Standards Board ("ISSB"), replacing separate Task Force on Climate-related Financial Disclosures ("TCFD") and Stewardship Code reports):

**Sustainable Investment Report (now a comprehensive annual sustainability disclosure aligned with ISSB, replacing separate TCFD and Stewardship Code reports)**

Sustainable Investment commitments within Gresham House's Private Equity strategy:

Private Equity Sustainable Investment Policy

## Global greenhouse gas emissions policy

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emission producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013, (including those within the Company's underlying investment portfolio).

## Human rights policy

The Board seeks to conduct the Company's affairs responsibly and gives full consideration to the human rights implications of its decisions, particularly with regard to investment decisions.





## Anti-bribery policy

The Company has adopted a zero tolerance approach to bribery. The following is a summary of the Company's policy:

- It is the Company's policy to conduct all of its business in an honest and ethical manner. The Company is committed to acting professionally, fairly and with integrity in all its business dealings and relationships where it operates.
- Directors and service providers must not promise, offer, give, request, agree to receive or accept a financial or other advantage in return for favourable treatment, to influence a business outcome or to gain any other business advantage on behalf of themselves or of the Company or encourage others to do so.
- The Company has communicated its Anti-Bribery Policy to each of its service providers. It requires each of its service providers to have policies in place which reflect the key principles of this policy and which demonstrate that they have adopted procedures of an equivalent standard to those instituted by the Company. This is checked annually.

## Anti-tax evasion policy

The Company has adopted a zero tolerance approach to tax evasion in compliance with the Criminal Finance Act 2017 and the corporate criminal offence of failing to take reasonable steps to prevent the facilitation of tax evasion.

The Company has applied due diligence procedures, taking an appropriate risk based approach, in respect of persons who perform or will perform services on behalf of the Company, in order to mitigate identified risks.

## Whistleblowing policy

The Board has considered the recommendation made in the UK Corporate Governance Code with regard to a policy on whistleblowing and has reviewed the arrangements at the Investment Adviser under which its staff may, in confidence, raise concerns. It has concluded that adequate arrangements are in place at the Investment Adviser for the proportionate and independent investigation of such matters and, where necessary, for appropriate follow-up action to be taken by the Investment Adviser. The Board has also asked each of its service providers to confirm that they have a suitable whistleblowing policy in place.

## Financial risk management policy

The main risks arising from the Company's financial instruments are due to fluctuations in the market price, investment risk, liquidity risk, interest rates and credit risk. The Board regularly reviews and agrees policies for managing these risks and full details can be found in Note 15 to the Financial Statements on pages 93 to 100.

Credit: Much Better Adventures, portfolio company

# Key policies

The Board has put in place the following policies to be applied to meet the Company's overall Objective and to cover specific areas of the Company's business:

## Investments

### Investment policy

The Investment policy is designed to meet the Company's overall Objective.

The Company invests primarily in a diverse portfolio of UK unquoted companies. Investments are made selectively across a number of sectors, principally in established companies. Investments are usually structured as part loan stock and part equity in order to produce a regular income stream and to generate capital gains from realisations.

There are a number of conditions within the VCT legislation which need to be met by the Company and which may change from time to time. The Company will seek to make investments in accordance with the requirements of prevailing VCT legislation.

Asset allocation and risk diversification policies, including the size and type of investments the Company makes, are determined in part by the requirements of prevailing VCT legislation. No single investment may represent more than 15% (by VCT tax value) of the Company's total investments at the date of investment.

### Liquidity

The Company's cash and liquid funds are held in a portfolio of readily realisable interest-bearing investments, deposit and current accounts, of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

### Borrowing

The Company's Articles of Association permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein). However, the Company has never borrowed, and the Board would only consider doing so in exceptional circumstances.

# Other key policies

### Diversity policy

The Directors have considered diversity in relation to the composition of the Board and its Committees and have concluded that its membership is diverse in relation to gender and its breadth of experience. The Board and its Committees comprise two male directors and two female directors. The Board consists of four white directors, of British or Canadian nationality and therefore there is no minority ethnic Board representation.

It is the Board's policy that any future Board and Committee appointments will continue to be made on the basis of merit against the specific criteria for the role being offered and there will be no discrimination on the ground of gender, race, ethnic or national origins, professional and socio-economic backgrounds, religion, sexual orientation, age or disabilities. The Board has made a commitment to always consider diversity in making future appointments.

The Company does not have any senior managers or employees.

Further information can be found under Diversity and inclusion on page 57.

### Further policies

In addition to the Investment policy and Diversity policy above and the policies on payment of dividends and share buybacks which were discussed earlier in this Annual Report, the Board has considered its obligations and responsibilities as a VCT and where appropriate the Company has adopted a number of further policies or statements relating to:

- Anti-bribery;
- Whistleblowing;
- Social and environmental responsibility;
- Global greenhouse emissions;
- Human Rights;
- Financial risk management; and
- Anti-tax evasion

These further policies are explained on pages 36 and 37.





# Stakeholder Engagement and Directors' Duties

## Overview

Section 172 of the Companies Act 2006 (the "Act") requires the Directors to act in good faith and in a way that is most likely to promote the success of the Company for the benefit of its Shareholders.

Directors must consider the long-term consequences of any decision they make. They must also consider:

- the interests of the various stakeholders of the Company;
- the impact the Company has on the environment and community; and
- operate in a manner which maintains their reputation for having high standards of business conduct and fair treatment between Shareholders.

Fulfilling this duty naturally supports the Company in its investment objective of achieving long-term investment returns for private investors and helps ensure that all decisions are made in a responsible and sustainable way. In accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, and the Association of Investment Companies Corporate Governance Code ("the AIC Code"), the information below explains how the Directors have individually and collectively discharged their duties under Section 172.

## The Board

To ensure they are aware of, and understand their duties, Directors are provided with a detailed induction outlining their legal and regulatory duties as a Director of a UK public limited company upon appointment. They also receive regular regulatory updates and training as appropriate.

The Directors have access to the advice and services of the Company Secretary and a range of other service providers and when deemed necessary, the Directors may seek independent professional advice in the furtherance of their duties at the Company's expense.

The Company has a Schedule of Matters Reserved for the Board which describe the Board's duties and responsibilities. Terms of Reference of the Board's Committees are in place, which outline the duties of those Committees that are delegated to them by the Board, including their statutory and regulatory responsibilities. The Board's Schedule of Matters Reserved and the Committees' Terms of Reference are all reviewed at least annually.

The Audit Committee has responsibility for the ongoing review of the Company's risk management and internal controls. To the extent that they are applicable, risks related to the matters set out in Section 172 are included within the Company's Risk Register and are subject to regular review and monitoring.

## Decision making

The importance of stakeholder considerations in the context of decision making is taken into account at every Board meeting. All discussions involve careful consideration of the longer-term consequences of any decisions and their implications for stakeholders. Further information on the role of the Board in safeguarding stakeholder interests and monitoring ongoing investment activity can be found on pages 54 to 57.

## Stakeholder engagement

Following a comprehensive review by the Board, which regularly keeps stakeholder engagement mechanisms under review, it was agreed that as the Company is an externally managed Venture Capital Trust and does not have any employees or customers, the Company's key stakeholders are:

- The Company's Shareholders
- Investment Adviser
- Investee Companies
- Regulatory Bodies
- A range of external service providers

Details of how the Board seeks to understand the needs and priorities of these stakeholders and how these are taken into consideration during its discussions as part of its decision making are described in the table overleaf:

| Stakeholder Group | Engagement and Outcome |
|---|---|
| **Shareholders**<br><br>*Continued Shareholder support is critical to the sustainability of the Company and delivery of the long-term strategy of the business.*<br><br>*The key mechanisms of Shareholder engagement are:*<br>▪ *Annual General Meeting*<br>▪ *Annual and Half-Year Reports*<br>▪ *Interim Management Statements*<br>▪ *Quarterly Factsheets*<br>▪ *Bi-annual newsletter*<br>▪ *RNS Announcements*<br>▪ *Offer for subscription*<br>▪ *Website* | The Board is committed to maintaining open channels of communication with Shareholders and during the year has engaged with Shareholders in various ways to understand their views. These include:<br><br>**Annual General Meeting**<br><br>The Company holds Annual General Meetings ("AGM"), with the next meeting to be held on Monday, 2 March 2026 and is scheduled in tandem with the Gresham House Income & Growth VCT plc AGM to facilitate Shareholder attendance.<br><br>The Board encourages Shareholders to attend and vote at the AGM. To promote Shareholder representation, voting will now be conducted by way of a poll. The Board and Investment Adviser attend the AGM to engage with Shareholders.<br><br>Shareholders unable to attend are encouraged to submit their votes on the resolutions via proxy forms ahead of the meeting. A video recording of the AGM will be available on the Company's website following the conclusion of the AGM.<br><br>The Notice of Meeting is found on pages 114 to 116.<br><br>**Publications**<br><br>Shareholders are provided with Annual and Half-Yearly Reports. Voluntary Interim Management Statements are released in the quarters between reports. These are supplemented by market announcements and the information provided on the Company's website at https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/.<br><br>**Shareholder communication and shareholder concerns**<br><br>The Investment Adviser communicates with Shareholders periodically and Shareholders are welcome to raise any comments, issues or concerns at any time. Shareholders are invited to do so by contacting Gresham House, contact details can be found under Shareholder Information. Ian Blackburn as Senior Independent Director is also available to Shareholders if they have any questions or concerns.<br><br>**Registrar**<br><br>The Company's Registrar is a key conduit for engagement. The Investment Adviser works closely with the Registrar on Shareholder communications. Further information is provided under External service providers.<br><br>**Share buybacks**<br><br>The Board reviewed the share buyback process and sought to simplify it for Shareholders by facilitating an online process. Further information can be found under Shareholder information at pages 103 to 105.<br><br>**Improving shareholder engagement**<br><br>The Board and the Investment Adviser are cognisant of the limited levels of shareholder engagement in the VCT sector. Several initiatives to improve engagement have been introduced:<br>▪ Enhanced content at the AGM. An extended Investment Adviser presentation will include a spotlight on inspiring portfolio companies to showcase their growth journeys.<br>▪ A revamped bi-annual newsletter providing updates on the Company, its performance and portfolio company insights.<br>▪ Circulation of the newsletter to all Shareholders for whom the Company's Registrar holds an email address.<br>▪ Publication of quarterly fact sheets. |



04 Strategic report - Stakeholder Engagement and Directors' Duties

| Stakeholder Group | Engagement and Outcome |
|---|---|
| **Investment Adviser**<br>*The Investment Adviser's performance is vital for the Company to deliver its investment objectives and generate investment returns for Shareholders, and is a crucial relationship for the Board.* | **Relationship with the Board**<br><br>The Investment Adviser meets with the Board at each quarterly meeting and is in regular contact throughout the periods in between meetings. All key strategic and operational topics are discussed in detail, and a close dialogue is maintained with the Board. The Board takes an active interest in the challenges faced by the portfolio companies and considers each potential investment and disposal. The Investment Adviser's performance is evaluated annually.<br><br>**Consumer Duty**<br><br>The Company is not directly in-scope of the FCA's Consumer Duty regulations as it is not authorised and regulated by the FCA. The Company is however indirectly impacted as a result of the regulated activities conducted through other regulated businesses on behalf of retail customers, the Shareholders of the Company, including through the Investment Adviser, IFAs and financial platforms, which do themselves have an obligation. Fair value assessments were carried out for the shares in the Company and the Board has worked closely with the Investment Adviser to understand and get comfortable that the Consumer Duty obligations continue to be met and complied with. |
| **Investee companies**<br><br>*The Investment Adviser, on behalf of the Company, provides support to the portfolio companies by being an active investor.* | **Day-to-day management**<br><br>The Board has delegated authority for the day-to-day management of the Company to the Investment Adviser and engages with the Investment Adviser in setting, approving and overseeing the execution of the business strategy and related policies.<br><br>**Portfolio companies**<br><br>The Board aims to have a diverse mix of companies across a range of different sectors and regularly reviews the composition of the portfolio.<br><br>The Investment Adviser reports at the Company's quarterly Board meetings on each of the portfolio companies. Members of the Investment Adviser also sit on the majority of the portfolio companies' boards. This is to provide input on key matters such as advancing the shareholder value agenda, ensuring class leading corporate governance and encouraging best practice in areas such as ESG.<br><br>**Events and support**<br><br>Gresham House organises seminars and events that involve portfolio companies to benefit from the Gresham House network. The Investment Adviser also provides support to portfolio companies, such as the recruitment support from the Gresham House Talent Team. |
| **Regulatory bodies**<br><br>*The Board is committed to conducting business in line with the appropriate laws and regulation. The Company does not provide financial contributions to political parties or lobby groups.* | The Investment Adviser complies with the Companies Act, the United Kingdom Listing Authority ("UKLA"), HMRC, UK Accounting Standards and FCA regulatory requirements in addition to the Alternative Investment Fund Managers Directive, in order to ensure the Company can continue to trade.<br><br>Noncompliance with the VCT regulations in particular is viewed as a principal risk for the Company. The Company continued to comply with these regulations throughout the year and to the date of this Report. |
| **External service providers**<br><br>*Including:*<br><br>*– Registrar*<br>*– Broker*<br>*– Auditor*<br>*– Legal Adviser*<br>*– Sponsor*<br>*– Banker*<br>*– The VCT Status Adviser* | The Investment Adviser regularly communicates with each of the professional advisers and secures an annual confirmation of the policies they have in place. The Management Engagement Committee reviews the performance of each provider on an annual basis.<br><br>The Registrar is a key service provider to the Company, their operations have a material impact on operational risk, which is viewed as a principal risk for the Company. The Investment Adviser continues to engage with the Registrar on how operational risks are being mitigated. The Investment Adviser also engages with the Registrar as a member of The Venture Capital Trust Association. |

# Principal and emerging risks

The Directors acknowledge the Board's responsibilities for the Company's internal control systems and have instigated systems and procedures for identifying, evaluating and managing the significant risks faced by the Company. The principal and emerging risks identified by the Board, a description of the possible consequences of each risk and how the Board manages the risk are set out below.

The risk profile of the Company changed as a consequence of the VCT regulations introduced in 2015. As the Company is required to focus its investment on growth capital investments in younger companies it is anticipated that investment returns will be more volatile and will have a higher risk profile.

The Board remains confident that the Company and the Investment Adviser will continue to adapt to changes in investment requirements and put in place appropriate resource to identify and make suitable investments as has been experienced in the year under review.

The Board regularly sets and reviews policies for financial risk management and full details of these can be found in Note 15 to the Financial Statements on pages 93 to 100. There have been no changes to the principal or emerging risks of the Company during the year as listed below:

| Risk | Possible consequence | How the Board manages risk | Movement in risk during the year |
|---|---|---|---|
| **Macroeconomic risk**<br><br>The potential for losses in the value of financial instruments or portfolios resulting from fluctuations in market prices. It encompasses several types of risks, including:<br>▪ Equity Risk<br>▪ Interest Rate Risk<br>▪ Foreign Exchange Risk<br>▪ Commodity Risk<br>▪ Derivative Risk<br><br>Macroeconomic factors significantly influence market risk. | Events such as the wars in the Middle East and Ukraine, pandemics, an economic recession, elections, supply shortages or a movement in sterling and increasing inflation and interest rates could affect trading conditions for smaller companies and consequently the value of the Company's qualifying investments. A downturn in the UK economy may impact the ability for the Company to exit portfolio companies. There may also be fewer opportunities to invest in qualifying companies which could make it more difficult to meet the VCT 30% investment test.<br><br>Movements in UK Stock Market indices may affect the valuation of the Company's investments, as well as affecting the Company's own share price and its discount to net asset value.<br><br>A failure to respond to latest industry practices, for example in respect of Consumer Duty, may lead to a decline in demand for the Company's shares. | The Board monitors:<br>▪ the portfolio as a whole to ensure that the Company invests in a diversified portfolio of companies;<br>▪ developments in the macro-economic environment such as movements in interest rates or general fluctuations in stock markets; and<br>▪ the Investment Adviser continues to hold ongoing discussions with all the portfolio companies to ascertain where support is required as well as monitoring which investee companies are able to receive further VCT funding within the guidelines set out by HMRC. The interpretation of such guidelines by HMRC can change over time, which the Company's VCT status adviser monitors as well as making representations, as needed, to policy makers on behalf of the Company and the VCT Industry as a whole. Cash comprises a significant proportion of net assets of the Company, further to the successful exits and the fund raise in the year giving the Company a strong liquidity position. The portfolio has assets across a range of sectors with the objective of limiting the exposure to any one area. | → |





| Risk | Possible consequence | How the Board manages risk | Movement in risk during the year |
|---|---|---|---|
| **Portfolio risk**<br><br>Refers to the unique and individualised risks associated with the particular investments / assets within a portfolio and is not related to broader market movements.<br><br>Specific risks can include company-specific events, portfolio management decisions, competitive pressures, supply chain disruptions, regulatory changes, portfolio concentration risk, or other factors that impact the performance of a specific investment. | Investment in VCT qualifying earlier stage unquoted small companies involves a higher degree of risk than investment in fully listed companies. Smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on a smaller number of key Individuals. External events or factors may have more impact as are outside of their control.<br><br>As the securities of such smaller companies held by the Company are unquoted, they are less liquid, which may cause difficulties in valuing and realising these securities. HMRC's stricter interpretation of VCT rules, such as the Financial Health Test, may lead to the inability of the Company to further invest in a portfolio company which may result in company failure or dilution if other non-VCT shareholders invest. | ▪ The Board regularly reviews the Company's Strategy including its Investment Policy and portfolio composition.<br>▪ Careful selection, appropriate due diligence and review of the diverse portfolio takes place on a regular basis.<br>▪ The Board seeks to ensure the Company has an adequate level of liquidity at all times through review at each Board meeting.<br>▪ A member of the Investment Adviser is usually appointed to the board of an investee company and regular monitoring reports are assessed by the Investment Adviser.<br>▪ Support provided to the portfolio companies is ongoing. | ↑<br><br>Increasing due to concentration in higher value assets as referenced in the Chair's Statement on page 4. |
| **Strategic & Business risk**<br><br>Refers to potential financial loss or reputational damage as a result of internal strategic decisions made by the management and leadership team. This may include risks associated with business model changes, market positioning, or competitive strategy. | A breach of the VCT Tax Rules may lead to the Company losing its approval as a VCT, which would result in qualifying Shareholders who have not held their shares for the designated period having to repay the income tax relief they obtained plus future dividends paid by the Company would be subject to taxation. The Company would also lose its exemption from corporation tax on capital gains.<br><br>Poor portfolio performance may result in low returns delivered to shareholders and a large share price discount to NAV. | ▪ The Company's VCT qualifying status is continually reviewed by the Board and the Investment Adviser and is reported to each Board meeting.<br>▪ The Board receives regular reports from its VCT Status Adviser, Philip Hare & Associates LLP who have been retained by the Board to monitor the Company's compliance with the VCT Rules.<br>▪ The Board receives regular updates on portfolio performance and investee company developments. | → |

| Risk | Possible consequence | How the Board manages risk | Movement in risk during the year |
|---|---|---|---|
| **Financial controls & liquidity risk**<br><br>Involves ensuring effective management of funds, assets and liabilities. Financial control focuses on accurate financial reporting and compliance with prudential regulatory requirements. Liquidity risk pertains to the ability to meet financial obligations promptly without incurring excessive costs. Counterparty credit risk specifically pertains to the risk of financial loss resulting from the failure of a counterparty to meet its contractual obligations. | The potential inadequacy of cash reserves or excessive accumulation of uninvested funds within the VCT, which may hinder the fund's ability to seize investment opportunities and meet operational needs. Insufficient cash reserves limit investment flexibility, while excessive uninvested funds lead to pronounced cash drag, significantly impacting portfolio performance and investor value.<br><br>Banking concentration risk may result in a threat to the VCT resulting from a significant portion of its deposits being held with a limited number of financial institutions. This concentration increases the vulnerability of the fund to adverse events such as bank failures, financial instability or disruptions in banking services.<br><br>Inadequate development, implementation and maintenance of models used in various processes such as risk assessment, valuation forecasting could result in substantial financial loses, regulatory fines or reputational damage. | ▪ The Board monitors cash levels and expected deployment. The VCT undertakes regular fundraisings to ensure adequate liquidity is held. The Board has a share buyback policy which is monitored regularly with the Company's broker.<br>▪ The Board reviews its liquidity holdings at each Board meeting. The majority of cash and liquid assets are held within OEICs which are spread across a number of underlying credit-worthy instruments.<br>▪ The Investment Adviser has robust processes in respect of its portfolio monitoring and valuation methodology which is reviewed by the Board. Quarterly updates are provided by Gresham House at each Board meeting and ad hoc as necessary. | → |
| **Operational risk**<br><br>Refers to the potential loss arising from inadequate or failed internal processes, systems, people or external events. It includes risks related to fraud, errors disruptions. | Failure of the systems (including breaches of cyber security) at any of the third-party service providers that the Company has contracted with could lead to inaccurate reporting or monitoring. Inadequate controls could lead to the misappropriation or insecurity of assets. Outsourcing and the increase in remote working could give rise to cyber and data security risk and internal control risk. | ▪ The Board carries out a bi-annual review of the financial and non-financial internal controls in place, reviews the risks facing the Company at Board meetings and receives reports by exception.<br>▪ The performance of the service providers is reviewed annually and assurances that each provider has controls in place to reduce the risk of breaches of their cyber security are obtained. | → |





| Risk | Possible consequence | How the Board manages risk | Movement in risk during the year |
|---|---|---|---|
| **Legal & regulatory risk**<br><br>Encompasses several areas, including regulation and taxation changes. In addition to the risk of financial loss, reputational damage, or regulatory intervention arising from inappropriate or unethical behaviour by employees, management, or the organisation as a whole it includes risks that arise from violations of laws, regulations, contracts or legal agreements. It encompasses the risk of legal actions, lawsuits or regulatory sanctions due to noncompliance with applicable laws and regulations. | VCT's business is not responsive to changes in law or regulation. Existing portfolio may not comply with new regulations. The UK Government might also enact changes that make VCTs less attractive to investors, such as the reduction in the income tax relief rate for VCT investments from 30% to 20% for shares issued on or after 6 April 2026. The UK Government may not sufficiently adapt regulation thus restricting the VCT's ability to support portfolio companies. The VCT may face fines from regulatory authorities with subsequent reputational damage which may affect shareholder returns. | ▪ The Board ensures that Gresham House maintains a robust and comprehensive compliance monitoring plan designed to ensure adherence to regulatory obligations, including but not limited to Market Abuse, Financial Crime, Financial Promotions and Conflicts of Interest. The results of the monitoring program are regularly reported to Gresham House Asset Management Limited's board and directly to the Board of the Company, promoting transparency, accountability and regulatory compliance across the organisation. | ↑<br><br>Increasing due to recent changes to the VCT scheme rules as referenced in the Chair's Statement on page 3. |
| **Emerging Risk**<br><br>**Environmental, Social and Governance ("ESG") & Climate change risk**<br><br>ESG risk considers environmental, social, and governance factors that could cause an actual or potential material negative impact on the value of an investment.<br><br>Climate-related risk specifically refers to risks related to the transition to a lower-carbon economy and risks related to the physical impacts of climate that could cause an actual or potential material negative impact on the value of an investment. | Increasing focus on the impact of global warming on climate change may lead to increased obligations on businesses within the portfolio as well as shifting demands on the Company from Shareholders and/or regulators.<br><br>At present, it is pertinent to note that the Company is not subject to ESG (Environmental, Social, and Governance) commitments or particularly onerous regulatory requirements in this regard. | ▪ Gresham House continually monitors the potential impact on investee companies of any proposed new legislation regarding environmental matters, reporting on these as necessary.<br>▪ The Company Secretary monitors any proposed changes in legislation affecting the Company's disclosure requirements and reports on these as necessary.<br>▪ Gresham House uses the Gresham House ESG Decision Tool, to analyse how a broad range of ESG and climate-related risks may impact upon a proposed investment. | → |

# Going concern and viability of the Company

The Board has assessed the Company's operation as a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out earlier in this Strategic Report. The Directors have satisfied themselves that the Company continues to maintain a sufficient cash position to meet its liabilities as they fall due. The majority of companies in the portfolio are well funded and the portfolio taken as a whole remains resilient and well diversified, although the challenging economic environment may impose further demands upon the liquidity and trading prospects of some of these companies in the near-term.

In light of this, and in keeping with the ongoing need to take advantage of opportunities for further investment within the portfolio, an Offer for Subscription was launched in September 2024 to raise up to £45 million (including £10 million over-allotment). This Offer proved very popular with investors and was fully subscribed and subsequently closed in October 2024. The Company intends to launch a further fundraise for the 2025/26 tax year and a Prospectus is expected to be launched around late January 2026.

The Board's assessment of liquidity risk and details of the Company's policies for managing its capital and financial risks are shown in the Notes to the Financial Statements. Furthermore, the Directors have considered whether there are any material uncertainties that the Company may face during the twelve months from the date of approval of the financial statements that may impact on its ability to operate as a going concern. No material uncertainties have been identified by the Board.

## Viability Statement

The UK Corporate Governance Code includes a requirement for companies to include a "Viability Statement" in the Annual Report addressed to Shareholders with the intention of providing an improved and broader assessment of long-term solvency and liquidity. The Code does not define "long term" but expects the period to be longer than twelve months with individual companies choosing a period appropriate to the nature of their own businesses. The Directors have chosen a period of three years, as explained further below. The Directors have carried out a robust assessment of the Company's emerging and principal risks and the disclosures in the Annual Report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated. Subsequent to this review, they have a reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due, for the next three years. The Directors believe a three-year period is appropriate given the frequency with which it is necessary to review and assess the impact of past, current and proposed regulatory changes. The Directors' assessment has been made with reference to the Company's current position and prospects, the Company's present strategy, the Board's risk appetite and the Company's principal risks and how these are managed, as described on pages 42 to 45. The Board is mindful of the risks contained therein but considers that its actions to manage those risks provide reasonable assurance that the Company's affairs are safeguarded for the stated period.

