

Octopus Future Generations VCT plc

Backing businesses
with the power to transform
the world for the better

Unaudited financial report for the twelve months
ended 30 June 2024

octopusinvestments
A brighter way



Octopus Future Generations VCT plc ('Future Generations VCT' or the 'Company') is backing businesses that aim to address society's biggest challenges, providing an opportunity for investors to share in the growth of ambitious, purpose-driven companies.

The Company is managed by Octopus AIF Management Limited (the 'Manager'), who has delegated investment management to Octopus Investments Limited ('Octopus' or 'Portfolio Manager') via its investment team Octopus Ventures.

Octopus Investments Awards



Financial report for the twelve months ended 30 June 2024

Chair's statement	2
Investment themes	4
Operating responsibly	5
Portfolio Manager's review	6

Financials

Directors' responsibilities statement	12
Income statement	13
Balance sheet	14
Statement of changes in equity	15
Cash flow statement	18
Condensed notes to the financial report	19
Investment portfolio	21
Shareholder information	23
Glossary	25
Annual General Meeting	26
Notice of Annual General Meeting	28
Directors and advisers	31

Key dates

Annual General Meeting (AGM)	10 December 2024
Annual results for the year ended December 2024	April 2025

Chair's statement



Key financials at 30 June 2024:

46.1 million

in total net assets

86.8p

Net Asset Value (NAV) per share

36

portfolio companies

I am pleased to present the unaudited financial report and accounts for the Company for the twelve months to 30 June 2024.

I would like to welcome all new shareholders to the Company. Future Generations VCT invests in exciting early-stage companies which aspire to address current environmental and societal issues.

The NAV per share at 30 June 2024 was 86.8p, which represents a net decrease of 6.9p per share from 31 December 2023, the latest released NAV. In the twelve months to 30 June 2024, we utilised £8.3 million of our cash resources, including £7.2 million which was invested into 13 new portfolio companies. The cash balance of £17.5 million as at 30 June 2024 represents 37.8% of net assets at that date. The loss made in the period to 30 June 2024 was £4.0 million. This decline is mainly caused by the downward movements in some portfolio company valuations. It is reflective of some company specific performance challenges and the difficult funding conditions in the early stage space. Given the Company is still a new VCT, many of its portfolio companies are at the beginning of their journey and will likely require further funding to succeed, so it is to be expected to see under performance or even failures before any growth in value of companies which are ultimately successful. More can be read about the most affected portfolio companies on page 10.

Fundraise

On 31 January 2024 we launched a new offer to raise up to £15 million, and to date we have raised £3.2 million. The offer will close for new applications on 27 January 2025, or earlier at the Board's discretion. We would like to take this opportunity to thank all shareholders for their continued support.

As investors will be aware, the intention is to invest in businesses which meet one of three key themes, which we believe demonstrate good investment prospects as well as having the potential to transform the world we live in for the better. These three themes are summarised on page 4.

VCT qualification

I am pleased to report that in April 2024, the Company met the requirement for 80% of the Company's funds to be invested in VCT qualifying holdings by 1 July 2024 (for funds raised up to 30 June 2022). The remainder will be invested in permitted non-VCT qualifying investments or cash.

In November 2023, a ten-year extension was announced to the 'sunset clause' (a retirement date for the VCT scheme), meaning VCT tax reliefs will be available until 5 April 2035. This extension passed through Parliament in February 2024 and on 3 September the Treasury brought into effect the extension through The Finance Act 2024.

Principal risks and uncertainties

The Board continues to review the risk environment in which the Company operates on a regular basis. The principal risks as described on pages 32 to 34 of the Annual Report for the year ended 30 June 2023 remain, however there is increased exposure to investment performance and loss of key people. These will be reported on in detail in the annual report to 31 December 2024.

Chair's statement continued

Change to year end

In 2023, the Board reviewed and approved a proposal to move the Company's year-end from 30 June to 31 December. This change is largely being driven by operational efficiency gains by aligning year-end periods with other funds with which the Company co-invests. As a result, shareholders will receive an annual report for 31 December 2024 covering an extended 18-month period. After this, the normal cadence of reporting will resume.

Board of Directors

As announced in our half-yearly report to 31 December 2023, Ajay Chowdhury was appointed as an independent Non-Executive Director on 1 March 2024. Ajay is a serial entrepreneur, venture capitalist and author, and recently retired from his role as senior partner at the Boston Consulting Group. We look forward to benefitting from his wealth of experience in the early-stage venture ecosystem.

AGM

The AGM will take place on 10 December 2024 from 10:00am and will be held at the offices of Octopus Investments Limited, 33 Holborn, London, EC1N 2HT. Full details of the business to be conducted at the AGM are given in the Notice of AGM on pages 26 to 28.

Shareholders' views are important, and the Board encourages shareholders to vote on the resolutions within the Notice of AGM on pages 26 to 28 using the proxy form, or electronically at www.investorcentre.co.uk/eproxy. The Board has carefully considered the business to be approved at the AGM and recommends shareholders to vote in favour of all the resolutions being proposed, as the Board will be doing.

Outlook

The decline in the NAV is disappointing, with some of the portfolio companies struggling to scale, secure customer wins and successfully fundraise meaning they are not achieving the milestones set at the time the Company invested. With companies not able to prove their business models, we will unfortunately see companies fail. The Board is mindful that it is not an unusual outcome for a Company at this stage of its investment life cycle, with any failures likely preceding valuation growth which is expected once the portfolio matures. While the Company continues to add to its portfolio, there is also currently a greater concentration of value in fewer companies, so performance will be more sensitive to valuation movements in the underlying holdings than if the portfolio was larger.

The decline has been amplified by challenging global economic conditions which have characterised the last few years particularly impacting on growth and early-stage businesses. We are hopeful that there are signs of recovery on the horizon, with the Bank of England cutting interest rates for the first time since 2020 and the conclusion of the UK General Election bringing more political certainty and stability. The exit environment is also starting to show signs of recovery, with Initial Public Offerings (IPOs) having their strongest start to the year since the peak of 2021, bringing renewed optimism in the market¹. Together, this gives us some confidence that the challenging environment our portfolio companies are operating in will start to improve, and with diversification across the three investment themes, it should mean the Company is well positioned to generate long-term value for shareholders.

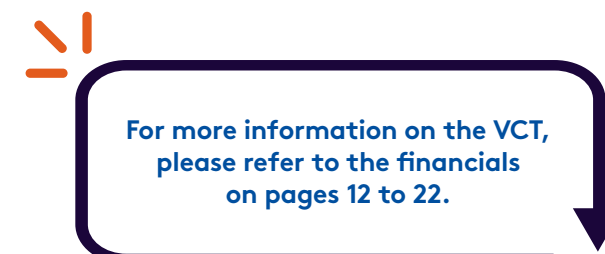
¹ Pitchbook, European Venture Report Q2 2024 <https://pitchbook.com/news/reports/q2-2024-european-venture-report#:~:text=Our%20Q2%202024%20European%20Venture,mot%2Dactive%20vertical%20after%20SaaS.>

I would like to conclude by thanking both my Board colleagues and the Octopus team on behalf of all shareholders for their hard work. The Board's long-term view of early-stage venture capital remains positive, and I am looking forward to seeing what the remainder of the year brings for your Company.



