

New Century AIM VCT 2 plc

For the six months to 30 June 2023

Chairman's Statement

The Net Asset Value (NAV) of your fund declined by 16.8% to 39.6p, compared to the FSTE AIM Allshare index which declined by 9.4% over the same period.

We made two further investments in the period, investing in Cordel Group plc and Light Science Technologies plc. These new investments have either a healthcare or technology bias where we have seen an increased amount of interest from investors.

We made four sales where we either exited or top-sliced a holding.

It has been a particularly tricky period for the fund as investors continued to be nervous of inflationary pressures, interest rate rises, as well as the cost of living crisis, in addition to constrained supply chains and the war in Ukraine that all caused a general lack of appetite and liquidity in many small companies. There have also been many redemptions across small and micro-cap institutional funds which has had a negative effect on share prices. Whilst we acknowledge the performance of the fund has been disappointing, the second half of the year has started positively with the NAV increasing by 3.2% when adjusting for the 2.5p dividend being paid. Indeed, over the past 3 years, from 20 July 2020 to 20 July 2023, it is the best performing AIM VCT fund measured by NAV as well as share price. (source: Citywire).

We continue to have a wide spread of established companies across a variety of sectors within the fund and whilst we hope your fund will perform over the rest of the year, we are mindful that we could see further volatility in the months ahead.

Geoffrey Gamble

Chairman

6 September 2023

New Century AIM VCT 2 plc

For the six months to 30 June 2023

Unaudited Balance Sheet

	Interim Accounts as at 30 June 2023		Final Accounts as at 31 December 2022*		Interim Accounts as at 30 June 2022	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed Assets						
Investments		1,838		2,190		2,679
Current Assets						
Uninvested cash	<u>405</u>	405	<u>354</u>	354	<u>356</u>	356
Current Liabilities						
Creditors: amounts due within one year		(34)		(131)		(7)
	<u>2,209</u>		<u>2,413</u>		<u>3,028</u>	
Capital and Reserves						
Share capital		557		507		507
Share premium		547		382		382
Capital redemption reserve		171		171		171
Special distributable reserve		2,915		2,915		3,118
Capital reserve - realised		(281)		(62)		(24)
Capital reserve - unrealised		(1,487)		(1,345)		(1,007)
Revenue reserve		(213)		(155)		(119)
	<u>2,209</u>		<u>2,413</u>		<u>3,028</u>	
Net Asset Value per share		39.6p		47.6p		59.7p

*Audited

New Century AIM VCT 2 plc

For the six months to 30 June 2023

Unaudited Statement of Comprehensive Income

(incorporating the revenue account)

	6 month period ended 30 June 2023			Year to 31 December 2022*			6 month period ended 30 June 2022		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gains/(losses) on investments									
Realised	-	27	27	-	(2)	(2)	-	37	37
Unrealised	-	(381)	(381)	-	(1,481)	(1,481)	-	(1,154)	(1,154)
Income	11	-	11	27	-	27	15	-	15
Investment management fees	(3)	(8)	(11)	(7)	(22)	(29)	(4)	(12)	(16)
Other expenses	(66)	-	(66)	(110)	-	(110)	(65)	-	(65)
Return on ordinary activities	(58)	(362)	(420)	(90)	(1,505)	(1,595)	(54)	(1,129)	(1,183)
Tax on ordinary activities	-	-	-	-	-	-	-	-	-
Return on ordinary activities after taxation	(58)	(362)	(420)	(90)	(1,505)	(1,595)	(54)	(1,129)	(1,183)
Return per ordinary share in pence	(1.14)	(7.06)	(8.20)	(1.80)	(30.21)	(32.01)	(1.09)	(23.07)	(24.16)

*Audited

All revenue and capital items in the above statement are from continuing operations in the current six month period. No operations were acquired or discontinued in the current period. Other than that shown above, the Company had no recognised gains or losses. Accordingly, the above represents the total comprehensive income for the period.

The weighted average number of shares in issue during the period was 5,118,039.