The Directors have reached this conclusion after giving careful consideration to the Company's strategy. They believe the Company's current strategy of "maximising the stream of tax-free dividend distributions from the income and capital gains from a diverse and carefully selected portfolio of investments" remains valid. The Board has focused upon the range of future investments that the Company will be permitted to fund under current VCT legislation.

The Board expects that positive returns should continue to be achievable from future investments and from the existing portfolio. The Company continues to make new and follow on investments in compliance with the VCT rules introduced in 2015 and its revised Investment Policy, and the Investment Adviser continues to build a healthy pipeline of such investment opportunities. The Board will continue to monitor this assumption on a regular basis and is encouraged, in the current circumstances, by the returns generated from some of these investments to date.

Shareholders should be aware that, under the Company's Articles of Association, it is required to hold a continuation vote at the next AGM falling after the fifth anniversary of last allotting shares. As shares were last allotted in October 2025, this factor has not affected the Board's assumptions for the next three years.

## Future prospects

For a discussion of the Company's future prospects, please see the Chair's Statement on pages 3 to 9.

By Order of the Board

**Clive Boothman**
*Chair*

26 January 2026





Credit: Nu Quantum, portfolio company

# Report of the Directors

05

## Board of Directors

**Clive Boothman**

**Chair**

Independent,
Non-Executive Chair

Date of Appointment: 1 August 2015

Experience: Clive has over 40 years' experience in the financial services industry, initially qualifying as a Chartered Accountant. He was with Schroders from 1983 for seventeen years during which time he was variously Managing Director of Schroder Unit Trusts Limited for ten years and Managing Director of their international Private Client Group for the final two years. Since leaving Schroders, he has been Chief Executive of the stockbroker Gerrard Limited (2000 – 2001) and the fund platform Cofunds Limited (2002 – 2003). From 2004– 2014 he helped establish and was Non-Executive Chair of Investment Funds Direct Limited, an investment wrap platform. Since 2014 he has been Non-Executive Chair of Platform One Group Limited, a UK wrap platform and a director of a number of its subsidiaries.

**Ian Blackburn**

**Chair of the Management Engagement Committee**

**Chair of the Nomination & Remuneration Committee**

**Senior Independent Director**

Independent,
Non-Executive Director

Date of Appointment: 26 July 2024

Experience: Ian is a chartered accountant who specialised in corporate finance at KPMG before building and selling two listed food groups. He has extensive UK and European strategic, operations and finance experience as chief executive officer and finance director of Perkins Foods plc and Zetar plc. He was previously a non-executive director of Mobeus Income & Growth 2 VCT plc and was appointed to the Board in July 2024 on completion of the merger with Mobeus Income & Growth 2 VCT plc ("MIG 2") in July 2024. Ian is currently an active investor in a number of SMEs, including chair and non-executive roles with Mood Foods Ltd and Slimline Wine Limited. He is also the treasurer of The Thomas Fryer Charity and a trustee of The Rutland Learning Trust (Multi Academy Trust).

**Lucy Armstrong**

**Chair of the Audit Committee**

Independent,
Non-Executive Director

Date of Appointment: 1 March 2022

Experience: Lucy has spent over 30 years working with mid-corporate businesses to accelerate their development and success by focussing on shareholder and management development and succession. Her experience ranges from funding start-up and early-stage manufacturing businesses in the North East through to mergers and disposals of international operations. The organisations she is currently engaged with include Port of Tyne, Holker Estates and Cyberhawk. She is also Chair at Everflow Holdings Limited. In 2024, Lucy was appointed as the Chair of the UCL Business Ltd board. Her early career was in private equity, corporate development and headhunting with 3i plc, Courtaulds Textiles and Tyzack. Lucy was educated at Oxford University and holds an MBA and an MSc in forensic psychology and criminology.

**Sarah Clark**

**Chair of the Investment Committee**

Independent,
Non-Executive Director

Date of Appointment: 26 July 2024

Experience: Sarah was appointed to the Board in July 2024 on completion of the merger with Mobeus Income & Growth 2 VCT plc ("MIG 2"), having been appointed to the MIG 2 Board in November 2022. She has broad international commercial experience in a variety of industries including travel, retail, financial services, fintech and e-commerce in markets spanning Europe, the USA, and the Middle East and Africa combined with a deep understanding of digital technologies. Her experience ranges from running Central Europe, the Middle East & Africa at PayPal Inc to setting up and running European subsidiaries of North American start-ups, LootCrate and Clearco, one of the largest providers of revenue-based finance to ecommerce businesses. She is also a Non-Executive Director of the Gynaecology Cancer Research Fund and a member of the supervisory board of VeloBank S.A.



## Directors' report

*The Directors present the Annual Report and Audited Financial Statements of the Company for the year-ended 30 September 2025.*

The Corporate Governance Statement on pages 54 to 57, and the Report of the Audit Committee on pages 58 to 60, form part of this Directors' Report.

The Board believes that the Annual Report and Financial Statements taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.

The Company is registered in England and Wales as a Public Limited Company (registration number 5153931).

The Company has satisfied the requirements for full approval as a Venture Capital Trust under section 274 of the Income Tax Act 2007 ("ITA"). It is the Directors' intention to continue to manage the Company's affairs in such a manner as to comply with section 274 of the ITA.

To enable capital profits to be distributed by way of dividends, the Company revoked its status as an investment company as defined in section 833 of the Companies Act 2006 ("the Companies Act") on 19 December 2007. The Company does not intend to re-apply for such status.

### Share capital

The Company's Ordinary shares of 1 penny each ("shares") are listed on the London Stock Exchange ("LSE").

The issued share capital of the Company as at 30 September 2025 was £3,272,979 (2024: £2,638,531) and the number of shares in issue at this date was 327,297,948 (2024: 263,853,060).

### Buyback of shares

The following disclosure is made in accordance with Part 6 of Schedule 7 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended in 2013).

The reason the Company makes market purchases of its own shares is to enhance the liquidity of the Company's shares and to seek to manage the level and volatility of the discount to Net Asset Value ("NAV") at which the Company's shares may trade.

At the Annual General Meeting ("AGM") of the Company held on 5 March 2025, Shareholders granted the Company authority, pursuant to section 701 of the Companies Act, to make market purchases of up to 50,660,482 of its own shares, representing 14.99% of the issued share capital of the Company at that date.

Such authority has been in place throughout the year under review and a resolution to renew this authority will be proposed to Shareholders at the forthcoming AGM to be held on 2 March 2026.

During the period under review, the Company bought back 14,579,277 (2024: 3,321,634) of its own shares at an average price of 50.20 pence per share (2024: 55.39) and a total cost of £7,365,286 including expenses (2024: £1,803,112). All shares bought back by the Company were subsequently cancelled.

### Substantial interests

As at the date of the Report, the Company had not been notified of any beneficial interest exceeding 3% of the issued share capital.

### Dividends

On 11 April 2025, the Company paid an interim dividend in respect of the year under review of 2.00 pence per share to Shareholders. The Company declared a second interim dividend of 2.00 pence per share which was paid on 30 October 2025. Shareholders received two interim dividends in respect of the year ended 30 September 2025 totalling 4.00 pence per share. These dividends equate to a dividend yield of 7.3% which is in excess of the Company's dividend target of 7% of opening NAV per share. The Directors are not proposing to pay a final dividend in respect of the year ended 30 September 2025.

### Disclosure of information to the Auditor

So far as each of the Directors that were in office at 30 September 2025 are aware, there is no relevant audit information of which the external auditor is unaware. They have individually 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 Company's auditor is aware of that information.

## Directors' and officers' liability insurance

The Company maintains a Directors' and Officers' liability insurance policy. The policy does not provide cover for fraudulent or dishonest actions by the Directors.

## Directors' indemnity

The Directors have individually entered into Deeds of Indemnity with the Company which indemnifies each Director, subject to the provisions of the Companies Act and the limitations set out in each deed, against any liability arising out of any claim made against him or her in relation to the performance of their duties as Directors of the Company. Copies of each Deed of Indemnity entered into by the Company for the Directors are available from the Company Secretary at 5th Floor, 80 Cheapside, London EC2V 6EE.

## Post balance sheet events

For a full list of the post balance sheet events that have occurred since 30 September 2025, please see Note 19 to the Financial Statements on page 101.

## Articles of Association

The Company may amend its Articles of Association by special resolution in accordance with section 21 of the Companies Act. The Articles were last amended at the May 2010 AGM. The Company has proposed new Articles for adoption at the 2026 AGM. Further information can be found in the Directors Report on page 52 and the Notice of the AGM on pages 114 to 116.

## Annual General Meeting

The Notice of the Annual General Meeting of the Company, to be held at Leonardo Royal Hotel London St. Paul's, 10 Godliman Street EC4V 5AJ at 1:45pm on Monday, 2 March 2026, is set out on pages 114 to 116 of this Annual Report. Further information can be found on the inside front cover, in the Chair's statement at page 8, under Shareholder information on pages 103 to 105 and on the Company's website.

To promote shareholder representation and to reflect the economic ownership of the Company's shares, the voting at the AGM will now be conducted by way of a poll compared to a show of hands in previous years. This change in voting format also takes into account the large number of proxy votes that have been received at previous AGMs.

A proxy form for the meeting is enclosed separately with Shareholders' copies of this Annual Report. Proxy votes may be submitted electronically via the "Vote Here" button on the Company's website: https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/.

In the event that you are unable to attend in person, a video recording of the AGM will be available on the Company's website https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/ following the conclusion of the AGM.

Shareholders may also request a hard copy proxy form by contacting the Company's Registrar, City Partnership, using their details as stated on page 117. Resolutions 1 to 9 are being proposed as ordinary resolutions requiring more than 50% of the votes cast at the meeting to be in favour, whilst resolutions 10 and 12 will be proposed as special resolutions requiring the approval of at least 75% of the votes cast at the meeting. The following is an explanation of the main business to be proposed at the meeting:

### Resolution 1 – To receive the Annual Report and Financial Statements

The Directors are required to present the Financial Statements, Directors' Report and Auditor's Report for the financial year ended 30 September 2025 to the meeting.

### Resolution 2 – To approve the Directors' Remuneration Report

Under section 420 of the Companies Act 2006 ("the Act"), the Directors must prepare an annual report detailing the remuneration of the Directors and a statement by the Chair of the Nomination & Remuneration Committee (together the "Directors' Remuneration Report). The Act also requires that a resolution be put to Shareholders each year for their approval of that report. The Directors' Remuneration Report can be found on pages 61 to 66 of this Annual Report. Resolution 2 is an advisory vote only.

### Resolution 3 – To approve the Company's Remuneration Policy

The Company is required to put its Remuneration Policy to Shareholders every three years under section 439A of the Companies Act and is subject to a binding Shareholder vote. A resolution on the Remuneration Policy was last voted on at the Annual General Meeting held on 24 May 2023 and therefore a similar resolution will be proposed at the forthcoming meeting. The Remuneration Policy is set out below and full details of Directors' remuneration together with the reasons for updating the Policy can be found in the Directors' Remuneration Report on pages 61 to 66.





### Remuneration Policy

Remuneration levels of Non-Executive Directors should be sufficient to attract and retain the calibre of individuals needed to properly oversee the Company effectively for the benefit of its Shareholders and stakeholders, reflecting the duties, responsibilities, workload, and time commitment of each role. Fees should be benchmarked against comparable venture capital trusts in size, structure and investment objectives. Performance-related pay is not considered appropriate.

### Resolution 4 to 7 – To re-elect the Directors

The Company's Articles of Association require that each Director appointed to the Board shall retire and seek election at their first AGM following appointment and every three years thereafter. In terms of overall length of tenure, the Association of Investment Companies Corporate Governance Code ("the AIC Code") does not explicitly make recommendations on tenure for directors. The Board does not believe that a Director should be appointed for a specified term. The Board had previously agreed that each Director would retire and offer themselves for re-election annually after serving on the Board for more than nine years. However, following the publication of the AIC Code in February 2019, the Board agreed to follow the recommendation of Provision 23, namely that all Directors be subject to annual re-election.

**Clive Boothman**

Following a review of his performance, the remaining Directors agree that Clive continues to carry out his duties effectively and makes a substantial contribution to the Company's long- term sustainable success as Chair of the Board. The remaining Directors are confident that he is a strong and effective director and have no hesitation in recommending his re-election to Shareholders.

**Lucy Armstrong**

Following a review of her performance, the other Directors agree that Lucy carries out her duties effectively and makes a substantial contribution to the Company's long -term sustainable success as Chair of the Audit Committee. The remaining Directors are confident that she is a strong and effective director and have no hesitation in recommending her re-election to Shareholders.

**Sarah Clark**

Following a review of her performance, the other Directors agree that Sarah carries out her duties effectively and makes a substantial contribution to the Company's long-term sustainable success as Chair of the Investment Committee. The remaining Directors are confident that she is a strong and effective director and have no hesitation in recommending her re-election to Shareholders.

**Ian Blackburn**

Following a review of his performance, the remaining Directors agree that Ian continues to carry out his duties effectively and makes a substantial contribution to the Company's long-term sustainable success as Chair of the Nomination & Remuneration Committee and Management Engagement Committee. The remaining Directors are confident that he is a strong and effective director and have no hesitation in recommending his re-election to Shareholders. As advised in the Chair statement on page 3, Ian will be stepping down from the Board at the 2027 AGM.

### Resolution 8 – To re-appoint Johnston Carmichael LLP as auditor of the Company, to hold office until the conclusion of the next annual general meeting at which accounts are laid before the Company and to authorise the Directors to determine the remuneration of the auditor

At each meeting at which the Company's accounts are presented to its members, the Company is required to re-appoint an auditor to serve until the next such meeting. The Board, on the recommendation of the Audit Committee, recommends the re-appointment of Johnston Carmichael LLP. This resolution also gives authority to the Directors to determine the remuneration of the auditor. For further information, please see the report of the Audit Committee on pages 58 to 60 of the Annual Report.

### Resolution 9 – Authority for the Directors to allot shares in the Company; and

### Resolution 10 – Authority for the Directors to disapply the pre-emption rights of members

These two resolutions grant the Directors the authority to allot shares for cash to a limited and defined extent otherwise than pro rata to existing Shareholders.

**Resolution 9** will enable the Directors to allot new shares up to an aggregate nominal value of £1,092,717 representing approximately one-third of the existing issued share capital of the Company as at the date of the notice convening the AGM.

Under section 561(1) of the Act, if the Directors wish to allot new shares or sell or transfer treasury shares for cash they must first offer such shares to existing Shareholders in proportion to their current holdings (pre-emption rights). It is proposed by **Resolution 10** to sanction the disapplication of such pre-emption rights in respect of the allotment of equity securities:

i) with an aggregate nominal value of up to £983,446 (representing approximately 30% of the existing issued share capital as at the date of the notice convening the AGM) in connection with offer(s) for subscription;

ii) with an aggregate nominal value of up to, but not exceeding, 10% of the issued share capital from time to time pursuant to any dividend investment scheme operated by the Company, at a subscription price per

Share which may be less than the net asset value per Share, as may be prescribed by the scheme terms; and

iii) otherwise than pursuant to (i) or (ii) above, with an aggregate nominal value of up to, but not exceeding, 10% of the issued share capital from time to time, in each case where the proceeds may be used in whole or part to purchase the Company's shares in the market.

An increased authority to dis-apply pre-emption rights of 30% is being sought to facilitate the Offer for Subscription that is intended to be launched around late January 2026.

The Company normally allots shares at prices based on prevailing net asset value per share of the existing shares on the date of allotment (plus costs, save in relation to the dividend investment scheme). The Directors thus seek to manage any potential dilution of existing Shareholders as a result of the disapplication of Shareholders' pre-emption rights proposed in Resolution 10.

The Company does not currently hold any shares as treasury shares.

Both of these authorities, unless previously renewed, varied or revoked, will expire on the date falling fifteen months after the passing of the relevant resolution or, if earlier, on the conclusion of the AGM of the Company to be held in 2027. However, the Directors may allot securities after the expiry dates specified above in pursuance of offers or agreements made prior to the expiration of these authorities. Both resolutions renew previous general authorities approved at the AGM of the Company held on 5 March 2025.

## Resolution 11 – Authority to purchase the Company's own shares

This resolution authorises the Company to purchase its own shares pursuant to section 701 of the Act. The authority is limited to the purchase of an aggregate of 49,139,499 shares (representing approximately 14.99% of the issued share capital of the Company as at the date of the Notice convening the Annual General Meeting) or, if lower, such number of shares (rounded down to the nearest whole share) as shall equal 14.99% of the issued share capital at the date the resolution is passed. The maximum price that may be paid for a share will be the higher of:

(i) an amount that is not more than 105% above the average of the middle market quotations of the shares as derived from the Daily Official List of the UK Listing Authority for the five business days preceding the date such shares are contracted to be purchased; and

(ii) the price stipulated by Article 5(6) of the Market Abuse Regulation EU) 596/2014 (as such Regulation forms part of UK law and as amended).

The minimum price that may be paid for a share is 1.00 penny, being the nominal value thereof.

Market liquidity in VCTs is normally very restricted. The passing of this resolution will enable the Company to purchase its own shares thereby providing a mechanism by which the Company may enhance the liquidity of its shares and seek to manage the level and volatility of the discount to NAV at which its shares may trade.

It is the Directors' intention to cancel any shares bought back under this authority. Shareholders should note that the Directors do not intend to exercise this authority unless they believe that to do so would result in an increase in net assets per share, which would be in the interests of Shareholders generally.

This resolution will expire on the date falling fifteen months after the passing of this resolution or, if earlier, on the conclusion of the AGM of the Company to be held in 2027, except that the Company may purchase its own shares after this date in pursuance of a contract or contracts made prior to the expiration of this authority.

## Resolution 12 – To adopt new Articles of Association

The Board proposes to update the Company's Articles of Association ("Articles"). The Articles have been reviewed by the Company's solicitors and whilst there are no specific sections that are required to be updated in order to comply with legal or regulatory requirements, several changes have been proposed to bring the Articles in line with current market practice. The key changes are:

- Making provision to enable the Board to allow Shareholders to attend and participate in physical general meetings, including annual general meetings, by electronic means;
- Facilitating electronic communications with Shareholders;
- Clarifying for the avoidance of doubt, that Directors can participate in Board meetings by electronic means; and
- Facilitating a procedure should the Company have no Directors following an annual general meeting.

Shareholders are encouraged to review the proposed changes to the Articles on the Company's website at https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/.

## Recommendation

The Board recommends that Shareholders vote in favour of the resolutions to be proposed at the AGM of the Company, as the Directors intend to do in respect of their own beneficial holdings of 266,364 shares (representing 0.08% of the issued share capital as at the date of publication).

## Voting rights of Shareholders

Each Shareholder has one vote on a show of hands, and one vote per share held on a poll, at a general meeting of the Company. The voting at the AGM will be conducted by way of a poll. No member shall be entitled to vote or exercise any rights at a general meeting unless all shares held by them have been paid up in full. Any instrument of proxy must be deposited at the place specified by the Directors no later than 1:45pm on Thursday 26 February 2026.

## Restrictions on voting rights

There are no restrictions on voting rights and no agreements between holders of securities that may prevent or restrict the transfer of securities or voting rights.

By order of the Board

**Gresham House Asset Management Limited**
*Company Secretary*

26 January 2026

Credit: Veremark, portfolio company

# Corporate Governance Statement

## *This Corporate Governance Statement forms part of the Directors' Report.*

The Directors have adopted the Association of Investment Companies ("AIC") Corporate Governance Code ("the AIC Code") for the financial year-ended 30 September 2025.

The Board has considered the principles and recommendations of the AIC Code by reference to the AIC Corporate Governance Guide for investment companies ("AIC Guide"). As well as setting out additional principles of the AIC Code, the AIC Guide provides an overview of best practice with reference to the UK Corporate Governance Code ("the UK Code") and considers how each of the UK Code's principles applies to Investment Companies. The AIC Code also includes additional principles and recommendations on issues that are of specific relevance to the Company as an investment company. The Board therefore considers that reporting against the AIC Code provides more relevant information to Shareholders.

The current version of the AIC Code has been endorsed by the Financial Reporting Council ("FRC"). The FRC has confirmed that in adopting the AIC Code, the Company will meet its obligations in relation to the reporting requirements of the Financial Conduct Authority's Listing and Disclosure and Transparency Rules on corporate governance and the UK Corporate Governance Code ("the UK Code").

The AIC Code can be viewed on the AIC's website by going to the following link: https://www.theaic.co.uk/aic-codeof-corporate-governance.

## Statement of compliance

The UK Code recommends a limit of nine years tenure for the Chair with a requirement to otherwise explain why that has been exceeded. The current Chair, Clive Boothman, has served for more than nine years but the Nomination & Remuneration Committee believe this is in the best interests of the Company for the reasons set out under Board Tenure and Chair's Succession on page 56. The Chair has given notice of his intention to step down at the Annual General Meeting ("AGM") in 2027.

On the basis that Chair tenure is not subject to a specified limit in the AIC Code, the Board considers that the Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Code throughout the year under review in accordance with the FCA's Disclosure and Transparency Rule (DTR) 7.2. A table providing further explanations of how the Company has complied with the principles of the AIC Code during the year is available in the Corporate Governance section of the Company's website: https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/.

As an externally managed VCT, most of the Company's operations are delegated to third parties and the Company has no executive directors, employees or internal operations. The Board has therefore concluded, for the reasons set out in the AIC Guide, and explained in the UK Code, that the specific provisions of the UK Code that relate to the requirements for an internal audit function, the role of the chief executive and executive directors' pay are not relevant to the Company. The Company has therefore not reported further in respect of these provisions.

## Internal control

The Board acknowledges that it is responsible for the Company's system of internal control and for reviewing its effectiveness. Internal control systems are designed to manage the specific needs of the Company and the risks to which it is exposed and can by their nature only provide reasonable and not absolute assurance against material misstatement or loss.

The system aims to ensure the maintenance of proper accounting records, the reliability of the financial information used for publication upon which business decisions are made, and that the assets of the Company are safeguarded. The financial controls operated by the Board include the authorisation of the investment strategy and regular reviews of the financial results and investment performance.

The Board has put in place ongoing procedures for identifying, evaluating and managing the significant risks faced by the Company. As part of this process, a bi-annual review of the control systems is carried out. The review covers a consideration of the key business, operational, compliance and financial risks facing the Company and includes a review of the risks in relation to the financial reporting process.

The Board reviews a schedule of key risks and the management accounts at each quarterly board meeting. Assisted by the Audit Committee, it carries out separate assessments in respect of the annual and half-year reports and other published financial information. As part of these reviews, the Board appraises all the relevant risks ensuing from the internal control process referred to above. The main aspects of the internal controls which have been in place throughout the year in relation to financial reporting are as follows:

- Internal controls are in place for the preparation and reconciliation of the valuations prepared by the Investment Adviser.
- Independent reviews of the valuations of investments within the portfolio are undertaken bi-annually by the Board.
- The information contained in the Annual Report and other financial reports is reviewed separately by the Audit Committee prior to consideration by the Board.
- The Board reviews all financial information prior to publication.

The Board has contractually delegated to Gresham House the management of the investment portfolio, the day-to-day accounting, company secretarial and administration requirements and to City Partnership (UK) Limited for the registrar services.

The system of internal control and the procedure for the bi-annual review of control systems have been in place and operational throughout the year under review and up to the date of this Report. An assessment of the effectiveness of internal controls in managing risk was conducted on the basis of reports from Gresham House on 4 December 2025. The Board has identified no significant problems with the Company's internal control mechanisms. The assessment included a review of the requirements of the new AIC Code Provision 34 relating to the monitoring and review of material controls which will be applicable for the Company's 30 September 2027 accounting period onwards. Information on the preliminary steps being taken can be found in the Report of the Audit Committee on pages 58 to 60.

## Financial risk management

The main risks arising from the Company's financial instruments are investment risk, fluctuations in the market price and interest rates, credit risk and liquidity risk. The Board regularly reviews and agrees policies for managing these risks and full details can be found in Note 15 to the Financial Statements on pages 93 to 100 of this Annual Report.

## Section 172 Director Duties

The Directors continue to have regard to the interests of the Company's Shareholders and other stakeholders, including the impact of its activities on the community, environment and the Company's reputation, when making decisions. The Directors, acting fairly and in good faith, consider what is most likely to promote the success of the Company for its members and stakeholders in the long-term. Further details can be found in the table on pages 39 to 41.

## Investment management and service providers

The Directors carry out an annual review of the performance of and contractual arrangements with the Investment Adviser. The annual review of the Investment Adviser forms part of the Board's overall internal control procedures discussed above. As part of this review, the Board considers the quality and continuity of the investment management team, investment performance, quality of information provided to the Board, remuneration of the Investment Adviser, the investment process and the results achieved to date. A review of the performance of the Company is included in the Strategic Report on pages 32 to 35. The Board concluded that the Investment Adviser had performed consistently well over the medium-term and delivered target dividend returns to Shareholders in the year under review. The Company remains informed and well-positioned to maintain compliance with VCT tax legislation.

The Board places significant emphasis on the Company's performance against its peers and further information on this has been included in the Strategic Report on page 32. The Board further considered the Investment Adviser's commitment to the promotion of the Company and was satisfied that this was well prioritised by the Investment Adviser as evidenced by, inter alia, the Gresham House VCTs fundraisings which have taken place between 2010 and 2024.

Overall, the Board has continued to believe that the Investment Adviser possesses the experience, knowledge and resources that are required to support the Board in achieving the Company's long term investment objectives. The Directors therefore believe that the continued appointment of the Investment Adviser to the Company on the terms currently agreed is in the interests of Shareholders, and this was formally recommended by the Management Engagement Committee and approved by the Board on 10 September 2025.

The principal terms of the Company's Investment Advisory Agreement are set out in Note 4 to the Financial Statements on pages 82 to 83. The Board seeks to ensure that the terms of these agreements represent an appropriate balance between cost and the incentivisation of the Investment Adviser.

## Fees paid to the Investment Adviser

As part of the merger with Mobeus Income & Growth 2 VCT plc ("Merger"), a revised performance incentive scheme was agreed and approved by Shareholders and implemented which is based upon a five-year return period with the first assessment period relating to the five years ended 30 September 2025. The Company's average Annual return is above the average Annual Hurdle target for the five years ended 30 September 2025. As a result, a performance fee of £0.51 million has been accrued. Further information on the Investment Adviser's performance fees can be found in the Chair's Statement on page 4 and in Note 4 to the Financial Statements on pages 82 to 83.