Helen Sinclair
Chair

27 September 2024



Investment themes

Portfolio value by the three investment themes as at 30 June 2024



Building a sustainable planet

As society moves to a low carbon economy, the way we produce and consume information, materials and energy is changing. Some of the most exciting early-stage businesses are helping to accelerate this transition. Businesses under this theme might be reducing carbon emissions, protecting ecosystems, or creating a circular economy that removes waste.



Empowering people

Future Generations VCT wishes to empower people to create a fairer and more equitable society so invests in businesses that are reimagining the future of society. These companies could democratise education or financial services, disrupt the food industry to stop people going hungry or increase connectivity between people and protect their privacy online. This could drive innovations that will make the world a better and safer place.



Revitalising healthcare

Healthcare is essential. Future Generations VCT is backing businesses moving health and wellbeing forward. That could mean investing in entrepreneurs who are improving lives through digital health solutions. Or it might mean supporting businesses helping people conquer addictions or creating software that will make healthcare services more efficient and accessible.



Building a sustainable planet

21%



Empowering people

36%



Revitalising healthcare

43%



Read more about
our investments
on page 7

Operating responsibly

Future Generations VCT has a policy in place, which is set by the Board, to ensure Octopus Ventures considers responsible investment within investment decisions.

Octopus Ventures is responsible for implementing the Company's Responsible Investment policy. As the nature of responsible investment and the wider business environment evolves, the policy will be reviewed and, if necessary, updated. The policy ensures Octopus Ventures follows a three-step approach to responsible investment.

The Directors believe responsible investment can help create long-term value so companies should implement a framework to support best practices.

This framework considers:

1. **Mission:** the impact of an investment
2. **Materiality:** the materiality of sustainability issues
3. **Responsibility:** a portfolio company's values, culture and behaviour

Mission

Future Generations VCT is helping to solve some of the world's biggest problems. The team look for investments that have the capability to enable the transition to a greener planet, address inequality and rebalance access to healthcare. To see how the portfolio is split by each theme, please refer to page 6.

Materiality

As part of the investment process, the team incorporate a material risk review of sustainability issues. This process includes identification and consideration of material issues which could impact the sector within which the Company operates. These risks and their relevance to sectors is based on guidance from the Sustainability Accounting Standards Board (SASB). Given the nature of the tech-enabled businesses targeted for investment, the most material risks identified include data security, data privacy, and recruiting and managing a diverse and skilled workforce.

Responsibility

Octopus has created an engagement tool to help the investment team understand whether a company considers their wider stakeholders (community, customers, people, planet and shareholders) within decision making and provide tools and guidance to help companies adopt responsible practices. The team will also collect data on diversity within the portfolio and actively work with portfolio companies to support talent management, recruitment and diversity.



Please view the Responsible Investment policy here
octopusinvestments.com/fg-responsible-investment-policy/



Portfolio Manager's review

At Octopus, our focus is on managing your investments and providing investors with clear and transparent communication. Our annual and half-yearly updates are designed to keep you informed about the progress of your investment.

13

investments completed in
twelve months to 30 June 2024

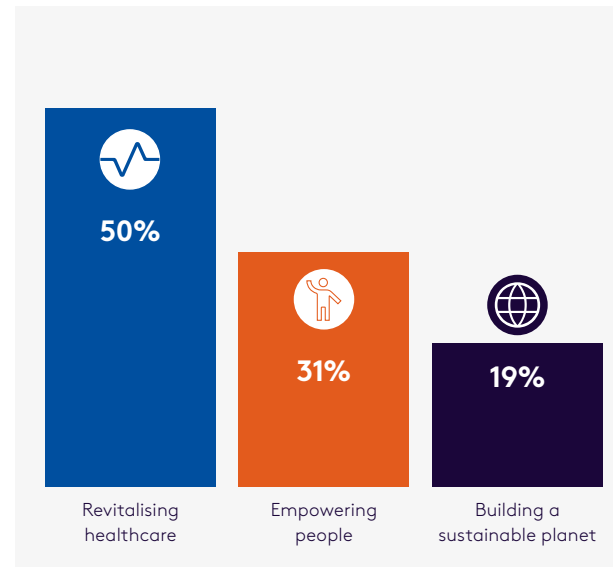
£28.6 million

total value of the portfolio as at
30 June 2024

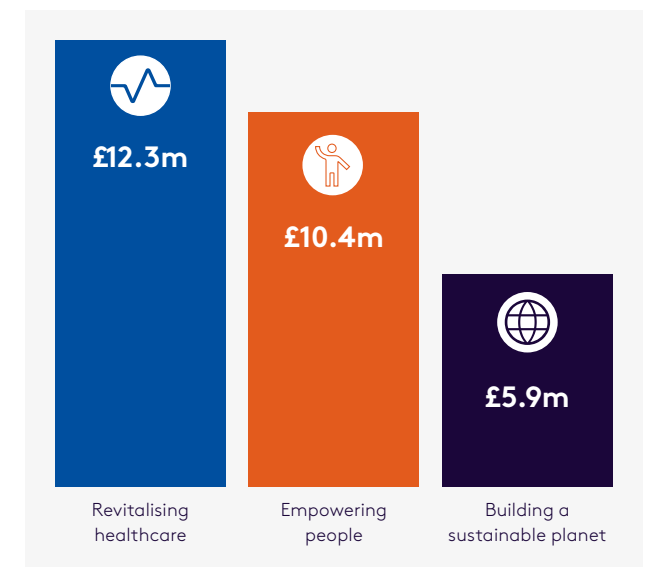
Focus on Future Generations VCT's investments

Below is a breakdown of the 36 investments held as at 30 June 2024, showing the proportion and value of the portfolio in each investment theme:

Proportion by number of portfolio companies
in each theme



Value of the portfolio in each theme



Portfolio Manager's review continued

Overview of investments

The Company completed 7 new investments in the six months to 30 June 2024 (comprising a total of £5.2 million) and 2 further investments after the reporting date totalling £0.5 million. More information on three of these businesses can be found below. For a full list, please see the Investment portfolio on page 21:

A selection of our completed investments



Empowering people



Swiipr has developed a digital payments platform specifically for the airline industry. The platform enables airlines to instantly compensate passengers in cases of disrupted or cancelled flights, using virtual or pre-paid cards. Swiipr aims to streamline payment processing for airlines and improve the reimbursement experience for affected passengers.



Building a sustainable planet



Drift Energy is designing sailing vessels and the routing algorithms required to capture deep water wind energy and convert it into onboard hydrogen gas. This would then be transported back to shore using a fully integrated desalination, electrolysis and storage system.



Revitalising healthcare











MANUAL

Manual is looking to become the go-to global platform to increase healthy lifespan and build a series of direct-to-consumer health brands for high importance, non-critical areas of health. To achieve this, it will provide easy to access advice and medical support for diagnosis, custom treatment plans and holistic care to induce long-term behaviour change.






Portfolio Manager's review continued

Top ten investments

	Portfolio company	Cost	Valuation at 30 June 2024	Investment theme
1	Perk Finance, S.L. (t/a* Cobee)	£2.6m	£3.7m	
2	HelloSelf Limited	£2.6m	£2.6m	
3	Neat SAS	£0.8m	£2.2m	
4	Infinitopes Ltd	£1.6m	£1.6m	
5	TYTN Ltd (t/a TitanML)	£0.5m	£1.5m	
6	Mr & Mrs Oliver Ltd (t/a Skin + Me)	£1.0m	£1.4m	
7	Apheris AI GmbH	£1.2m	£1.2m	
8	Remofirst, Inc.	£1.2m	£1.2m	
9	Intrinsic Semiconductor Technologies Ltd	£0.9m	£1.0m	
10	Inflow Holdings Inc.	£1.0m	£1.0m	

Key:

-  Empowering people
-  Revitalising healthcare
-  Building a sustainable planet

* Trading as



Portfolio Manager’s review continued

Portfolio engagement – D&I and carbon emission measurement

As part of our strategy, we require portfolio companies to put in place a Diversity and Inclusion policy (D&I) and an Anti-Harassment policy. We also engage with each company to help them understand their greenhouse gas emissions and support them to take action to minimise them. You can see how we are progressing with these goals below, as at the date of this report:



D&I policy status		
●	Policy in place	36
●	In progress	0



Engaged in monitoring 2023 greenhouse gas emissions		
●	Signed up	12
●	Introduced	22
●	In progress	2

Portfolio Manager's review continued

Focus on performance

The NAV of 86.8p per share at 30 June 2024 represents a decrease of 6.9p per share versus a NAV of 93.7p per share as at 31 December 2023. The decline in valuation over the six-month period has been driven by the downward valuation movements across 13 companies which saw a collective decrease in valuation of £6.5 million. The businesses that contributed most significantly to this were Tympa Health, Pear Bio and Elo Health. In the six months, the Company further invested into Tympa Health as this was the committed second tranche of the original investment case from 2023. During the investment period, Tympa Health over-invested in growth and has now had to make significant cost cuts and changes to senior management whilst running a fundraise process. It has successfully secured an external lead investor, but at a reduced valuation and the Company now sits behind a large preference stack, meaning that other investors get paid back first before the Company would see any returns. Pear Bio has also had to significantly reduced its cash burn but has limited runway and needs to further fundraise, so the valuation has been reduced to reflect this risk. Elo Health has struggled to find a market fit and execute on the investment thesis, so to extend its cash runway it has had to raise an investment round at a reduced valuation. These three valuation movements account for 87.6% of the total decline in the six months.

Octopus Ventures believes that some of the companies which have seen decreased valuations in the year have the potential to overcome the issues they face and get their growth plans back on track. Octopus Ventures will continue to work with them to help them realise their ambitions. In some cases, if a company is achieving its performance milestones, the support offered could include further funding, to ensure a business has the capital it needs to execute on its strategy.

Conversely, 6 companies saw an increase in valuation in the period, delivering a collective increase in valuation of £2.9 million. These valuation increases reflect businesses which have successfully concluded further funding rounds, grown revenues or met certain important milestones. Notable strong performers in the portfolio include Neat and TitanML, both of which have shown impressive capital efficient growth. These strong performers demonstrate that there are opportunities available for companies to scale.

At this early stage of the Company's life cycle, it is to be anticipated that failures will likely precede valuation growth, which takes longer as the portfolio companies have to achieve their agreed milestones and mature.

The gain on Future Generation's uninvested cash reserves was £0.9 million in the twelve months to 30 June 2024 (31 December 2023: gain of £0.5 million), driven by returns on money market funds. The Board's objective for these investments is to generate sufficient returns through the cycle to cover costs, at limited risk to capital.

Outlook

We are pleased to report the Company's first disposal as it was agreed that Cobee (an employee benefits and engagement platform) will be acquired by Pluxee Group as part of its strategic growth plan. The transaction is subject to approval by the Spanish regulatory authorities over the coming months, so we look forward to reporting further after completion has taken place. The transaction is a great result for the Company at such an early point in its investment lifecycle and a good proof point of the investment strategy.

The decline in NAV over the six-month period is disappointing but attributable to both the stage of the Company and the headwinds the portfolio companies have been facing. We continue to closely monitor the portfolio to ensure support and resources are being directed in the most impactful way, both through Octopus-appointed non-executive directors or monitors on the Boards and our in-house People and Talent team. This team works directly with the portfolio company management teams, offering training and recruitment support to ensure the best talent pool is being explored to help drive success in this more challenging climate.

We are excited to have the opportunity to continue to scale the Company, support its ambition to make the world a better place for future generations, and hope to deliver attractive returns to shareholders.

Financials

What's in this section

Directors' responsibilities statement	12
Income statement	13
Balance sheet	14
Statement of changes in equity	15
Cash flow statement	18
Condensed notes to the financial report	19
Investment portfolio	21
Shareholder information	23
Glossary	25
Annual General Meeting	26
Notice of Annual General Meeting	28
Directors and advisers	31



Directors' responsibilities statement

The Directors confirm that to the best of their knowledge:

- the financial statements for the twelve months ended 30 June 2024 have been prepared in accordance with 'Financial Reporting Standard 104: Interim Financial Reporting' issued by the Financial Reporting Council;
- the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the report includes a fair review of the information required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules, being:
 - we have disclosed an indication of the important events that have occurred during the twelve months of the period and their impact on the set of financial statements;
 - we have disclosed a description of the principal risks and uncertainties for the remaining six months of the period; and
 - we have disclosed a description of related party transactions that have taken place in the twelve months of the current financial period, that may have materially affected the financial position or performance of the Company during that period and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board



Helen Sinclair
Chair

27 September 2024

Income statement

	Unaudited Twelve months to 30 June 2024			Unaudited Six months to 31 December 2023			Audited Year to 30 June 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net loss on valuation of fixed asset investments	–	(3,495)	(3,495)	–	(136)	(136)	–	(6)	(6)
Investment management fees	(238)	(712)	(950)	(117)	(350)	(467)	(174)	(522)	(696)
Investment income	973	–	973	515	–	515	424	–	424
Other expenses	(535)	–	(535)	(246)	–	(246)	(500)	–	(500)
Profit/(loss) before tax	200	(4,207)	(4,007)	152	(486)	(334)	(250)	(528)	(778)
Tax	–	–	–	–	–	–	–	–	–
Profit/(loss) after tax	200	(4,207)	(4,007)	152	(486)	(334)	(250)	(528)	(778)
Earnings per share – basic and diluted	0.4p	(8.4)p	(8.0)p	0.3p	(1.0)p	(0.7)p	(0.6)p	(1.3)p	(1.9)p

- The 'Total' column of this statement is the profit and loss account of Future Generations VCT; the supplementary revenue return and capital return columns have been prepared under guidance published by the Association of Investment Companies.
- All revenue and capital items in the above statement derive from continuing operations.
- Future Generations VCT has only one class of business and derives its income from investments made in shares and securities, and from bank and money market funds. Future Generations VCT has no other comprehensive income for the period.

The accompanying notes form an integral part of the financial statements.

Balance sheet

	Unaudited As at 30 June 2024		Unaudited As at 31 December 2023		Audited As at 30 June 2023	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments		28,566		26,729		24,895
Current assets:						
Applications cash*	153		100		370	
Debtors	212		240		379	
Cash at bank	192		107		152	
Money market funds	17,265		19,998		20,140	
		17,822		20,445		21,041
Creditors: amounts falling due within one year	(256)		(177)		(518)	
Net current assets		17,566		20,268		20,523
Net assets		46,132		46,997		45,418
Share capital	53		50		48	
Share premium	51,177		48,372		46,461	
Capital reserve realised	(1,352)		(990)		(640)	
Capital reserve unrealised	(3,492)		(133)		3	
Revenue reserve	(254)		(302)		(454)	
Total equity shareholders' funds	46,132		46,997		45,418	
Net asset value per share	86.8p		93.7p		94.3p	

* Cash received from investors but not yet allotted.

The accompanying notes form an integral part of the financial statements.

The statements were approved by the Directors and authorised for issue on 27 September 2024 and are signed on their behalf by:



Helen Sinclair
Chair

Company Number: 13750143

Statement of changes in equity

	Share capital £'000	Share premium £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 July 2023	48	46,461	(640)	3	(454)	45,418
Comprehensive income for the year:						
Management fees allocated as capital expenditure	–	–	(712)	–	–	(712)
Net loss on fair value of fixed asset investments	–	–	–	(3,495)	–	(3,495)
Profit after tax	–	–	–	–	200	200
Total comprehensive income for the year	–	–	(712)	(3,495)	200	(4,007)
Contributions by and distributions to owners:						
Shares issued	5	4,814	–	–	–	4,819
Share issue costs	–	(98)	–	–	–	(98)
Total contributions by and distributions to owners	5	4,716	–	–	–	4,721
Balance as at 30 June 2024	53	51,177	(1,352)	(3,492)	(254)	46,132

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity continued

	Share capital £'000	Share premium £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 July 2023	48	46,461	(640)	3	(454)	45,418
Comprehensive income for the year:						
Management fees allocated as capital expenditure	–	–	(350)	–	–	(350)
Net loss on fair value of fixed asset investments	–	–	–	(136)	–	(136)
Profit after tax	–	–	–	–	152	152
Total comprehensive income for the year	–	–	(350)	(136)	152	(334)
Contributions by and distributions to owners:						
Shares issued	2	1,971	–	–	–	1,973
Share issue costs	–	(60)	–	–	–	(60)
Total contributions by and distributions to owners	2	1,911	–	–	–	1,913
Balance as at 31 December 2023	50	48,372	(990)	(133)	(302)	46,997

The accompanying notes form an integral part of the financial statements.

Statement of changes in equity continued

	Share capital £'000	Share premium £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Revenue reserve £'000	Total £'000
As at 1 July 2022	33	31,572	(118)	9	(204)	31,292
Comprehensive income for the year:						
Management fees allocated as capital expenditure	–	–	(522)	–	–	(522)
Net loss on fair value of fixed asset investments	–	–	–	(6)	–	(6)
Loss after tax	–	–	–	–	(250)	(250)
Total comprehensive income for the year	–	–	(522)	(6)	(250)	(778)
Contributions by and distributions to owners:						
Shares issued	15	15,164	–	–	–	15,179
Share issue costs	–	(275)	–	–	–	(275)
Total contributions by and distributions to owners	15	14,889	–	–	–	14,904
Balance as at 30 June 2023	48	46,461	(640)	3	(454)	45,418

The accompanying notes form an integral part of the financial statements.

Cash flow statement

	Unaudited Twelve months to 30 June 2024 £'000	Unaudited Six months to 31 December 2023 £'000	Audited Year to 30 June 2023 £'000
Cash flows from operating activities			
Loss before tax	(4,007)	(334)	(778)
Loss on valuation of fixed asset investments	3,495	136	6
Decrease/(increase) in debtors	167	138	(103)
Decrease in creditors	(45)	(71)	(325)
Outflow from operating activities	(390)	(131)	(1,200)
Cash flows from investing activities			
Purchase of fixed asset investments	(7,166)	(1,970)	(23,238)
Outflow from investing activities	(7,166)	(1,970)	(23,238)
Cash flows from financing activities			
Application account inflow	4,602	1,685	13,634
Application account outflow	(4,819)	(1,955)	(15,179)
Proceed from share issues	4,819	1,955	15,179
Share issue costs	(98)	(41)	(275)
Inflow from financing activities	4,504	1,644	13,359
Decrease in cash and cash equivalents	(3,052)	(456)	(11,079)
Opening cash and cash equivalents	20,662	20,662	31,741
Closing cash and cash equivalents	17,610	20,206	20,662
Cash and cash equivalents comprise			
Money Market Funds	17,265	19,998	20,140
Cash at Bank	192	107	152
Applications cash	153	100	370
Closing cash and cash equivalents	17,610	20,205	20,662

The accompanying notes form an integral part of the financial statements.

Condensed notes to the financial report

1. Basis of preparation

The unaudited results which cover the twelve months to 30 June 2024 have been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard 104 Interim Financial Reporting (January 2022) and the Statement of Recommended Practice (SORP) for Investment Companies re-issued by the Association of Investment Companies in July 2022.

The Directors consider it appropriate to adopt the going concern basis of accounting. The Directors have not identified any material uncertainties to the Company's ability to continue to adopt the going concern basis over a period of at least twelve months from the date of approval of the financial statements. In reaching this conclusion, the Directors have taken into account the potential impact on the economy including inflation and the recession.

The principal accounting policies have remained unchanged from those set out in the Company's 2023 Annual Report and Accounts.

2. Publication of non-statutory accounts

The unaudited financial report for the twelve months ended 30 June 2024 does not constitute Statutory Accounts within the meaning of s.415 of the Companies Act 2006 and has not been delivered to the Registrar of Companies. The comparative figures for the year ended 30 June 2023 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditor's report on those financial statements, in accordance with Chapter 3, Part 16 of the Companies Act 2006, was unqualified. This financial report has not been reviewed by the Company's auditor.

3. Earnings per share

The loss per share is based on 50,107,452 Ordinary shares (30 June 2023: 40,987,288, 31 December 2023: 48,725,532) being the weighted average number of shares in issue during the period. There are no potentially dilutive capital instruments in issue and so no diluted returns per share figures are relevant. The basic and diluted earnings per share are therefore identical.

4. Net asset value per share

	30 June 2024	31 December 2023	30 June 2023
Net assets (£'000)	46,132	46,997	45,418
Shares in issue	53,160,670	50,165,822	48,138,337
Net asset value per share (p)	86.8	93.7	94.3

5. Allotments

During the twelve months to 30 June 2024, 5,022,333 shares were issued at a weighted average price of 95.2p (30 June 2023: 15,569,169 shares at a weighted average price of 98.6p, 31 December 2023: 2,027,485 shares at a weighted average price of 97.3p per share).

6. Transactions with the Manager and Portfolio Manager

Future Generations VCT is classified as a full-scope Alternative Investment Fund (AIF) under the Alternative Investment Fund Management Directive (the 'AIFM Directive'). Future Generations VCT has appointed Octopus AIF Management Limited to provide the services of an Alternative Investment Fund Manager (AIFM) of a full scope AIF. In accordance with its power to do so under AIFMD, Octopus AIF Management Limited has delegated portfolio management to Octopus Investments Limited, whilst retaining the obligations of a risk manager.

Future Generations VCT paid Octopus AIF Management Limited £950,000 in the period as a management fee (30 June 2023: £696,000, 31 December 2023: £467,000). The annual management charge (AMC) is based on 2% of Future Generations VCT's NAV. The AMC is payable quarterly in advance and calculated using the latest published NAV of Future Generations VCT and the number of shares in issue at each quarter end. Once the quarter has ended, an adjustment will be made if the NAV at the end of the current quarter is calculated and which differs from the NAV as at the end of the previous quarter.

Condensed notes to the financial report continued

6. Transactions with the Manager and Portfolio Manager continued

Octopus also provides Non-Investment Services to Future Generations VCT, payable quarterly in advance. The fee is 0.3% of Future Generations VCT's NAV, calculated at quarterly intervals. The Non-Investment Services Agreement (NISA) fee is calculated using the latest published NAV of Future Generations VCT and the number of shares in issue at each quarter end. As with the AMC, an adjustment will be made once the quarter has ended if the NAV at the end of the current quarter is calculated and which differs from the NAV as at the end of the previous quarter. During the period £143,000 was paid to Octopus for Non-Investment Services (30 June 2023: £122,000, 31 December 2023: £70,000).

In addition, Octopus is entitled to performance-related incentive fees, subject to Future Generations VCT's total return at year end exceeding the total return at the previous year end when an incentive fee was paid or 97p if the first incentive fee has not yet been paid (the 'Excess'), equal to 20% of the Excess. Future Generations VCT's total return at year end exceeded the total return at the previous year end when an incentive fee was paid or 97p if the first incentive fee has not yet been paid (the 'Excess'), equal to 20% of the Excess. No performance fee will be paid prior to the financial period ending 30 June 2025, dividends (paid or declared) being equal to or greater than 10p per Ordinary share and the total return exceeding 120p.

The cap relating to Future Generations VCT's total expense ratio, that is the regular, recurring costs of Future Generations VCT expressed as a percentage of its NAV, above which Octopus have agreed to pay, is 3.0%, and is calculated in accordance with the AIC Guidelines.

7. Related party transactions

Several members of the Octopus investment team hold non-executive directorships as part of their monitoring roles in Future Generations VCT's portfolio companies, but they have no controlling interests in those companies.

Emma Davies, a former Non-Executive Director of Future Generations VCT, previously held the role of co-CEO of Octopus Ventures. On 24 March 2023, Emma Davies ceased to be employed by Octopus Capital Limited and therefore she is no longer considered a related party. Emma retired as a Non-Executive Director of Future Generations VCT on 31 March 2024.

No dividends have been paid to the Directors of Future Generations VCT.

8. Voting rights and equity management

The following table shows the percentage voting rights held by Future Generations VCT in each of the top ten investments, on a fully diluted basis.

Investments	30 June 2024 % voting rights held by Future Generations VCT
Perk Finance, S.L. (t/a Cobee)	2.8%
HelloSelf Limited	4.1%
Neat SAS	3.2%
Infinitopes Ltd	4.4%
TYTN Ltd (t/a TitanML)	4.2%
Mr & Mrs Oliver Ltd (t/a Skin + Me)	0.6%
Apheris AI GmbH	3.2%
Remofirst, Inc.	1.4%
Intrinsic Semiconductor Technologies Ltd	5.1%
Inflow Holdings, Inc.	1.9%

9. Post balance sheet events

The following events occurred between the balance sheet date and the signing of this financial report:

- 2 new investments completed totalling £0.5 million.

Investment portfolio

The table below sets out the investment cost and the amount invested in the period for the portfolio as at 30 June 2024.

		Investment cost as at 30 June 2024 £'000	Amount invested in the period to 30 June 2024 £'000
Fixed asset investments	Investment theme		
Tympa Health Technologies Ltd	Revitalising healthcare	3,717	1,031
Perk Finance, S.L. (t/a Cobee)	Empowering people	2,568	-
HelloSelf Limited	Revitalising healthcare	2,551	-
Ourotech Ltd (t/a Pear Bio)	Revitalising healthcare	2,014	-
Infinitopes Ltd	Revitalising healthcare	1,611	-
Elo Health, Inc.	Revitalising healthcare	1,257	-
Apheris AI GmbH	Empowering people	1,246	-
Remofirst, Inc.	Empowering people	1,161	1,161
Inflow Holdings Inc.	Revitalising healthcare	1,012	-
Mr & Mrs Oliver Ltd (t/a Skin + Me)	Revitalising healthcare	991	-
Intrinsic Semiconductor Technologies Ltd	Empowering people	880	-
Menwell Limited (t/a Manual)	Revitalising healthcare	870	870
Living Optics Ltd	Empowering People	858	-
CoMind Technologies Ltd	Revitalising healthcare	796	796
Pivotal Future Ltd	Building a sustainable planet	767	-
Neat SAS	Building a sustainable planet	765	-
Kita Earth Ltd	Building a sustainable planet	691	-
Bloom! Meemo Media, Inc.	Empowering people	642	-
Swiipr Technologies Ltd	Empowering people	609	609
LabGenius Ltd	Revitalising healthcare	605	605
CellVoyant Technology Ltd	Revitalising healthcare	581	581
Perci Health Ltd	Revitalising healthcare	578	-
ExpressionEdits Ltd	Revitalising healthcare	571	571
Secfix GmbH	Empowering people	543	-
Purrafinity Ltd	Building a sustainable planet	507	32
Phlux Technology Ltd	Empowering people	503	-
TYTN Ltd (t/a TitanML)	Building a sustainable planet	451	-
Correcto ESP, S.L.	Empowering people	387	-
Vypercore Ltd	Empowering people	377	-
Little Journey Ltd	Revitalising healthcare	377	-

Investment portfolio continued

		Investment cost as at 30 June 2024 £'000	Amount invested in the period to 30 June 2024 £'000
Fixed asset investments	Investment theme		
Ufonia Ltd	Revitalising healthcare	374	-
Drift Energy Ltd	Building a sustainable planet	348	348
Oto Health Inc.	Revitalising healthcare	289	-
Awell Health BV	Revitalising healthcare	242	242
Pencil Biosciences Ltd	Revitalising healthcare	218	218
Metris Energy, Inc.	Building a sustainable planet	102	102
Total fixed asset investments		32,059	7,166

Shareholder information

Future Generations VCT was incorporated on 17 November 2021 and raised £32.1 million in aggregate (£31.6 million net of expenses). Since then, further funds have been raised through fundraises as follows:

- £15.2 million (£14.9 million net of expenses) during the year to 31 June 2023.

On 31 January 2024, a new fundraise of £15.0 million was launched with an over-allotment facility of up to a further £5.0 million. The Offer is due to close on 27 January 2025, or earlier if fully subscribed.

Further details of Future Generations VCT’s progress are discussed in the Chair’s Statement and Portfolio Manager’s Review on pages 2 and 3 and 6 to 10, respectively.