New Century AIM VCT 2 plc

For the six months to 30 June 2023

Unaudited Consolidated Statement of Changes in Equity

	Called-up share capital £'000	Share Premium account £'000	Capital Redemption reserve £'000	Special distributable reserve £'000	Capital realised £'000	Capital unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 January 2023	507	382	171	2,915	(62)	(1,345)	(155)	2,413
Realised gains on disposals in period	-	-	-	-	27	-	-	27
Unrealised losses	-	-	-	-	-	(381)	-	(381)
Transfer of unrealised gain to realised on disposal of investment	-	-	-	-	(238)	238	-	-
Net revenue before tax	-	-	-	-	-	-	(58)	(58)
New shares issued	51	165	-	-	-	-	-	216
Capital element of investment management fee	-	-	-	-	(8)	-	-	(8)
At 30 June 2023	<u>557</u>	<u>547</u>	<u>171</u>	<u>2,915</u>	<u>(281)</u>	<u>(1,487)</u>	<u>(213)</u>	<u>2,209</u>
As at 1 January 2022	461	57	171	3,118	(236)	334	(65)	3,840
Realised loss on disposals	-	-	-	-	(2)	-	-	(2)
Unrealised losses	-	-	-	-	-	(1,481)	-	(1,481)
Transfer of unrealised gain to realised on disposal of investment	-	-	-	-	199	(199)	-	-
Net revenue before tax	-	-	-	-	-	-	(90)	(90)
New shares issued	46	325	-	-	-	-	-	371
Capital element of investment management fee	-	-	-	-	(22)	-	-	(22)
Dividends paid	-	-	-	(203)	-	-	-	(203)
At 31 December 2022	<u>507</u>	<u>382</u>	<u>171</u>	<u>2,915</u>	<u>(62)</u>	<u>(1,345)</u>	<u>(155)</u>	<u>2,413</u>

New Century AIM VCT 2 plc

For the six months to 30 June 2023

Unaudited Consolidated Statement of Changes in Equity (continued)

	Called-up share capital £'000	Share Premium account £'000	Capital Redemption reserve £'000	Special distributable reserve £'000	Capital realised £'000	Capital unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 January 2022	461	57	171	3,118	(236)	334	(65)	3,840
Realised gains on disposals	-	-	-	-	37	-	-	37
Unrealised gains	-	-	-	-	-	(1,154)	-	(1,154)
Transfer of unrealised loss to realised on disposal of investment	-	-	-	-	187	(187)	-	-
Net revenue before tax	-	-	-	-	-	-	(54)	(54)
New shares issued	46	325	-	-	-	-	-	371
Capital element of investment management fee	-	-	-	-	(12)	-	-	(12)
At 30 June 2022	<u>507</u>	<u>382</u>	<u>171</u>	<u>3,118</u>	<u>(24)</u>	<u>(1,007)</u>	<u>(119)</u>	<u>3,028</u>