In addition, the Investment Adviser received fees totalling £633,781 during the year-ended 30 September 2025 (period ended 30 September 2024: £409,725), being £127,224 (period ended 30 September 2024: £125,722) in advisory and arrangement fees and £506,557 (period ended 30 September 2024: £284,004) in Non-Executive Directors' fees for its partners, and other senior managers, to sit on a number of investee company boards and paid for by those investee companies. These amounts are the share of such fees attributable to investments made by the Company and are not part of the Financial Statements.

## Alternative Investment Fund Manager ("AIFM")

The Board appointed the Company as its own AIFM in compliance with the European Commission's Alternative Investment Fund Management Directive with effect from 22 July 2014.

The Company is registered as a small AIFM and is therefore exempt from the principal requirements of the Directive. Gresham House continues to provide investment advisory and administrative services to the Company. In order for the Company to continue to discharge its safekeeping responsibilities for the documents of title to its investments, a Safekeeping Agreement has been entered into with Apex Fund and Corporate Services (Guernsey) Limited.

## The Board and its Committees

The Directors of the Company are all independent Non-Executive Directors.

The Board has established four Committees: the Nomination and Remuneration Committee, the Management Engagement Committee, the Audit Committee and the Investment Committee, with responsibilities for specific areas of its activity. Each of the Committees has written terms of reference, which detail their authority and duties. Shareholders may obtain copies of these by making a written request to the Company Secretary or by downloading these documents from the Company's website: https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/.

The Board has agreed a schedule of matters specifically reserved for decision by the Board. These include: compliance with the requirements of the Companies Act 2006 and the Income Tax Act 2007, the UK Listing Authority and the London Stock Exchange; strategy and management of the Company; changes relating to the Company's capital structure or its status as a plc; financial reporting and controls; Board and committee appointments as recommended by the Nomination and Remuneration Committee and terms of reference of committees; and considering Shareholder communications, material contracts of the Company and contracts of the Company not in the ordinary course of business.

The Board has agreed that the Investment Adviser takes the initiative on most aspects of the Company's operations, under the guidance and formal approval of the Board. The Board has agreed policies with the Investment Adviser covering key operational issues.

## Board tenure and Chair succession

In regard to the tenure of the Board, the length of service of all directors is considered on an ongoing basis, with the Nomination and Remuneration Committee giving consideration to succession and composition at its year-end meeting, in compliance with the AIC Guide.

The Chair has served on the Board since 2015 and has provided notice of his intention to step down at the 2027 AGM.

The Nomination & Remuneration Committee has commenced a structured succession planning process in accordance with the principles of the AIC Code. The Committee is responsible for overseeing orderly Board succession and ensuring that the composition of the Board continues to include the appropriate balance of skills, experience, independence and diversity to support the Company's long-term strategy.

The Board and the Nomination & Remuneration Committee consider that the Chair remaining beyond the UK Code's recommended tenure limit of nine years was appropriate to facilitate the successful merger with Mobeus Income & Growth 2 VCT plc ("MIG 2") ("Merger") and to ensure an orderly Chair succession thereafter.

The Committee will lead the process for the identification and appointment of a new Chair, using external search support where appropriate, and will ensure that the transition is managed in an orderly and transparent manner to maintain the effective leadership and governance of the Company. The Board recognises the importance of proactive succession planning to safeguard continuity and to promote ongoing Board refreshment.

Although neither the UK Code nor the AIC Code set explicit tenure limits for directors, the Nomination & Remuneration Committee is cognisant of the AIC Code's recommendation to regularly refresh membership of the Board. Having joined the MIG 2 Board in July 2017, Ian Blackburn will reach a combined tenure of 9 years in 2026 and has therefore also provided notice of his intention to step down from the Board at the Annual General Meeting in 2027.

The Nomination & Remuneration Committee assessed the Board's future composition at its meeting on 4 December 2025 and agreed that a Board of three Directors would be appropriate once Clive Boothman and Ian Blackburn step down. Further information can be found in the Directors Remuneration report on page 61.

## Performance review

In accordance with the AIC Code, each year a formal performance review is undertaken of the Board as a whole, its Committees and each of the directors. The Board consider and discuss the review and an action plan is agreed if appropriate.

During the year, the Board requested the Company Secretary to carry out a review of the evaluation process. The review concluded that whilst the performance review had been appropriate for previous years, a number of iterative changes would ensure that the evaluation continued to facilitate a formal and rigorous annual review of the performance of the board, its committees, the chair and individual directors for both the reporting year and future years.

The updated evaluation process encompasses industry best practice, expands the scope of the Board Committee evaluation and supports both strategic and operational planning. Following the robust review, the Chair assessed that an externally facilitated board performance review was not required.

There were no issues requiring action following the recent review. The performance of the Chair was evaluated by the other Directors. The Board also conducts an evaluation of the Investment Adviser, and feedback of the results is provided to Gresham House.

## Diversity and inclusion

At the year-end the position was:

| | Number of board members | Percentage of the board | Number of senior positions on the Board |
|---|---|---|---|
| Men | 2 | 50% | Not applicable |
| Women | 2 | 50% | See paragraph below. |

In accordance with Listing Rule 9.8.6R(9), the Board reports that as an externally managed Company, there are no executive management roles such as Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO") and therefore the Board is not required to report against this target as it is not applicable. However, the roles within the Company which are senior, in addition to the Chair of the Company and the Senior Independent Director, are the Chairs of the Audit, Nomination & Remuneration, Management Engagement and Investment Committees, with the Audit and Investment Committee Chairs held by a woman.

The Board consists of four white directors, of British or Canadian nationality and therefore there is no minority ethnic Board representation. The Board are committed to include diversity and inclusion for all their future recruitment.

Being a smaller Board does make it more challenging to achieve diversity however the Board has a range of different experience as shown in the Directors' biographies on page 48.

## Investment Committee

The Investment Committee was chaired by Sarah Clark during the year and comprised all of the Directors. The Committee meets as necessary to consider the investment proposals put forward by the Investment Adviser. The Committee advises the Board on the development and implementation of the Investment Policy and leads the process for the ongoing monitoring of investee companies and the Company's investment therein. Investment guidelines have been issued to the Investment Adviser and the Committee ensures that these guidelines are adhered to. New investments and divestments are approved on recommendation of the Committee following discussion between Committee members and are subsequently ratified by the Board.

Investment matters are discussed extensively at Board meetings. During the year, the Committee formally approved investment, divestment and variation decisions, and met formally in September 2025 and informally on numerous occasions.

The Committee considers and agrees, on the advice of the Investment Adviser and under the guidance of the Audit Committee, all unquoted investment valuations for recommendation to the Board. Investments are valued in accordance with the International Private Equity and Venture Capital (IPEV) Valuation Guidelines under which investments are valued at fair value as defined in those guidelines. Any AIM or other quoted investment will be valued at the closing bid price of its shares as at the relevant reporting date, in accordance with generally accepted accounting practice.

During the year, the Committee supported the Board and Audit Committee in assessing Gresham House's review of its valuation practices. Further information on the review can be found in the Chair's statement on page 5 and in the Report of the Audit Committee at page 58.

The Board has satisfied itself that each of its Committees has sufficient resources to undertake its duties.

Full descriptions of the work of the Audit and Nomination and Remuneration Committees are set out in the Report of the Audit Committee and the Director's Remuneration Report on pages 58 to 60 and 61 to 66.

## Management Engagement Committee

The Management Engagement Committee is chaired by Ian Blackburn and comprises all four independent Directors.

The Committee meets at least annually to review the Company's contracts with its service providers and at other times as and when necessary and makes recommendations to the Board.

By order of the Board

**Gresham House Asset Management Limited**
*Company Secretary*

26 January 2026

# Report of the Audit Committee

Lucy Armstrong
*Chair of the Audit Committee*

*I am pleased to present the Report of the Audit Committee for the financial year ended 30 September 2025. This report forms part of the Directors' Report.*

The Audit Committee is chaired by Lucy Armstrong and comprises three of the independent Directors. The Board Chair can attend the Audit Committee meetings as an attendee but not a member in accordance with the recommendation of the 2018 FRC Corporate Governance Code (updated in January 2024) as best practice.

The composition of the Committee, their skills and experience are reviewed annually, or as and when required, and the Committee confirms that the current members are independent and appropriate, and the Chair possesses relevant financial experience.

The Committee's Key objectives are the monitoring and governance of:

- The appropriateness of the Company's financial reporting;
- The performance of the auditor; and
- Internal controls and risk management.

The Committee's principal activities during the year are summarised below.

## Valuation of investments

The Investment Adviser prepared valuations of the investments in the portfolio at the end of each quarter and these were considered in detail and agreed by the Audit Committee for recommendation to the Board. The Committee continued to monitor the adequacy of the controls over the preparation of these valuations. As part of this process, it focused on ensuring that both the bases of the valuations and any assumptions used were reasonable and in accordance with the IPEV Valuation Guidelines. The Committee received a valuation review within a report from the external auditor as part of the year-end audit process. The report was discussed in full by the Committee, the Investment Adviser and with the Auditor as necessary.

The Committee noted the findings of the FCA's Private Markets Valuation Practices review issued in March 2025. Following this, the Investment Adviser undertook a review of valuation practices applied to the Company's portfolio of investments, the results of which were presented to the Committee and the Board for review. The Committee was reassured by the results of the internal review noting that overall Gresham House demonstrated a sound and well structured valuation process, underpinned by professional judgement and appropriate external assurance. Nevertheless, Gresham House also took the opportunity to implement some minor enhancements to align more closely with the FCA's recommendations.

## Financial statements

The Committee carefully reviewed the Half-Year and September year-end reports to Shareholders for the year under review before these were submitted to the Board for approval. Besides the subject of valuations referred to above, the Committee also considered whether the accounting policy in respect of revenue recognition had been satisfactorily applied, and whether all expenditure in the year had been included.

## Income from investee companies

The Committee notes that revenue from investee company loan stock and dividends may be uncertain given the type of companies in which the Company invests. Dividends in particular may be difficult to predict. The payments received do have a direct impact on the level of income dividends the Company is able to pay to Shareholders. The Committee agrees policies for revenue recognition and reviews their application at each of its meetings. It considers schedules of income received and receivable from each of the investee companies and assesses, in consultation with the Investment Adviser, the likelihood of receipt of each of the amounts.





## Internal control

The Committee has monitored the system of internal controls throughout the year under review. It received reports by exception on the Company's progress against its internal controls at its September year end and Half-Year results meetings and reviews a schedule of key risks at the same time. A full review of the internal controls in operation by the Company was undertaken by the Committee on 4 December 2025.

As part of this review the Committee assessed the requirements of the new AIC Code Provision 34 requiring the Board to monitor the Company's risk management and internal control framework and, at least annually, carry out a review of its effectiveness and report on the results. The new Provision will apply to accounting periods beginning on or after 1 January 2026 and the Board will be required to formally report on this exercise for the first time in the Company's Annual Report for the year ended 30 September 2027. The Committee elected to engage with the Company's service providers on this matter for the current reporting year to facilitate a smooth transition to the new reporting requirement in 2027. In addition, the Committee's terms of reference and the matters reserved for the Board have been updated to reflect the additional duties imposed by the new AIC Code Provision. The Committee will provide further information on how the Company intends to comply with Provision 34 in its next Annual Report.

The Board has identified the key risks faced by the Company and established appropriate controls. A list of the risks identified is set out on pages 42 to 45 of the Strategic Report. The Committee monitors these controls and reviews any incidences of non-compliance.

## Cyber security

The Board has sought and obtained assurances during the year from the Investment Adviser, the Registrar and other service providers concerning their cyber security procedures and policies.

## Compliance with the VCT tests

The Company has engaged Philip Hare & Associates LLP ("PHA") as its VCT Status Tax Adviser to advise on its compliance with the legislative requirements relating to VCTs. PHA produce six-monthly reports on the Company's compliance with the VCT legislation which include a consideration of the Company's position against each of the VCT qualification tests. These reports were considered by the Audit Committee prior to presentation to the Board at the half and year-end stages.

## Going concern and long-term viability of the Company

The Board and the Committee monitored the Company's liquidity to satisfy themselves that the Company had an adequate level of resources for the foreseeable future. Consideration is given to cash flow projections which included assumptions on, inter alia, projected levels of new investment and the ability of the Company to realise its existing investments; the Company's cash balances and holdings in money market funds; and projected levels of dividends and share buybacks. The Committee has again considered the requirement to publish a Viability Statement in the Annual Report and has advised the Board on its review of the viability of the Company and the wording of the statement (including the period to which the statement should relate).

## Counterparty risk

The Committee has given careful consideration to the credit worthy status of the financial institutions with whom the Company's cash resources have been placed. The Committee took into account factors such as maturity, interest rate and credit rating across a number of financial institutions. The Board has a policy of spreading risk by placing funds across a number of financial institutions. By instruction from the Board, the Company holds the majority of its funds in a number of AAA rated money market funds, as VCT legislation prevents cash being held in bank deposits on more than 7 days' notice.

## AIFM registration

The Committee continued to monitor the Company's obligations as its own Alternative Investment Fund Manager ("AIFM") in compliance with the Alternative Investment Fund Managers Regulations 2013.

The Company is registered as a small AIFM and is therefore exempt from the principal requirements of the regulations.

## Relationship with the external auditor

As BDO LLP (formerly PKF) reached the 20-year mandatory rotation limit for the provision of audit services to the Company at the period ended 30 September 2024, a competitive tender process was undertaken to identify an alternative audit firm. Following the conclusion of this process, the Board appointed Johnston Carmichael LLP to provide the Company's audit services for the year ending 30 September 2025.

This is the first year in which Johnston Carmichael LLP has acted as the Company's external auditor. In accordance with the applicable audit rotation rules for Public Interest Entities, a mandatory tender process must be undertaken no later than for the audit of the financial year ending 30 September

2035, with the tender taking place during 2034. The firm may continue to serve as auditor for a maximum period of 20 years, up to and including the audit for the year ending 30 September 2045.

The Senior Statutory Auditor is Bryan Shepka, who is acting as audit engagement partner for the first year. Under the relevant rotation requirements, the Senior Statutory Auditor may serve for a maximum term of five consecutive years.

The Committee is responsible for overseeing the relationship with the external auditor, assessing the effectiveness of the external audit process and making recommendations on the appointment and removal of the external auditor.

The external auditor is invited to attend Audit Committee meetings, where appropriate, and also has the option to meet with the Committee and its Chair without representatives of the Investment Adviser being present. The external auditor attended the Company's AGM in 2025 and engaged with the Audit Committee throughout the year and during the audit planning process. It considers that the audit team is appropriately resourced and has communicated clearly and promptly with members of the Committee and the Investment Adviser during the audit process. The Committee is satisfied that independence and objectivity has been maintained throughout the audit and the level of fees charged are justifiable and appropriate for the work involved.

Based on the assurance obtained, the Committee recommended to the Board a resolution to reappoint Johnston Carmichael LLP as Auditor at the forthcoming AGM.

## Permissible non-audit services

The Board regularly reviews and monitors the external Auditor's independence and objectivity. As part of this it reviews the nature and extent of services supplied by the Auditor to ensure that independence is maintained.

The Committee reviews the implications of the Financial Reporting Council's ("FRC") Revised Ethical Reporting Standard 2024 effective from 15 December 2024. The Committee, based upon the review of this 2024 Ethical Standard, has decided to purchase certain non-audit services, such as tax compliance services and iXBRL tagging, from separate firms. The auditor is permitted to provide audit-related services in respect of the Half-Year Report (if requested by the Board), whereas PHA provides tax compliance services, and Arkk Consulting Limited, one of the Company's investee companies, that provides the iXBRL tagging service, demonstrated that it has appropriate procedures and safeguards in place to maintain its independence and objectivity; charged justifiable fees in respect of the scope of services provided; and handled key audit issues.

## Additional disclosures in the Directors' Report

Disclosures required by certain publicly-traded companies as set out in Part 6 of Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended 2013) are addressed in the Directors' Report on pages 49 to 53.

By order of the Board

**Lucy Armstrong**
*Chair of the Audit Committee*

26 January 2026





# Directors' Remuneration report

*I am pleased to present the Director's Remuneration Report for the financial year ended 30 September 2025 and propose an updated Remuneration Policy to Shareholders.*

**Ian Blackburn**
*Chair of the Nomination & Remuneration Committee*

## Overview

Over the following pages we have set out the Company's forward-looking Directors' Remuneration Policy. The Directors' Annual Remuneration Report details how this Policy is being implemented.

An ordinary resolution to approve the Directors' Remuneration Policy and the Directors' Remuneration Report will be proposed at the forthcoming AGM on 2 March 2026.

As part of its annual review of Directors' remuneration, at its meeting on 10 September 2025, the Nomination & Remuneration Committee considered the aggregate level of remuneration for each Director and agreed that no change in the remuneration was necessary for the forthcoming year.

Following a review of the composition of the Board at its meeting on 4 December 2025 the Directors have confirmed their belief that the current Board of four directors have the skills and experience to be effective. At the meeting, the Committee also instigated succession planning for Clive Boothman and Ian Blackburn who will both step down as Directors at the AGM in 2027.

The Committee considered the Board's future composition which was increased from three members to four upon the Company's merger with Mobeus Income & Growth 2 VCT plc in July 2024. The Directors agreed that reverting to a Board of three Directors following the AGM in 2027 would be appropriate. The reduction from four Board members to three will remain compliant with the expectations of the AIC Corporate Governance Code ("AIC Code") with the Board continuing to have the requisite breadth of expertise, sector knowledge and capacity to fulfil its duties.

The Committee will lead the process for the identification and appointment of a new Chair, using external search support where appropriate, and will ensure that the transition is managed in an orderly and transparent manner to maintain the effective leadership and governance of the Company. The Board recognises the importance of proactive succession planning to safeguard continuity and to promote ongoing Board refreshment consistent with good governance practice. Internal candidates will be invited to apply for the role as part of a formal, rigorous and transparent procedure. Further information on the recruitment process will be provided in the 2026 Annual Report.

The table on page 63 shows the remuneration to be paid to each of the Non-Executive Directors in 2026. The table on page 64 shows the annual percentage change in remuneration paid to each of the Non-Executive Directors who have served during the year. There will be no further changes to the remuneration for the current year.

This Report has been prepared by the Directors in accordance with the requirements of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2013, the Companies Act 2006 ("the Companies Act") and the Listing Rules of the UK Listing Authority ("the Listing Rules"). The Company's independent Auditor is required to give its opinion on the specified information provided on Directors' emoluments and Directors' interests on page 64 and this is explained further in its report to Shareholders on pages 69 to 74.

## Directors' Remuneration Policy

> To ensure that the levels of remuneration are sufficient to attract, retain and motivate directors of the quality required to manage the Company in order to achieve the Company's Objective.

In determining the Company's remuneration policy, the Committee and the Board seek to determine a level of fees appropriate to attract and retain individuals of sufficient calibre to lead the Company in achieving its Objective. When considering the level of Directors' fees, it takes account of the workload and responsibilities of each role and the value and amount of time that a Director is required to commit to the Company. It further considers remuneration levels elsewhere in the Venture Capital Trust industry for companies of a similar size and structure, together with other relevant information.

The Board have decided to dispense with the payment of supplements in respect of Committee memberships, instead opting for a single Directors' fee reflecting the time commitment required for each role. The Directors may at their discretion pay additional sums in respect of specific tasks carried out by individual Directors on behalf of the Company. None were paid in the year.

Since all the Directors are Non-Executive, the Company is not required to comply with the provisions of the Listing Rules, the UK Corporate Governance Code and the AIC Code in respect of Directors' remuneration, except in so far as they relate specifically to Non-Executive directors.

The Remuneration Policy is set by the Board on the recommendation of the Committee. The level of fees paid to each of the Directors is reviewed annually by the Nomination and Remuneration Committee which makes recommendations to the Board. The Committee has access to independent advice where and when it considers it appropriate.

Following its annual review of directors' remuneration, at its meeting on 10 September 2025, the Committee considered the aggregate level of remuneration for each director, benchmarked against the VCT industry and agreed no change was necessary.

## Performance related remuneration

Whilst it is a key element of this policy to recruit Directors of the calibre required to lead the Company in achieving its short and long-term objectives, no component of the fees paid is directly related to performance.

## Additional benefits

The Company does not have any schemes in place to pay any of the Directors' bonuses or benefits in addition to the Directors' fees. No arrangements have been entered into between the Company and the Directors to entitle them to compensation for loss of office. None of the Directors receive pension benefits from the Company and the Company has not granted any Director any options over the share capital of the Company. It is current Company policy not to pay travel or subsistence expenses to Directors in relation to their work for the Company although this is kept under review.

## Recruitment remuneration

Any new director who may subsequently be appointed to the Board will be remunerated in line with the Remuneration Policy and the levels of remuneration stated therein as modified from time to time.

## Shareholders' views on remuneration

The Board prioritises the views of Shareholders and encourages free and frank discussion at general meetings of the Company. It takes Shareholders' views into account, where appropriate, when formulating its remuneration policy. Shareholders can contact the Chair or the Company Secretary, Gresham House, at any time by email using the address: ghvcts@greshamhouse.com.

## Directors' terms of appointment

All of the Directors are non-executive. The Articles of Association of the Company provide that Directors may be appointed either by an ordinary resolution of the Company or by the Board, provided that a person appointed by the Board shall be subject to election at the first annual general meeting following their appointment.

The Articles also contain provisions whereby, subject to the Companies Act, one-third of the Directors retire from office by rotation at each annual general meeting. However, the Board has agreed that each of the Directors will offer themselves for re-election annually in accordance with the AIC Code.

All Directors receive a formal letter of appointment setting out the terms of their appointment, their specific duties and responsibilities and the fees pertaining to the appointment.

Appointment letters for new Directors stipulate that an assessment of the required time commitment be made prior to acceptance of the appointment to ensure that the individual is able to fulfil the role in light of their other existing commitments.

New Directors are asked to undertake that they will have sufficient time to carry out their responsibilities to the Company and to disclose their other significant time commitments to the Board before appointment. In addition, the Board Chair reviews the external time commitments of the Directors on an annual basis.

Each of the Director's appointments may be terminated by either party by giving not less than three months' notice in writing and in certain other circumstances. Copies of the Directors' appointment letters will be available for inspection at the place of the AGM on 2 March 2026 from 1:45pm.

# Directors' Annual Remuneration Report

This section of the report sets out how the Remuneration Policy, described on the previous pages, is being implemented.

A resolution to approve the Directors' Annual Remuneration Report as set out in the Annual Report for the period ended 31 September 2024 was approved by Shareholders at the AGM of the Company held on 5 March 2025.

The Company also received proxy votes in favour of the resolution representing 92.57% of the votes submitted (including those who appointed the Chair to vote at his discretion) (against: 7.43%).





## Directors' Remuneration

| Director | Role | Remuneration Package | Payment per annum | Performance conditions |
|---|---|---|---|---|
| Clive Boothman | Chair | Director's fee | £45,000 | None |
| Ian Blackburn | Senior Independent Director, Chair of Nomination & Remuneration and Management Engagement Committees | Director's fee | £39,900 | None |
| Lucy Armstrong | Chair of Audit Committee | Director's fee | £36,750 | None |
| Sarah Clark | Chair of Investment Committee | Director's fee | £36,750 | None |
| | | **Total fees payable** | **£158,400** | |

**Company Objective**

To provide investors with a regular income stream, by way of tax-free dividends generated from income and capital returns, while continuing at all times to qualify as a VCT.

**Remuneration Policy**

To ensure that the levels of remuneration are sufficient to attract, retain and motivate directors of the quality required to manage the Company in order to achieve the Company's Objective.

An ordinary resolution for the approval of the Annual Remuneration Report will be proposed at the AGM of the Company to be held on 2 March 2026.

The table above illustrates how the Company's objective is supported by its Remuneration Policy. It sets out details of the pay package and the maximum amount receivable per annum by each Director as at the date of this Report. The Nomination & Remuneration Committee and the Board review the fees paid to Directors annually in accordance with the Remuneration Policy set out on page 61 and may decide that an increase in fees is appropriate in respect of subsequent years. No performance conditions are attached to any aspect of any fee paid to the Directors.

# Shareholder approval of the Company's Remuneration Policy

This policy applied throughout the financial year ended 30 September 2025 and will continue to apply until the AGMs 2026. Subject to Shareholder approval, a revised Remuneration Policy will apply thereafter.

A resolution to approve the Directors' Remuneration Policy as set out in the Annual Report for the year ended 30 September 2022 was approved unanimously by Shareholders on a show of hands at the AGM of the Company held on 24 May 2023. The Company received proxy votes in favour of the resolution representing 88.45% (including those who appointed the Chair to vote at his discretion) of the votes received (against: 6.05%).

The Board is required to ask Shareholders to approve the Remuneration Policy every three years. The Directors will therefore recommend that Shareholders approve a revised Policy at the forthcoming AGM of the Company.

The Board considers it appropriate to update the Company's Remuneration Policy to provide further information to Shareholders on the key matters that are considered by the Nomination & Remuneration Committee when assessing Director Remuneration. The proposed Policy is provided below.

Remuneration levels of Non-Executive Directors should be sufficient to attract and retain the calibre of individuals needed to properly oversee the Company effectively for the benefit of its Shareholders and stakeholders, reflecting the duties, responsibilities, workload, and time commitment of each role. Fees should be benchmarked against comparable venture capital trusts in size, structure and investment objectives. Performance-related pay is not considered appropriate.

## Nomination and Remuneration Committee

During the year under review the Committee comprised the full Board. It was Chaired by Ian Blackburn. All members of the Committee are considered to be independent of the Investment Adviser. The Committee meets at least twice a year and is responsible for making recommendations to the Board on remuneration policy and reviewing the Policy's ongoing appropriateness and relevance. It carries out an annual review of the remuneration of the Directors and makes recommendations to the Board on the level of Directors' fees. It is responsible for the appointment of remuneration consultants, if this should be considered necessary, including establishing the selection criteria and terms of reference for such an appointment. However, it was not considered necessary to appoint any such consultants during the year under review. The Committee met twice during the year with full attendance from all its members.

In considering nominations, the Committee is responsible for making recommendations to the Board concerning the appointment of new Directors to the Board and its Committees; the periodic review of the composition of the Board and its Committees; and the annual performance review of the Board, its Committees, the Directors and the Chair. This includes the ongoing review of each Director's actual or potential conflicts of interest which may arise as a result of the external business activities of Board members. Information on the Committee's activities during the year in relation to Board succession and composition can be found on page 56.

## Annual percentage change in Directors' Remuneration

The following table sets out the annual percentage change in Directors' remuneration for the year to 30 September 2025:

| | % change for the period to 30 Sep 2025 | % change for the period to 30 Sep 2024 | % change for the year to 31 Dec 2023 | % change for the year to 31 Dec 2022 | % change for the year to 31 Dec 2021 |
|---|---|---|---|---|---|
| Clive Boothman | - | 4.7% | - | 7.5% | - |
| Lucy Armstrong | - | 0.7% | - | - | n/a |
| Sarah Clark[1] | - | n/a | n/a | n/a | n/a |
| Ian Blackburn[1] | - | n/a | n/a | n/a | n/a |
| Bridget Guérin[2] | n/a | n/a | - | 5.0% | - |

[1] Appointed to the Board on 26 July 2024

[2] Bridget retired as a Director on 26 July 2024.

The remuneration of the Directors contains no performance related variable element. As the Company has no employees, the Directors do not consider it relevant to compare Director fees against employee pay.

No sums were paid to third parties in respect of any of the Director's services during the year under review.

## Directors' interests in the Company's shares (audited)

The Company does not require the Directors to hold shares in the Company. The interests of the Directors (and their connected persons) in the shares of the Company at the beginning and end of the year are as set out in the table below:

| | Shares held on: 30 September 2025 | Shares held on: 30 September 2024 |
|---|---|---|
| Clive Boothman | 214,758 | 188,684 |
| Ian Blackburn | 51,606 | 51,606 |
| Lucy Armstrong | (-) | (-) |
| Sarah Clark | (-) | (-) |

## Director's Remuneration (audited)

| | 2025 (£) | 2024[1] (£) |
|---|---|---|
| Clive Boothman | 45,000 | 32,835 |
| Lucy Armstrong | 36,750 | 27,608 |
| Sarah Clark | 36,750 | 6,690 |
| Ian Blackburn | 39,900 | 7,264 |
| Bridget Guérin | - | 18,173 |
| **Total** | **158,400** | **92,570** |

[1] The Director's Remuneration shown under 2024 represents a 9-month period.





## Relative importance of spend on Directors' fees

| | Year ended 30 September 2025 £ | Period ended 30 September 2024[2] £ |
|---|---|---|
| Total Directors' fees | 158,400 | 92,570 |
| Dividends paid and payable in respect of the year/period | 13,365,043 | 6,514,702 |
| Total fees and expenses[1] | 4,895,930 | 2,251,466 |
| **Directors' fees as a share of:** | | |
| Closing net assets | 0.09% | 0.06% |
| Dividends paid and payable in respect of the year/period | 1.19% | 1.42% |
| Total fees and expenses[1] | 3.24% | 4.11% |

[1] This figure is the combined total of Investment Adviser's fees and other expenses disclosed in the Income Statement

[2] Comparative figures relate to the nine month period to 30 September 2025 so are not directly comparable.

## Highest paid Directors' remuneration: 5-year comparison

| | 2025 | 2020 | Change (%) |
|---|---|---|---|
| Director[1] | 45,000 | 40,000 | 12.5% |

[1] Following the Merger, the Board does not charge fees for chair roles in respect of separate Committees. The above analysis represents the fee paid to Clive Boothman as the Chair of the Board and highest paid Director.

## Directors' attendance at Board and Committee meetings in 2025

The table below sets out the Directors' attendance at quarterly Board meetings and Committee meetings held during the year to 30 September 2025. In addition to the quarterly Board meetings, the Board met on other occasions to consider specific issues as they arose.

| Directors | Board Meetings | | Audit Committee Meetings | | Investment Committee | | Nomination & Remuneration Committee Meetings | | Management Engagement Committee | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Eligible** | **Attended** | **Eligible** | **Attended** | **Eligible** | **Attended** | **Eligible** | **Attended** | **Eligible** | **Attended** |
| Clive Boothman | 4 | 4 | 0[1] | 2 | 1 | 1 | 2 | 2 | 1 | 1 |
| Lucy Armstrong | 4 | 4 | 2 | 2 | 1 | 1 | 2 | 2 | 1 | 1 |
| Ian Blackburn | 4 | 4 | 2 | 2 | 1 | 1 | 2 | 2 | 1 | 1 |
| Sarah Clark | 4 | 4 | 2 | 2 | 1 | 1 | 2 | 1 | 1 | 1 |

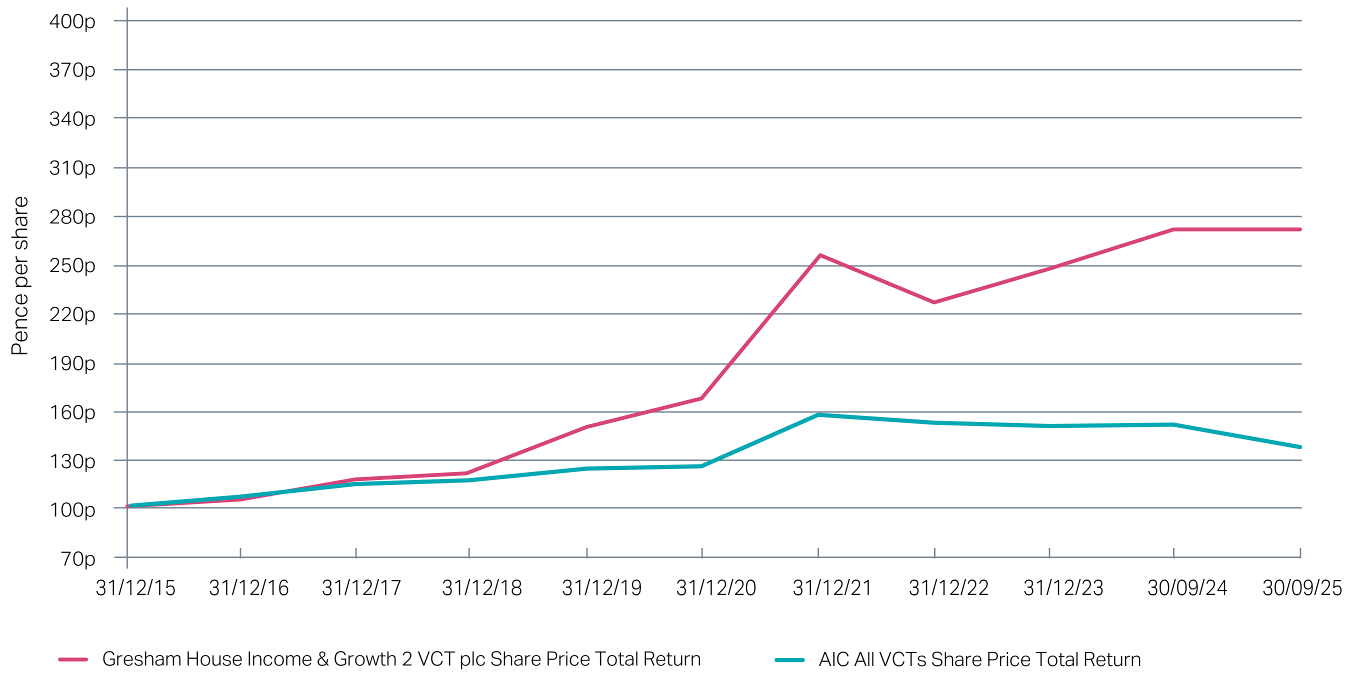
[1] The Board Chair can attend the Audit Committee meetings as an attendee but not as a member in accordance with the recommendation of the 2018 FRC Corporate Governance Code (updated in January 2024) as best practice.

## Company performance

The graph below charts the Share Price total return of the Company (assuming all dividends are re-invested in shares in the Company on the last trading day of the month in which the shares were quoted ex-dividend) over the past ten years compared with that of an index of all VCTs and an index of VCTs which are members of the AIC, based on figures provided by Morningstar. The Board considers these indices to be the most appropriate indices against which to measure the Company's relative performance over the medium to long-term. The total returns have each been re-based to 100 pence at 31 December 2015.

An explanation of the recent performance of the Company is given in the Chair's Statement on page 4, in the Investment Adviser's Review on pages 10 to 21 and in the Strategic Report on pages 32 to 35.

### Share Price Total Return Performance Graph




By order of the Board

**Ian Blackburn**
*Chair of the Nomination & Remuneration Committee*

26 January 2026





# Statement of the Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial period and the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law 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 the Financial Statements have been prepared in accordance with United Kingdom accounting standards, 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 Strategic Report, a Director's 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.

## Website publication

The Financial Statements are published on the Company's website at https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/, which is maintained by the Investment Adviser. The maintenance and integrity of the website maintained by the Investment Adviser is, so far as it relates to the Company, the responsibility of the Investment Adviser. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the accounts since they were initially presented to the website. The accounts are prepared in accordance with UK legislation, which may differ from legislation in other jurisdictions.

## Directors' responsibilities pursuant to Disclosure and Transparency Rule 4 of the UK Listing Authority

The Directors confirm to the best of their knowledge that:

(a) The Financial Statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice give a true and fair view of the assets, liabilities, financial position and the profit of the Company.

(b) The Annual Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Having taken advice from the Audit Committee, the Board considers the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and that it provides the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.

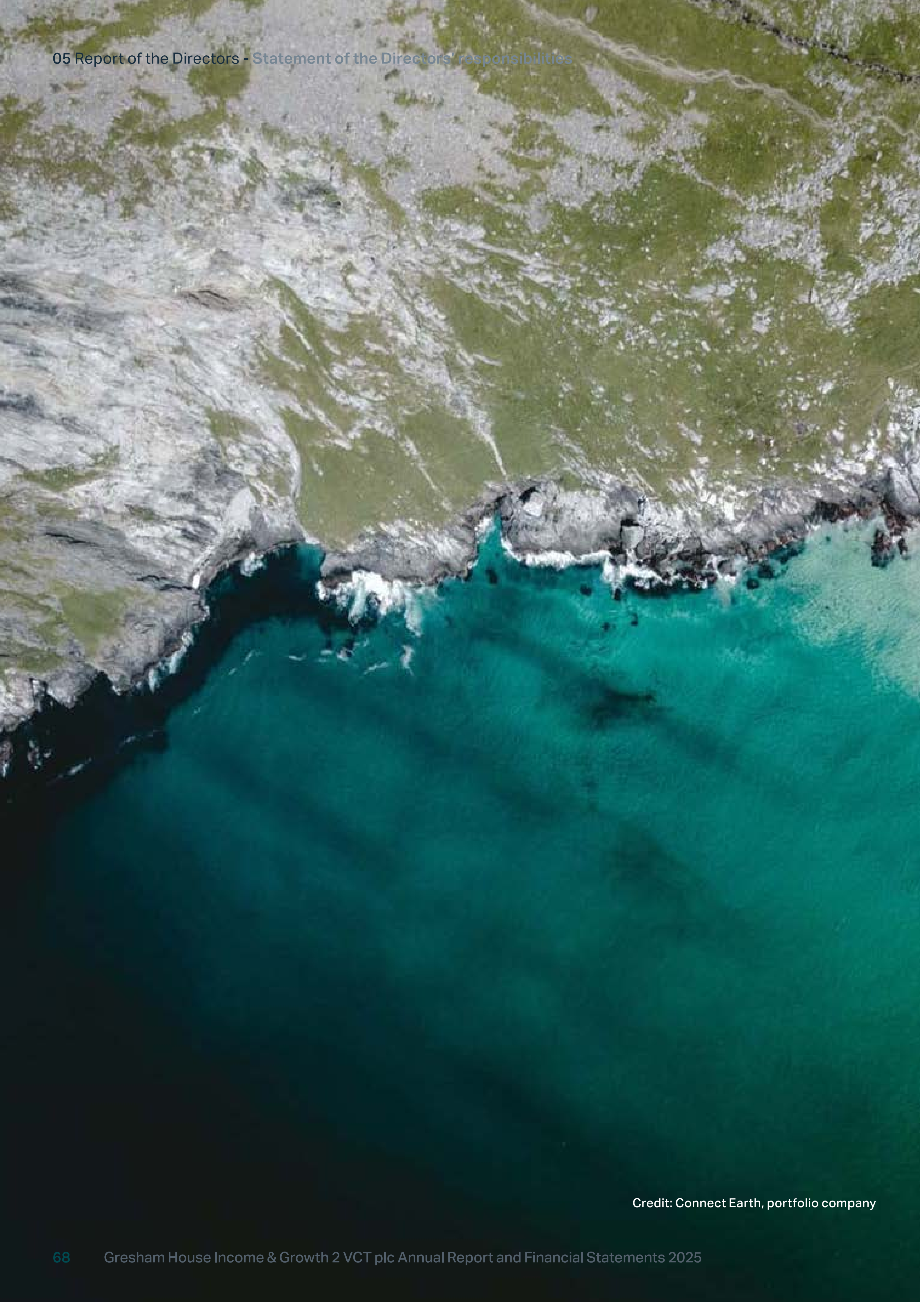
Neither the Company nor the Directors accept any liability to any person in relation to the Annual Report except to the extent that such liability could arise under English law.

The names and functions of the Directors are stated on page 48.

For and on behalf of the Board

**Clive Boothman**
*Chair*

26 January 2026



Credit: Connect Earth, portfolio company



# Independent Auditor's report



## Opinion

We have audited the Financial Statements of Gresham House Income & Growth 2 VCT plc ("the Company"), for the year ended 30 September 2025, which comprise the Income statement, the Balance sheet, the Statement of changes in equity, the Statement of cash flows, and the notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:

- Give a true and fair view of the state of Company's affairs as at 30 September 2025 and of its profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Our approach to the audit

We planned our audit by first obtaining an understanding of the Company and its environment, including its key activities delegated by the Board to relevant approved third-party service providers and the controls over provision of those services.

We conducted our audit using information maintained and provided by Gresham House Asset Management Limited (the "Investment Advisor", the "Company Secretary" and the "Administrator"), Apex Group (the "Custodian") and The City Partnership (UK) Limited (the "Registrar") to whom the Company has delegated the provision of services.

We tailored the scope of our audit to reflect our risk assessment, taking into account such factors as the types of investments within the Company, the involvement of the Company Secretary and Administrator, the accounting processes and controls, and the industry in which the Company operates.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual Financial Statement line items and disclosures and in the evaluation of the effect of misstatements, both individually and in aggregate on the Financial Statements as a whole.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We summarise below the key audit matter in arriving at our audit opinion above, together with how our audit addressed this matter and the results of our audit work in relation to this matter.

| Key audit matter | How our audit addressed the key audit matter and our conclusions |
|---|---|
| **Valuation and ownership of level 3 investments**<br>(as per page 58 (Audit Committee Report), page 88 (Accounting Policy) and Note 8.<br><br>The valuation of the level 3 investment portfolio at 30 September 2025 was £115,031,266.<br><br>As this is the largest component of the Company's Balance sheet, and there is a high degree of estimation and subjectivity in the valuation of level 3 investments, it has been designated as a key audit matter, being one of the most significant assessed risks of material misstatements due to fraud or error.<br><br>The level 3 investments are valued in accordance with the revised International Private Equity and Venture Capital (IPEV) valuation guidelines. Significant judgement is required in applying these principles and determining certain inputs to the valuation models.<br><br>Additionally, there is a fraud risk that the investments recorded as held by the Company may not represent the property of the Company (ownership). | We have performed a walkthrough of the level 3 investment valuation process to evaluate the design of the process and implementation of key controls.<br><br>We obtained evidence that the Manager's Valuation Committee review and approve the valuation of the unlisted investments.<br><br>We obtained evidence of the Board's review and approval of the valuation of the level 3 investments.<br><br>As part of our risk assessment procedures, we stratified the level 3 investments portfolio and selected a sample of investments for detailed testing based on this risk-based stratification.<br><br>For the sample of level 3 investments, we:<br><br>- Obtained an understanding of the sector for each investee company for the period being audited, making enquiries of management.<br>- Obtained an understanding of the original investment rationale and valuation basis, along with any milestones set.<br>- Obtained an update on the investment, paying particular attention to progress against pre-set milestones and/or indications that a reduction in valuation may be appropriate.<br>- Assessed the appropriateness of the valuation basis used, paying particular attention to any changes from the prior year valuation basis.<br>- Agreed data used in the valuation models to independent sources.<br>- Based on the specific risks identified, for certain investments in our sample, we engaged our specialist corporate finance team, to challenge the appropriateness of certain judgements, such as multiples and discounts.<br>- Reperformed the enterprise value calculations and waterfalls to ensure mathematical accuracy.<br>- Where appropriate based on the valuation methodology applied, we developed an auditor's point estimate or range.<br><br>We performed back-testing over investment disposals (proceeds vs most recent valuation) to assess for potential management bias in the valuation process.<br><br>We ensured that the accounting estimates and related disclosures were appropriately disclosed in the financial statements.<br><br>We agreed the ownership of 100% of the investments to either Custodian reports, share certificates and/or loan certificates.<br><br>We tested all new investments above our Audit Committee reporting threshold and agreed them to share certificates and loan notes/agreements.<br><br>We tested a sample of follow-on additions and disposals in the year and agreed them to Sale and Purchase Agreements.<br><br>From our completion of these procedures, we identified no material misstatements in relation to the valuation of level 3 investments. |





## Our application of materiality

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature and extent of our work and in evaluating the results of that work.

| Materiality measure | Value |
|---|---|
| ***Materiality for the Financial Statements as a whole*** – we have set materiality as 2% of net assets as we believe that net assets is the primary performance measure used by investors and is the key driver of shareholder value. We determined the measurement percentage to be commensurate with the risk and complexity of the audit and the Company's listed status. | £3,553,750 |
| ***Performance materiality*** – performance materiality represents amounts set by the auditor at less than materiality for the Financial Statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the Financial Statements as a whole.<br>In setting this we consider the Company's overall control environment and our assessment of a lower risk of material misstatements. Based on our judgement of these factors we have determined performance materiality to be set at 50% of our overall Financial Statement materiality as this is our first year as auditor. | £1,776,875 |
| ***Specific Materiality*** – recognising that there are transactions and balances of a lesser amount which could influence the understanding of users of the Financial Statements we calculate a lower level of materiality for testing such areas.<br>Specifically, given the importance of the distinction between revenue and capital for the Company, we applied a separate testing threshold for income investments in the Income statement set at the higher of 5% of the revenue profit on ordinary activities before taxation and our Audit Committee reporting threshold.<br>We have also set a separate materiality in respect of related party transactions and Directors' remuneration.<br>We used our judgement in setting these thresholds and considered our experience and industry benchmarks for specific materiality. | £177,687 |
| ***Audit Committee reporting threshold*** – we agreed with the Audit Committee that we would report to them all differences in excess of 5% of overall materiality in addition to other identified misstatements that warranted reporting on qualitative grounds, in our view. For example, an immaterial misstatement as a result of fraud. | £177,687 |

During the course of the audit, we reassessed initial materiality and found no reason to alter the basis of calculation used at year-end.

## Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating management's method of assessing going concern, including consideration of market conditions and macro-economic uncertainties;
- Assessing and challenging the forecast cashflows and associated sensitivity modelling used by the Directors in support of their going concern assessment;
- Obtaining and recalculating management's assessment of the Company's ongoing maintenance of venture capital trust status; and
- Assessing the adequacy of the Company's going concern disclosures included in the Annual Report.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the Financial Statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Annual Report and Financial Statements other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- The Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- A corporate governance statement has not been prepared by the Company.

## Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements or our knowledge obtained during the audit:

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 46;
- The Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 46;
- The Directors' statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities set out on page 46;
- The Directors' statement on fair, balanced and understandable set out on page 49;
- The Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 46;
- The section of the Annual Report that describes the review of the effectiveness of risk management and internal control systems set out on pages 54 and 55; and
- The section describing the work of the Audit Committee set out on pages 58 to 60.



06 Independent Auditor's report

## Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 67, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the Financial Statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- Financial Conduct Authority (FCA) Listing Rules and Disclosure Guidance and Transparency Rules (DTR);
- The principles of the UK Corporate Governance Code applied by the AIC Code of Corporate Governance (the "AIC Code");
- Industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP");
- The General Data Protection Regulation (GDPR) 2016;
- United Kingdom Generally Accepted Accounting Practice; and
- The Company's qualification as a Venture Capital Trust under section 274 of the Income Tax Act 2007.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the Company's Financial Statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the Financial Statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Valuation of level 3 investments; and
- Management override of controls

Audit procedures performed in response to the risks relating to the valuation of unlisted investments are set out in the section on key audit matters above, and audit procedures performed in response to the risk of management override of controls are included below.

In addition to the above, the following procedures were performed to provide reasonable assurance that the Financial Statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Performing audit procedures over the risk of management override of controls, including unpredictability testing, testing of journal entries and other adjustments for appropriateness, recalculating the investment management and performance incentive fees, evaluating the business rationale of significant transactions outside the normal course of business and assessing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006 and the Listing Rules; and
- Agreement of the Financial Statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the Financial Statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely we would become aware of it.

## Other matters which we are required to address

Following the recommendation of the Audit Committee, we were appointed by the Board on 25 March 2025 to audit the Financial Statements for the year ended 30 September 2025 and subsequent financial periods. The period of our total uninterrupted engagement is one year, covering the year ended 30 September 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

## Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Bryan Shepka**
(Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP
Statutory Auditor
Glasgow, United Kingdom
26 January 2026



# Financial Statements

07

## Income Statement

for the year ended 30 September 2025

| | | Year ended 30 September 2025 | | | Period ended 30 September 2024 | | |
|---|---|---|---|---|---|---|---|
| | | Revenue | Capital | Total | Revenue | Capital | Total |
| | Notes | £ | £ | £ | £ | £ | £ |
| Net investment portfolio gains/(losses) | 8 | - | 4,530,082 | 4,530,082 | - | (209,089) | (209,089) |
| Income | 3 | 4,113,378 | - | 4,113,378 | 1,590,884 | - | 1,590,884 |
| Investment Adviser's fees | 4a | (943,032) | (2,829,095) | (3,772,127) | (431,061) | (1,293,182) | (1,724,243) |
| Investment Adviser's performance fee | 4a | - | (505,605) | (505,605) | - | - | - |
| Other expenses | 4c | (602,988) | - | (602,988) | (395,813) | - | (395,813) |
| Merger expenses | 17 | (15,210) | - | (15,210) | (131,410) | - | (131,410) |
| **Profit/(loss) on ordinary activities before taxation** | | 2,552,148 | 1,195,382 | 3,747,530 | 632,600 | (1,502,271) | (869,671) |
| Tax on profit/(loss) on ordinary activities | 5 | (527,923) | 527,923 | - | (185,893) | 185,893 | - |
| **Profit/(loss) for the year and total comprehensive income** | | 2,024,225 | 1,723,305 | 3,747,530 | 446,707 | (1,316,378) | (869,671) |
| **Basic and diluted earnings per ordinary share** | 7 | 0.79p | 0.66p | 1.45p | 0.24p | (0.70)p | (0.46)p |

The revenue column of the Income Statement includes all income and expenses. The capital column accounts for the net investment portfolio gains (unrealised gains and realised losses on investments) and the proportion of the Investment Adviser's fee and performance fee charged to capital.

The total column is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS") 102. In order to better reflect the activities of a VCT and in accordance with the 2014 Statement of Recommended Practice ("SORP") (updated in July 2022) by the Association of Investment Companies ("AIC"), supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The revenue column of profit attributable to equity Shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

There is no other comprehensive income and therefore the return for the year is also the total comprehensive income for the year.

The notes on pages 81 to 101 form part of these Financial Statements.

# Balance Sheet

**Company No. 5153931**

## as at 30 September 2025

| | Notes | 30 September 2025 £ | 30 September 2024 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Investments at fair value | 8 | 119,225,666 | 113,282,273 |
| **Current assets** | | | |
| Debtors and prepayments | 10 | 355,896 | 258,085 |
| Current asset investments | 11 | - | 1,008,011 |
| Cash and cash equivalents | 11 | 58,986,248 | 30,249,281 |
| | | 59,342,144 | 31,515,377 |
| Creditors: amounts falling due within one year | 12 | (880,322) | (480,498) |
| Net current assets | | 58,461,822 | 31,034,879 |
| Net assets | | 177,687,488 | 144,317,152 |
| **Capital and reserves** | | | |
| Called up share capital | 13 | 3,272,979 | 2,638,531 |
| Capital redemption reserve | | 57,827 | 62,837 |
| Share premium reserve | | - | 56,481,935 |
| Revaluation reserve | | 31,095,667 | 21,590,882 |
| Special distributable reserve | | 119,295,389 | 34,744,920 |
| Realised capital reserve | | 22,631,012 | 26,952,979 |
| Revenue reserve | | 1,334,614 | 1,845,068 |
| Equity Shareholders' funds | | 177,687,488 | 144,317,152 |
| Basic and diluted net asset value per share | | | |
| Ordinary shares | 14 | 54.29p | 54.70p |

The notes on pages 81 to 101 form part of these Financial Statements.

The Financial Statements were approved and authorised for issue by the Board of Directors on 26 January 2026 and were signed on its behalf by:

**Clive Boothman**
*Chair*





# Statement of Changes in Equity

## for the year ended 30 September 2025

| | | Non-distributable reserves | | | | Distributable reserves | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Notes | Called up share capital £ | Capital redemption reserve £ | Share premium reserve £ | Revaluation reserve £ | Special distributable reserve (Note a) £ | Realised capital reserve (Note b) £ | Revenue reserve (Note b) £ | Total £ |
| At 30 September 2024 | | 2,638,531 | 62,837 | 56,481,935 | 21,590,882 | 34,744,920 | 26,952,979 | 1,845,068 | 144,317,152 |
| Comprehensive income for the year | | | | | | | | | |
| Profit/(loss) for the year | | - | - | - | 5,649,870 | - | (3,926,565) | 2,024,225 | 3,747,530 |
| Total comprehensive income for the year | | - | - | - | 5,649,870 | - | (3,926,565) | 2,024,225 | 3,747,530 |
| Contributions by and distributions to owners | | | | | | | | | |
| Shares issued under Offer for Subscription | 13 | 775,005 | - | 44,226,829 | - | - | - | - | 45,001,834 |
| Issue costs and facilitation fees on Offer for Subscription (Note c) | 13 | - | - | (1,129,961) | - | (399,200) | - | - | (1,529,161) |
| Dividends re-invested into new shares | 13 | 5,237 | | 269,327 | | | | | 274,564 |
| Shares bought back (Note d) | 13 | (145,794) | 145,794 | - | - | (7,365,286) | - | - | (7,365,286) |
| Dividends paid | 6 | - | - | - | - | - | (4,224,466) | (2,534,679) | (6,759,145) |
| Total contributions by and distributions to owners | | 634,448 | 145,794 | 43,366,195 | - | (7,764,486) | (4,224,466) | (2,534,679) | 29,622,806 |
| Other movements | | | | | | | | | |
| Cancellation of Share Premium Reserve (Note e) | | - | (150,803) | (99,848,130) | - | 99,998,933 | - | - | - |
| Realised losses transferred to special reserve (Note a) | | - | - | - | - | (7,683,979) | 7,683,979 | - | - |
| Realisation of previously unrealised gains/(losses) | | - | - | - | 3,854,915 | - | (3,854,915) | - | - |
| Total other movements | | - | (150,803) | (99,848,130) | 3,854,915 | 92,314,954 | 3,829,064 | - | - |
| At 30 September 2025 | | 3,272,979 | 57,828 | - | 31,095,667 | 119,295,388 | 22,631,012 | 1,334,614 | 177,687,488 |

Notes

a) The Company's special reserve is available to fund buybacks of shares as and when it is considered by the Board to be in the interests of Shareholders, and to absorb any existing and future realised losses and for other corporate purposes. The transfer of £7,683,979 to the special reserve from the realised capital reserve above is the total of realised losses incurred by the Company in the period. As at 30 September 2025, the Company has a special distributable reserve of £119,295,389, £30,102,372 of which arises from shares issued more than three years ago. Reserves originating from share issues are not distributable under VCT rules if they arise from share issues that are within three years of the end of an accounting period in which shares were issued.

b) The realised capital reserve and the revenue reserve together comprise the Profit and Loss Account of the Company shown on the Balance Sheet.

c) Under the Company's Offer for subscription launched on 2 September 2024, 77,500,488 Ordinary Shares were allotted on 1 October 2024 and 28 October 2024, raising gross funds of £45,001,834 and net funds of £43,472,673 for the Company. This net funds figure is net of issue costs of £1,129,961 and facilitation fees of £399,200.

d) During the year, the Company purchased 14,579,277 of its own shares at the prevailing market price for a total cost of £7,365,286 which were cancelled.

e) The cancellation of £99,848,130 from the Share Premium Reserve and £150,803 from the Capital Redemption Reserve (as approved at the General Meeting on 18 July 2024 and by the court order dated 13 May 2025) has increased the Company's special distributable reserve out of which it can fund buybacks of shares as and when it is considered by the Board to be in the interests of the Shareholders, and to absorb any existing and future realised losses, or for other corporate purposes.

The notes on pages 81 to 101 form part of these Financial Statements.

# Statement of Changes in Equity

## for the period ended 30 September 2024

| | Non-distributable reserves | | | | Distributable reserves | | | |
|---|---|---|---|---|---|---|---|---|
| | Called up share capital £ | Capital redemption reserve £ | Share premium reserve £ | Revaluation reserve £ | Special distributable reserve £ | Realised capital reserve £ | Revenue reserve £ | Total £ |
| At 1 January 2024 | 1,642,852 | 29,621 | - | 23,361,271 | 44,587,476 | 24,159,893 | 2,212,698 | 95,993,811 |
| **Comprehensive income for the year** | | | | | | | | |
| (Loss)/profit for the period | - | - | - | (110,720) | - | (1,205,658) | 446,707 | (869,671) |
| **Total comprehensive income for the period** | - | - | - | (110,720) | - | (1,205,658) | 446,707 | (869,671) |
| **Contributions by and distributions to owners** | | | | | | | | |
| Shares issued upon merger with Mobeus Income & Growth 2 VCT plc | 1,028,895 | - | 56,681,042 | - | - | - | - | 57,709,937 |
| Stamp duty on shares issued upon merger with Mobeus Income & Growth 2 VCT plc | - | - | (199,107) | - | - | - | - | (199,107) |
| Shares bought back | (33,216) | 33,216 | - | - | (1,803,116) | - | - | (1,803,116) |
| Dividends paid | - | - | - | - | (5,700,365) | - | (814,337) | (6,514,702) |
| **Total contributions by and distributions to owners** | 995,679 | 33,216 | 56,481,935 | - | (7,503,481) | - | (814,337) | 49,193,012 |
| **Other movements** | | | | | | | | |
| Realised losses transferred to special reserve | - | - | - | - | (2,339,075) | 2,339,075 | - | - |
| Realisation of previously unrealised gains | - | - | - | (1,659,669) | - | 1,659,669 | - | - |
| **Total other movements** | - | - | - | (1,659,669) | (2,339,075) | 3,998,744 | - | - |
| **At 30 September 2024** | 2,638,531 | 62,837 | 56,481,935 | 21,590,882 | 34,744,920 | 26,952,979 | 1,845,068 | 144,317,152 |

The composition of each of these reserves is explained below:

**Called up share capital** - The nominal value of shares originally issued, increased for subsequent share issues either via an Offer for Subscription or reduced due to shares bought back by the Company.

**Capital redemption reserve** - The nominal value of shares bought back and cancelled is held in this reserve, so that the Company's capital is maintained.

**Share premium reserve** - This reserve contains the excess of gross proceeds less issue costs over the nominal value of shares allotted under recent Offers for Subscription, as well as any reserves created by the acquisition of another VCT.

**Revaluation reserve** - Increases and decreases in the valuation of investments held at the year-end are accounted for in this reserve, except to the extent that the diminution is deemed permanent. In accordance with stating all investments at fair value through profit and loss (as recorded in note 8), all such movements through both revaluation and realised capital reserves are shown within the Income Statement for the year.

**Special distributable reserve** - This reserve is created from cancellations of the balances upon the Share premium reserve, which are transferred to this reserve from time to time. The cost of share buybacks and any realised losses on the sale or impairment of investments (excluding transaction costs) are charged to this reserve. 75% of the Investment Adviser fee expense, and the related tax effect, that are charged to the realised capital reserve are transferred to this reserve. This reserve will also be charged any IFA facilitation payments to financial advisers, which arose as part of the Offer for Subscription.





**Realised capital reserve** - The following are accounted for in this reserve:

- Gains and losses on realisation of investments;
- Permanent diminution in value of investments;
- Transaction costs incurred in the acquisition and disposal of investments; and
- 75% of the Investment Adviser fee expense and 100% of any performance fee payable, together with the related tax effect to this reserve in accordance with the policies.

**Revenue reserve** - Income and expenses that are revenue in nature are accounted for in this reserve together with the related tax effect, as well as income dividends paid that are classified as revenue in nature.

The notes on pages 81 to 101 form part of these Financial Statements.

# Statement of Cash Flows

## for the year ended 30 September 2025

| | Notes | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|---|
| Cash flows from operating activities | | | |
| Profit/(loss) after tax for the financial period | | 3,747,530 | (869,671) |
| Adjustments for: | | | |
| Net investment portfolio (gains)/losses | | (4,530,082) | 209,089 |
| Dividend income | | (474,354) | (20,439) |
| Interest income | | (3,639,024) | (1,570,445) |
| Merger expenses | 17 | 15,210 | 131,410 |
| Increase in debtors | | (1,120) | (1,876) |
| Increase/(decrease) in creditors | | 416,032 | (126,110) |
| Net cash (outflow)/inflow from operations | | (4,465,808) | 2,248,042 |
| Cash flows from investing activities | | | |
| Acquisitions of investments | 8 | (8,361,345) | 5,131,985 |
| Disposals of investments | 8 | 6,948,034 | 3,491,195 |
| Dividend received | | 474,354 | 20,439 |
| Interest received | | 3,542,334 | 1,556,794 |
| Decrease in bank deposits with a maturity over three months | | 1,008,012 | 316 |
| Net cash inflow/(outflow) from investing activities | | 3,611,389 | (63,241) |
| Cash flows from financing activities | | | |
| Shares issued as part of Offer for subscription | | 45,001,834 | - |
| Issue costs and facilitation fees as part of Offer for subscription | | (1,529,161) | - |
| Cash received on acquisition of net assets from Mobeus Income & Growth 2 VCT plc | | - | 10,384,942 |
| Stamp duty on shares issued to acquire the net assets from Mobeus Income & Growth 2 VCT plc | | - | (199,108) |
| Payments to meet merger of Mobeus Income & Growth 2 VCT plc | | (38,795) | (288,403) |
| Equity dividends paid | 6 | (6,484,581) | (6,514,702) |
| Share capital bought back | 13 | (7,357,911) | (1,803,116) |
| Net cash inflow from financing activities | | 29,591,386 | 1,579,613 |
| Net increase/(decrease) in cash and cash equivalents | | 28,736,967 | (731,673) |
| Cash and cash equivalents at start of period | | 30,249,281 | 30,980,954 |
| Cash and cash equivalents at end of period | | 58,986,248 | 30,249,281 |
| Cash and cash equivalents comprise: | | | |
| Cash equivalents | 11 | 58,793,409 | 29,838,889 |
| Cash at bank and in hand | 11 | 192,839 | 410,392 |

The notes on pages 81 to 101 form part of these Financial Statements.





# Notes to the Financial Statements

## for the year ended 30 September 2025

### 1 Company Information

Gresham House Income & Growth 2 VCT plc (formerly Mobeus Income and Growth VCT plc) is a public limited company incorporated in England, registration number 5153931. The registered office is 5 New Street Square, London, EC4A 3TW.

### 2 Basis of preparation of the Financial Statements

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and in prior years, are set out at the start of the related disclosure throughout the Notes to the Financial Statements. All accounting policies are included within an outlined box at the top of each relevant note. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments. See Note 8 for key judgments and estimates in respect of Investment valuation.

These Financial Statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 ("FRS102"), with the Companies Act 2006 and the 2014 Statement of Recommended practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('the SORP') (updated in July 2022) issued by the Association of Investment Companies ("AIC").

The Company has a number of financial instruments which are disclosed under FRS102 s11/12 as shown in Note 15.

#### Going Concern

After performing the necessary enquiries, the Directors have undertaken an assessment of the Company's ability to meet its liabilities as they fall due. The Company has significant cash and liquid resources and no external debt or capital commitments. The Company's cash flow forecasts, which consider levels of anticipated new and follow -on investment, as well as investment income and annual running cost projections, are discussed at each quarterly Board meeting and, in particular, have been considered in light of the current economic environment. Following this assessment, the Directors have a reasonable expectation that the Company will have adequate resources to continue to meet its liabilities for at least 12 months from the date these Financial Statements are approved. The assessment covers the period from January 2026 to January 2027. The Directors therefore consider the preparation of these Financial Statements on a going concern basis to be appropriate.

### 3 Income

Dividends receivable on quoted equity shares are brought into account on the ex-dividend date. Dividends receivable on unquoted equity shares are brought into account when the Company's right to receive payment is established and there is no reasonable doubt that payment will be received.

Interest income on loan stock is accrued on a daily basis. Provision is made against this income where recovery is doubtful or where it will not be received in the foreseeable future. Where the loan stocks only require interest or a redemption premium to be paid on redemption, the interest and redemption premium is recognised as income or capital as appropriate once redemption is reasonably certain. When a redemption premium is designed to protect the value of the instrument holder's investment rather than reflect a commercial rate of revenue return the redemption premium is recognised as capital. The treatment of redemption premiums is analysed to consider if they are revenue or capital in nature on a company by company basis. Accordingly, the redemption premium recognised in the year ended 30 September 2025 has been classified as capital and has been included within realised gains on investments.

## 3 Income (continued)

| | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| Income from bank deposits | 52,659 | 50,089 |
| Income from investments | | |
| – from equities | 474,354 | 20,439 |
| – from loan stock | 745,405 | 467,129 |
| | 1,219,759 | 487,568 |
| Other Income | | |
| – from OEIC funds | 2,840,960 | 1,053,227 |
| Total income | 4,113,378 | 1,590,884 |
| Total income comprises | | |
| Dividends | 474,354 | 20,439 |
| Interest | 3,639,024 | 1,570,445 |
| | 4,113,378 | 1,590,884 |

## 4 Investment Adviser's fees and performance fees

25% of the Investment Adviser's fee is charged to the revenue column of the Income Statement, while 75% is charged against the capital column of the Income Statement. This is in line with the Board's expected long-term split of returns from the investment portfolio of the Company.

100% of any performance incentive fee payable for the year is charged against the capital column of the Income Statement, as it is based upon the achievement of capital growth.

### a) Investment Adviser's fees

| | Revenue Year ended 30 September 2025 £ | Capital Year ended 30 September 2025 £ | Total Year ended 30 September 2025 £ | Revenue Period ended 30 September 2024 £ | Capital Period ended 30 September 2024 £ | Total Period ended 30 September 2024 £ |
|---|---|---|---|---|---|---|
| Gresham House Asset Management Limited | | | | | | |
| Investment Adviser's fees | 943,032 | 2,829,095 | 3,772,127 | 431,061 | 1,293,182 | 1,724,243 |
| Investment Adviser's performance fee | - | 505,605 | 505,605 | - | - | - |
| | 943,032 | 3,334,700 | 4,277,732 | 431,061 | 1,293,182 | 1,724,243 |

Under the terms of a revised Investment Management Agreement dated 18 June 2024 (effective from the date of the acquisition of Mobeus Income & Growth 2 VCT plc (the "Merger") on 26 July 2024), Gresham House Asset Management Limited (Gresham House) provides investment advisory, administrative and company secretarial services to the Company, for a fee of 2% per annum of closing net assets, paid in advance, calculated on a quarterly basis by reference to the net assets at the end of the preceding quarter, plus a fixed fee of £185,818 per annum (prior to 26 July 2024: £134,168 per annum) and subject to annual increases in RPI (RPI increases are currently being waived until otherwise agreed by the Board), the latter inclusive of VAT.

The Investment Adviser's total expense ratio includes provision for a cap on expenses excluding exceptional items, performance incentive fees and trail commission set at 3.0% of closing net assets at the year-end. In accordance with the Investment Management Agreement, any excess expenses are borne by the Investment Adviser. The excess expenses during the year amounted to £nil (2024: £nil).





In line with common practice, Gresham House retains the right to charge arrangement and syndication fees and directors' or monitoring fees to companies in which the Company invests. The Investment Adviser received fees totalling £633,781 during the year ended 30 September 2025 (2024: £409,725), being £127,224 (2024: £125,722) for advisory and arrangement fees and £506,557 (2024: £284,004) for acting as Non-Executive Directors on a number of investee company boards. These fees attributable to the Company are proportionate to the investment allocation applicable to the Company which applied at the time of each investment. These figures are not part of these financial statements.

## Incentive agreement

Under a Performance Incentive Agreement dated 18 June 2024, a performance incentive fee will be payable by the Company to Gresham House in respect of each Financial Period commencing on or after 1 October 2024 where the Company has achieved an average annual NAV total return per Share over a five year period (Average Total Return) in excess of an average annual hurdle over that five year period (Average Annual Hurdle). If the Average Annual Hurdle is met in respect of a Financial Year, Gresham House would be entitled to an amount equal to 15% of the amount by which the Average Total Return exceeds the Average Annual Hurdle on a Per Share Basis, but subject to the Annual PIF Cap.

For these purposes:

*'Financial Period'* means each financial period of the Company (save that, for the purposes of the Company, a financial period prior to the Financial Period commencing on 1 October 2024 will be assumed to be a 12 month period ended on 30 September in each year reflecting the change to its accounting reference date).

*'Average Total Return'* means the movement in NAV per Share over a period covering the relevant Financial Period and the four preceding Financial Periods (Five Year Period), plus cumulative dividends per Share paid during that Five Year Period, divided by five.

*'Average Annual Hurdle'* means an average annual return across the Five Year Period on the NAV per Share at the beginning of the Five Year Period of the higher of (i) 6% per annum and (ii) the weighted average of the Bank of England base rate plus 2% at the end of each month during the Five Year Period.

*'Per Share Basis'* means the average number of Ordinary Shares in issue during the Five Year Period (mean average of the Financial Year-end positions during the relevant Five Year Period) and, in respect of Financial Periods prior to the Merger having taken place, taking into account the Target VCT's share capital on an equivalent basis and the number of Consideration Shares that would have been in issue based on the Merger Ratio (so as to give an average historic Enlarged VCT position).

*'Annual PIF Cap'* means an amount equal to a cap of 1.25% of the VCT's net assets as at the end of the relevant Financial Period.

Any performance incentive fee shall be calculated and paid in cash within 30 business days following the date of publication of its annual report and financial statements for the relevant Financial Period.

Any amount in excess of the PIF Cap will not, for the avoidance of doubt, be carried forward to any subsequent calculation period.

As at 30 September 2025, the NAV Total Return since 30 September 2020 was 26.26p (being the aggregation of NAV per share as at 30 September 2025, before any performance incentive provision, of 54.45p and dividends paid per share in the period totalling 37.50p less the NAV per share as at 30 September 2020 of 65.69p) giving an average annual NAV Total Return per share of 5.25p.

This compares to the average annual hurdle of 3.94p based on the opening NAV per share of 65.59p as at 30 September 2020 and therefore an excess of 1.31p over the hurdle. A performance incentive fee of £0.51 million in respect of the five year period to 30 September 2025 has been accrued in these accounts. No performance incentive fee provision in respect of five year periods ending after 30 September 2025 has been recognised. Any such provision is determined on Directors' best estimate and relates to potential performance incentive fees which arise from performance to 30 September 2025, which would become payable over the periods to 30 September 2030.

## b) Other expenses

Other expenses are charged wholly to revenue, with the exception of expenses incidental to the acquisition or disposal of an investment, which are written off to the capital column of the Income Statement or deducted from the disposal proceeds as appropriate.

| | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| Directors' remuneration (including NIC of £9,320 (Period ended 30 September 2024: £3,830)) - (Note a) | 167,720 | 96,400 |
| IFA trail commission | 39,183 | 39,531 |
| Broker's fees | 21,485 | 10,819 |
| Auditor's fees – Audit of Company (excluding VAT) | 62,000 | 55,650 |
| Registrar's fees | 68,301 | 46,722 |
| Custody fees | 6,506 | 6,866 |
| Printing | 60,648 | 49,804 |
| Legal & professional fees | 32,947 | 22,482 |
| VCT monitoring fees | 15,120 | 9,000 |
| Directors' insurance | 20,960 | 8,570 |
| Listing and regulatory fees | 76,353 | 36,977 |
| Sundry | 31,765 | 12,992 |
| Other expenses | 602,988 | 395,813 |

Note a): Directors' remuneration is a related party transaction, see analysis of Directors' fees payable and their interests in the shares of the company in the Directors' Remuneration Report within the Annual Report, which excludes the NIC above. The key management personnel are the four Non-Executive Directors. The Company has no employees. There were no amounts outstanding and due to the Directors at 30 September 2025 (2024: £nil).

## 5 Taxation on ordinary activities

The tax expense for the year comprises current tax and is recognised in profit or loss. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Any tax relief obtained in respect of adviser fees allocated to capital is reflected in the realised capital reserve and a corresponding amount is charged against revenue. The tax relief is the amount by which corporation tax payable is reduced as a result of these capital expenses.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the Financial Statements that arise from the inclusion of gains and losses in the tax assessments in periods different from those in which they are recognised in the Financial Statements.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

A deferred tax asset would be recognised only to the extent that it is more likely than not that future taxable profits will be available against which the asset can be utilised.





Tax relief relating to Investment Adviser fees is allocated between revenue and capital where such relief can be utilised.

| | Year ended 30 September 2025 Revenue £ | Year ended 30 September 2025 Capital £ | Year ended 30 September 2025 Total £ | Period ended 30 September 2024 Revenue £ | Period ended 30 September 2024 Capital £ | Period ended 30 September 2024 Total £ |
|---|---|---|---|---|---|---|
| **a) Analysis of tax charge:** | | | | | | |
| UK Corporation tax on profits/(losses) for the year | 527,923 | (527,923) | - | 185,893 | (185,893) | - |
| Total current tax charge/(credit) | 527,923 | (527,923) | - | 185,893 | (185,893) | - |
| Corporation tax is based on a rate of 25.00% (2024: 25.00%) | | | | | | |
| **b) Profit/(loss) on ordinary activities before tax** | 2,552,148 | 1,195,382 | 3,747,530 | 632,600 | (1,502,271) | (869,671) |
| Profit/(loss) on ordinary activities multiplied by main company rate of corporation tax in the UK of 25.00% (2024: 25.00%) | 638,037 | 298,846 | 936,883 | 158,150 | (375,568) | (217,418) |
| **Effect of:** | | | | | | |
| UK dividends | (118,589) | - | (118,589) | (5,110) | - | (5,110) |
| Net investment portfolio (gains)/losses not taxable | - | (1,132,521) | (1,132,521) | - | 52,272 | 52,272 |
| Unrelieved expenditure | 8,475 | - | 8,475 | 32,853 | - | 32,853 |
| Losses not utilised | - | 305,752 | 305,752 | - | 137,403 | 137,403 |
| Actual current tax charge | 527,923 | (527,923) | - | 185,893 | (185,893) | - |

Tax relief relating to Investment Adviser fees is allocated between revenue and capital where such relief can be utilised. No asset or liability has been recognised for deferred tax in relation to capital gains or losses on revaluing investments as the Company is exempt from corporation tax in relation to capital gains or losses as a result of qualifying as a Venture Capital Trust.

There is no potential liability to deferred tax (2024: £nil). Unrelieved management fees, which are available to be carried forward and set off against future taxable income, amounted to £4,688,000 (2024: £3,465,000). The deferred tax asset, calculated at a rate of 25%, of £1,172,000 (2024: £866,164) is not recognised because the Company may not generate sufficient taxable income in the foreseeable future to utilise these expenses.

## 6 Dividends paid and payable

Dividends payable are recognised as distributions in the Financial Statements when the Company's liability to pay them has been established. This liability is established for interim dividends when they are paid, and for final dividends when they are approved by the shareholders, usually at the Company's Annual General Meeting.

A key judgement in applying the above accounting policy is in determining the amount of minimum dividend to be paid in respect of a year. The Company's status as a VCT means it has to comply with Section 259 of the ITA, which requires that no more than 15% of the income from shares and securities in a year can be retained from the revenue available for distribution for the year.

**Amounts recognised as distributions to equity Shareholders in the year:**

| Dividend | Type | For year/period ended 30 September | Pence per share | Date Paid | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|---|---|---|---|
| Interim | Income | 2024 | 0.50p | 31 May 2024 | - | 814,337 |
| Interim | Capital | 2024 | 3.50p* | 31 May 2024 | - | 5,700,365 |
| Interim | Income | 2025 | 0.75p | 11 April 2025 | 2,534,679 | - |
| Interim | Capital | 2025 | 1.25p | 11 April 2025 | 4,224,466 | - |
| | | | | | 6,759,145 | 6,514,702 |

* These dividends were paid out of the Company's special distributable reserve.

For the year ended 30 September 2025 £6,759,145 (2024: £6,514,702) disclosed above differs to that shown in the Statement of Cash Flows of £6,484,581 (2024: £6,514,702) due to £274,564 (2024: £nil) of new shares issued as part of the Company's Dividend Investment Scheme.

| | 2025 Revenue £ | 2025 Capital £ | 2025 Total £ | 2024 Revenue £ | 2024 Capital £ | 2024 Total £ |
|---|---|---|---|---|---|---|
| **Proposed distribution to equity holders at the year-end** | | | | | | |
| Second interim dividend for the year ended 30 September 2025 of 2.00p per ordinary share, of which 2.00p is special | - | 6,605,899 | 6,605,899 | - | - | - |

Set out below are the total income dividends payable in respect of the financial period/year, which is the basis on which the requirements of Section 259 of the ITA concerning the Company not retaining more than 15% of its income from shares and securities, is considered.

**Recognised income distributions in the financial statements for the period/year**

| Dividend | Type | For year/period ended 30 September | Pence per share | Date paid/payable | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|---|---|---|---|
| Revenue available for distribution by way of dividends for the year/period | | | | | 2,024,225 | 446,707 |
| Interim | Income | 2024 | 0.50p | 31 May 2024 | - | 814,337 |
| Interim | Income | 2025 | 0.75p | 11 April 2025 | 2,534,679 | - |
| Total income dividends for the year/period | | | | | 2,534,679 | 814,337 |





## 7 Basic and diluted earnings per share

| | 2025 Revenue £ | 2025 Capital £ | 2025 Total £ | 2024 Revenue £ | 2024 Capital £ | 2024 Total £ |
|---|---|---|---|---|---|---|
| Profit/(loss) for the year | 2,024,225 | 1,723,305 | 3,747,530 | 446,707 | (1,316,378) | (869,671) |
| Weighted average shares in issue | | 257,781,108 | | | 176,030,526 | |
| Return/(loss) per share | 0.79p | 0.66p | 1.45p | 0.24p | (0.70)p | (0.46)p |

# 8 Investments at fair value

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of investments at "fair value through profit and loss" (FVTPL). All investments held by the Company are classified as FVTPL and measured in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") guidelines, as updated in December 2022. This classification is followed as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income.

Purchases and sales of unlisted investments are recognised when the contract for acquisition or sale becomes unconditional. For investments actively traded on organised financial markets, fair value is generally determined by reference to Stock Exchange market quoted bid prices at the close of business on the balance sheet date. Purchases and sales of quoted investments are recognised on the trade date where a contract of sale exists whose terms require delivery within a time frame determined by the relevant market. Where the terms of a disposal state that consideration may be received at some future date and, subject to the conditionality and materiality of the amount of deferred consideration, an estimate of the fair value discounted for the time value of money may be recognised through the Income Statement. In other cases, the proceeds will only be recognised once the right to receive payment is established and there is no reasonable doubt that payment will be received.

Unquoted investments are stated at fair value by the Directors at each measurement date in accordance with appropriate valuation techniques, which are consistent with the IPEV guidelines:

(i) Each investment is considered as a whole on a 'unit of account' basis, i.e. that the value of each portfolio company is considered as a whole, alongside consideration of:-

The price of new or follow-on investments made, if deemed to be made as part of an orderly transaction, are considered to be at fair value at the date of the transaction. The inputs that derived the investment price are calibrated within individual valuation models and at subsequent measurement dates, are reconsidered for any changes in light of more recent events or changes in light of more recent events or changes in the market performance of the investee company. The valuation bases used are the following:

- a multiple basis. The enterprise value of the investment may be determined by applying a suitable price-earnings ratio, revenue or gross profit multiple to that company's historic, current or forecast post-tax earnings before interest, depreciation and amortisation, or revenue, or gross profit (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified by the Investment Adviser compared to the sector including, inter alia, scale and liquidity); or:
- where a company's underperformance against plan indicates a diminution in the value of the investment, provision against cost is made, as appropriate.

(ii) Premiums, to the extent that they are considered capital in nature, and that they will be received upon repayment of loan stock investments are accrued at fair value when the Company receives the right to the premium and when considered recoverable.

(iii) Where a multiple or the price of recent investment less impairment basis is not appropriate and overriding factors apply, a discounted cash flow, net asset valuation, realisation proceeds or a weighted average of these bases may be applied. If a net asset value basis is chosen, the enterprise value of the investment is determined based upon the net asset value provided by the underlying unquoted company. The fair value of such an investment may be determined by using observable inputs to quoted prices of any direct shareholding at the reporting date.

The methodology applied takes account of the nature, facts and circumstances of the individual investment and uses reasonable data, market input, assumptions and estimates in order to ascertain fair value. Methodologies are applied consistently each year except where a change results in a better estimate of fair value.

Capital gains and losses on investments, whether realised or unrealised, are dealt with in the profit and loss and revaluation reserves and movements in the period are shown in the Income Statement.

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

The key judgements for the Directors are in relation to identifying the most appropriate valuation methodologies for estimating the fair value of unquoted investments. The most relevant methodologies applied are explained above. A further key judgement made related to investments that are permanently impaired. Where the value of an investment has fallen permanently below the price of recent investment, the loss is treated as a permanent impairment and a realised loss, even though the investment is still held. The key estimates involved in determining the fair value of a company can include:

- identifying a relevant basket of market comparables;
- deducing the discount to apply to those market comparables;
- determining maintainable earnings or revenues; or
- identifying surplus cash.

The methods of fair value measurement are classified into hierarchy based on the reliability of the information used to determine the valuation.

- Level 1 – Fair value is measured based on quoted prices in an active market.
- Level 2 – Fair value is measured based on directly observable current market prices or indirectly being derived from market prices.
- Level 3 - Fair value is measured using valuation techniques using inputs that are not based on observable market data.





## Prior Year Adjustment

The Company's investment in Rapunzel Newco Limited, an unquoted company that holds a direct investment in Virgin Wines UK plc, an AIM listed company, is determined on a NAV basis by reference to the quoted bid price of Virgin Wines UK plc. As a result the investment in Rapunzel Newco Limited is valued on a NAV basis by reference to the bid price of Virgin Wines UK plc and subsequently is classified as Level 2 in the current year. Rapunzel Newco Limited has been reclassified from Level 1 to Level 2 in the prior year and a reallocation of £3,480,460 from Level 1 to Level 2 has been made in Note 15. Further details are noted below:

| | Accounts per prior year £ | Adjustment £ | Corrected amount £ |
|---|---|---|---|
| Level 1 | 3,480,460 | (3,480,460) | - |
| Level 2 | - | 3,480,460 | 3,480,460 |
| | **3,480,460** | **-** | **3,480,460** |

Movements in investments during the year are summarised as follows:

| | Traded on AIM* £ | Unquoted ordinary shares £ | Unquoted preference shares £ | Unquoted loan stock £ | Total £ |
|---|---|---|---|---|---|
| Cost at 30 September 2024 | 1,381,573 | 71,670,423 | 5,261,639 | 17,449,645 | 95,763,280 |
| Net unrealised gains at 30 September 2024 | 2,098,887 | 18,551,564 | 821,092 | 119,339 | 21,590,882 |
| Permanent impairment in cost of investments as at 30 September 2024 (Note c) | - | (3,103,077) | (1,489) | (967,323) | (4,071,889) |
| **Valuation at 30 September 2024** | **3,480,460** | **87,118,910** | **6,081,242** | **16,601,661** | **113,282,273** |
| Purchases at cost | - | 6,838,352 | - | 1,522,993 | 8,361,345 |
| Sale proceeds (Note a) | - | (6,016,102) | - | (931,932) | (6,948,034) |
| Net realised losses on investments (Note a) | - | (63,717) | - | (1,056,071) | (1,119,788) |
| Net unrealised gains/(losses) on investments (Note b) | 713,940 | 7,231,301 | (592,412) | (1,702,959) | 5,649,870 |
| **Valuation at 30 September 2025** | **4,194,400** | **95,108,744** | **5,488,830** | **14,433,691** | **119,225,666** |
| Cost at 30 September 2025 | 1,381,573 | 70,907,418 | 4,442,669 | 14,937,225 | 91,668,885 |
| Net unrealised gains/(losses) at 30 September 2025 | 2,812,827 | 27,740,200 | 1,047,650 | (505,010) | 31,095,667 |
| Permanent impairment in cost of investments as at 30 September 2025 (Note c) | - | (3,538,874) | (1,489) | 1,477 | (3,538,886) |
| **Valuation at 30 September 2025** | **4,194,400** | **95,108,744** | **5,488,830** | **14,433,692** | **119,225,666** |

Net realised losses on investments of £(1,119,788) together with net unrealised gains on investments of £5,649,870 equal net investment portfolio losses of £4,530,082 as shown on the Income Statement.

See notes on next page.

* Within AIM is an unquoted investment in Rapunzel Newco Limited valued on a NAV basis. As the main asset of Rapunzel Newco Limited is its holding in Virgin Wines UK plc, an AIM quoted company, its valuation is driven by the quoted bid price of Virgin Wines UK plc. Rapunzel Newco Limited is classified as a Level 2 investment as detailed in Note 15. A prior period adjustment to the classification of Rapunzel Newco Limited from Level 1 to Level 2 is detailed at the top of this page.

## 8 Investments at fair value (continued)

Note a) Disposals of investment portfolio companies during the year were:

| Company | Type | Investment Cost £ | Valuation at 30 September 2024 £ | Disposal Proceeds £ | Total Realised gain/(loss) on investment cost £ | Realised gain/(loss) in year £ |
|---|---|---|---|---|---|---|
| RotaGeek Limited | Full disposal | 2,959,013 | 3,315,634 | 3,987,552 | 1,028,539 | 671,918 |
| My Tutorweb Limited (trading as MyTutor) | Full disposal | 5,033,158 | 1,753,631 | 2,279,565 | (2,753,593) | 525,934 |
| Northern Bloc Ice Cream Limited | Full disposal | 587,790 | - | 4,661 | 4,661[1] | 4,661 |
| Master Removers Group 2019 Limited (trading as Anthony Ward Thomas, Bishopsgate and Aussie Man & Van) | Full disposal | 299,091 | 676,154 | 676,207 | 377,116 | 52 |
| SEC Group Holdings Ltd (formerly RDL Corporation Limited) | Full disposal | 272,601 | - | 50 | (272,551) | 50 |
| Spanish Restaurant Group Limited (trading as Tapas Revolution) | Liquidation | 1,453,029 | - | - | -[1] | - |
| Azarc.io | Permanent impairment | - | - | - | (695,923) | (388,566) |
| Mable Therapy Limited | Permanent impairment | - | - | - | (811,894) | (811,894) |
| Manufacturing Services Investment Limited (trading as Wetsuit Outlet) | Partial disposal | 1,851,058 | 1,121,943 | - | (1,851,058) | (1,121,943) |
| | | 12,455,740 | 6,867,362 | 6,948,034 | (4,974,704) | (1,119,788) |

[1] These investments were recognised as a realised loss in a prior year. As the companies were liquidated during the year, the investment costs have now been removed. A small amount of proceeds were received for Northern Bloc Ice Cream Limited.

Note b) Within the net unrealised gains of £5,649,870 for the year, the significant increases in value compared to last year were as follows: £7,961,793 in Preservica Limited, £1,707,141 in MPB Group Limited, £1,531,880 in Huddl Mobility Limited, trading as CitySwift, and £1,419,361 in Arkk Consulting Limited (trading as Arkk Solutions). These gains were partly offset by unrealised losses in valuation compared to last year, including £(2,390,651) in Bella & Duke Limited, £(2,283,388) in Vivacity Labs Limited, and £(1,730,549) in Connect Childcare Limited.

Note c) During the year, permanent impairments of the cost of investments have decreased from £4,071,889 to £3,538,886. The net decrease of £533,003 is due to the removal of two companies that were impaired in a previous year and have been liquidated in the year partially offset by the impairment of two further companies.





## 9 Significant interests

At 30 September 2025 the Company held significant investments, amounting to 3% or more of the equity capital of an undertaking, in the following companies:

| | Equity investment (Ordinary Shares) £ | Investment in loan stock and preference shares £ | Total investment (at cost) £ | Percentage of investee company's total equity | % of equity held by all funds managed and advised by Gresham House[1] |
|---|---|---|---|---|---|
| Preservica Limited | 11,103,255 | 4,784,919 | 15,888,174 | 26.7% | 57.8% |
| MPB Group Limited | 7,223,982 | - | 7,223,982 | 6.3% | 13.5% |
| Data Discovery Solutions Limited (trading as Active Navigation) | 5,080,299 | 2,134,119 | 7,214,418 | 22.1% | 46.8% |
| Bella & Duke Limited | 5,472,994 | - | 5,472,994 | 10.2% | 21.2% |
| Vivacity Labs Limited | 4,062,726 | - | 4,062,726 | 15.7% | 32.5% |
| Arkk Consulting Limited (trading as Arkk Solutions) | 1,634,474 | 2,136,865 | 3,771,339 | 14.2% | 30.1% |
| End Ordinary Group Limited (trading as Buster & Punch) | 3,388,079 | - | 3,388,079 | 16.2% | 34.6% |
| Orri Limited | 2,109,670 | 255,000 | 2,364,670 | 16.2% | 63.5% |
| Legatics Holding Limited | 2,270,842 | - | 2,270,842 | 13.6% | 28.5% |
| CGI Creative Graphics International Limited | 594,236 | 1,668,751 | 2,262,987 | 12.2% | 26.9% |
| Connect Childcare Limited | 888,712 | 998,413 | 1,887,125 | 5.3% | 10.6% |
| Caledonian Leisure Limited | 1,334,102 | 489,862 | 1,823,964 | 13.2% | 27.5% |
| SciLeads Limited | 1,747,901 | - | 1,747,901 | 5.0% | 29.4% |
| Veritek Global Holdings Limited | 54,950 | 1,554,820 | 1,609,770 | 21.5% | 49.4% |
| OnSecurity Technology Limited | 776,175 | 780,125 | 1,556,300 | 4.8% | 20.0% |
| Rapunzel Newco Limited (holds a direct shareholding in Virgin Wines UK plc) | 1,381,573 | - | 1,381,573 | 16.0%[2] | 41.6%[2] |
| Manufacturing Services Investment Limited (trading as Wetsuit Outlet) | 1,372,362 | - | 1,372,362 | 12.3% | 27.5% |
| IPV Limited | 1,291,976 | - | 1,291,976 | 10.8% | 22.7% |
| Proximity Insight Holdings Limited | 1,284,500 | - | 1,284,500 | 5.3% | 20.4% |
| Branchspace Limited | 914,456 | 266,198 | 1,180,654 | 6.3% | 25.5% |
| Pet's Kitchen Limited (trading as Vets' Klinic) | 586,091 | 567,720 | 1,153,811 | 9.5% | 20.0% |
| Huddl Mobility Limited, trading as CitySwift | 1,131,316 | - | 1,131,316 | 4.2% | 17.4% |
| Gentianes Solutions Limited, trading as Much Better Adventures | 1,129,805 | - | 1,129,805 | 4.2% | 20.0% |
| Modo25 Limited (trading as AskBosco) | 1,079,799 | - | 1,079,799 | 8.2% | 42.8% |
| Spinners Group Limited | 539,765 | 540,000 | 1,079,765 | 6.2% | 32.4% |
| Cognassist UK Limited | 2,960 | 1,071,918 | 1,074,878 | 5.7% | 22.2% |
| Dayrize B.V. | 694,600 | 164,675 | 859,275 | 8.3% | 31.3% |
| Parsley Box Limited | 821,665 | - | 821,665 | 3.8% | 8.1% |
| Mable Therapy Limited | 811,894 | - | 811,894 | 9.1% | 34.3% |
| Azarc.io | 695,923 | - | 695,923 | 5.5% | 23.1% |
| BookingTek Limited | 688,236 | - | 688,236 | 6.8% | 14.9% |
| Mobility Mojo Limited | 426,501 | - | 426,501 | 3.8% | 18.4% |

All of the above companies are incorporated in the United Kingdom.

[1] The percentage of equity held for these companies is the fully diluted figure, in the event that, for example, management of the investee company exercises share options, where available.

[2] Equity holding percentage reflects the effective shareholding in Virgin Wines UK plc.

## 10 Debtors

| | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| Amounts due within one year: | | |
| Accrued income | 323,777 | 227,115 |
| Prepayments | 32,119 | 30,970 |
| | 355,896 | 258,085 |

## 11 Current asset investments and Cash at bank

Cash equivalents, for the purposes of the Statement of Cash Flows, comprise bank deposits repayable on up to three months' notice and funds held in OEIC money-market funds. Current asset investments are the same but also include bank deposits that mature after three months. Please see the Credit risk section of Note 15 on page 95 for a breakdown of Cash and Cash equivalents, along with the credit ratings of the liquidity investments. Current asset investments are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at their carrying values at immediate or up to one year's notice. Cash, for the purposes of the Statement of Cash Flows is cash held with banks in accounts subject to immediate access. Cash at bank in the Balance Sheet is the same.

| | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| OEIC Money-market funds | 58,793,409 | 29,838,889 |
| Cash at bank | 192,839 | 410,392 |
| Cash and cash equivalents | 58,986,248 | 30,249,281 |
| Bank deposits that mature after three months | - | 1,008,011 |
| Current asset investments | - | 1,008,011 |

## 12 Creditors: amounts falling due within one year

| | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| Trade creditors | 20,791 | 27,557 |
| Other creditors | 10,475 | - |
| Accruals | 849,056 | 451,807 |
| | 880,322 | 480,498 |

## 13 Called up Share capital

| | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| **Allotted, called-up and fully paid:** | | |
| Ordinary Shares of 1p each: 327,297,948 (2024: 263,853,060) | 3,272,979 | 2,638,531 |

Under the Offer for Subscription launched on 2 September 2024, a total of 77,500,488 (2024: nil) ordinary shares were allotted at an average effective offer price of 58.06 pence per share, raising net funds of £43,472,673 (2024: £nil).

Under the terms of the Dividend Investment Scheme, a total of 523,677 (2024: nil) ordinary shares were allotted during the year for a total consideration of £274,564 (2024: £nil).





During the year the Company purchased 14,579,277 (2024: 3,321,634) of its own shares for cash (representing 5.5% (2024: 2.0%) of the shares in issue at the start of the year) at the prevailing market price for a total cost of £7,365,286 (2024: £1,803,116). This differs by £7,375 compared to the £7,357,911 shown in the Statement of cash flows due to Stamp Duty paid during the year in respect of a prior year. These shares were subsequently cancelled by the Company.

## 14 Basic and diluted net asset value per share

Net asset value per ordinary share is based on net assets at the end of the year/period and on 327,297,948 (2024: 263,853,060) ordinary shares, being the number of ordinary shares in issue on that date.

There are no instruments that will increase the number of shares in issue in future. Accordingly, the figures currently represent both basic and diluted net asset value per share.

## 15 Financial Instruments

The Company's financial instruments predominantly comprise investments held at fair value through profit and loss, namely equity and preference shares and fixed and floating rate interest securities that are held in accordance with the Company's investment objective.

Other financial instruments are held at amortised cost comprising loans and receivables being Cash at bank, Current asset investments and short-term debtors and financial liabilities being creditors, all arising directly from the Company's operations.

The principal purpose of these financial instruments is to generate revenue and capital appreciation for the Company's operations, although cash and current asset investments are not held with a view to capital appreciation. The Company has no gearing or other financial liabilities apart from short-term creditors. It is, and has been throughout the year under review, the Company's policy that no trading in derivative financial instruments shall be undertaken.

The accounting policy for determining the fair value of investments is set out in Note 8 to the Financial Statements. The composition of investments held is shown below and in Note 8.

Loans and receivables and other financial liabilities are stated at amortised cost which the Directors consider is equivalent to fair value.

### Classification of financial instruments

| | Year ended 30 September 2025 (Fair value) £ | Period ended 30 September 2024 (Fair value) £ |
|---|---|---|
| Financial assets | | |
| Assets at fair value through profit and loss: | | |
| Investment portfolio | 119,225,666 | 113,282,273 |
| Loans and receivables | | |
| Accrued income | 323,777 | 227,115 |
| Current asset investments | 58,793,409 | 30,846,900 |
| Cash at bank | 192,839 | 410,392 |
| Financial liabilities | | |
| Liabilities at amortised cost or equivalent | | |
| Other creditors | (880,322) | (480,498) |
| Total for financial instruments | 177,655,369 | 144,286,182 |
| Non financial instruments | 32,119 | 30,970 |
| **Net assets** | **177,687,488** | **144,317,152** |

There are no differences between book value and fair value as disclosed above.

The investment portfolio consists primarily of unquoted investments 96.5% (2024: 96.9%) and AIM quoted stocks 3.5% (2024: 3.1%). Within AIM is an unquoted investment in Rapunzel Newco Limited valued on a NAV basis. As the main asset of Rapunzel Newco Limited is its holding in Virgin Wines UK plc, an AIM quoted company, its valuation is driven by the quoted bid price of Virgin Wines UK plc. The investment portfolio has a 100% (2024: 100%) concentration of risk towards small UK based, £ denominated companies and represents 67.1% (2024: 78.5%) of net assets at the year-end.

Current asset investments are money market funds and bank deposits which, along with Cash at bank, are discussed under credit risk below and represent 33.2% (2024: 21.7%) of net assets at the year-end.

The main risks arising from the Company's financial instruments are the investment risk and the liquidity risk of the unquoted portfolio. Other important risks are credit risk, fluctuations in market prices (market price risk), and cash flow interest rate risk, although currency risk is also discussed overleaf. The Board regularly reviews and agrees policies for managing each of these risks and they are summarised on the following pages. These have been in place throughout the current and preceding years.

## Investment risk

The Company's investment portfolio is made up of predominantly UK companies which are not quoted on any recognised stock exchange, although 3.5% of the portfolio value at the year-end is held in assets valued by reference to an AIM quoted bid price. The companies held in the portfolio are usually smaller than those which are quoted on a stock exchange. They are therefore usually regarded as carrying more risk compared to larger companies, as they are more sensitive to changes in key financial indicators, such as a reduction in turnover or an increase in costs. The Board is of the view that the Investment Adviser mitigates this risk as the investment in an investee company is held as part of a portfolio of such companies so that the performance of one company does not significantly affect the value of the portfolio as a whole. The Investment Adviser also usually only recommends companies for investment that have a proven business model, a sound financial record and a strong management team. The Investment Adviser also usually takes a seat on the Board of each investee company such that it is able to monitor its progress on a regular basis and contribute to the strategic direction of the company.

There is a degree of concentration within the portfolio of assets such that over 60% of the portfolio value is represented by five assets. The Investment Adviser continually monitors these investments which are under the responsibility of Gresham House's most experienced portfolio directors. Also, the valuation of these assets have been periodically validated by external valuation firms which have provided the Board comfort that its valuation methodology is appropriate.

## Liquidity risk

The investments in equity and fixed interest stocks of unquoted companies that the Company holds are not traded and therefore they are not readily realisable. The ability of the Company to realise the investments at their carrying value may at times not be possible if there are no willing purchasers and, as the Company owns minority stakes, could require a number of months and the co-operation of other shareholders to achieve at a reasonable valuation. The Company's ability to sell investments may also be constrained by the requirements set down for VCTs. The maturity profile of the Company's loan stock investments disclosed within the consideration of credit risk below indicates that these assets are also not readily realisable until dates up to five years from the year-end.

To counter these risks to the Company's liquidity, the Investment Adviser maintains sufficient cash and money market funds to meet running costs and other commitments. The Company invests its surplus funds in high quality money market funds and bank deposits, together totalling £58,986,248 (2024: £31,257,292) which are all accessible at varying points over the next 3 months. The Board also receives regular cash flow projections in order to manage this liquidity risk.

The table below shows a maturity analysis of financial liabilities:

| Financial liabilities | <3 months £ | 3-6 months £ | 6-12 months £ | Year ended 30 September 2025 over 12 months £ | Total £ |
|---|---|---|---|---|---|
| Other creditors | 843,637 | 36,685 | - | - | 880,322 |

| Financial liabilities | <3 months £ | 3-6 months £ | 6-12 months £ | Period ended 30 September 2024 over 12 months £ | Total £ |
|---|---|---|---|---|---|
| Other creditors | 435,043 | 45,455 | - | - | 480,498 |

The Company does not have any derivative financial liabilities.





## Credit risk

Credit risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Company.

The Company's maximum exposure to credit risk is:

| | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| Current asset investments | 58,793,409 | 30,846,900 |
| Loan stock investments | 14,433,692 | 16,601,661 |
| Cash at bank | 192,839 | 410,392 |
| Accrued income | 323,777 | 227,115 |
| | 73,743,717 | 48,086,068 |

The Company has an exposure to credit risk in respect of the loan stock investments it has made into investee companies, most of which have no security attached to them, and in a minority of cases, such security ranks beneath any bank debt that an investee company may owe. The loan stock is typically held in companies with turnover under £50 million, which may be considered less stable than larger, longer established businesses. The Investment Adviser undertakes extensive financial and commercial due diligence before recommending an investment to the Board. The Investment Adviser usually takes a seat on the Board of each investee company and the Board of the VCT receives regular updates on each company at each quarter end.

Accrued income shown above of £323,777 was all due within six months of the year-end.

| Repayable within | Year ended 30 September 2025 £ | Period ended 30 September 2024 £ |
|---|---|---|
| 0 to 1 year | 2,674,299 | 4,494,787 |
| 1 to 2 years | 3,583,686 | 2,578,980 |
| 2 to 3 years | 1,710,376 | 3,039,621 |
| 3 to 4 years | 4,960,682 | 1,204,438 |
| 4 to 5 years | 1,504,649 | 5,283,835 |
| Total | 14,433,692 | 16,601,661 |

The following table shows the maturity of the loan stock investments referred to above. In some cases, the loan maturities are not the contractual ones, but are the best estimates using management's expectations of when it is likely that such loans may be repaid.

An aged analysis of the value of loan stock investments included above, which are past due but not individually impaired, is set out overleaf. For this purpose, these loans are considered to be past due when any payment due under the loan's contractual terms (such as payment of interest or redemption date) is received late or missed. We are required to report in this format and include the full value of the loan even though, in some cases, it is only in respect of interest that they are in default.

Past due loan stock assets:

| | 0-6 months £ | 6-12 months £ | over 12 months £ | Year ended 30 September 2025 Total £ |
|---|---|---|---|---|
| Loans to investee companies past due | - | - | 3,212,716 | 3,212,716 |

| | 0-6 months £ | 6-12 months £ | over 12 months £ | Period ended 30 September 2024 Total £ |
|---|---|---|---|---|
| Loans to investee companies past due | - | - | 2,326,381 | 2,326,381 |

Credit risk also arises from cash and cash equivalents, deposits with banks and amounts held in liquidity funds. There is a risk of liquidity fund defaults such that there could be defaults within their underlying portfolios that could affect the values at which the Company could sell its holdings. However, as the five OEIC money market funds holding £58,793,409 are all AAA rated funds along with bank deposits of £192,839, credit risk is considered to be relatively low in current circumstances. The Board manages credit risk in respect of these money market funds and cash by ensuring a spread of such investments such that none should exceed 15% of the Company's total investment assets. The Company's current account totalling £192,839 is held with NatWest Bank plc (credit rating A1), so the risk of default is considered to be low.

There could also be a failure by counter-parties to deliver securities which the Company has paid for, or pay for securities which the Company has delivered. This risk is considered to be small as most of the Company's investment transactions are in unquoted investments, where investments are conducted through solicitors, to ensure that payment matches delivery. In respect of any quoted investment transactions that are undertaken, the Company uses brokers with a high credit quality and these trades usually have a short settlement period. Accordingly, counterparty risk is considered to be relatively low.

## Market price risk

Market price risk arises from uncertainty about the future valuations of the unquoted portfolio held in accordance with the Company's investment objectives. These future valuations are determined by many factors but include the operational and financial performance of the underlying investee companies (investment risk), as well as market perceptions of the future performance of the UK economy and its impact upon the economic environment in which these companies operate. This risk represents the potential loss that the Company might suffer through holding its investment portfolio in the face of market movements, which was a maximum of £119,225,666, the fair value of the investment portfolio.

The investments in equity and fixed interest stocks of unquoted companies that the Company holds are not traded and as such the prices are more uncertain than those of more widely traded securities. As, in a number of cases, the unquoted investments are valued by reference to multiples, such as price earnings ratios or revenue multiples prevailing in quoted comparable sectors (discounted for points of difference from quoted comparators), their valuations are exposed to changes in the multiples that exist in the quoted markets.

The Board's strategy in managing the market price risk inherent in the Company's portfolio of equities and loan stock investments is determined by the requirement to meet the Company's objective, as set out in the Strategic Report. As part of the investment management process, the Board seeks to maintain an appropriate spread of market risk and also has full and timely access to relevant information from the Investment Adviser. No single investment is permitted to exceed 15% of total investment assets at the point of investment. The Board meets regularly and reviews the investment performance, financial results and prevailing market conditions as well as compliance with the Company's objectives. The Company does not use derivative instruments to hedge against market risk.

## Market price risk sensitivity

The Board believes that the Company's assets are mainly exposed to market price risk, as the Company is required to hold most of its assets in the form of sterling denominated investments in small companies.

Although some assets are valued by reference to a quoted bid price, most portfolio assets are unquoted. All of the investments made by the Investment Adviser in unquoted companies, irrespective of the instruments the Company actually holds, (whether shares, preference shares or loan stock) carry a full market risk, even though some of the loan stocks may be secured on assets, but behind any prior ranking bank debt in the investee company.





The Board considers that the value of investments in equity and loan stock instruments are ultimately sensitive to changes in their trading performance (discussed under investment risk above) and to changes in quoted share prices, insofar as such changes eventually affect the enterprise value of unquoted companies. The table below shows the impact on profit and net assets if there were to be a 20% (2024: 20%) movement in overall share prices, and has used a 20% change in the bid price or quoted market comparator multiple as a proxy for this.

The sensitivity analysis below assumes the actual portfolio of investments held by the Company is perfectly correlated to this overall movement in share prices. However, Shareholders should note that this level of correlation is unlikely to be the case in reality, particularly in the case of small, unquoted companies which may have other factors which may influence the extent of the valuation change, e.g. a strong niche brand may limit the valuation fall compared to comparators, or may be more affected by external market factors than larger companies.

For each of the companies in the investment portfolio that are valued on a multiple basis, the calculation below has applied plus and minus 20% to the multiple (such as earnings or revenue) derived from quoted market comparators that are used to value the companies. The companies valued on a NAV basis (by reference to a quoted bid price) or multiple basis represent £112.84 million (2024: £107.36 million) of the total investment portfolio of £119.23 million (2024: £113.28 million). The remainder of the portfolio is valued at either price of recent investment or net asset value, as shown below.

The impact of a change of 20% (2024: 20%) has been selected as this is considered reasonable given the level of volatility observed both on a historical basis and market expectations for future movement.

| Valuation Technique | Base Case* | Change in input | Change in fair value of investments (£'000) | Change in NAV (pence per share) |
|---|---|---|---|---|
| Revenue Multiple | 3.79 | 20%<br>-20% | 15,305<br>(15,426) | 4.68p<br>(4.71p) |
| EBITDA Multiple | 7.09 | 20%<br>-20% | 1,121<br>(1,123) | 0.34p<br>(0.34p) |
| NAV basis (by reference to a Bid price) | | 20%<br>-20% | 839<br>(839) | 0.26p<br>(0.26p) |

* As detailed in the accounting policies, the base case is based on market comparables, discounted where appropriate for marketability, in accordance with the IPEV guidelines.

## Cash flow interest rate risk

The Company's fixed and floating rate interest securities, its equity and preference equity investments and net revenue may be affected by interest rate movements. Investments are often in relatively small businesses, which are relatively high risk investments sensitive to interest rate fluctuations.

Due to the short time to maturity of some of the Company's floating rate investments, it may not be possible to re-invest in assets which provide the same rates as those currently held. The Company's assets include fixed and floating rate interest instruments, as shown below. The rate of interest earned is regularly reviewed by the Board, as part of the risk management processes applied to these instruments, already disclosed under market price risk above.

The interest rate profile of the Company's financial net assets at 30 September 2025 was:

| | Financial net assets on which no interest paid £ | Fixed rate financial assets £ | Variable rate financial assets £ | Total £ | Weighted average interest rate (see Note) % | Average period to maturity (years) |
|---|---|---|---|---|---|---|
| Equity shares | 99,303,145 | - | - | 99,303,145 | | |
| Preference shares | - | 5,488,830 | - | 5,488,830 | 7.8 | 1.1 |
| Loan stocks | - | 11,587,826 | 2,845,865 | 14,433,691 | 4.6 | 2.4 |
| Current asset investments | - | - | 58,793,409 | 58,793,409 | 4.1 | |
| Cash | - | - | 192,839 | 192,839 | 1.5 | |
| Debtors | 323,777 | - | - | 323,777 | | |
| Creditors | (880,322) | - | - | (880,322) | | |
| Total for financial instruments | 98,746,600 | 17,076,656 | 61,832,113 | 177,655,369 | | |
| Non-financial instruments | 32,119 | - | - | 32,119 | | |
| Net assets | 98,778,719 | 17,076,656 | 61,832,113 | 177,687,488 | | |

The interest rate profile of the Company's financial net assets at 30 September 2024 was:

| | Financial net assets on which no interest paid £ | Fixed rate financial assets £ | Variable rate financial assets £ | Total £ | Weighted average interest rate (see Note) % | Average period to maturity (years) |
|---|---|---|---|---|---|---|
| Equity shares | 90,599,370 | - | - | 90,599,370 | | |
| Preference shares | - | 6,081,242 | - | 6,081,242 | 6.7 | 2.0 |
| Loan stocks | - | 13,091,468 | 3,510,193 | 16,601,661 | 7.3 | 2.2 |
| Current asset investments | - | - | 30,846,900 | 30,846,900 | 4.7 | |
| Cash | - | - | 410,392 | 410,392 | 2.1 | |
| Debtors | 227,115 | - | - | 227,115 | | |
| Creditors | (480,498) | - | - | (480,498) | | |
| Total for financial instruments | 90,345,987 | 19,172,710 | 34,767,485 | 144,286,182 | | |
| Non-financial instruments | 30,970 | - | - | 30,970 | | |
| Net assets | 90,376,957 | 19,172,710 | 34,767,485 | 144,317,152 | | |

Note: Weighted average interest rates above are derived by calculating the expected annual income that would be earned on each asset (but only for those sums that are currently regarded as collectible and would therefore be recognised), divided by the values for each asset class at the balance sheet date. Floating rate cash earns interest based on SONIA rates.

The Company's investments in equity shares have been excluded from the interest rate risk profile as they do not yield interest and have no maturity date and their inclusion would distort the weighted average period information above.





## Cash flow interest rate sensitivity

Although the Company holds investments in loan stocks that pay interest, the Board does not consider it appropriate to assess the impact of interest rate changes in isolation upon the value of the unquoted investment portfolio, as interest rate changes are only one factor affecting the market price movements that are discussed above under market price risk. However, as the Company has a substantial proportion of its assets in money market funds, the table below shows the sensitivity of income earned to changes in interest rates:

| | Year ended 30 September 2025 Profit and net assets £ | Period ended 30 September 2024 Profit and net assets £ |
|---|---|---|
| If interest rates rose / fell by 5% (2024: 5%), with all other variables held constant – increase / (decrease) | 2,318,704 / (2,318,704) | 1,303,781 / (1,303,781) |
| Increase / (decrease) in earnings, and net asset value, per Ordinary share (in pence) | 0.71p / (0.71)p | 0.49p / (0.49)p |

## Currency risk

All assets and liabilities are denominated in sterling and therefore there is no currency risk.

## Fair value hierarchy

The tables below set out fair value measurements using FRS102 s11.27 fair value hierarchy.

| Financial assets at fair value through profit and loss At 30 September 2025 | Level 1 £ | Level 2 £ | Level 3 £ | Total £ |
|---|---|---|---|---|
| Equity investments | - | 4,194,000 | 95,108,744 | 99,303,144 |
| Preference shares | - | - | 5,488,830 | 5,488,830 |
| Loan stock | - | - | 14,433,692 | 14,433,692 |
| Total | - | 4,194,000 | 115,031,266 | 119,225,666 |

| Financial assets at fair value through profit and loss At 30 September 2024 (restated)[1] | Level 1 £ | Level 2 £ | Level 3 £ | Total £ |
|---|---|---|---|---|
| Equity investments | - | 3,480,460 | 87,118,910 | 90,599,370 |
| Preference shares | - | - | 6,081,242 | 6,081,242 |
| Loan stock | - | - | 16,601,661 | 16,601,661 |
| Total | - | 3,480,460 | 109,801,813 | 113,282,273 |

[1] Please refer to Note 8 for further details.

There are currently no financial liabilities at fair value through profit and loss.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.
Level 2 – valued using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the Company are explained in the accounting policies in Note 8 to these Financial Statements.

A reconciliation of this and fair value measurements in Level 3 is set out below:

| Level 3 valuation movements | Equity investments £ | Preference shares £ | Loan stock £ | Total £ |
|---|---|---|---|---|
| Opening balance at 1 October 2024 | 87,118,910 | 6,081,242 | 16,601,661 | 109,801,813 |
| Purchases | 6,838,352 | - | 1,522,993 | 8,361,345 |
| Sales | (6,016,102) | - | (931,932) | (6,948,034) |
| Total losses included in the Income Statement: | | | | - |
| - on assets sold | (63,716) | - | (1,056,071) | (1,119,787) |
| - on assets held at the year end | 7,231,301 | (592,412) | (1,702,959) | 4,935,930 |
| Closing balance at 30 September 2025 | 95,108,745 | 5,488,830 | 14,433,692 | 115,031,267 |

As detailed in the accounting policy for Note 8, where investments are valued on an earnings-multiple basis, the main inputs used for this basis of valuation are earnings and a price-earnings ratio taken from a comparable sector on the quoted market, which is then appropriately adjusted for points of difference. Thus, any change in share prices can have a significant effect on the fair value measurements of the Level 3 investments, as they may not be wholly offset by the adjustment for points of difference.

Level 3 unquoted equity and loan stock investments are valued in accordance with the IPEV guidelines as follows:

| | 30 September 2025 £ | 30 September 2024 £ |
|---|---|---|
| Valuation methodology | | |
| Multiple of revenues | 80,043,260 | 78,273,599 |
| Multiple of gross margin | 17,019,673 | 15,312,532 |
| Multiple of earnings | 12,723,952 | 10,293,477 |
| Net asset value | 2,070,059 | 3,192,002 |
| Recent investment price (subsequently calculated as appropriate) | 2,099,690 | - |
| Cost less impairment | 1,074,632 | 3,192,002 |
| Average share price | - | 38,421 |
| Estimated Realisation proceeds | - | 676,154 |
| | 115,031,266 | 109,801,813 |

The unquoted equity and loan stock investments had the following movements between valuation methodologies between 30 September 2024 and 30 September 2025:

| Change in valuation methodology (2024 to 2025) | Carrying value as at 30 September 2025 £ | Explanatory note |
|---|---|---|
| Average share price to multiple basis | 13,534 | More appropriate basis for determining fair value |
| Revenue multiple basis to earnings multiple basis | 2,062,148 | More appropriate basis for determining fair value. |

The valuation will be the most appropriate valuation methodology for an investment within its market, with regard to the financial health of the investment and the December 2022 IPEV guidelines. The Directors believe that, within these parameters, these are the most appropriate methods of valuation which would be reasonable as at 30 September 2025.





## 16 Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders. It aims to provide an adequate return to shareholders by allocating its capital to assets commensurate with the level of risk.

The Company is required to maintain 80% of its capital invested in the relatively high-risk asset class of small UK companies within three years of that capital being subscribed, as measured by VCT tax legislation. The Company accordingly has limited scope to manage its capital structure in the light of changes in economic conditions and the risk characteristics of the underlying assets. Subject to this overall constraint upon changing the capital structure, the Company may adjust the amount of dividends paid to Shareholders, return capital to Shareholders, issue new shares, or sell assets if so required to maintain a level of liquidity to remain a going concern.

Although, as the Investment Policy implies, the Board would consider levels of gearing, there are no current plans to do so. It regards the net assets of the Company as the Company's capital, as the level of liabilities are small and the management of them is not directly related to managing the return to Shareholders. There has been no change in this approach from the previous year.

## 17 Acquisition of assets and liabilities of Mobeus Income & Growth 2 VCT plc

A further £15,210 was incurred and recognised in the Income Statement during the year primarily relating to additional liquidation costs. The payback period remains under 18 months as disclosed in the Circular issued on 18 June 2024.

## 18 Related parties

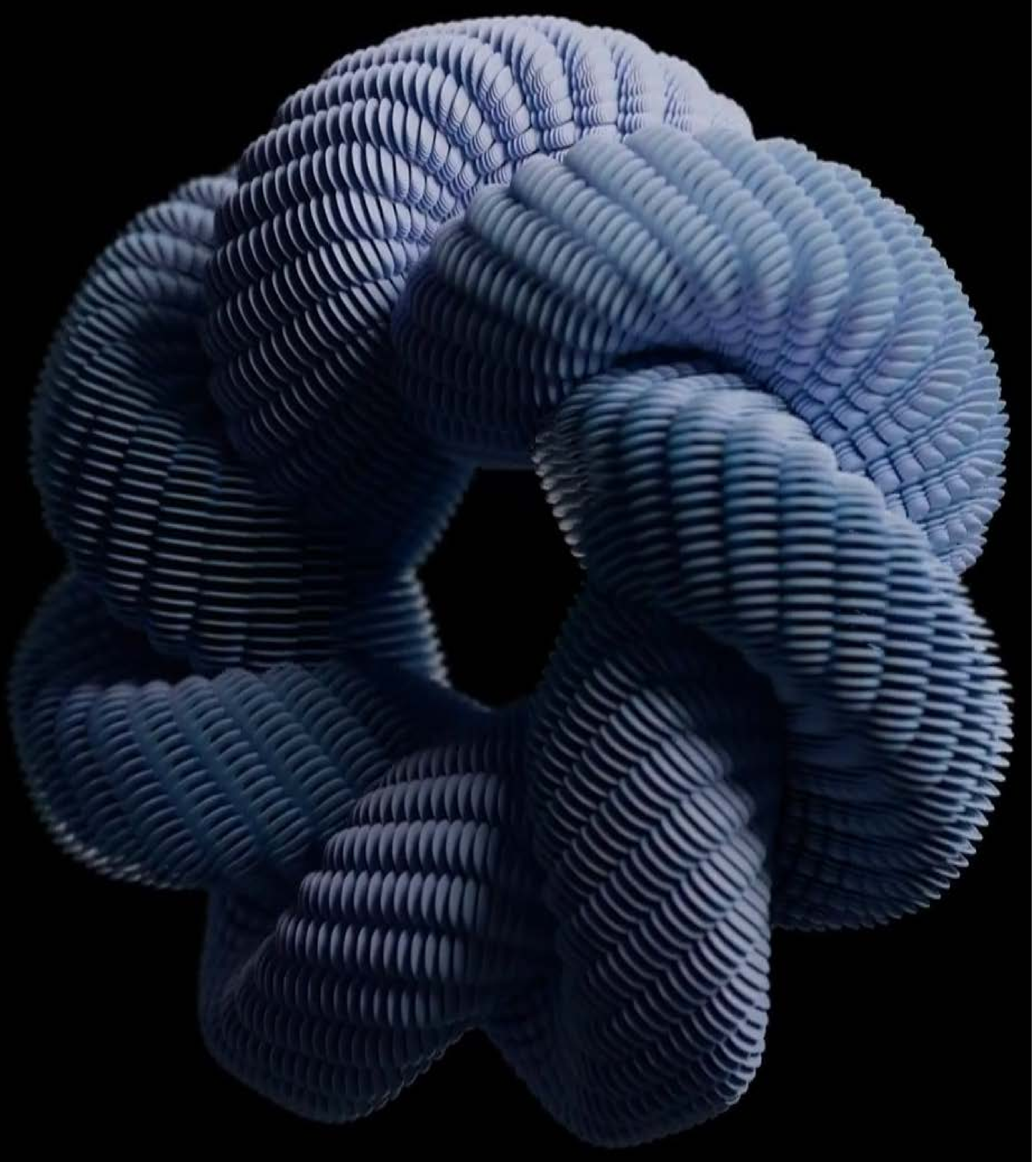
During the year, Gresham House Asset Management Ltd received fees £633,781 during the year ended 30 September 2025 (2024: £409,725), being £127,224 (2024: £125,722) for advisory and arrangement fees and £506,557 (2024: £284,004) of directors' fees for services provided to companies in the investment portfolio.

## 19 Post balance sheet events

On 29 December 2025, a £2.05 million investment was made into a financial services company.

On 31 December 2025, a follow on investment of £2.10 million was made into Arkk Consulting Limited, an existing portfolio company.

On 8 January 2026, a £2.53 million investment was made into Veremark Limited.



Credit: NuQuantum, portfolio company

# Information for Shareholders



## Shareholder information

### Managing your shareholding online

The Company changed its Registrar to City Partnership (UK) Ltd ("City Partnership") on 4 December 2023.

For details on your individual shareholding and to manage your account online, Shareholders may log into or register with the City Partnership Shareholder Portal at: https://gresham-house-vcts.cityhub.uk.com/login. You can use the portal to change your address details, check your holding balance and transactions, view the dividends you have received, and add and amend your bank details. Details of how to access the Hub can also be found on the Company's website: https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/.

### Communication with Shareholders

We aim to communicate regularly with our Shareholders. The annual general meetings provide a useful platform for the Board to meet Shareholders and exchange views and we are pleased to invite Shareholders to attend the Annual General Meeting ("AGM") of the Company on 2 March 2026. Your Board welcomes your attendance at the AGM to give you the opportunity to meet the Directors and representatives of the Investment Adviser. In the event that you are unable to attend in person, a video recording of the AGM will be available on the Company's website following the conclusion of the AGM. As referenced in the Directors Report, the Board has proposed changes to the Company's Articles of Association to enable the Board to allow Shareholders to attend and participate in physical general meetings, including annual general meetings, by electronic means in the future.

The Company releases Interim Management Statements in respect of those quarters where it does not publish half or full year accounts via the London Stock Exchange RNS service.

Shareholders wishing to follow the Company's progress can visit its website at https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/. The website includes up-to-date details on fund performance and dividends as well as publicly available information on the Company's portfolio of investments and copies of company reports. There is also a link to the London Stock Exchange's website at: http://www.londonstockexchange.com, where Shareholders can obtain details such as the Company's share price and latest NAV announcements.

### Shareholder enquiries

For enquiries concerning the investment portfolio or the Company in general, please contact the Investment Adviser, Gresham House Asset Management Limited. To contact the Chair, Senior Independent Director or any member of Board, please contact the Company Secretary, also Gresham House Asset Management Limited, in the first instance.

For enquiries concerning your shareholding, including dividend payments, please contact the Company's Registrar, City Partnership, by post, telephone or via their Shareholder Portal.

**By post:**

The City Partnership (UK) Limited
The Mending Rooms
Park Valley Mills
Huddersfield

**By telephone:**

01484 240910

**Shareholder Portal:**

https://gresham-house-vcts.cityhub.uk.com/login

## Annual General Meeting

The Company's next Annual General Meeting will be held on Monday, 2 March 2026 at 1:45pm at the Leonardo Royal Hotel London St. Paul's, 10 Godliman Street, EC4V 5AJ. Directions to the AGM venue will also be available on the website.

The Board and the Investment Adviser are cognisant of the limited levels of shareholder engagement in the VCT sector and are continuously seeking ways to improve how the Company updates and engages with its shareholders. As part of this improvement, the Board is enhancing the content and format of the Company's 2026 Annual General Meeting ("AGM") which, as in previous years, will be in conjunction with the AGM of the Gresham House Income & Growth VCT plc ("GHV 1"). A presentation by Gresham House will take place in the morning and will be extended to include a spotlight on inspiring portfolio companies to showcase their growth journeys. It will also provide an opportunity for Shareholders to meet with the Company's Board and representatives of the Investment Adviser. After a break for lunch, the formal AGMs of both the Company and GHV 1 will take place. Information on the timeline for the day can be found on the inside front cover.

Previously the Investment Adviser has held a virtual event on an annual basis, the Board and the Investment Adviser have decided to focus on an expanded AGM this year, with the intention of reviewing the position following the AGM 2026.

A copy of the Notice of the Meeting is included on pages 114 to 116. Shareholders may send any questions on the resolutions proposed to the following email address: AGM@greshamhouse.com. A response will be provided prior to the deadline for lodging your proxy vote. Questions for the Annual General Meeting can also be submitted using the same email address.

## Voting at the Annual General Meeting

To promote Shareholder representation and to reflect the economic ownership of the Company's shares, the voting at the AGM now will be conducted by way of a poll compared to a show of hands in previous years. This change in voting format also takes into account the large number of proxy votes that have been received at previous AGMs.

Shareholders are encouraged to vote on their shares irrespective of their attendance at the AGM. Please lodge your proxy form, which is included with Shareholders' copies of this Annual Report, or on-line using the "Vote Here" button on the Company's website: https://greshamhouse.com/gresham-house-income-growth-vct-plc/. Proxy votes must be received no later than 1:45pm on Thursday 26 February 2026 or 48 hours before the time appointed for any adjourned meeting.

The Board recognises that shareholders are increasingly holding their investments on platforms and welcomes the steps taken by both investment platforms and the Association of Investment Companies to improve Shareholder engagement and facilitate Shareholders exercising their right to vote. Shareholders who hold their shares in the Company on an investment platform are encouraged to visit https://www.theaic.co.uk/how-to-vote-your-shares for more information on how to vote their shares.

## Discontinuance of dividend cheque payments

The Board has decided to phase out the payment of dividends by cheque. The Board has decided to take this action because cheques are vulnerable to fraud, susceptible to postal risks and increase the chance of a dividend remaining unclaimed. Shareholders who receive dividend payments by cheque were informed of this decision when cheques were posted for the dividend paid on 30 October 2025. A final reminder will be included with the Company's next dividend payment. As explained in these communications, the Board strongly encourages Shareholders to provide the Company's Registrar, City Partnership, with bank account information so that future dividends can be received together with any outstanding dividend monies due. This will also ensure that all future dividends are paid automatically into your bank account. Shareholders are encouraged to complete the mandate by contacting the Company's Registrars, City Partnership, at the address given on page 117.

Shareholders are encouraged to ensure that the Registrar maintains up-to-date details for yourselves and to check whether you have received all dividends payable to you. This is particularly important if you have recently moved house or changed bank details. The Board are aware that a number of dividends remain unclaimed by Shareholders and whilst the Company will endeavour to contact Shareholders if this is the case, it is not possible to guarantee contact if the Registrar does not have an up to-date postal or email address for you.

## Unclaimed dividends

As highlighted in the Chair's statement, the Company's Registrar was holding £1.41 million in unclaimed dividends as at 30 September 2025, including those unclaimed by Mobeus Income & Growth 2 VCT plc Shareholders, with £75k having remained unclaimed for over 12 years.

Under the terms of the Company's Articles of Association, any dividends unclaimed for a period of 12 years after having become due for payment shall, if the Board so resolves, be forfeited and shall cease to remain owing by the Company. Your Board would like to ensure Shareholders receive dividends that are owing to them and would like to remind Shareholders that it is their responsibility to keep their bank account details up to date by informing the Company's Registrar of any changes. Any Shareholders who have not been able to claim their dividends are requested to contact the Company's Registrar on 01484 240 910 or by email at registrars@city.uk.com.



08 Information for Shareholders - Shareholder information

During the forthcoming year, the Board will consider whether to activate the forfeiture provisions in the Company's Articles of Association.

## Dividend Investment Scheme

Those Shareholders who wish to participate, or to amend their existing participation, in the Dividend Investment Scheme ("DIS") can do so by visiting https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/ and click the "Dividends" tab or by contacting the Registrar directly using the details on page 117. Please note that Shareholders' elections to participate or amendments to participation in the Scheme require 15 days to become effective.

## Selling your shares

The Company's Shares are listed on the London Stock Exchange and as such they can be sold in the same way as any other quoted company through a stockbroker. Shareholders are also advised to discuss their individual tax position with their financial advisor before deciding to sell their shares.

The Company is unable to buy back shares direct from Shareholders, so you will need to use a stockbroker to sell your shares. If you do not have a broker already, the following link may be useful to help you identify a suitable broker: London Stock Exchange - Find a Broker. You can check that they are FCA registered on the FCA website at: https://www.fca.org.uk/firms/financial-services-register.

To support this process, Redmayne Bentley LLP, an FCA authorised stockbroker, are able to facilitate the buyback process through a dedicated online form which Shareholders can use to initiate a sale of their shares back to the Company. Use of this service is entirely optional. Investors may instead choose to sell their shares through their existing stockbroker or any other FCA-authorised firm, including execution-only platforms.

Further details, including the Company's share buyback policy, can be found on the Gresham House VCTs website at https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/ under "Want to sell back your shares?".

## Fraud warning - Boiler Room fraud and unsolicited communications to Shareholders

We have been made aware of an increase in the number of Shareholders being contacted in connection with sophisticated but fraudulent financial scams which purport to come from the Company or to be authorised by it. This is often by a phone call or an email usually originating from outside of the UK, often claiming or appearing to be from a corporate finance firm and typically offering to buy your VCT shares at an inflated price.

Further information on boiler room scams and fraud advice plus who to contact, can be found in the answer to a question "What should I do if I receive an unsolicited offer for my shares?" within the "FAQs" section of the Investment Adviser's website: https://greshamhouse.com/the-gresham-house-vcts/ and secondly, in a link to the FCA's ScamSmart site: http://www.fca.org.uk/scamsmart.

We strongly recommend that you seek financial advice before taking any action if you remain in any doubt. You can also contact the Investment Adviser on 020 7382 0999, or email ghvcts@greshamhouse.com to check whether any claims made by a caller are genuine.

Shareholders are also encouraged to ensure their personal data is always held securely and that data held by the Company's Registrar is up to date, to avoid cases of identity fraud.

## Common Reporting Standard ("CRS") and Foreign Account Tax Compliance Act ("FATCA")

Tax legislation was introduced with effect from 1 January 2016 under the Organisation for Economic Co-operation and Development Common Reporting Standard for Automatic Exchange of Financial Account Information. The legislation requires investment trust companies to provide personal and financial account information to HMRC on certain investors who purchase their shares, including details of their shareholding and income from the shares. As an affected entity, the Company has to provide information annually to HMRC relating to a number of non-UK based certificated Shareholders who are deemed to be resident for tax purposes in any of the 90 plus countries who have joined CRS. All new Shareholders, excluding those whose shares are held in CREST, who are entered onto the share register from 1 January 2016 will be asked to provide the relevant information. Additionally, HMRC changed its policy position on FATCA in June 2016. We understand that this will mean that, as a result of the restricted secondary market in VCT shares, the Company's shares will not be considered to be "regularly traded". This will mean that the Company will also be an affected entity for the purposes of this legislation and as such will have to provide information annually to HMRC relating to Shareholders who are resident for tax purposes in the United States.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders: https://www.gov.uk/government/publications/exchange-of-information-account-holders.

# Performance data at 30 September 2025

(unaudited)

The following table shows, for investors in the first allotment of each fundraising in Gresham House Income & Growth 2 VCT plc (formerly Mobeus Income & Growth VCT plc) ("GHV 2"), the former Matrix Income & Growth 3 VCT plc, and former Mobeus Income & Growth 2 VCT plc (including former O and C share classes), how their investment has performed since they were originally allotted shares in each fundraising.

GHV 2 acquired the assets and liabilities of Matrix income & Growth 3 VCT plc ("MIG 3") on 20 May 2010. MIG 3 VCT shareholders received 1.0655 shares in MIG VCT for each MIG 3 ordinary share they held.

The former Mobeus Income & Growth 2 VCT plc ("MIG 2") originally comprised of O and C share classes. These share classes were merged on 10 September 2010. Shareholders in the former Ordinary Share fund received 0.827 shares in MIG 2 for each former Ordinary share they held.

On 26 July 2024, GHV 2 acquired the assets and liabilities of MIG 2. Former MIG 2 shareholders received 1.0649 shares in GHV 2 for every former MIG 2 share they held.

Total return data, which includes cumulative dividends paid to date, is shown on both a share price and a NAV basis as at 30 September 2024. The NAV basis enables shareholders to evaluate more clearly the performance of the Investment Adviser, as it reflects the underlying value of the portfolio at the reporting date. This is the most widely used measure of performance in the VCT sector.

## GHV 2 Fundraisings

Share price as at 30 September 2025 51.60p[1]

NAV per share as at 30 September 2025 54.29p

| Allotment date(s) | Allotment price (p) | Net allotment price[2] (p) | Cumulative dividends paid per share[3] (p) | Total return per share to Shareholders since allotment (Share price basis) (p) | (NAV basis) (p) |
|---|---|---|---|---|---|
| Funds raised 2004/05 | 100.00 | 60.00 | 172.30 | 223.90 | 226.59 |
| Funds raised 2011 (Linked offer) | 98.00 | 68.60 | 151.00 | 202.60 | 205.29 |
| Funds raised 2012 (Linked offer) | 101.20 | 70.84 | 145.50 | 197.10 | 199.79 |
| Funds raised 2013 (Linked offer) | 94.60 | 66.22 | 134.25 | 185.85 | 188.54 |
| Funds raised 2014 (Linked offer) | 100.01[4] | 70.01 | 128.25 | 179.85 | 182.54 |
| Funds raised 2015 (Joint offer) | 96.90[4] | 67.83 | 108.00 | 159.60 | 162.29 |
| Funds raised 2017 (Joint offer) | 74.70[4] | 52.29 | 67.50 | 119.10 | 121.79 |
| Funds raised 2020 (Joint offer) | 65.20[4] | 45.64 | 43.50 | 95.10 | 97.79 |
| Funds raised 2021/22 (Joint offer) | 81.74[4] | 57.22 | 23.50 | 75.10 | 77.79 |
| Funds raised 2022/23 (Joint offer) | 66.47[4] | 46.53 | 15.50 | 67.10 | 69.79 |
| Funds raised 2024/25 (Joint offer) | 58.06[4] | 40.64 | 2.00 | 53.60 | 56.29 |

[1] Source: Panmure Librum (mid-price basis), when the latest announced NAV was 53.79 pence as at 30 June 2025.

[2] Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

[3] For each fundraising, the allotment price, net allotment price, cumulative dividends paid, share price and NAV Total Return figures are based upon the first allotment in each fundraising.

[4] Average effective offer price. Shares were allotted pursuant to the 2013/14, 2014/15, 2017/18, 2019/20, 2021/22, 2022/23, and 2024/25 Offers at individual prices for each investor in accordance with the allotment formula as set out in each Offer's Securities Note.





## Former MIG 3 Fundraising

Share price as at 30 September 2025 54.98p[1]

NAV per share as at 30 September 2025 57.85p

Shareholders in the former MIG 3 received approximately 1.0655 shares in the Company for each MIG 3 share that they held on 20 May 2010, when the two VCTs merged. Both the share price and the NAV per share shown above have been adjusted using this merger ratio.

| Allotment date(s) | Allotment price (p) | Net allotment price[2] (p) | Cumulative dividends paid per share[3] (p) | Total return per share to Shareholders since allotment (Share price basis) (p) | (NAV basis) (p) |
|---|---|---|---|---|---|
| Funds raised 2006 | | | | | |
| Between 24 January 2006 and 5 April 2006 | 100.00 | 60.00 | 170.43 | 225.41 | 228.28 |

[1] Source: Panmure Liberum Limited (mid-price basis), as adjusted for the merger ratio.

[2] Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

[3] Dividends received since the merger date on 20 May 2010 have been converted using the merger ratio.

## Former MIG 2

Share price as at 30 September 2025 54.95p[1]

NAV per share as at 30 September 2025 57.81p

Shareholders in the former MIG 2 received approximately 1.0649 shares in GHV 2 for each MIG 2 share that they held on 26 July 2024, when the two VCTs merged. Both the share price and the NAV per share shown above have been adjusted by using this figure.

| Allotment date(s) | Allotment price (p) | Net allotment price[2] (p) | Cumulative dividends paid per share[3] (p) | Total return per share to Shareholders since allotment (Share price basis) (p) | Total return per share to Shareholders since allotment (NAV basis) (p) |
|---|---|---|---|---|---|
| Funds raised 2005/06 | 100.00 | 60.00 | 166.13 | 221.63 | 226.01 |
| Funds raised 2008/09 | 92.39 | 64.67 | 162.13 | 217.63 | 222.01 |
| Funds raised 2013/14 | 117.92[4] | 82.54 | 148.13 | 203.63 | 208.01 |
| Funds raised 2014/15 | 118.44[4] | 82.91 | 129.13 | 184.63 | 189.01 |
| Funds raised 2017/2018 | 104.73[4] | 73.31 | 97.13 | 152.63 | 157.01 |
| Funds raised 2019/20 | 93.03[4] | 65.12 | 68.13 | 123.63 | 128.01 |
| Funds raised 2021/2022 | 95.01[4] | 66.51 | 32.13 | 87.63 | 92.01 |
| Funds raised 2022/2023 | 82.54[4] | 57.78 | 26.13 | 81.63 | 86.01 |

## Former Ordinary Share Fund

Share price as at 30 September 2025 45.44p

NAV per share as at 30 September 2025 47.81p

Shareholders in the former MIG 2 Ordinary Share Fund received 0.827 shares in MIG 2 for each former Ordinary share that they held on 10 September 2010, when the two share classes merged. Subsequently, when GHV 2 merged with MIG 2, former MIG 2 shareholders received 1.6049 shares for each MIG 2 share they held. Both the share price and the NAV per share shown above have been adjusted using these merger ratios.

| Allotment date(s) | Allotment price (p) | Net allotment price[2] (p) | Cumulative dividends paid per share[3] (p) | Total return per share to Shareholders since allotment (Share price basis) (p) | Total return per share to Shareholders since allotment (NAV basis) (p) |
|---|---|---|---|---|---|
| Funds raised 2000/01[5] | 100.00 | 80.00 | 159.25 | 204.69 | 208.77 |

[1] Source: Panmure Liberum Limited (mid-price basis), as adjusted for merger ratio.

[2] Net allotment price is the allotment price less applicable income tax relief. The tax relief was 20% up to 5 April 2004, 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

[3] Dividends received since the merger date on 26 July 2024 have been converted using the merger ratio.

[4] Average effective offer price. Shares were allotted pursuant to the 2013/14, 2014/15, 2017/18, 2019/20, 2021/22, and 2022/23 Offers at individual prices for each investor in accordance with the allotment formula as set out in each Offer's Securities Note.

[5] Investors in this fundraising may also have enhanced returns if they had also deferred capital gains tax liabilities.


Credit: Spinners Group, portfolio company

# Timeline of the Company

## July 2004
Company launched as Matrix Income & Growth VCT plc advised by Matrix Private Equity Partners LLP.

## June 2005
Company completed first fundraising.

## September 2005
Matrix Income & Growth 3 VCT plc launched and advised by Matrix Private Equity Partners LLP.

## April 2006
Matrix Income & Growth 3 VCT plc completed first fundraising.

## May 2010
Matrix Income & Growth 3 VCT plc merged into Matrix Income & Growth VCT plc.

## June 2012
Matrix Private Equity Partners LLP becomes a fully independent firm owned by its partners and renames itself Mobeus Equity Partners LLP. Matrix Income & Growth VCT plc changed its name to Mobeus Income & Growth VCT plc to be consistent with the Investment Adviser's change of name.

## November 2013
The Company is awarded 'VCT of the Year' at the 2013 Investment Week Investment Company of the Year Awards

## 2010 – 2015
The Company launched and completed five successful fundraisings with the other Mobeus VCTs.

## May 2016
New Investment Policy approved by Shareholders to provide growth capital to investee companies.

## September 2017
The Company launched a fundraising to raise up to £25 million.

## March 2018
The Company closed its fundraising, having raised £25 million.

## October 2019
The Company launched a fundraising to raise up to £15 million.

## January 2020
The Company announced the fundraise was fully subscribed.

## April 2020
The Company closed its fundraising, having raised £15 million.

## October 2021
Gresham House Asset Management Limited acquires VCT fund and investment management business from Mobeus Equity Partners LLP. The Mobeus-advised VCTs' investment advisory arrangements are novated from Mobeus to Gresham House.

## January 2022
The Company launched a fundraising to raise up to £10 million.

## January 2022
The Company announced the fundraise was fully subscribed.

## March 2022
The Company closed its fundraising, having raised £10 million.

## October 2022
The Company launched a fundraising to raise up to £22 million.

## December 2022
The Company announced the fundraise was fully subscribed.

## July 2024
The Company merged with Mobeus Income & Growth 2 VCT plc following shareholder approval.

## September 2024
The Company launched a joint fundraising with The Income & Growth VCT plc in which it sought to raise £35 million, with an optional over-allotment facility of a further £10 million.

## October 2024
The Company closed a successful fundraising with The Income & Growth VCT plc for which £45 million, including the over-allotment facility, was raised for the Company.

## June 2025
The Company changed its name from Mobeus Income & Growth VCT plc to Gresham House Income & Growth 2 VCT plc.





## Forthcoming Financial Calendar

**2 March 2026**
Annual General Meeting.

**June 2026**
Announcement of Half-Year Results and circulation of Half-Year Report for the six months ended 31 March 2026 to Shareholders.

**September 2026**
30 September 2026 year-end.

# Glossary of terms

## Alternative performance measure ("APM")

A financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the Company's financial reporting framework. These APMs tend to be industry specific terms which help Shareholders to understand and assess the Company's progress. A number of terms contained within this Glossary have been identified as APMs.

## Cumulative dividends paid (APM)

The total amount of dividend distributions by the Company over the time period specified. A list of all dividends paid since launch of the Company is shown as part of the Performance data appendix on page 106. Dividends paid in the period/year and dividends paid in respect of a period/year are shown in Note 6.

## Cumulative total return (APM)

Cumulative total return per share comprises the NAV per share at the year end date (NAV basis) or the mid-market price per share at the year end date (Share price basis) both at the end date of a period under review, plus cumulative dividends paid up to that end date since launch in October 2004. Cumulative total return on a NAV and share price basis can be found under Performance Summary on page 2.

## EBITDA

Earnings before interest, tax, depreciation and amortisation. It can be seen as a proxy for the level of cash flow generated by a business.

## Gross Profit

The profit a company makes after deducting the costs associated with making and selling its products, or the costs associated with providing its services.

## Internal Rate of Return ("IRR") (APM)

The internal rate of return is the annual discount rate that equates the original investment cost with the value of subsequent cash flows (such as receipts/dividends or further investment) and the latest valuation/exit proceeds. Generally speaking, the higher an investment's IRR, the more successful it is.

## Net asset value or NAV

The value of the Company's total assets at the year end less its total liabilities at the year end. It is equal to the total equity Shareholders' funds.

## Net asset value per share or NAV per share

The net asset value per share is calculated as total equity Shareholders' funds at the year end divided by the number of Ordinary shares in issue.

## NAV Total Return (including dividends) per share (APM)

This measure combines two types of returns received by Shareholders. Firstly, as income in the form of dividends and secondly, as capital movements (net asset value) of the value of the Company.

It is a performance measure that adjusts for dividends that have been paid in a period or year. This allows Shareholders to assess the returns they have received both in terms of the performance of the Company but also including dividends they have received from the Company which no longer form part of the Company's assets.

It is calculated as the percentage return achieved after taking the closing NAV per share and adding dividends paid in the period/year and dividing the total by the opening NAV per share. The Directors believe that this is the most meaningful method for Shareholders to assess the investment performance of the Company. Calculation of the current year NAV Total return figure is on page 33.

To aid comparison with the wider Investment Trust market, the Annual Report also contains a Total Return performance measure which assumes dividends are reinvested. This assumes that dividends paid are reinvested at the date of payment at a price equivalent to the latest announced NAV at the ex-dividend date. Where this is referred to it will be specified in the Notes.





| | 2025 | 2024 |
|---|---|---|
| Opening NAV per closing share (pence) | 54.70 | 58.43 |
| Closing NAV per closing share (pence) | 54.29 | 54.70 |
| Movement in NAV per closing share (pence) | (0.41) | (3.73) |
| Dividends paid in the year (pence) | 2.00 | 4.00 |
| NAV total return per closing share (pence) | 1.59 | 0.27 |
| Less impact of share capital movements per closing share (pence) | (0.14) | (0.73) |
| Earnings per share per Income Statement (pence) | 1.45 | (0.46) |
| Calculated by:<br>Profit per Income Statement (£) | 3,747,530 | (869,671) |
| Weighted average number of shares | 257,781,108 | 188,223,916 |

## Ongoing charges ratio (APM)

This figure, calculated using the AIC recommended methodology, shows Shareholders the annual percentage reduction in shareholder returns as a result of recurring operational expenses, assuming markets remain static and the portfolio is not traded. Although the Ongoing Charges figure primarily is based upon historic information, it provides Shareholders with an indication of the likely level of costs that will be incurred in managing the Company in the future. This is calculated by dividing the total recurring annual running expenses (including Investment Adviser fees) of £4,304,624 (2024: £3,302,294) as a percentage of the average net assets attributable to shareholders of £181,287,399 (2024: £144,317,152) which equals 2.4% (2024: 2.3%).

## Realised gain/(losses) in the period/year

This is the profit or loss that arises following the full or partial disposal of a holding in a portfolio company. It is calculated by deducting the value of the holding as at the previous period-end from the proceeds received in respect of such disposal.

## Revenue

The total amount of income generated by the sale of goods or services related to a company's primary operations.

## Share price Total Return (APM)

As NAV Total Return, but the Company's mid-market share price (source: Panmure Liberum) is used in place of NAV. This measure more reflects the actual return a Shareholder will have earned, were they to sell their shares at the year/period's end date. It includes the impact of any discounts or premiums at which the share price trades compared to the underlying net asset value of the Company. If the shares trade at a discount, the returns could be less than the NAV Total Return, but if trading at a premium, returns could be higher than the NAV Total Return. The current year share price total return of 0.2% is calculated by adding dividends paid during the year of 2.00 pence per share to the closing mid-share price of 51.60 pence (having been adjusted for a 2.00 pence per share dividend paid after the year end) as a percentage of the opening mid-share price at the start of the year of 53.50 pence per share.

## Total Expense Ratio (APM)

This figure is subject to an annual expenses cap of 3.0% of net assets of the Company by way of a reduction of fees due to Gresham House. This cap excludes exceptional items, performance fees and trail commission.

| | 2025 (£) | 2024[1] (£) |
|---|---|---|
| Investment adviser fees | 4,277,732 | 1,724,243 |
| Other expenses | 602,988 | 395,813 |
| Less: exceptional items | (570,078) | (56,191) |
| **Total** | **4,310,642** | **2,063,865** |
| Net assets | 177,687,488 | 144,317,152 |
| **Total expense %** | **2.4%** | **1.4%** |
| Total expense cap % | 3.0% | 3.0% |

[1] The 2024 figures represent a 9-month period.

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Gresham House Income & Growth 2 VCT plc will be held at Leonardo Royal Hotel London St. Paul's, 10 Godliman Street EC4V 5AJ at 1:45pm on Monday, 2 March 2026, for the purposes of considering and, if thought fit, passing the following resolutions of which resolutions 1 to 9 will be proposed as ordinary resolutions and resolutions 10 to 12 will be proposed as special resolutions. An explanation of the business to be proposed is included in the Directors' Report on pages 50 to 52 of this Annual Report:

1. To receive and adopt the Annual Report and Financial Statements of the Company for the year ended 30 September 2025 ("Annual Report"), together with the Directors' Auditor's Report thereon.
2. To approve the Directors' Annual Remuneration Report as set out in the Annual Report.
3. To approve the Company's Remuneration Policy as set out in the Annual Report.
4. To re-elect Clive Boothman as a director of the Company.
5. To re-elect Lucy Armstrong as a director of the Company.
6. To re-elect Ian Blackburn as a director of the Company.
7. To re-elect Sarah Clark as a director of the Company.
8. To re-appoint Johnston Carmichael LLP of Bishop's Court, 29 Albyn Place, Aberdeen AB10 1YL as auditor of the Company until the conclusion of the next annual general meeting at which accounts are laid before the Company and to authorise the directors to determine the remuneration of the auditor.
9. That, in substitution for any existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot ordinary shares of 1 penny each in the capital of the Company ("Shares") and to grant rights to subscribe for, or convert any security into, Shares ("Rights") up to an aggregate nominal value of £1,092,717, provided that the authority conferred by this resolution shall (unless renewed, varied or revoked by the Company in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2027, but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require Shares to be allotted or Rights to be granted after such expiry and the directors of the Company shall be entitled to allot Shares or grant Rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.
10. That, subject to the passing of resolution 9 set out in this notice and in substitution for any existing authorities, the directors of the Company be and hereby are empowered in accordance with sections 570 and 573 of the Act to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of the Act) for cash, pursuant to the authority conferred upon them by resolution 9 set out in this notice, or by way of a sale of treasury shares, as if section 561(1) of the Act did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to the allotment of equity securities:

    i) with an aggregate nominal value of up to £983,446 (representing approximately 30% of the existing issued share capital) in connection with offer(s) for subscription;

    ii) with an aggregate nominal value of up to, but not exceeding, 10% of the issued share capital of the Company from time to time pursuant to any dividend investment scheme operated by the Company, at a subscription price per Share which may be less than the net asset value per Share, as may be prescribed by the scheme terms; and

    iii) otherwise than pursuant to sub-paragraph (i) above, with an aggregate nominal value of up to, but not exceeding, 10% of the issued share capital of the Company from time to time,

    in each case where the proceeds of the allotment may be used, in whole or in part, to purchase the Company's Shares in the market and provided that this authority shall (unless renewed, varied or revoked by the Company in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, on the conclusion of the annual general meeting of the Company to be held in 2027, except that the Company may, before the expiry of this authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such offers or agreements as if the power conferred by this resolution had not expired.

11. That, in substitution for any existing authorities, the Company be and hereby is authorised pursuant to and accordance with section 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of its own Shares provided that:

    (i) the aggregate number of Shares which may be purchased shall not exceed 49,139,499 or, if lower, such number of Shares (rounded down to the nearest whole Share) as shall equal 14.99% of the Shares in issue at the date of passing of this resolution;

    (ii) the minimum price which may be paid for a Share is 1 penny (the nominal value thereof);

    (iii) the maximum price which may be paid for a Share (excluding expenses) shall be the higher of (a) an amount equal to 105% of the average of the middle market quotations for a Share in the Company taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Share is contracted to be purchased and (b) the higher of the price of the last independent trade of a Share and the highest current independent bid for a Share on the trading venue where the purchase is carried out;

    (iv) the authority conferred by this resolution shall (unless renewed, varied or revoked by the Company in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, on the conclusion of the annual general meeting of the Company to be held in 2027; and

    (v) the Company may make a contract or contracts to purchase its own Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of its own Shares in pursuance of any such contract.

12. THAT the Articles of Association produced to the meeting and signed by the chair of the meeting for the purposes of identification be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association with effect from the conclusion of the meeting.

BY ORDER OF THE BOARD

**Gresham House Asset Management Limited**
*Company Secretary*

Dated: 26 January 2026

Registered Office:
5 New Street Square
London
EC4A 3TW

## Notes to the Notice of the Annual General Meeting

The following Notes explain your general rights as a Shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A Shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. A proxy need not be a Shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Gresham House Asset Management Limited, the Company Secretary, at 80 Cheapside, London EC2V 6EE or by email to ghvcts@greshamhouse.com or telephone on +44(0) 20 7382 0999.
2. Shareholders may appoint a proxy either by (a) completing a hard copy of the form of proxy or other instrument appointing a proxy and sending it to be received by post or delivering it by hand (during normal business hours only) at the Company's Registrar, The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH or (b) submitting their votes electronically by accessing the 'Vote Here' button on the Company website: https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/, please note you will need your City Identification Number (CIN) available from City's Hub if you have registered, and also the access code in the cover letter or email sent to notify you of the publication of the Company's Annual Report. In each case, the proxy votes submitted must be received not later than 1:45pm on 26 February 2026 or 48 hours before the time appointed for any adjourned meeting (ignoring any part of a day that is not a working day, before the time fixed for the meeting) or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll.
3. The return of a completed proxy form, other such instrument or any electronic Proxy Instruction will not preclude a Shareholder from attending the Annual General Meeting and voting in person if they wish to do so.
4. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
5. Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between them and the Shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.

6. If you have been nominated to receive general Shareholder communications directly from the Company, it is important to remember that your main contact in terms of your investment remains as it was (i.e. the registered Shareholder, or perhaps custodian or broker, who administers the investment on your behalf). Therefore any changes or queries relating to your personal details and holding (including any administration thereof) must continue to be directed to your existing contact at your financial adviser or custodian. The Company cannot guarantee dealing with matters that are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the Act, writes to you directly for a response.
7. The statement of the rights of Shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by Shareholders of the Company.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must in order to be valid, be transmitted so as to be received by the issuer's agent (ID 8RA57) by 1:45pm on 26 February 2026. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. You may submit your proxy electronically using the "Vote Here" button on the Company website **https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/** and will need your City Identification Number (CIN) available from City's Hub if you have registered, and also the access code in the cover letter or email sent to notify you of the publication of the Company's Annual Report.
10. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. Pursuant to Regulation 41 of the Uncertificated Securities Regulation 2001, entitlement to attend and vote at the Annual General Meeting (and the number of votes that may be cast thereat) will be determined by reference to the Register of Members of the Company at the close of business on the day which is two business days before the day of the meeting or of the adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
13. Any member attending the meeting has the right to ask questions relating to the business being dealt with at the meeting and the Company is obliged to answer any such questions under section 319A of the Act. However, no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on the Company's website **https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/** in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
14. Under section 527 of the Act (i) members representing at least 5% of the total voting rights of all the members or (ii) at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum, per member, of at least £100 (in accordance with section 527 of the Act) can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with section 437 of the Act, that the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses in complying with sections 527 or 528 of the Act. Any statement required to be placed on the Company's website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its website under section 527.
15. By attending the meeting, members and their proxies and representatives are understood by the Company to have agreed to receive any communications relating to the shares of the Company made at the meeting.
16. As at 26 January 2026 (being the last business day prior to the publication of this notice) the Company's issued share capital consisted of 327,815,205 ordinary shares, all of which carry one vote each. Therefore, the total voting rights in the Company as at 26 January 2026 were 327,815,205.
17. The Register of directors' interests and directors' appointment letters shall be available for inspection at the Company's registered office during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) and at the place of the meeting for at least fifteen minutes prior to and during the meeting. The directors do not have any service contracts with the Company.
18. A copy of this notice, and other information required by section 311A of the Act, can be found on the Company's website at **https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/**.



# Corporate information

## Directors

Clive Boothman
Lucy Armstrong
Ian Blackburn
Sarah Clark

## Company's Registered Office

5 New Street Square
London
EC4A 3TW

## Investment Adviser, Promoter, Company Secretary and Administrator

Gresham House Asset Management Limited
80 Cheapside
London EC2V 6EE
Tel: +44(0) 20 7382 0999
info@greshamhouse.com
www.greshamhouse.com

## Company Registration Number:

05153931

## Company LEI number:

213800HKOSEVWS7YPH79

## Email

ghvcts@greshamhouse.com

## Website

https://greshamhouse.com/gresham-house-income-growth-2-vct-plc/

## Independent Auditor

Johnston Carmichael
Bishop's Court
29 Albyn Place
Aberdeen
AB10 1YL

## Banker

National Westminster Bank plc
City of London Office
PO Box 12258
1 Princes Street
London
EC2R 8PA

## Legal Adviser

Howard Kennedy LLP
1 London Bridge
London
SE1 9BG

## Registrar

The City Partnership (UK) Limited
The Mending Rooms
Park Valley Mills
Huddersfield
HD4 7BH
Tel: 01484 240910
www.city.uk.com

Shareholder portal:
https://gresham-house-vcts.cityhub.uk.com/

## Corporate Broker

Panmure Liberum
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## VCT Status Adviser

Philip Hare & Associates LLP
6 Snow Hill
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## Custodian

Apex Group
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Saint Peter Port
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Guernsey

Gresham House

Specialist investment