Venture Capital Trusts (VCTs)

VCTs were introduced in the Finance Act 1995 to provide a means for private individuals to invest in unquoted companies in the UK. Subsequent Finance Acts have introduced changes to VCT legislation. The tax benefits currently available to eligible new investors in VCTs include:

- up to 30% upfront income tax relief;
- exemption from income tax on dividends paid; and
- exemption from capital gains tax on disposals of shares in VCTs.

The principal activity of Future Generations VCT is to invest in a diversified portfolio of UK smaller companies in order to generate capital growth over the long term as well as an attractive tax-free dividend stream. Future Generations VCT has been granted full approval as a VCT by HM Revenue & Customs (HMRC).

In order to maintain their approval, Future Generations VCT must comply with certain requirements on a continuing basis including the provisions of Chapter 3 of the Income Tax Act 2007, in particular s280A:

- no single investment made can exceed 15% of Future Generations VCT’s total value; and
- a minimum of 10% of each qualifying investment must be in Ordinary shares with no preferential rights.

The below requirements will apply when Future Generations VCT has passed through three accounting periods:

- at least 80% of their investments must comprise ‘qualifying holdings’¹ (as defined in the legislation); and
- at least 70% of the 80% of qualifying holdings must be invested in Ordinary shares with no preferential rights.

Share price

Future Generations VCT’s share price can be found on various financial websites including www.londonstockexchange.com, with the following TIDM/EPIC code:

	Ordinary shares
TIDM code	OFG
Latest share price (26 September 2024)	82.50p

Buying and selling shares

Future Generations VCT’s Ordinary shares can be bought and sold via a stockbroker in the same way as any other company quoted on the London Stock Exchange. There may be tax implications in respect of selling all or part of your holdings, so shareholders should contact their independent financial adviser if they have any queries.

Buyback of shares

Future Generations VCT operates a policy of buying its own shares for cancellation as they become available, and envisage that purchases will be made at no greater than a 5% discount to the prevailing NAV. Future Generations VCT is, however, unable to buy back shares directly from shareholders. If you are considering selling your shares, please contact Octopus who can talk to you about the options available. They will also be able to provide details of closed periods (when Future Generations VCT is prohibited from buying shares) and details of the price at which it has been bought, and can be contacted as follows:

Octopus Client Relations Team 0800 316 2295
investorsupport@octopusinvestments.com

If you are considering trading on the secondary market or would like to talk directly to Future Generations VCT’s Corporate Broker, Panmure Liberum Limited, they can be contacted as follows:

Chris Lloyd 020 7886 2716 chris.lloyd@panmure.com
Paul Nolan 020 7886 2717 paul.nolan@panmure.com

1. A ‘qualifying holding’ consists of up to £5.0 million (£10.0 million for knowledge-intensive companies) invested in any one year in new shares or securities in an unquoted company (or companies quoted on AIM) which is carrying on a qualifying trade and whose gross assets do not exceed a prescribed limit at the time of investment. The definition of a ‘qualifying trade’ excludes certain activities such as property investment and development, financial services and asset leasing.

Shareholder information continued

Secondary market

UK income tax payers, aged 18 or over, can purchase shares in the secondary market and benefit from:

- tax-free dividends;
- realised gains not being subject to capital gains tax (although any realised losses are not allowable);
- no minimum holding period; and
- no need to include VCT dividends in annual tax returns.

The UK tax treatment of VCTs is on a first in and first out basis and so tax advice should be obtained before shareholders dispose of their shares.

Whilst there is no specific limit on the amount of an individual's acquisition of shares in a VCT, tax reliefs will only be given to the extent that the total of an individual's subscriptions or other acquisitions of shares in VCTs in any tax year do not exceed £200,000. Qualifying investors who intend to invest more than £200,000 in VCTs in any one tax year should consult their financial advisers.

Notification of change of address

Communications with shareholders are mailed to the registered address held on the share register. In the event of a change of address or other amendment, this should be notified to Future Generations VCT's Registrar, Computershare, under the signature of the registered holder or via the Computershare Investor Centre at: **www-uk.computershare.com/investor/**. Computershare's contact details are provided on page 31.

Other information for shareholders

Shareholders can obtain a full copy of Future Generations VCT's annual report on the Octopus website at **www.octopusinvestments.com/our-products/venture-capital-trusts/octopus-future-generations-vct/**.

All other statutory information can also be found here.

Electronic communications

All Future Generations VCT's reports, accounts and other correspondence are published electronically. If you opt into receiving paper copies, we would encourage you to consider switching to e-communications as this cuts the cost of printing and reduces the impact on the environment. To do so, please contact Octopus on **0800 316 2295** or Computershare on **0370 707 1003**. Alternatively, you can sign up to receive e-communications via the Computershare Investor Centre at: **www-uk.computershare.com/investor/**.

Warning to shareholders

Many companies are aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas-based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares in US or UK investments. They can be very persistent and extremely persuasive. Shareholders are therefore advised to be wary of any unsolicited advice, offer to buy shares at a discount, or offer for free company reports.

Please note that it is very unlikely that either Octopus or Future Generations VCT's Registrar would make unsolicited telephone calls to shareholders and that any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment advice.

If you are in any doubt about the authenticity of an unsolicited phone call, please call Octopus on **0800 316 2295**.

The Financial Conduct Authority has also issued guidelines on how to avoid share fraud and further information can be found on their website:

www.fca.org.uk/scamsmart/share-bond-boiler-room-scams. You can report any share fraud to them by calling **0800 111 6768**.

Glossary

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 applicable financial reporting framework. These APMs will help shareholders to understand and assess Future Generations VCT's progress. A number of terms within this glossary have been identified as APMs.

Money Market Fund (MMF)

A mutual fund that invests in highly liquid, short-term investments. These instruments include cash, cash equivalent securities, and high credit rating debt based securities with a short-term maturity. They are intended to offer investors high liquidity with a low level of risk.

Net asset value or NAV

The value of Future Generations VCT's total assets less liabilities. It is equal to the total shareholders' funds.

Net asset value per share or NAV per share

The NAV per share of Future Generations VCT is the sum of the underlying assets less the liabilities of Future Generations VCT divided by the total number of shares in issue.

Ongoing charges ratio (APM)

The ongoing charges ratio has been calculated using the AIC recommended methodology and excludes irrecoverable VAT, exceptional costs and trail commission. The figure shows the annual percentage reduction in shareholder returns as a result of recurring operational expenses. It informs shareholders of the likely costs that will be incurred in managing Future Generations VCT in the future.

This is calculated by dividing the ongoing expenses, which includes an annualised amount of expenses but excludes irrecoverable VAT, exceptional costs and trail commission, by the average net assets in the period.

Total return (APM)

Total return is calculated as movement in NAV per share in the period plus dividends paid in the period. Total return on the NAV per share enables shareholders to evaluate more clearly the performance of Future Generations VCT, as it reflects the underlying value of the portfolio at the reporting date.

Total return % (APM)

Total return % is calculated as movement in NAV per share in the period plus dividends paid in the period, divided by the NAV per share at the beginning of the period. Total return % on the NAV per share enables shareholders to evaluate more clearly the performance of Future Generations VCT, as it reflects the underlying value of the portfolio at the reporting date.

Annual General Meeting

The Company's AGM will be held on 10 December 2024. As we have changed the Company's financial period end from 30 June to 31 December, the current accounts are unaudited and therefore not being put to shareholders for approval. However, Directors will stand for election and re-election as appropriate and we are seeking renewal of existing shareholder authorities. In addition we have a new resolution asking that shareholders approve the cancellation of the Company's share premium account.

Below sets out some information relating to the resolutions that would ordinarily be contained in the Company's Annual Report.

Rights attaching to the shares and restrictions on voting and transfer

Subject to any suspension or abrogation of rights pursuant to relevant law or Future Generations VCT's Articles of Association, the shares confer on their holders the following principal rights:

- a) the right to receive out of profits available for distribution such dividends as may be agreed to be paid (in the case of a final dividend in an amount not exceeding the amount recommended by the Board as approved by shareholders in a general meeting or in the case of an interim dividend in an amount determined by the Board). All dividends unclaimed for a period of 12 years after having become due for payment are forfeited automatically and cease to remain owing by Future Generations VCT;
- b) the right, on a return of assets on a liquidation, reduction of capital or otherwise, to share in the surplus assets of Future Generations VCT remaining after payment of its liabilities *pari passu* with the other holders of Ordinary shares; and
- c) the right to receive notice of and to attend and speak and vote in person or by proxy at any general meeting of Future Generations VCT. On a show of hands, every member present or represented and voting has one vote, and on a poll, every member present or represented and voting has one vote for every share of which that member is the holder.

The appointment of a proxy must be received not less than 48 hours before the time of the holding of the relevant meeting or adjourned meeting or, in the case of a poll taken otherwise than at or on the same day as the relevant meeting or adjourned meeting, be received after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll.

These rights can be suspended. If a member, or any other person appearing to be interested in shares held by that member, has failed to comply within the time limits specified in Future Generations VCT's Articles of Association with a notice pursuant

to s793 of the Companies Act 2006 (notice by Future Generations VCT requiring information about interests in its shares), Future Generations VCT can, until the default ceases, suspend the right to attend and speak and vote at a general meeting. If the shares represent at least 0.25% of their class Future Generations VCT can also withhold any dividend or other money payable in respect of the shares (without any obligation to pay interest) and refuse to accept certain transfers of the relevant shares.

Shareholders, either alone or with other shareholders, have other rights as set out in Future Generations VCT's Articles of Association and in company law (principally the Companies Act 2006).

A member may choose whether his shares are evidenced by share certificates (certificated shares) or held in electronic (uncertificated) form in CREST (the UK electronic settlement system).

Any member may transfer all or any of his shares, subject in the case of certificated shares to the rules set out in Future Generations VCT's Articles of Association or in the case of uncertificated shares to the regulations governing the operation of CREST (which allow the Directors to refuse to register a transfer as therein set out); the transferor remains the holder of the shares until the name of the transferee is entered in the register of members. The Directors may refuse to register a transfer of certificated shares in favour of more than four persons jointly or where there is no adequate evidence of ownership or the transfer is not duly stamped (if so required). The Directors may also refuse to register a share transfer if it is in respect of a certificated share which is not fully paid up or on which Future Generations VCT has a lien provided that, where the share transfer is in respect of any share admitted to the Official List maintained by the UK Listing Authority, any such discretion may not be exercised so as to prevent dealings taking place on an open and proper basis, or if in the opinion of the Directors (and with the concurrence of the UK Listing Authority) exceptional circumstances so warrant, provided that the exercise of such power will not disturb the market in those shares. Whilst there are no squeeze-out and sell-out rules relating to the shares in Future Generations VCT's Articles of Association, shareholders are subject to the compulsory acquisition provisions in s974 to s991 of the Companies Act 2006.

Annual General Meeting continued

Directors' authority to allot shares, to disapply pre-emption rights

The authority proposed under Resolution 5 is required so that the Directors may offer existing shareholders the opportunity to add to their investment or to offer potential shareholders an opportunity to invest in Future Generations VCT in a tax-efficient manner without it having to incur substantial costs. Any consequent modest increase in the size of Future Generations VCT will, in the opinion of the Directors, be in the interests of shareholders generally. Any issue proceeds will be available for investment in line with Future Generations VCT's investment policy and may be used, in part, to purchase Ordinary shares in the market.

Resolution 5 seeks Directors' authority to allot Ordinary shares. Such authority would expire at the later of the conclusion of the next AGM following the passing of this Resolution and the expiry of 15 months from the passing of the Resolution, giving the Directors authority to allot up to 120% of Future Generations VCT's issued share capital as at the date of the Notice of AGM. This authority is in addition to existing authorities. The Board intends to utilise this authority in respect of the fundraising activities of Future Generations VCT.

Resolution 6 seeks Directors' authority to allot equity securities for cash without pre-emption rights applying in certain circumstances. These Resolutions would authorise the Directors, until the conclusion of the next AGM of Future Generations VCT following the passing of these Resolutions or, if later, on the expiry of 15 months from the passing of these Resolutions, to issue Ordinary shares for cash without pre-emption rights applying by way of an offer to existing shareholders. These powers will be exercised only if, in the opinion of the Directors, it would be in the best interests of shareholders, as a whole. This authority is in addition to existing authorities.

Directors' authority to make market purchase of its own shares

The authority proposed under Resolution 7 is required so that the Directors may make purchases of up to 7,968,784 Ordinary shares, representing approximately 14.99% of Future Generations VCT's issued share capital as at the date of the Notice of AGM. Any shares bought back under this authority will be at a price determined by the Board (subject to a minimum price of 0.1p (being the nominal value of such shares) and a maximum price of 5% above the average mid-market quotation for such shares on the London Stock Exchange and the applicable regulations thereunder) and may be cancelled or held in Treasury as may be determined by the Board. The authority conferred by Resolution 7 will expire on the earlier of the conclusion of the next AGM of Future Generations VCT following the passing of this Resolution and 15 months from the date of the passing of the Resolution unless renewed, varied or revoked by Future

Generations VCT in a general meeting and will be in addition to existing authorities. This power will be exercised only if, in the opinion of the Directors, a repurchase would be in the best interests of shareholders as a whole.

Cancellation of share premium account

The Board considers it appropriate to obtain shareholders' approval for the cancellation of the amount standing to the share premium account of the Company to create (subject to Court approval) a pool of distributable reserves. A Special Resolution to this effect is being proposed at Resolution 8.

Notice of Annual General Meeting

Notice is hereby given that the AGM of Octopus Future Generations VCT plc will be held at the offices of Octopus Investments, 33 Holborn, London EC1N 2HT on 10 December 2024 at 10.00 a.m. for the purposes of considering and, if thought fit, passing the following resolutions of which Resolutions 1 to 5 will be proposed as Ordinary Resolutions and Resolutions 6 to 8 will be proposed as Special Resolutions.

Resolutions

Ordinary Business

1. To re-elect Helen Sinclair as a Director.
2. To re-elect Joanna Santinon as a Director.
3. To elect Ajay Chowdhury as a Director.
4. To re-appoint BDO LLP as auditor of the Company and to authorise the Audit Committee to determine its remuneration.

Special Business

To consider and if thought fit, pass Resolution 5 as an Ordinary Resolution and Resolutions 6 to 8 as Special Resolutions:

5. Authority to allot relevant securities

THAT the Directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot up to a maximum of 63,792,804 Ordinary shares in the Company ('Shares') (representing approximately 120% of the Shares in issue as at the date of this Notice), provided that the authority conferred by this Resolution shall expire on the date falling 15 months from the date of the passing of this Resolution or, if earlier, at the conclusion of the Company's next AGM following the passing of this Resolution save that this authority shall allow the Company to make, before the expiry of this authority, any offers or agreements which would or might require Shares to be allotted or rights to be granted after such expiry and the Directors may allot Shares in pursuance of any such offer or agreement notwithstanding the expiry of such authority.

6. Empowerment to make allotments of equity securities

THAT conditional upon the passing of Resolution 5 above the Directors of the Company be and hereby are empowered pursuant to Section 571 of the Act to allot or make offers or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant to the authority granted by Resolution 5 above, as if Section 561 of the Act did not apply to any such allotment and so that: (a) reference to allotment of equity securities in this Resolution shall be construed in accordance with Section 560(2) of the Act; and (b) the power conferred by this Resolution shall enable the Company to make any offer or agreement before the expiry of the said power which would or might require equity securities to be allotted after the expiry of the said power and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding the

expiry of such power. The power provided by this Resolution shall expire on the date falling 15 months from the date of the passing of this Resolution or, if earlier, the conclusion of the Company's next AGM following the passing of this Resolution.

7. Authority to make market purchases

THAT the Company be and is hereby generally and unconditionally authorised to make one or more market purchases (within the meaning of Section 693(4) of the Act) of Shares of 0.1p each in the Company provided that:

- (a) the maximum number of Shares so authorised to be purchased shall not exceed 7,968,784 Shares, representing approximately 14.99% of the present issued share capital as at the date of this Notice;
- (b) the minimum price which may be paid for a Share shall be its nominal value;
- (c) the maximum price, exclusive of expenses, which may be paid for a Share is an amount equal to the higher of: (i) 105% of the average of the middle market quotation for a Share 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 (ii) the amount stipulated by Article 5(6) of the Market Abuse Regulation;
- (d) the authority conferred by this Resolution shall (unless previously renewed, varied or revoked in general meeting) expire on the date falling 15 months after the passing of this Resolution or, if earlier, at the conclusion of the Company's next AGM following the passing of this Resolution; and
- (e) the Company may enter into a contract to purchase its Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of this authority and the Company may make a purchase of its Shares in pursuance of any such contract.

8. Cancellation of share premium account

THAT, subject to the sanction of the High Court, the amount standing to the credit of the share premium account of the Company, at the date an order is made confirming such cancellation by the Court, be and hereby is cancelled, and the amount by which the share capital is so reduced be credited to a reserve of the Company.

By order of the Board



Helen Sinclair
Chair

27 September 2024

Notice of Annual General Meeting continued

Notes:

- (a) A member entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a member.
- (b) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the day of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- (c) A form of proxy is enclosed which, to be effective, must be completed and delivered to the registrar of the Company, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or alternatively, you may register your proxy electronically at www.investorcentre.co.uk/eproxy, in each case, so as to be received by no later than 48 hours (excluding non-working days) before the time the AGM is scheduled to begin. To vote electronically, you will be asked to provide your Control Number, Shareholder Reference Number and PIN which are detailed on your proxy form.
- (d) To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 48 hours (excluding non-working days) before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST personal members or other CREST sponsored members, and those CREST members who have appointed voting service provider(s), should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001. Governance Financials
- (e) Any person receiving a copy of the Notice as a person nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a 'Nominated Person') should be aware that the provisions in Notes (a) and (b) above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting. Appointment of a proxy, or any CREST proxy instruction (as described in paragraph (d) below) will not preclude a member from subsequently attending and voting at the meeting should he or she choose to do so. This is the only acceptable means by which proxy instructions may be submitted electronically.
- (f) Section 319A of the Companies Act 2006 requires the Directors to answer any question raised at the AGM which relates to the business of the meeting, although no answer need be given: (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information; (b) if the answer has already been given on the Company's website; or (c) if it is undesirable in the best interests of the Company or the good order of the meeting. Questions from our shareholders in relation to the AGM can be sent via email to FGAGM@octopusinvestments.com. The Company may, however, elect to provide answers to questions raised within a reasonable period of days after the conclusion of the AGM.
- (g) Members satisfying the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last AGM, that the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement required to be placed on the website must also be sent to the Company's auditor 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.
- (h) Under Sections 338 and 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company:

Notice of Annual General Meeting continued

(i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matters (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless: (i) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); (ii) it is defamatory of any person; or (iii) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than six weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request. Governance Financials

- (i) A copy of the Notice of AGM and the information required by Section 311A of the Companies Act 2006 is included on the Company's website, **www.octopusinvestments.com/our-products/venture-capital-trusts/octopus-futuregenerations-vct/**. Copies of the Directors' letters of appointment, the Register of Directors' Interests in the Ordinary shares of the Company kept in accordance with the Listing Rules and a copy of the Memorandum and Articles of Association of the Company will be available for inspection at the registered office of the Company during usual business hours on any weekday from the date of this Notice until the AGM, and at the place of that meeting for at least 15 minutes prior to the commencement of the meeting until its conclusion.
- (j) As at 24 September 2024 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consists of 53,160,670 Ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 24 September 2024 are 53,160,670.

Directors and advisers

Board of Directors

Helen Sinclair (Chair)
Joanna Santinon
Ajay Chowdhury

Company Number

Registered in England and Wales
No. 13750143

Secretary and Registered Office

Octopus Company Secretarial Services Limited
6th Floor
33 Holborn
London
EC1N 2HT

Manager

Octopus AIF Management Limited
33 Holborn
London
EC1N 2HT
Tel: 0800 316 2295

www.octopusinvestments.com

Portfolio Manager

Octopus Investments Limited
33 Holborn
London
EC1N 2HT
Tel: 0800 316 2295

www.octopusinvestments.com

Legal Entity Identifier (LEI)

213800AL71Z7N2O58N66

Corporate Broker

Panmure Liberum Limited
Ropemaker Place, Level 12
25 Ropemaker Street
London
EC2Y 9LY
Tel: 020 3100 2022

Independent Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Tax Adviser

James Cowper Kreston
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

VCT Status Adviser

Shoosmiths LLP
Apex Plaza
Forbury Road
Reading
RG1 1SH

Bankers

HSBC Bank plc
31 Holborn
London
EC1N 2HR

Depository

Thompson Taraz Depository Limited until
30 September 2024
47 Park Lane
London
W1K 1PR

NatWest Trustee and Depository Services Limited from
30 September 2024
250 Bishopsgate,
London
EC2M 4AA

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

Tel: 0370 703 6324

(Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate.)

www.computershare.com/uk

www-uk.computershare.com/investor/

Octopus Investments
33 Holborn
London EC1N 2HT

0800 316 2295
investorsupport@octopusinvestments.com
www.octopusinvestments.com