New Century AIM VCT 2 plc

For the six months to 30 June 2023

Investment Portfolio

Security	Cost	Valuation 30 June 2023	% Cost	% Valuation
Qualifying Investments	3,253,173	1,819,493	87.20	81.12
Non-qualifying Investments	72,787	18,959	1.95	0.84
Uninvested funds	404,562	404,562	10.85	18.04
	3,730,522	2,243,014	100.00	100.00
Qualifying Investments				
AIM Quoted				
Abingdon Health plc	35,218	4,198	0.94	0.19
Access Intelligence plc	10,053	17,750	0.27	0.79
Actual Experience plc	63,174	356	1.69	0.02
AFC Energy plc	50,254	39,438	1.35	1.76
Arecor Therapeutic plc	12,818	12,412	0.34	0.55
Audioboom Group plc	41,758	34,983	1.12	1.56
Belluscura plc	52,263	38,018	1.40	1.69
Blackbird plc	18,845	22,500	0.51	1.00
Brighton Pier Group plc	35,379	12,540	0.95	0.56
C4X Discovery Holdings plc	35,179	45,325	0.94	2.02
Clean Power Hydrogen plc	50,253	27,944	1.35	1.25
Cloudbuy plc	41,896	0	1.12	0.00
Coral Products plc	25,104	27,750	0.67	1.24
Cordel Group plc	30,656	31,517	0.82	1.41
Creo Medical Group plc	20,504	9,368	0.55	0.42
CyanConnode Holdings plc	204,219	11,248	5.47	0.50
Deepverge plc	93,203	235	2.50	0.01
Destiny Pharma plc	175,882	86,962	4.71	3.88
Diaceutics plc	10,314	11,340	0.28	0.51
DP Poland plc	25,631	12,920	0.69	0.58
ECSC Group plc	20,104	18,546	0.54	0.83
Falanx Group Ltd	85,234	9,740	2.28	0.43
Feedback plc	100,511	59,933	2.69	2.67
Fusion Antibodies plc	7,540	746	0.20	0.03
Gfinity plc	33,229	971	0.89	0.04
I-Nexus Global plc	30,153	1,473	0.81	0.07
Inspired plc	33,641	107,100	0.90	4.77
Intelligent Ultrasound Group plc	134,808	108,957	3.61	4.86
Kinovo plc	52,465	36,270	1.41	1.62
Let's Explore plc	33,420	12,218	0.90	0.54
Libertine Holdings plc	125,628	43,750	3.37	1.95
Light Science Technologies plc	50,254	47,500	1.35	2.12
Location Sciences Group plc	72,643	4,044	1.95	0.18
Loopup Group plc	15,078	269	0.40	0.01

Security	Cost	Valuation	%	%
		30 June 2023	Cost	Valuation
Lunglife AI Inc	20,104	2,875	0.54	0.13
M.Winkworth plc	56,280	98,700	1.51	4.40
Marechale Capital plc	75,752	11,925	2.03	0.53
Microsaic Systems plc	142,261	158	3.81	0.01
Mirriad Advertising plc	30,154	1,849	0.81	0.08
MyHealthChecked plc	103,202	63,963	2.77	2.85
N4 Pharma plc	40,204	6,000	1.08	0.27
Nexteq plc	8,091	28,000	0.22	1.25
Pelatro plc	25,128	3,200	0.67	0.14
PHSC plc	50,256	24,000	1.35	1.07
Polarean Imaging plc	7,539	12,075	0.20	0.54
Property Franchise Group plc	45,482	115,721	1.22	5.16
Rosslyn Data Technologies plc	23,219	455	0.62	0.02
Scancell Holdings plc	45,233	42,900	1.21	1.91
SEEN plc	100,511	26,444	2.69	1.18
Solid State plc	35,248	170,994	0.94	7.62
SRT Marine Systems plc	4,523	13,000	0.12	0.58
Strip Tinning plc	15,890	5,127	0.43	0.23
Sysgroup plc	45,232	21,975	1.21	0.98
Trellus Health plc	25,128	3,438	0.67	0.15
Tristel plc	1,651	14,160	0.04	0.63
Verici Dx plc	101,505	42,354	2.72	1.89
XP Factory plc	31,006	4,216	0.83	0.19
Yourgene Health plc	40,204	388	1.08	0.02
Yu Group plc	20,504	67,589	0.55	3.01
	2,921,616	1,679,824	78.32	74.89
Qualifying Investments				
AQSE Quoted				
Sulnox Grp plc	135,786	108,522	3.64	4.84
Truspine Technology plc	100,283	13,500	2.69	0.60
	236,069	122,022	6.33	5.44
Qualifying Investments				
Unlisted Investments				
Anglo African Oil & Gas plc	65,329	0	1.75	0.00
LightwaveRF plc	30,158	17,647	0.81	0.79
	95,487	17,647	2.56	0.79
Total qualifying investments	3,253,173	1,819,493	87.20	81.12

Security	Cost	Valuation	%	%
		30 June 2023	Cost	Valuation

Non Qualifying Investments

AIM Quoted

Audioboom Group plc	1,163	207	0.03	0.01
Rotala plc	9,907	11,098	0.27	0.49
Tristel plc	60	354	0.00	0.02
	11,130	11,659	0.30	0.52

Non Qualifying Investments

UK Listed

Twentyfour Income Fund Ltd	9,852	7,300	0.26	0.32
	9,852	7,300	0.26	0.32

Non Qualifying Investments

Unlisted Investments

China Food Co plc	31,547	0	0.85	0.00
Sorbic International plc	10,205	0	0.27	0.00
Mar City plc	10,053	0	0.27	0.00
	51,805	0	1.39	0.00

Total non-qualifying investments

	72,787	18,959	1.95	0.84
--	---------------	---------------	-------------	-------------

New Century AIM VCT 2 plc

Notes to the Accounts

For the six months to 30 June 2023

This interim financial information and the unaudited interim accounts for the six months to 30 June 2023 from which it has been extracted, are the responsibility of the directors and were approved by them on 31 August 2023, do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 and have not been delivered to the Registrar of Companies.

The Company is an investment company as defined in Section 833 of the Companies Act 2006. The unaudited interim accounts have been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard 104 Interim Financial Reporting (January 2022) and with the Statement of Recommended Practice for Investment Companies re-issued by the Association of Investment Companies in November 2014 and updated in July 2022.

The unaudited interim accounts have been prepared using accounting policies that the Company applied in the accounts for the year ended 31 December 2022, incorporating FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The Company considers these accounting policies will be used in the accounts for the year ending 31 December 2023.

Listed, AIM or AQUIS Markets - traded investments are stated at market value, which is based upon market bid prices in an active market at the balance sheet date. These would all meet tier 1 of the fair value hierarchy.

5,067,643 Ordinary Shares of 10 pence each were in issue from 1 January 2023 until 12 June 2023. On the 13 June 2023 the Company issued 506,760 new shares at a price of 42.55p per share. At the 30 June 2023 there were 5,574,403 shares in issue. The average weighted number of shares in issue in the period was 5,118,039.

Net Asset Value per share at 30 June 2023 was 39.6p (at 31 December 2022: 47.6p; 30 June 2022: 59.7p).

No dividend was paid in the period, but a final dividend for the year ended 31 December 2022, of 2.5p per share (totaling £139,360) was paid on 21 July 2023.

There have not been any other significant events since the balance sheet date.

New Century AIM VCT 2 plc is managed by Oberon Investments Limited ('OIL'). Under the terms of the management agreement, OIL is entitled to a fee (exclusive of VAT) equal to 1% per annum of the net assets of the Company. During the period the management fee was £10.7k (the year ended 31 December 2022, £28.8k; the period ended 30 June 2022, £16.3k).

Bearing in mind that the assets of the Company consist mainly of marketable securities, the directors are of the opinion that at the time of approving this interim financial information, the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing this interim financial information.

Copies of the Interim Report to Shareholders have been sent to shareholders and are available at the Company's Registered Office: Tricor Secretaries Ltd, 4th Floor, 50 Mark Lane, London EC3R 7QR.

New Century AIM VCT 2 plc

Directors, Investment Managers and Advisors

Directors
Geoffrey Charles Gamble (Chairman)
Michael David Barnard
Ian Cameron-Mowat
Simon Like

**Secretary
and registered office**
Tricor Secretaries Ltd
4th Floor, 50 Mark Lane
London EC3R 7QR

Registrar
Neville Registrars Limited
Neville House
Steelpark Road
Halesowen
West Midlands B62 8HD

Solicitors
Dundas & Wilson
5th Floor, Northwest Wing
Bush House
Aldwych
London WC2B 4EZ

Investment Manager and Broker
Oberon Investments Limited
1st Floor
12 Hornsby Square
Southfields Business Park
Basildon
Essex SS15 6SD

Auditor
Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP