Fuel Ventures

Fuel Ventures VCT plc
Annual Report
For the period ended 31 March 2025

Contents

Highlights

Fundraising

Fuel Ventures VCT plc (the "Company" or "Fuel Ventures VCT") launched its first offer for subscription on 15 December 2023 and the final allotment was held on 4 December 2024. The offer raised £10.26 million in total. A second offer for subscription was launched on 17 February 2025. As at the date of this report, it had raised £0.91 million.

Investments

The Company made 9 investments into 9 companies in the period, at a cost of £3.80 million. There were no realised returns in the period, but there were unrealised losses of £0.04 million on investments, which brought the overall investment value to £3.76 million.

Net Asset Value Total Return per Share

This is the most widely used measure of performance in the VCT sector. Net asset value ("NAV") total return per share is an Alternative Performance Measure ("APM") that is calculated as the NAV per share plus cumulative dividends paid per share. Net asset value total return per share enables shareholders to evaluate more clearly the performance of the Company as it reflects the overall return and value of shareholders' interest.

The NAV per share at 31 March 2025 was 96.49 pence a decrease of 3.51 pence from the initial notional NAV per share of 100 pence. No dividends have been paid or proposed this early in the life of the Company and therefore the net asset value total return per share was also 96.49 pence.

Summary Data

	As at 31/03/2025
NAV	£9,897,021
Ordinary shares in issue	10,257,181
NAV per ordinary share	96.49p

Investment Strategy

Sturgeon Ventures LLP ("Sturgeon" or the "Investment Manager") was appointed as the Company's Investment Manager on 15 December 2023 and is authorised and regulated by the Financial Conduct Authority. The Investment Manager is provided with Investment Advisory Services by Fuel Ventures Limited ("Fuel" or the "Investment Adviser") and Sturgeon uses this investment advice when negotiating, approving and acquiring investments. On behalf of the Company the Investment Manager pursues an active investment strategy.

The Company seeks to invest in a diversified portfolio of promising early-stage unquoted companies. The Company will either i) make follow-on investments into top-performing Investment Adviser funds portfolio companies; ii) co-invest with an existing Investment Adviser fund into a new business; or iii) make independent investments.

The Company will focus on digital and technology businesses that have the following characteristics:

- exceptional founding team who have deep sector expertise and who have a track record of execution;
- a business model that delivers value to the customer and has the potential for attractive gross margins;
- typically operating in a multi-billion pound total addressable market in which the company can win market share;
- a business that requires a low amount of capital and can be scaled quickly; and
- positive signs of potentially strong revenue growth.

Chair's Statement

This is Fuel Ventures VCT plc's first annual report, covering the period from incorporation (25 October 2023) to 31 March 2025, and I am delighted to be writing to shareholders on the progress the Company has made. At 31 March 2025, the Company's NAV was £9.90 million – an excellent result for the Company's first fundraising.

During the period, the Company invested £3.80 million into qualifying companies and by the period end had £0.84 million of Net Current Assets and held £5.30 million in highly liquid money market funds.

Fundraising

This is Fuel Ventures VCT plc's first annual report, and I am pleased to report strong progress since our launch. The Company's first offer for subscription opened in December 2023, seeking to raise £10 million, and closed in November 2024, having exceeded our initial target and raising over £10 million including the over-allotment facility.

A second offer was announced in February 2025, seeking to raise £10 million, with an over-allotment facility for up to a further £10 million. £935,445 has already been raised under the Second Offer.

We are grateful to our new and existing shareholders for their support and confidence in Fuel Ventures VCT's vision.

Investment Activity

During the period to 31 March 2025, the Company invested £3.80 million into 9 qualifying companies, with all investments focused on high-growth technology and digital businesses that align with our investment strategy.

A significant portion of uninvested cash, totaling £5.30 million, has been allocated to liquid money market funds, with the intention of generating yield for shareholders and maximising the return on uninvested assets. The VCT is on track to deploy funds into a diverse portfolio in the coming years.

Performance

At 31 March 2025, the Net Asset Value (NAV) of the Company stood at £9.90 million, with a NAV per share of 96.49 pence. The decrease from the notional 100p per share at launch reflects start-up and operational costs exceeding returns, which is to be expected in the early stages of a VCT's lifecycle. Nevertheless, unrealised losses on investments have been modest, and income received from money market funds has helped to soften the impact.

Outlook

The macroeconomic environment remains challenging for early-stage businesses, but we are encouraged by reductions in interest rates between August 2024 and the end of the period. We also welcome the UK government's extension of VCT tax reliefs to 2035, which underlines ongoing support for venture capital investing.

However, the recent tariffs introduced by the US have created additional uncertainty, and several portfolio companies have reported that this has made closing sales more difficult which the Board and Investment Adviser will continue to monitor over the coming months.

With a strong pipeline of prospective investments – including Cult Mia, which closed shortly after the period end – and a disciplined investment approach, the Board remains confident in the Company's prospects for the year ahead.

On behalf of the Board, I would like to thank our shareholders, the Fuel Ventures team, and our service providers for their ongoing commitment. The Company is at the start of its journey and we look forward to creating long-term value for our shareholders.

Andrew Whitehouse
Non-executive Chair

27 June 2025

Investment Adviser's Review

Investments

Fuel Ventures VCT has made an encouraging start since launch, deploying £3.80 million into 9 portfolio companies. Each investment has been selected from the Investment Adviser's existing pipeline, giving us deep familiarity with each business and its growth prospects. All companies meet our core criteria: technology-driven, capital efficient, and with the potential for rapid scale.

Performance

As of 31 March 2025, the fair value of the VCT's investments was £3.76 million with the majority of the portfolio companies' (with the exception of Eleos and Searchland which are discussed below) fair values reflecting the transaction price at entry. There have been no realised exits to date, but several portfolio companies are showing strong commercial traction. The unrealised loss of £0.04 million on the investment portfolio follows the Company's valuation policy, which is in accordance with IPEV guidelines. All initial investments were made within the last twelve months.

The fair values of two portfolio companies, Eleos and SearchLand, have changed between entry date and the period-end. The fair value of Eleos has reduced from £0.2m to £0.1m reflecting reductions in monthly revenues following challenges in securing insurance capacity in the UK, which required a change in provider and has impacted short-term traction. In contrast, SearchLand has exceeded revenue expectations since investment. Consequently, it was deemed appropriate to increase the fair value from £0.3m to £0.4m reflecting subsequent external investment at the increased valuation.

Outlook

The outlook for the VCT remains positive. The Company is on track to meet its target of building a diversified portfolio of technology-driven companies. We continue to see attractive deal flow, and with uninvested cash available, the VCT is well positioned to capture future opportunities.

While the macro geopolitical environment remains uncertain — with recent US tariffs adding to this — we have seen a positive impact in the form of lower entry valuations for new investments, which enhances the potential for long-term returns.

The team remains committed to working closely with founders to provide value-added support as they scale their businesses.

We would like to thank our shareholders for their trust and support in Fuel Ventures VCT's opening period and look forward to reporting further progress in due course.

Stan Williams
Partner, Fuel Ventures Limited

27 June 2025

Investment Portfolio

As at 31 March 2025

Investment	Cost £	Valuation £	% of Total Asset Value
Hotel Manager	699,977	699,977	7
Lunio	549,999	549,999	5
FundPath	499,999	499,999	5
Materials Market	499,997	499,997	5
HowNow	499,957	499,957	5
SearchLand	299,878	357,200	4
StudioSpace	299,996	299,996	3
Wollit	250,000	250,000	2
Eleos	200,000	103,514	1
Total Unquoted Investments	**3,799,803**	**3,760,639**	
Money Market Funds		**5,297,869**	
Net Current Assets		838,513	
Net Assets		**9,897,021**	

9 investments were made in the period ending 31 March 2025 into 9 companies. All of the investments were co-investments with, or existing investments from, the Investment Adviser funds. SearchLand and Eleos are the only investments to experience a change in value, with an aggregate unrealised loss of £39,163.

After 31 March 2025, the Company made one further investment, a £499,000 investment into Cult Mia.

Investments

In the period to 31 March 2025

Hotel Manager (Remotioned Technologies Group Ltd)

www.hotelmanager.co

Hotel Manager is the central technology interface that connects to a hotel's other systems, providing a great front-end experience for guests and staff. Via the platform, hotels are able to build their own digital experiences with simple user-friendly features. By connecting the guest and hotel user journeys, they are able to provide a seamless experience with minimal handoffs and easy integration via the Hotel Manager marketplace.

Asset class	Equity
Company sector	Hospitality
Company location	United Kingdom
Initial investment date	April 2024
Net assets 31 May 2023	2,636,472
Net assets 31 May 2024	4,534,487
Revenue and profit	n/a*
Cost of Investment	£699,977
Value of Investment	£699,977
Method of Valuation	Revenue Multiple
Equity Held by Fuel Ventures VCT (fully diluted)	3.65%

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

Lunio (PPC Protect Ltd)

www.lunio.ai

Lunio offers an all-in-one solution to defend from PPC fraud. Existing solutions identify and block click fraud after the event, and it's ineffective. Lunio offers a real-time, wholly automated solution to monitor PPC ads in real time and determine if each individual click is legitimate or fraudulent, saving advertisers a significant portion of their ad spend which can be re- invested in to acquiring more relevant, high-quality traffic.

Asset class	Equity
Company Sector	Marketing & Advertising
Company location	United Kingdom
Initial investment date	July 2024
Net assets 31 January 2023	5,093,567
Net assets 31 January 2024	5,035,498
Revenue and profit	n/a*
Cost of Investment	£549,999
Value of Investment	£549,999
Method of Valuation	Price of Recent Investment
Equity Held by Fuel Ventures VCT (fully diluted)	1.16%

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

Investments (continued)

Materials Market (Materials Market Ltd)

www.materialsmarket.com

Materials Market is a digital marketplace that connects construction buyers directly with vetted suppliers of building materials. Traditionally, sourcing materials is a slow and fragmented process with limited price transparency. Materials Market provides an online platform that instantly matches buyers' requirements with a network of suppliers, enabling rapid price comparison, improved supply chain efficiency, and direct-to-site delivery, helping contractors save both time and money on every project.

Asset class	Equity
Company sector	Construction
Company location	United Kingdom
Initial investment date	December 2024
Net assets 31 August 2023	1,544,947
Net assets 31 August 2024	2,078,133
Revenue and profit	n/a*
Cost of Investment	£499,996
Value of Investment	£499,996
Method of Valuation	Price of Recent Investment
Equity Held by Fuel Ventures VCT (fully diluted)	4.92%

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

HowNow (Wonderush Ltd)

www.gethownow.com

HowNow is an intelligent learning platform designed to help organizations upskill and retain employees in a rapidly changing world. Existing corporate learning systems are often siloed and uninspiring, leading to poor engagement. HowNow centralizes learning resources, personalizes content for each employee, and integrates seamlessly with popular workplace tools, empowering teams to access relevant knowledge at the moment of need and drive real, measurable business performance.

Asset class	Equity
Company sector	Learning & Development
Company location	United Kingdom
Initial investment date	January 2025
Net assets 31 July 2023	1,299,411
Net assets 31 July 2024	(1,153,320)
Revenue and profit	n/a*
Cost of Investment	£499,956
Value of Investment	£499,956
Method of Valuation	Price of Recent Investment
Equity Held by Fuel Ventures VCT (fully diluted)	1.56%

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

Investments (continued)

Fundpath (Fundpath Ltd)

www.fundpath.com

Fundpath is a data and technology service for the asset and wealth management industry that is designed to make the process of selling and buying investment funds more efficient.

Developed in conjunction with the industry, Fundpath has delivered a unique, secure platform for the exchange of current and future buying intentions from wealth and investment managers to asset management professionals.

Asset class	**Equity**
Company sector	**Financial Services**
Company location	**United Kingdom**
Initial investment date	**April 2024**
Net assets 31 December 2022	**(395,187)**
Net assets 31 December 2023	**1,858,031**
Revenue and profit	**n/a***
Cost of Investment	**£499,999**
Value of Investment	**£499,999**
Method of Valuation	**Price of Recent Investment**
Equity Held by Fuel Ventures VCT (fully diluted)	**1.55%**

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

Searchland (Searchland Ltd)

www.searchland.co.uk

The all-in-one property and planning data platform to help you streamline your workflow and maximise your portfolio. SearchLand is the only platform that automates the entire process of sourcing off-market development opportunities, from searching and validation, to contacting landowners. We make property companies data driven and enable better informed property land decisions, based upon relevant information.

Asset class	**Equity**
Company sector	**Property**
Company location	**United Kingdom**
Initial investment date	**April 2024**
Net assets 30 September 2023	**792,627**
Net assets 30 September 2024	**1,563,989**
Revenue and profit	**n/a***
Cost of Investment	**£299,878**
Value of Investment	**£357,200**
Method of Valuation	**Price of Recent Investment**
Equity Held by Fuel Ventures VCT (fully diluted)	**0.94%**

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

Investments (continued)

Studiospace (Studiospace Technology Ltd)

www.studiospace.com

Studiospace is a B2B marketplace connecting enterprise clients with the best agencies for creative, digital and marketing services. Large companies struggle to access the creative and marketing capabilities they need, while independent agencies are often shut out from the best briefs. Studiospace offers a global marketplace of hand-picked, founder-led and award-winning agencies. One platform and one contract to access a world of market leading agencies.

Asset class	Equity
Company Sector	Marketing & Advertising
Company location	United Kingdom
Initial investment date	April 2024
Net assets 31 December 2022	1,812,011
Net assets 31 December 2023	1,623,015
Revenue and profit	n/a*
Cost of Investment	£299,996
Value of Investment	£299,996
Method of Valuation	Price of Recent Investment
Equity Held by Fuel Ventures VCT (fully diluted)	2.81%

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

Wollit (Wollit Ltd)

www.wollit.com

Consumers use Wollit's high-impact money toolkits to build credit, grow savings and take control of their money. Wollit offers users a subscription to their product based on a loan agreement that is paid back over an annual contract. By paying the subscription, the user improves their credit score. Wollit then supplements this with open banking connections and financial education.

Asset class	Equity
Company sector	Financial Services
Company location	United Kingdom
Initial investment date	April 2024
Net assets 31 March 2023	1,803,141
Net assets 31 March 2024	881,124
Revenue and profit	n/a*
Cost of Investment	£250,000
Value of Investment	£250,000
Method of Valuation	Price of Recent Investment
Equity Held by Fuel Ventures VCT (fully diluted)	2.08%

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

Investments (continued)

Eleos (Eleos Life Ltd)

www.eleos.co.uk

eleos

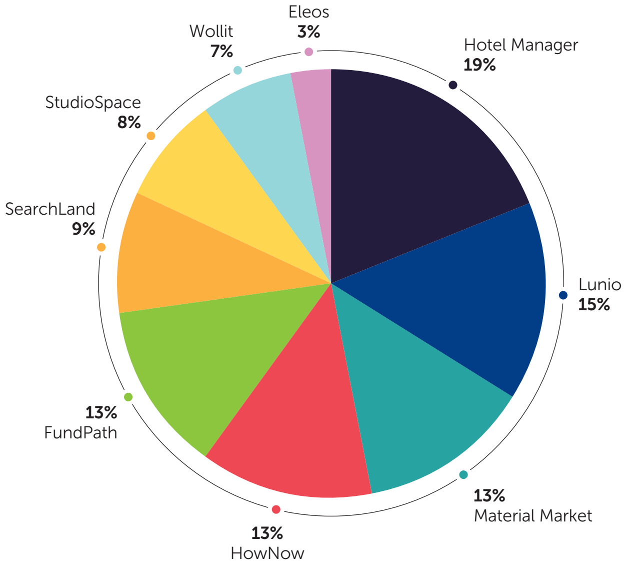
Eleos is developing a fully digital insurance platform, designed to offer financial support in case of death, illness, or accidents. It integrates seamlessly with everyday digital products, leveraging data from distribution partners for underwriting and customer engagement.

Asset class	**Equity**
Company Sector	**Insurance**
Company location	**United Kingdom**
Initial investment date	**April 2024**
Net assets 31 March 2023	**115,033**
Net assets 31 March 2024	**209,436**
Revenue and profit	**n/a***
Cost of Investment	**£200,000**
Value of Investment	**£103,514**
Method of Valuation	**Revenue Multiple**
Equity Held by Fuel Ventures VCT (fully diluted)	**1.55%**

* Revenue and profit are not publicly available because only abbreviated accounts are filed at Companies House.

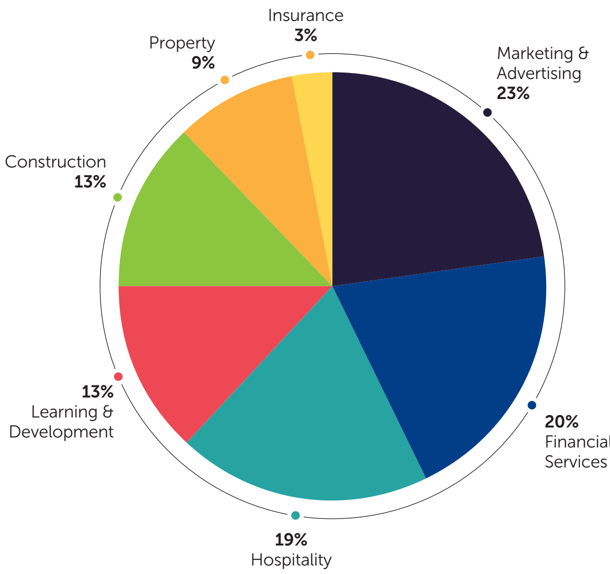
Company Breakdown by Holding Valuation as at 31 March 2025

Source: Fuel Ventures Limited



Sector Breakdown by Holding Valuation as at 31 March 2025

Source: Fuel Ventures Limited



Investment Strategy and Objectives

Investment strategy

The Company seeks to invest in a diversified portfolio of promising early stage unquoted companies. The Company will either i) make follow-on investments into top-performing Investment Adviser funds portfolio companies; ii) co-invest with an existing Investment Adviser fund into a new business; or iii) make independent investments.

The Company will focus on digital and technology businesses that have the following characteristics:

- exceptional founding team who have deep sector expertise and who have a track record of execution;
- a business model that delivers value to the customer and has the potential for attractive gross margins;
- typically operating in a multi-billion pound total addressable market in which the company can win market share;
- a business that requires a low amount of capital and can be scaled quickly; and
- positive signs of potentially strong revenue growth.

Investment policy

The Company will seek to invest in promising unquoted companies at an early stage. The Company is seeking to invest in a diversified portfolio of businesses that the Investment Manager believes will provide the opportunity for value appreciation. The Company will focus on investments that are predominantly technology or digital businesses with an emphasis on marketplace, platform or software-as-a-service business models. The Company will invest in a diverse range of sectors. The Company will either i) make follow-on investments into to performing Investment Adviser funds portfolio companies; ii) co-invest with an existing Investment Adviser fund into a new business; or iii) make independent investments.

The Company intends to invest the net proceeds of any fundraising in accordance with its stated investment policy. At least 30% of the funds raised will be invested in Qualifying Investments within 12 months of the end of the Company's accounting period in which the relevant shares were allotted, and at least 80% of its net assets will, by the start of the Company's accounting period in which the third anniversary of the date the relevant shares, in respect of any fundraising, are allotted falls and continuously thereafter, be invested in Qualifying Investments.

Qualifying Investments

Qualifying Investments comprise investments in companies which are carrying out a qualifying trade (as defined under the relevant VCT legislation), and have a permanent establishment in the UK, although some may trade overseas.

The Qualifying Companies in which investments are made must have no more than £15 million of gross assets immediately prior to the investment (or £16 million immediately after the investment), fewer than 250 employees (or fewer than 500 employees in the case of a Knowledge Intensive Company) and generally cannot have been trading for more than seven years (or ten years in the case of a Knowledge Intensive Company) at the time of the Company's investment. Several other conditions must be met for an investment to be classed as a VCT Qualifying Investment.

Non-qualifying investments

Subject to the rules applicable to VCTs, funds not employed in Qualifying Investments will be invested in short term liquid instruments, principally other funds which can be easily exited (e.g. money market funds, government and corporate bonds, term deposits, equity funds) including those managed by the Investment Manager, to generate additional return for investors and mitigate against a rise in value of competing companies. These must be easily liquidated as cash. Such investments are subject to market fluctuations.

As at 31 March 2025, the Company held money market funds which cost a total of £5,297,869 and had a period-end valuation of £5,297,869.

Investment Strategy and Objectives (continued)

Borrowing policy

The Company has no present intention of utilising gearing as a strategy for improving or enhancing returns. Under the Company's Articles of Association, the borrowings of the Company will not, without the previous sanction of the Company in general meeting, exceed 25% of the aggregate total amount received from time to time on the subscription of shares in the Company.

Share buyback policy

The Shares will trade on the London Stock Exchange's main market for listed securities. There will be an illiquid market for such shares due mainly to the loss of VCT income tax relief on sale within 5 years. However, the Company intends to pursue an active buyback policy to improve the liquidity in the Shares where the Company may repurchase Shares which shareholders wish to sell at a discount of up to 5% to the latest published Net Asset Value per Share, subject to applicable regulations, market conditions at the time and the Company having both the necessary funds and distributable cash resources available for the purpose. The making and timing of any share buybacks will remain at the absolute discretion of the Board, and the Company is not expected to be in a position to offer this facility until at least April 2027. The Directors expect that there will be limited demand for share buybacks from Shareholders within the first five years because the only sellers are likely to be deceased Shareholders' estates and those Shareholders whose circumstances have changed (to such extent that they are willing to repay the 30% income tax relief in order to gain access to the net proceeds of the sale).

There were no share buy-backs in the period to 31 March 2025.

Dividend policy

The Company is targeting: (1) an annual dividend commencing in the financial year ending 31 March 2028 equivalent to 4p per Share and (2) special dividends, where appropriate, from the proceeds of successful exits of portfolio companies that are not reinvested. The Company's ability to pay dividends is subject to the existence of realised profits, distributable reserves, legislative requirements and the available cash reserves of the Company, at the relevant time. No forecast or projection is to be implied or inferred.

Key Performance Indicators ("KPIs") and Alternative Performance Measures ("APMs")

The objective of the Company is to provide long-term returns where shares are held for at least five years, whilst enabling shareholders to benefit from available VCT tax reliefs. The KPIs and APMs which the Board will monitor towards that objective are:

Net Asset Value Total Return per Ordinary Share*

Net Asset Value Total Return per Ordinary Share is calculated as NAV plus dividends paid or proposed to date, divided by the number of Ordinary Shares. NAV per share decreased from a notional 100 pence to 96.49 pence in the period due to the effect of operational costs. However, income received from money market funds in the final quarter reduced this effect. No dividends were paid or proposed in the period.

Investments valuation at fair value

The unrealised loss on investments held at fair value reflects the performance of the underlying investee companies over the period. The net decrease in the period was £39,163, related to the increased and decreased holding values of the Company's investments in SearchLand and Eleos respectively – please refer to the Investment Adviser's Review on page 3 for more details.

Annual running expenses as a proportion of NAV*

Annual running expenses, excluding irrecoverable VAT, in the period represented 3.5% of NAV at period-end. The Investment Adviser has agreed to cap the total annual running expenses to a maximum of 3.5% of year-end Net Assets and any excess above this will be borne by them. As such, the Investment Adviser reduced its Annual Adviser's Fee in the period to ensure this cap was met.

Ongoing charges ratio*

The ongoing charges ratio is the annualised operating costs divided by the average NAV over the period. The ongoing charges ratio for the period to 31 March 2025 is 4.41%. The ongoing charges ratio includes expenses recommended by the AIC.

As this is the Company's first reporting period, there are no comparable previous year figures.

The Board will also monitor (i) the Company's NAV per share over reporting periods and compare its performance to the [MSCI UK Small Cap Index] for the relevant periods and (ii) the measures defined by HMRC for its VCT tests to ensure that the Company will continue to qualify as a VCT. The Company's NAV per share over the period is shown in the graph on page 35.

* denotes an APM, please see the Appendix for the calculations of the APMs on pages 66 to 68.

Material Contracts

Investment Management Agreement

An agreement (the "**Investment Management Agreement**") dated 15 December 2023 and made between the Company and the Investment Manager whereby the Investment Manager was, with effect from the first date on which Shares issued under the 2023 Offer were first listed (the "Effective Date"), appointed as the Company's AIFM to provide discretionary investment management services to the Company in respect of its portfolio of Qualifying Investments and Non-Qualifying Investments and valuations of its portfolio interests.

The Investment Manager receives an annual management fee equal to 2% of the Net Asset Value (plus VAT if applicable) payable quarterly in arrears. The Investment Manager is entitled to reimbursement of expenses incurred in performing its duties under the agreement, and will also be entitled to receive and retain transaction and introductory fees, directors' fees, monitoring fees, consultancy fees, corporate finance fees, syndication fees, exit fees and commissions in relation to portfolio companies.

The Investment Manager is also entitled to a Performance Fee, but two conditions will need to be satisfied before a Performance Fee is paid:

- the Company's cumulative realised investment gains will need to be greater than its cumulative realised investment losses (requiring all realised losses, past and future, to be recovered before a Performance Fee is paid); and
- in each financial year, the Total Return (NAV and historic dividends and other distributions) exceeds 100p per Share increasing by 3.0p per annum (on a simple not compound basis) each year thereafter (such that for the period ended 31 March 2025 the hurdle will be 103p, for the year ending 31 March 2026 the hurdle will be 106p and so on).

The relevant cumulative realised investment gains/losses will be as set out in the Company's Relevant year-end or half-year financial statements.

If the above conditions are met, a Performance Fee of 20% of the amount by which relevant cumulative realised investment gains exceed cumulative realised investment losses will be payable to the Investment Manager.

No Performance Fees will be payable in relation to the funds raised under the 2023 Offer. However, Performance Fees will be payable in respect of future fund raises, including the Offer, subject to satisfying certain targets.

The appointment of the Investment Manager in relation to the investment services commenced on 15 December 2023 and continues unless and until terminated by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company. The Investment Management Agreement is subject to earlier termination by either party in certain circumstances, particularly on written notice from the Investment Adviser that they have been granted the relevant FCA authorisations and wish to become the new investment manager.

All securities purchased through the Investment Manager are registered (except for bearer stocks) in the name of the Company, to hold all or any of the Company's assets and documents of title or certificates evidencing title on behalf of the Company.

Transactions undertaken by the Investment Manager for the Company shall correspond with the provisions of the Investment Manager's written execution policy, and the Investment Manager shall manage any conflicts of interest, disclosing to the Board the nature of any material interest which the Investment Manager may have in any proposed transaction to which the Company is, or is to be, a party, the Investment Manager not causing the Company to become a party to any such contract or transaction except with the prior approval of those members of the Board who are independent of the Investment Manager (such prior approval not to apply to the allocation of investment opportunities governed by the Investment Management Agreement).

Material Contracts (continued)

The provision by the Investment Manager of discretionary investment is subject to the overall control, direction and supervision of the Directors.

Investment Adviser Agreement

An agreement (the "Investment Adviser Agreement") dated 15 December 2023 and made between the Investment Adviser and the Investment Manager whereby the Investment Adviser was, with effect from the date on which Shares issued under the 2023 Offer were first Listed (the "Effective Date"), appointed as investment adviser in respect of the Company's portfolio of Qualifying Investments and Non-Qualifying Investments. The Investment Adviser is entitled to receive from the Investment Manager the fees referred to above less 0.3% of Net Asset Value per annum, up to £12,000,000 of Net Asset Value, and 0.1% in respect of Net Asset Value in excess of £12,000,000, in each case plus VAT if applicable and payable quarterly in arrears.

The Investment Adviser is also entitled to receive any Performance Fee, in full, received by the Investment Manager. The appointment of the Investment Adviser commenced on the Effective Date and will continue unless and until terminated by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company.

The Investment Adviser has agreed to indemnify the Company by such amount as is equal to the excess by which the Annual Running Costs of the Company exceeds 3.5% of the Net Asset Value, calculated on an annual basis.

Administration Agreement

An administration agreement (the "Administration Agreement") dated 15 December 2023 and made between the Company and the Administrator, whereby the Administrator provides certain administration services and company secretarial services to the Company with regard to all the investments of the Company, for an annual fee payable quarterly in arrears and based upon the Company's net asset value ("NAV") at the end of each quarter. The administration fee is currently charged at a rate of approximately £23,000 per annum (subject to increase by an amount equal to 0.2888% of any increase in the Company's NAV up to £15m and an increase of 0.2022% of any increase in the Company's NAV from £15m to £25m), plus VAT at the relevant rate. The annual fee increases annually by the lower of 5% and the corresponding annual increase in the Consumer Prices Index including owner occupiers' housing costs (CPIH).

The Administration Agreement is terminable by either party giving 6 months' written notice but is subject to early termination in certain circumstances.

Principal and Emerging Risks

The Board and the Audit Committee have an ongoing process for identifying, evaluating and monitoring the principal and emerging risks facing the Company. The Directors have carried out a robust assessment of the principal and emerging risks faced by the Company, considering its business model, future performance, solvency and liquidity The Board has listed below details of these including the measures taken in order to mitigate these risks as far as practicable. The Board will continue to monitor macro geopolitical risks, including tariffs introduced by the US, and how these impact the global economy.

Investment performance and valuation risk

Risk	Mitigation	Magnitude, Likelihood & Change
The Company's Investment Policy is focused on unquoted, small-medium sized VCT qualifying companies. Investment in unquoted, early-stage companies carries inherently greater risk than larger quoted companies as they may have shorter cash runways, may be dependent on a small number of key individuals and may be more susceptible political and economic conditions. The Company's investment valuation methodology is reliant on the portfolio companies issuing accurate and complete information. In particular, the Directors may not be aware of, or take into account, certain events or circumstances which may happen after the information issued by such companies is reported.	The Board has looked to mitigate this risk with the appointment of an Investment Manager and Investment Adviser experienced in investing in this strategy. The Investment Manager also aims to minimise the investment risk attached to the investment portfolio as a whole by ensuring that a robust and structured selection, monitoring and realisation process is in place. Diversification is intended to be achieved across both sector and development stage. The investment portfolio is reviewed by the Board and Investment Manager together on a regular basis. The unquoted investments held by the Company are designated at fair value through profit or loss and valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines as updated in 2022. The valuation takes into account all known material facts up to the date of approval of the Financial Statements by the Board.	Magnitude – High Likelihood – Medium

Principal and Emerging Risks (continued)

VCT status qualifying risk

Risk	Mitigation	Magnitude, Likelihood & Change
The Company must comply with section 274 of the Income Tax Act 2007, which, inter alia, enables investors to take advantage of tax relief on their investment and future returns when investing in a VCT. If the Company breaches any of the rules in section 274, this could result in the loss of VCT status. Breaches could also result in investors becoming liable to pay income tax on dividends received from the Company and in some circumstances, investors may have to repay the initial income tax relief on their investment. The most prevalent risk to VCT status at this time is if the VCT fails to invest 80% of its funds into Qualifying Investments by the second anniversary of the end of the accounting period in which the Company issued the shares.	Working closely with the Board, the Investment Adviser keeps track of the VCT's qualifying status to ensure it remains qualifying. Regular reports are provided to and discussed with the Board which reviews the status of the VCT tests on a quarterly basis. Philip Hare & Associates has also been appointed as Tax Adviser to provide monitoring reports to the Board twice yearly.	Magnitude – High Likelihood – Low

Principal and Emerging Risks (continued)

Regulatory and compliance risk

Risk	Mitigation	Magnitude, Likelihood & Change
The Company's shares have been admitted to the premium segment of the Official List and are traded on the London Stock Exchange's main market for listed securities. The Company is required to comply with the Companies Act 2006, the rules of the UK Listing Authority, the Prospectus and Transparency Directives, and United Kingdom Accounting Standards. If the Company breaches any of these it could lead to a number of detrimental outcomes including but not limited to suspension of the Company's Stock Exchange listing, reputational damage, or financial penalties.	The day-to-day running of the Company is overseen by the Investment Adviser. The Board is updated at Board Meetings at least quarterly on all regulatory and compliance matters. The Company employs third parties to ensure that the Company complies with all its regulatory obligations, these parties include Howard Kennedy as Sponsor and Legal Adviser, The City Partnership as Company Secretary and Philip Hare & Associates as Tax Adviser.	Magnitude – High Likelihood – Low

Operational and Internal control risk

Risk	Mitigation	Magnitude, Likelihood & Change
There is a risk of failure of the systems and controls of any of the Company's advisers, leading to an inability to service shareholder needs adequately, provide accurate reporting and accounting, and to ensure the Company is complying with all VCT legislation rules.	To mitigate these risks, the Board regularly reviews the systems of internal controls, both financial and non-financial operated by the Company and key third-party advisers. These include controls designed to ensure that the VCT's assets are safeguarded and that proper accounting records are maintained; and to prevent data protection and cyber security failings. In addition, the Board regularly reviews the performance of its service providers to ensure that they continue to have the necessary expertise and resources to provide the expected level of service.	Magnitude – High Likelihood – Low

Principal and Emerging Risks (continued)

Economic, political and other external factors

Risk	Mitigation	Magnitude, Likelihood & Change
The valuation of investment companies in the portfolio may be affected by economic, political and other external factors such as a movement in interest rates, a change in Government, or international conflict.	The Company aims to invest in a diversified portfolio across a range of stages and sectors and also maintains cash to ensure it can provide follow-on investments when companies require it. The economic and political environment are kept under constant review and the investment strategy is adapted as far as possible to mitigate emerging risks.	Magnitude – Medium Likelihood – Medium

Legislative Risk

Risk	Mitigation	Magnitude, Likelihood & Change
A change to VCT regulations restricting which companies can qualify for VCT investment or changes to tax relief available for investors could adversely impact the Company, limiting its ability to deploy or raise funds. There is also risk that a new government will have a different view on VCT regulations.	The Investment Manager and Investment Adviser engage with industry bodies to highlight the positive benefits for the wider economy of VCTs funding British start-ups.	Magnitude – High Likelihood – Low

Principal and Emerging Risks (continued)

Cyber Security and Information Technology

Risk	Mitigation	Magnitude, Likelihood & Change
The threat of cyber-attacks remains an area of risk faced by service providers and a loss of key data can result in a data breach or fines. The Board relies on Fuel and other third parties to take appropriate measures to prevent unauthorised access to, or a loss of, confidential customer information.	The VCT relies on third parties including the Investment Adviser and The City Partnership who act as data processors on behalf of the VCT. The Investment Adviser relies on an outsourced IT department with technical measures such as firewalls, antivirus software, access controls, data backup, network segmentation, staff training, and email protection software to guard against phishing attacks. Additionally, the Investment Adviser has Cyber insurance and a Cyber Security Incident Response Plan in place as well as a comprehensive Business Continuity Plan and an annual Disaster Recovery Test. The City Partnership has a similar robust framework in place.	Magnitude – High Likelihood – Low

Governance risk

Risk	Mitigation	Magnitude, Likelihood & Change
The Directors of the Company are aware that an ineffective Board could have a negative impact on the Company.	The Board recognises the importance of effective leadership and board composition and this is ensured by completing an annual evaluation process, with action taken if required. The City Partnership is appointed as Company Secretary to monitor corporate governance best practice.	Magnitude – Medium Likelihood – Low

Principal and Emerging Risks (continued)

Cash flow risk

Risk	Mitigation	Magnitude, Likelihood & Change
There is a risk that the Company's available cash will not be sufficient to meet its financial obligations. Fuel Ventures VCT invests in unquoted companies which are, by nature, illiquid as there is no readily available market for these shares. As a result, these investments may be difficult to realise for their fair market value at short notice.	The Investment Manager and Investment Adviser closely and continually monitor the availability of cash resources. Cash flow forecasts and budgets are presented to and reviewed by the Board on a regular basis to ensure that the risk of insufficient cash to meet financial obligations is minimised.	Magnitude – High Likelihood – Low

Section 172 Statement

Section 172 of the Companies Act 2006 requires the Directors of the Company to act in a way that they consider, in good faith, will most likely promote the success of the Company for the benefit of the members as a whole. In doing so, the Directors should have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The Board considers its primary stakeholder group to be its Shareholders – other key stakeholders are its third-party advisers and its portfolio companies. The Company takes several steps to understand the views of its key stakeholders and considers these, along with the matters set out above, in Board discussions and decision making.

The Company has no employees (other than its Directors) and no customers in a traditional sense and therefore there is nothing to report in relation to these relationships. In line with normal practice for Venture Capital Trusts, the day-to-day management and administration is delegated to the relevant third parties. The Board regularly engages with the third parties to set, approve and oversee the execution of the agreed business strategy and related policies. Ad hoc meetings and communications are convened where necessary to address specific issues to ensure an appropriate and transparent response is formulated.

The Board's principal concern is the interest of the Company's shareholders taken as a whole.

The Board encourages engagement and effective communication with the Company's shareholders. Shareholders are encouraged to attend the Company's AGM and, as the Company's portfolio of investments grows, consideration will be given to staging investor workshops at which the Company's shareholders will have the opportunity to hear from some of the Company's investee companies and put questions to the Directors, Investment Manager and Investment Adviser.

The Board works closely with the Investment Adviser in reviewing how stakeholder issues are handled, ensuring good governance and responsibility in managing the Company's affairs. Key stakeholders from the Investment Adviser attend Board meetings. The Investment Adviser has therefore been well informed of any decisions the Board has made during the period and as a result has had opportunity to discuss the impact these decisions may have. The Investment Adviser provides updates to the Board on the entire portfolio at least quarterly.

The Investment Adviser works closely with each investee company to help steer business development and ensure effective communication of the investees' views and the Investment Adviser's recommendations.

With the aim of growing the Company's funds under management and, in turn, diversifying the Company's investment portfolio, the Company issued a prospectus in December 2023 to raise up to £10 million in aggregate. The Board has approved a wide range of policies for the Company to strengthen its corporate governance and anticipate that stage in the Company's development when it may consider paying dividends, undertaking share buybacks and offering a dividend reinvestment scheme.

Section 172 Statement (continued)

Environmental, Social, Governance, Human Rights and Community Issues

The Board seeks to carry out the Company's affairs in a responsible manner and maintain high standards in respect of environmental, governance and social issues. The Company is required by law to provide details of environmental, employee, human rights, social and community issues. As a VCT the Company does not have any employees and as a result does not maintain specific policies in relation to these matters. The Company does, however, encourage the Investment Manager to consider these issues, where appropriate, with regard to investment decisions.

Environment Policy & Greenhouse Gas Emissions

As a VCT with no physical assets, property, employees or operations, the Company has no direct environmental responsibilities, nor is it directly responsible for the emission of greenhouse gases. The Company has no direct carbon usage therefore there are no disclosures to make in this respect. Therefore, the Board has no specific environmental policy. The Company does however recognise the need to conduct its business, including investment decisions, in a manner that is responsible to the environment wherever possible.

VCT Regulations

The Company has engaged Philip Hare & Associates LLP to advise it on compliance with HMRC's VCT requirements, including evaluation of investment opportunities as appropriate and regular review of the portfolio. Although Philip Hare & Associates LLP works closely with the Investment Adviser, they report directly to the Board.

Statement of Long-Term Viability

In accordance with provision 4.27 of The UK Corporate Governance Code published by the Financial Reporting Council in July 2018 (the "Code"), the Directors consider the Report to be fair, balanced, and understandable.

In line with provision 4.31 of the Code, the Directors have assessed the Company's prospects over the three-year period to 31 March 2028. This period has been considered appropriate for a business of this nature and size, because the Company is required to invest funds raised within this timeframe in order to retain its status as a VCT.

The Directors have carried out a robust assessment of the principal and emerging risks faced by the Company, considering its business model, future performance, solvency and liquidity. They deliberated over the Company's ability to maintain its VCT status with HM Revenue and Customs, and over the valuation of investments. Given the extent of available resources, the Board particularly assessed the ability of the Company to raise finance, as well as its ability to deploy capital. It reviewed income and expenditure projections and examined robust stress-tested cash flows to understand the impact of different scenarios. It also assessed the Investment Manager and Investment Adviser and the processes in place for dealing with risks and identifying emerging threats. A detailed risk register is monitored and reviewed by the Board at least half-yearly.

The Board has determined that the Company will be able to continue in operation, maintain compliance with the VCT rules and meet its liabilities as they fall due for a period of at least three years from the accounts' approval date.

Other Disclosures

The Board of the Company is made up of four Directors, all of whom are male. The Company has no employees.

The Board's Strategic Report is contained on pages 2 to 22.

Andrew Whitehouse
Non-executive Chair

27 June 2025

The Board

Andrew Whitehouse
(Independent non-executive Chair):

Andrew Whitehouse graduated from the University of Warwick with a First Class honours degree in Mathematics. He qualified at Price Waterhouse (now PWC) as a Chartered Accountant. After 11 years at Price Waterhouse, Andrew joined Legal & General, becoming Finance Director of their General Insurance and Healthcare subsidiary companies. He left to join esure Insurance to head up the Finance team in this new start joint venture with the Halifax Building Society. As Finance Director he saw the company through its regulatory approval, start-up launch, Management Buy-out from HBOS/Lloyds Bank and subsequently its flotation on the stock market in 2013. Following the float, he spent a year as the Chief Risk Officer before taking early retirement. Since that time he has undertaken a number of part-time consultancy, advisory, non-executive and charitable positions, including previously serving as a non-executive Treasurer trustee for Kent Search and Rescue.

Marc Rubinstein
(Independent non-executive Director):

Marc has over 25 years' experience as a research analyst and portfolio manager in equity markets. Between 2006 and 2016 he worked at Lansdowne Partners, a London-based investment management firm. Throughout that period he worked as part of a team managing the Lansdowne Global Financials Fund, a fundamental long/short equity fund focused exclusively on the global financials sector. As well as sourcing investment opportunities among traditional bank and insurance sectors, the fund invested in technology-enabled financial companies, such as in the areas of payments and exchanges, in many cases from IPO.

Prior to his move to buy-side in 2006, Marc had been an Institutional Investor ranked analyst at a number of investment banks including Credit Suisse, where as managing director he headed the firm's European banks research team. Since winding up the Lansdowne Global Financials Fund in 2016, Marc has worked with various funds and financial institutions in a research and consulting capacity with a particular focus on fintech. He is an active angel investor in fintech, a contributor to Bloomberg and author of the popular Net Interest newsletter. Marc holds a BA in Mathematics from the University of Oxford and holds an MSc from the London Business School.

The Board (continued)

Charles Elliott

(Independent non-executive Director):

Charles has been with Inflection Point Investments since co-founding the firm with Sasha Karim in 2007. He has been investing in technology stocks through five major cycles since 1978. Charles has met with and analysed over 10,000 companies in Asia, North America, Europe and the UK, and developing contacts with their suppliers and retailers. He has been investing in private and public companies for over 40 years.

Prior to Inflection Point, Charles worked at Goldman Sachs for 23 years, as a sell-side equity analyst covering technology stocks in Europe (1991-2008), where he was ranked No.1 in the Institutional Investor poll and No. 2 in the Excel & Reuters poll. This work included advising on private investments, both at the inception and IPO stages. Prior to joining Goldman Sachs, Charles worked in Japan (1985-1991) where he was ranked the top foreign analyst in the Nikkei Poll. He had established and ran the Tokyo office of Rowe & Pitman (now UBS Securities) in the period 1979-1985, after starting his career at SG Warburg & Warburg Investment Management in 1977. Charles holds a degree in Modern History from the University of Oxford.

Stuart Knight

(Independent non-executive Director):

Stuart has built up a wealth of experience in both public and private markets over the last 25 years. Within his role as co-founder of Titan Alternatives Limited (previously known as Haibun Wealth) and having run a successful practice within a leading wealth manager for the past two decades, Stuart has focussed on the research and due diligence of opportunities within the listed fund sector, including long only hedge funds and credit funds, as well as the involvement and appraisal of companies within the VCT and EIS market.

Stuart has been personally investing and helping to facilitate investment into the venture space for the last 18 years, which has included into companies qualifying as Venture Capital Trusts and companies seeking EIS investment. Having invested in over 30 companies during that period, he has first-hand experience of meeting founders and managers across various sectors spanning technology, renewables, e-commerce, engineering and digital media. Stuart has relevant VCT experience for his role as a non-executive director of the Company having helped originate, and having been a key investor in, two successful VCTs, and has served on the board of Gresham House Renewable Energy VCT 2 plc. Stuart has an honours degree in Engineering from Loughborough University.

Since co-founding Haibun Wealth Limited (now Titan Alternatives Limited), Stuart has been instrumental in the development of the firm and its standing in this specialised market.

Directors' Report

The Statement of Corporate Governance on pages 28 to 32 forms part of the Directors' Report.

Principal activity and status

The Company is registered as a public limited company by shares under the Companies Act 2006 (Registration number 15236513). The address of the registered office is c/o The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. The Company is a generalist VCT seeking to invest in a diversified portfolio of businesses that the Investment Manager believes will provide the opportunity for value appreciation. The Company will focus on investments in digital and technology businesses. A review of the Company's business during the period ended 31 March 2025 is contained in the Chair's Statement and Manager's Review.

Directors

The Directors of the Company during the period under review were Andrew Whitehouse, Marc Rubinstein, Charles Elliott and Stuart Knight, all of whom were appointed on 8 December 2023. (HK Nominees Limited and Stephen Heinemann served as Directors from the date of incorporation, 25 October 2023, until they resigned on 8 December 2023.) The Company indemnifies its directors and officers and has purchased insurance to cover its directors.

Dividend

No dividend was paid or declared during the period ended 31 March 2025.

The Company will target an annual dividend equivalent to 4p per Share as well as special dividends, where appropriate, from the proceeds of successful exists of portfolio companies that are not reinvested. It is envisaged that dividends will be paid in the financial year ending 31 March 2028 onwards, subject to the existence of realised profits, distributable reserves, legislative requirements and the available cash reserves of the Company. No forecast or projection is to be implied or inferred.

Share capital

As shown in note 16 to the financial statements, the Company had only one class of share as at 31 March 2025, being ordinary shares of 1p each.

Issue of ordinary shares and share buybacks

During the period ended 31 March 2025, a total of 10,257,179 ordinary shares in the Company were issued as a result of an offer for subscription at an average price of 100.00 pence per share raising £10.26m. Two ordinary shares in the Company were issued as subscriber shares. There were 10,257,181 ordinary shares in issue at the period-end.

No shares were bought back by the Company during the period ended 31 March 2025.

The shares are traded on the London Stock Exchange's main market for listed securities. It is likely, however, that there will be an illiquid market for such shares and, in such circumstances, shareholders may find it difficult to sell their shares in the market. The Company intends to pursue an active share buyback policy to improve the liquidity in the shares where the Company may repurchase shares which shareholders wish to sell at a discount of up to 5% to the latest published net asset value per share, subject to applicable regulations, market conditions at the time and the Company having both the necessary funds and distributable cash resources available for the purpose. The making and timing of any share buybacks will remain at the absolute discretion of the Board. The Directors expect that there will be limited demand for share buybacks from shareholders within the first five years because the only sellers are likely to be deceased shareholders' estates and those shareholders whose circumstances have changed (to such extent that they are willing to repay the 30% income tax relief in order to gain access to the net proceeds of the sale).

Directors' Report (continued)

Capital disclosures

The rights and obligations attached to the Company's ordinary shares are set out in the Company's Articles of Association, copies of which can be obtained from Companies House. As at the date of this Report, the Company has one class of share in issue, ordinary shares, which carry no right to fixed income. The holders of ordinary shares are entitled to receive dividends when declared, to receive the Company's report and accounts, to attend and speak at general meetings, to appoint proxies and to exercise voting rights. There are no restrictions on the voting rights attaching to the Company's shares or the transfer of securities in the Company.

Auditor

BDO LLP is the appointed auditor of the Company and offer themselves for re-appointment. Resolutions to re-appoint BDO LLP as auditor and to authorise the Directors to determine their remuneration will be proposed at the forthcoming AGM.

Annual general meeting ("AGM")

The Notice of the AGM is on pages 69 to 70 of these financial statements.

Under the Company's Articles, each Director is subject to re-election every third year. As this is the Company's first AGM, there are resolutions for the election of all four Directors. The Notice of AGM includes the following resolutions:

- Resolution 10, an ordinary resolution, is proposed to ensure the Directors retain the authority to allot shares in the Company until the date of the 2026 Annual General meeting up to an aggregate nominal amount of £350,000 (representing approximately 313% of the issued ordinary share capital of the Company as at 26 June 2025).
- Resolution 11, a special resolution, is proposed to empower the Directors to allot shares under the authority granted by resolution 10 without regard to any rights of pre-emption on the part of the existing shareholders.
- Resolution 12, a special resolution, is proposed to ensure that authority to buy back shares is in place until the date of the 2026 Annual General Meeting.

Substantial shareholdings (individual shareholders over 3%)

Name of shareholder	As at the date of this report: No of ordinary shares held	As at the date of this report: % of shares in issue	31 March 2025: No of ordinary shares held	31 March 2025: % of shares in issue
Aadarsh Kumar Ahswin Malde	400,000	3.45	400,000	3.90
Alexander Francis Baring	400,000	3.45	400,000	3.90
City Partnership Nominee Limited	400,000	3.45	400,000	3.90
Marcus Logan Ayre	400,000	3.45	400,000	3.90
Stuart Frank Powers	400,000	3.45	400,000	3.90

Directors' Report (continued)

Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in business for the foreseeable future (being a period of 12 months from the date these financial statements were approved). In reaching this conclusion the Directors took into account the nature of the Company's business and Investment Policy, its risk management policies and the cash holdings. They have also reviewed the budgets and forecasts, which have been subject to stress tests performed by the Investment Adviser, and consider the Company has adequate financial resources to enable it to continue in operational existence at least 12 months from the date of approval of the Financial Statements. Therefore, the Directors believe it is appropriate to continue to apply the going concern basis in preparing the financial statements.

Accountability and audit

The independent auditor's report is set out on pages 38 to 46 of this report. The Directors who were in office on the date of approval of this Report have confirmed that, as far as they were aware, there is no relevant audit information of which the auditor is unaware. Each of the Directors has taken all the steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Financial instruments

The Company's financial instruments will comprise investments held by the VCT, equity, cash balances and liquid resources including debtors and creditors. Details of the financial instruments held by the Company and the risk associated with them are set out in note 19 on pages 62 to 64 and in the Investment Portfolio section on pages 4 to 9.

Indemnity payments

There are no qualifying indemnity payments made on behalf of the Directors.

Risk management

Further details, including details about risk management, are set out on pages 15 to 20 and in note 19 on pages 62 to 64.

Future developments

Significant events which have occurred after the period-end are detailed in note 21 on page 65. Future developments which could affect the Company are discussed in the outlook section of the Chair's Statement and in the Manager's Review.

By order of the Board

Andrew Whitehouse
Non-executive Chair

27 June 2025

Statement of Corporate Governance

The Board is committed to the principle and application of sound corporate governance and confirms that the Company has taken steps, appropriate to a venture capital trust and relevant to its size and operational complexity to comply with the provisions and recommendations of The UK Corporate Governance Code published by the Financial Reporting Council in July 2018 (the "Code"). The Code can be found on the website of the FRC at www.frc.org.uk. At a meeting held on 5 March 2025, the Board resolved that the Company would take steps to comply with the principles and provisions of the AIC Corporate Governance Code with effect from 1 April 2025.

The Directors acknowledge the section headed "Reporting on the Code" in the preamble to the Code which recognises that an alternative to complying with a provision may be justified in particular circumstances based on a range of factors, including the size, complexity, history and ownership structure of a company. Accordingly, the provisions of the Code have been complied with save that (i) the Company does not have a senior independent director (although the Chair is an independent director), (ii) the Chair is a member of the Company's audit committee, (iii) the Company will not conduct on an annual basis a formal review as to whether there is a need for an internal audit function as the Directors do not consider that an internal audit would be an appropriate control for a VCT and (iv) the Directors will not stand for annual re-election (but will comply with the Company's Articles concerning their re-election). The Directors, all of whom are independent, will stand for re-election every three years. The Board considers that these provisions are not relevant to the position of the Company due to the size and specialised nature of the Company, the fact that all Directors are non-executive and the costs involved.

The Directors consider the Annual Report and Financial Statements taken as a whole to be fair, balanced and understandable and to provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

The Board

The Board has overall responsibility for the Company's affairs, including determining its investment policy and having overall control, direction and supervision of the Investment Manager. As the funds under management increase, it is probable that a Management Engagement Committee will be formed to monitor, on behalf of the Board, the Manager's performance. Meanwhile, the Board carries out the functions of a management engagement committee. The Investment Management Agreement between the Company and Sturgeon Ventures LLP sets out the matters over which the Investment Manager has authority. This includes monitoring the Company's assets. All other matters, including strategy, investment and dividend policies and corporate governance proceedings are reserved for the approval of the Board. The Board aims to meet at least quarterly and additional meetings are arranged as necessary. Full and timely information is provided to the Board to enable it to function effectively and to allow the Directors to discharge their responsibilities. In addition, the Directors are responsible for ensuring that the policies and operations are in the best interests of all the Company's shareholders and that the best interests of creditors and suppliers to the Company are properly considered. The Chair and the company secretary establish the agenda for each Board meeting. The necessary papers for each meeting are distributed well in advance of each meeting ensuring all Directors receive accurate, timely and clear information. The Board has direct access to corporate governance and compliance services through the company secretary which is responsible for ensuring that Board procedures are followed and compliance requirements are met.

The Board comprises four non-executive Directors, all of whom act independently of the Investment Manager and Investment Adviser. Accordingly, the majority of the Board, including the Chair, are independent of the Investment Manager. The Directors have a wide range of investment, business, financial skills and knowledge relevant to the Company's business.

Statement of Corporate Governance (continued)

Brief biographical details of each Director are set out on pages 23 and 24.

The Company's four Directors are male. The Company has no employees. The Board is aware that the Company has not met the three diversity targets set out in Listing Rule 9.8.6(9). However, the Board would point out that it comprises only four Directors, all of whom are independent. At this time, the Company does not have a Director from a minority ethnic background. The Board believes in the value and importance of diversity in the boardroom but does not consider it appropriate or in the best interests of the Company to set prescriptive targets.

The Board has disclosed the following information in relation to its diversity based on the position at the Company's accounting reference date, 31 March 2025:

Gender	No. of Directors	% of Directors	No. of Senior Roles
Men	4	100.0	2*
Women	0	0	0
Prefer not to say	0	0	0

* Andrew Whitehouse chairs the Board and Audit Committee.

Ethnicity	No. of Directors	% of Directors	No. of Senior Roles
White British (or any other white background	4	100.0	2
Mixed/ Multiple Ethnic Groups	0	0	0
Prefer not to say	0	0	0

The Company may by ordinary resolution appoint any person who is willing to act as a Director, either to fill a vacancy or as an additional Director. No Director has a contract of service with the Company. All of the Directors have been provided with letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the annual general meeting.

The Board is committed to ensuring that the Company is run in the most effective manner. The Board monitors the diversity of all Directors to ensure an appropriate level of experience and qualification. When making new appointments the Board takes into account other demands on directors' time and prior to appointment significant commitments would be disclosed. There are no specific guidelines set on length of Directors' service, including the Chair, as the Board believes that continuity of experience is most important.

Independence of Directors

The Board regularly reviews the independence of each Director and of the Board as a whole in accordance with the guidelines in the Code. Directors' interests are noted at the start of each Board meeting and any Director would not participate in the discussion concerning any investment in which he or she had an interest. The Board notes the Code's recommendation that more than nine years of service would compromise independence, and so will consider the independence of a Director once he or she has served for more than nine years. The Board considers that continuity and experience can be of significant benefit to the Company and its shareholders. The Board believes that all Directors have demonstrated that they are independent in character and judgment and there are no relationships or circumstances which could affect their objectivity.

Board Performance

During the period, the Board approved a performance evaluation process which was completed after the period-end. Due to the size of the Company, the fact that all Directors are non-executive and the costs involved, external facilitators are not expected to be used in the evaluation. Post period-end, on 25 June 2025, the Company Secretary presented the findings of the Board performance evaluation exercise, which consisted of a series of questionnaires. The Board concluded that all Directors continued to make an

Statement of Corporate Governance (continued)

effective contribution and have the requisite skills and experience to continue to provide able leadership and direction for the Company. The Board also assessed and monitored its own culture, including its policies, practices and behaviour and was satisfied it is aligned with the Company's purpose, values and strategy.

Board and Committee Meetings

The following table sets out the Directors' attendance at full Board and audit committee meetings held during the period ended 31 March 2025.

	Board meetings		Audit committee meetings	
Director	Held	Attended	Held	Attended
Andrew Whitehouse	3	3	2	2
Marc Rubinstein	3	3	2	2
Charles Elliott	3	0	2	0
Stuart Knight*	3	3	n/a	n/a

* Stuart Knight is not a member of the audit committee but attends the audit committee meetings.

The Board is in regular contact with the Investment Adviser between Board meetings.

Report of the Audit Committee

The Company's audit committee ("Audit Committee") comprises three independent non-executive Directors - Andrew Whitehouse, Marc Rubinstein and Charles Elliott. Due to his independence and experience, the Board believes it is appropriate that the Chair of the Board is also the Chair of the Audit Committee. The Board is also satisfied that the committee as a whole has competence relevant to the venture capital trust sector and the requisite skills and experience to fulfil the responsibilities of the Audit Committee and meets the requirements of the Code as to recent and relevant financial experience.

The committee meets at least twice a year. The Company's auditors may be required to attend such meetings. The committee will prepare a report each year addressed to shareholders for inclusion in the Company's annual report and accounts. The duties of the committee are inter alia:

- to review and report to the Board on significant financial reporting issues and judgements which the financial statements, interim reports, preliminary announcements and related formal statements contain;
- to review the different valuation methodologies used to arrive at the investment valuations to be carried in the Company's financial statements;
- to monitor, review and report to the Board on internal control and risk management systems;
- to consider the appointment of the external auditor, to monitor its independence and objectivity, the level of audit fees and to discuss with the external auditor the nature and scope of the audit; and
- to prepare a formal report to shareholders on its activities to be included in the Company's annual report, which includes all information and requirements set out in the UK Corporate Governance Code.

During the period ended 31 March 2025 there were two full meetings of the committee; it will also meet subsequent to 31 March 2025 to review a draft of this Report.

The Directors carried out a robust assessment of the principal risks facing the Company and concluded that the key areas of risk which threaten the business model, future performance, solvency or liquidity of the Company are:

- compliance with HMRC VCT Regulations to maintain the Company's VCT status; and
- valuation of investments.

These matters are monitored regularly by the Investment Adviser and reviewed by the Board at every Board meeting. They were also discussed with the Investment Adviser and the auditor at the Audit Committee meeting held to discuss these annual financial statements.

Statement of Corporate Governance (continued)

The committee concluded:

- VCT status – the Investment Adviser confirmed to the Audit Committee that the conditions for maintaining the Company's status had been complied with throughout the year. The Company's VCT status is also reviewed by the Company's tax adviser, Philip Hare & Associates, as described on page 22.
- Valuation of investments –the Investment Adviser confirmed to the Audit Committee that unquoted companies are valued in accordance with published industry guidelines. The valuations of unquoted companies take account of the latest available information about the investee companies and relevant current market data. A comprehensive report on the valuation of unquoted investments is presented and discussed at every Board meeting; Directors are also consulted about material changes to those valuations between Board meetings.

The Audit Committee is satisfied that the key areas of risk and judgement will be properly addressed in the financial statements and that the significant assumptions to be used in determining the value of assets and liabilities will be properly appraised and are sufficiently robust.

Relationship with the Auditor

The Audit 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.

When assessing the effectiveness of the process for the period under review, the Audit Committee considered the auditor's technical knowledge and its understanding of the business of the Company; whether the audit team was appropriately resourced; whether the auditor provided a clear explanation of the scope and strategy of the audit and whether the auditor maintained independence and objectivity. As part of the review of auditor effectiveness and independence, BDO LLP has confirmed that it is independent of the Company and has complied with applicable auditing standards. BDO LLP does not provide any non-audit services to the Company. BDO LLP has held office as auditor since the inception of the Company. Public interest entities are required to put the external audit contract out to tender at least every ten years. BDO LLP has held office as auditor for one year as at the date of this Report; in accordance with ethical standards the engagement partner is rotated after at most five years, and the current partner has served for one year.

Following the review as noted above the Audit Committee is satisfied with the performance of BDO LLP and recommends the services of BDO LLP to the shareholders in view both of that performance and the firm's extensive experience in auditing VCTs.

Internal control and Risk management

The Board acknowledges that it is responsible for the Company's internal control systems and for reviewing their effectiveness. In accordance with the Code, the Audit Committee has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. The internal control systems aim to ensure the maintenance of proper accounting records, the reliability of the financial information upon which business decisions are made and which is used for publication, and that the assets of the Company are safeguarded. Internal controls can only provide reasonable and not absolute assurance against material misstatement or loss. The financial controls operated by the Board include the authorisation of the investment strategy and regular reviews of the results and investment performance.

Statement of Corporate Governance (continued)

The Board has delegated contractually to third parties, as set out on pages 13 and 14, the management of the investment portfolio, the safeguarding of the assets and the day-to-day accounting, company secretarial and administration requirements.

The Board receives and considers regular reports from the Investment Adviser. Ad hoc reports and information are supplied to the Board as required. It remains the role of the Board to keep under review the terms of the investment management agreement with the Investment Manager.

Regular review of the control systems is carried out which covers consideration of the key risks. Each risk is considered with regard to the controls exercised at Board level, reporting by service providers and controls relied upon. The company secretary reviews the annual statutory accounts to ensure compliance with Companies Act and the Code and the audit committee reviews financial information prior to its publication.

Quarterly management accounts are produced for review and approval by the Investment Adviser and the Board. Quarterly valuation reports, including valuation methodology, are also reviewed by the Audit Committee on behalf of the Board and, where necessary, either valuations or methodology will be challenged.

The Board has also agreed a cycle of policy reviews, including policy compliance, which includes the Company's policy for approving and making payments.

Shareholder reporting

The Directors believe that communication with shareholders is important. Shareholders have access to a copy of the Company's annual report and accounts (expected to be published each July) and a copy of the Company's half- yearly report (expected to be published each November). These will be made available on the Investment Adviser's website. Shareholders and their advisers (if applicable) will also receive updated reports from the Company and the Investment Adviser on the progress of the Company. In order to reduce the administrative burden and cost of communicating with shareholders, the Company intends to publish all notices, documents and information to be sent to shareholders generally on the Manager's website https://www.fuel.ventures/vct-fund. Increased use of electronic communications will deliver significant savings to the Company in terms of administration, printing and postage costs, as well as speeding up the provision of information to shareholders. The reduced use of paper will also have environmental benefits. Shareholders will be notified when documents are published on the Investment Adviser's website. Such notification will be delivered electronically (or by post where no email address has been provided for that purpose). The Company welcomes the views of shareholders and places great importance on communication with its shareholders. Shareholders will have the opportunity to meet the Board at the annual general meeting. All shareholders are welcome to attend the meeting and to ask questions of the Directors. The Board is also happy to respond to any written queries made by shareholders during the course of the year. All communication from shareholders is recorded and reviewed by the Board to ensure that shareholder enquiries are promptly and adequately resolved.

On behalf of the Board

Andrew Whitehouse
Non-executive Chair

27 June 2025

Directors' Remuneration Report

Introduction

This report has been prepared in accordance with the requirements of the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (the "Regulations"). Ordinary resolutions for the approval of the Directors' Annual Report on remuneration will be put to members at the Company's AGM to be held on 8 September 2025.

This Directors' Remuneration Report is audited by the Company's auditor, BDO LLP, and any material misstatements are identified through this. The disclosures which have been audited are indicated as such. The auditor's opinion on these and other matters is included in the Independent Auditor's Report on pages 38 to 46.

Annual statement from the Chair of the Board

Directors' fees are reviewed annually and are set by the Board to attract individuals with the appropriate range of skills and experience. In determining the level of fees their duties and responsibilities are considered, together with the level of time commitment required in preparing for and attending meetings. Directors' fees have not changed in the period.

Directors' remuneration policy

The current policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole, be fair and comparable with that of other companies that are similar in size and nature to the Company and have similar objectives and structures. Directors' fees are set with a view to attracting and retaining the Directors required to oversee the Company effectively and to reflect the specific circumstances of the Company, the duties and responsibilities of the Directors and the value and amount of time committed to the Company's affairs. It is the intention of the Board that, unless any revision to this policy is deemed necessary, this policy will continue to apply in the forthcoming and subsequent financial years. The Board has not received any views from the Company's shareholders in respect of the levels of Directors' remuneration.

The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. No arrangements have been entered into between the Company and the Directors to entitle any of the Directors to compensation for loss of office.

No Director has a contract of service with the Company. All of the Directors have been provided with letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the annual general meeting.

Directors' annual report on remuneration

Terms of appointment

No Director has a contract of service with the Company. Each of the Directors entered into an agreement with the Company dated 8 December 2023 whereby he or she is required to devote such time to the affairs of the Company as the Board reasonably requires consistent with their role as non-executive Director. Each of Andrew Whitehouse, Marc Rubinstein and Charles Elliott is entitled to receive an annual fee of £24,000 (plus VAT if applicable and Stuart Knight is entitled to receive an annual fee of £nil. Each party can terminate the agreement by giving to the other at least three months' notice in writing to expire at any time after the date 12 months from the respective commencement dates. No benefits are payable on termination.

Directors are subject to election by shareholders at the first annual general meeting after their appointment. The Company's Articles of Association provide for a maximum level of total remuneration of £200,000 per annum in aggregate.

Directors are remunerated exclusively by fixed fees and do not receive bonuses, share options, long term incentives, pension or other benefits. There is no comparative information in respect of employee remuneration as the Company has no employees.

Directors' Remuneration Report (continued)

Directors' fees for the year (Audited)

The fees payable to individual Directors in respect of the period ended 31 March 2025 are shown in the table below.

Director	Total annual fixed fee £	Total fixed fee for the period ended 31 March 2025 £
Andrew Whitehouse	24,000	18,000
Charles Elliott*	24,000	0
Marc Rubinstein	24,000	18,000
Stuart Knight*	0	0
	72,000	**36,000**

* Both Charles Elliott and Stuart Knight waived their fees for the period ended 31 March 2025.

Directors' fees were not payable and did not accrue until 1 July 2024 as agreed with the Directors.

Employer National Insurance Contributions paid on remuneration of Andrew Whitehouse, Charles Elliott and Marc Rubinstein were £1,228, £nil and £1,228 respectively.

Annual percentage change in Directors' remuneration (Unaudited)

As this is the Company's first accounting reference period, there is no percentage change to report in the Directors' remuneration.

Relative importance of spend on Directors' fees

The table below shows the remuneration paid to Directors and shareholder distributions in the period to 31 March 2025:

	Period ended 31 March 2025 £
Total dividend paid to shareholders	0
Total repurchase of own shares	0
Total directors' fees	**36,000**

Directors' shareholdings (Audited)

The Directors who held office at the period-end and their interests in the shares of the Company (including beneficial and family interests) were:

31 March 2025	Shares held	% of issued share capital
Andrew Whitehouse	75,000	0.73
Charles Elliott	100,000	0.97
Marc Rubinstein	200,000	1.95
Stuart Knight	200,000	1.95

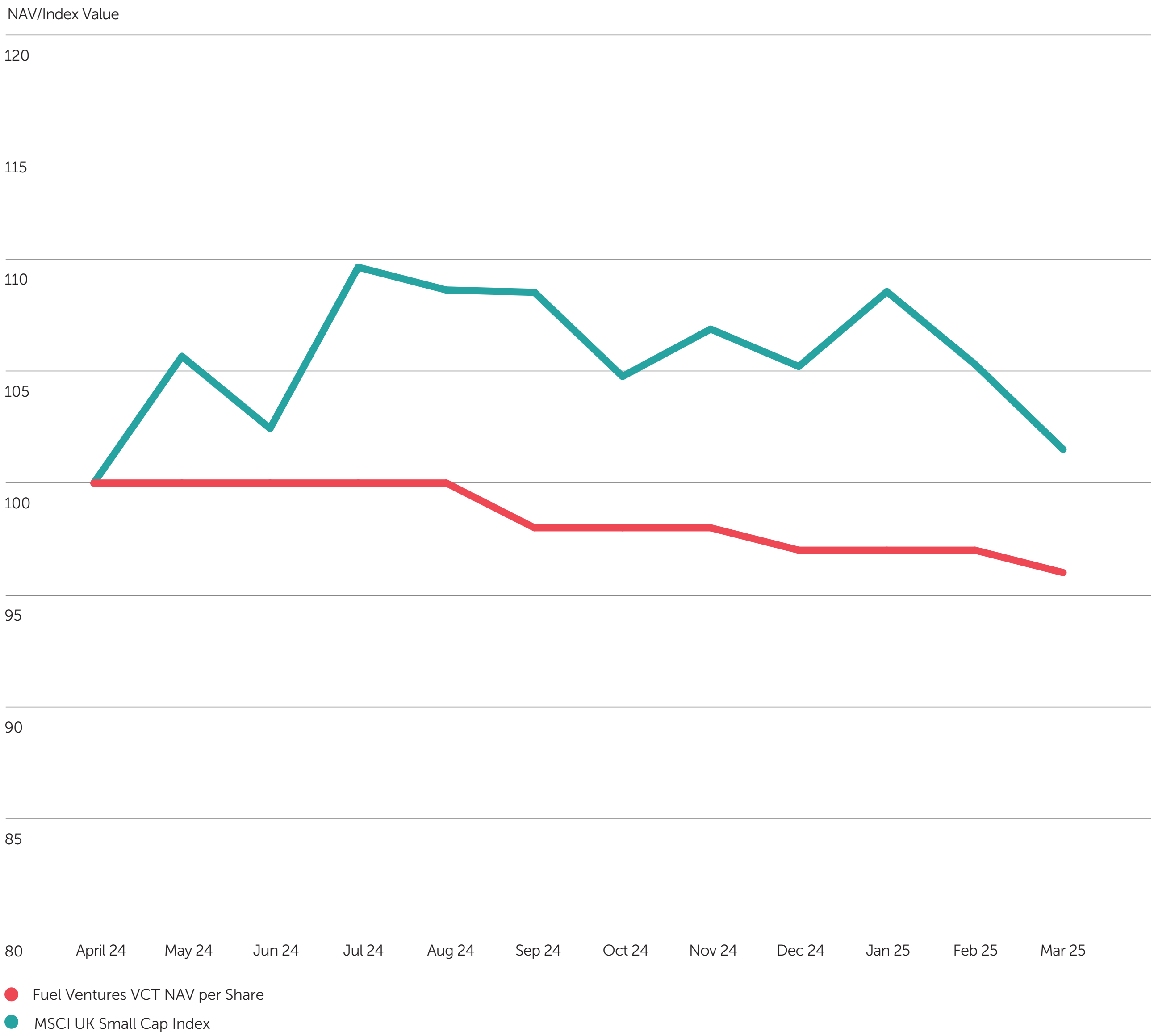
The Company confirms that it has not set out any formal requirements or guidelines for a Director to own shares in the Company.

Company performance

The Board is responsible for the Company's investment strategy and performance, although the management of the Company's investment portfolio is delegated to the Investment Manager through the investment management agreement. The Board intends to compare the Company's NAV per share to the MSCI UK Small Cap Index. This index was chosen as the benchmark for investment performance because its constituents are smaller UK listed companies and therefore closest to the small private companies in which the Company will invest. However, readers should note that the differences between the scale, capital structure and liquidity of investments included in this index differ markedly to typical VCT investments. It should also be noted that VCTs are not able to make qualifying investments in companies quoted on the Main Market.

Directors' Remuneration Report (continued)

Company Performance – Return Comparison



On behalf of the Board

Andrew Whitehouse
Non-executive Chair
27 June 2025

Statement of 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 year.

Under that law the Directors have prepared 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 for the Company for that year.

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 they have been prepared in accordance with applicable UK 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 Directors' 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.

The Directors are responsible for ensuring that the Annual Report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Website publication

The Directors are responsible for ensuring the Annual Report and the Financial Statements are made available on a website. A copy is maintained on the website by the Investment Adviser on behalf of the Company. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions.

The maintenance and integrity of the Company's website is the responsibility of the Directors.

The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Statement of Directors' Responsibilities (continued)

Directors' responsibilities pursuant to DTR4

The Directors confirm to the best of their knowledge:

- The financial statements which have been prepared in accordance with UK Generally Accepted Accounting Practice give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company.
- The Annual Report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that it faces.

The Board considers the annual report and financial statements, taken as a whole, are fair, balanced and understandable and that it provides the necessary information for shareholders to assess the Company's performance, business model and strategy.

On behalf of the Board

Andrew Whitehouse
Non-executive Chair

27 June 2025

Independent Auditor's Report

to the Members of Fuel Ventures VCT PLC

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Fuel Ventures VCT plc (the 'Company') for the period ended 31 March 2025 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit Committee.

Independence

Following the recommendation of the Audit Committee, we were appointed by the Board of Directors to audit the financial statements for the period ended 31 March 2025. The period of total uninterrupted engagement including retenders and reappointments is one year, covering the period ended 31 March 2025. We remain 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. The non-audit services prohibited by that standard were not provided to the Company.

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 the appropriateness of the Directors' method of assessing going concern in light of economic and market conditions by reviewing the information used by the Directors in completing their assessment;
- Obtaining the VCT compliance reports prepared by management's expert during the year and as at year end and reviewing the calculations therein to check that the Company was meeting its requirements to retain VCT status;
- Consideration of the Company's expected future compliance with VCT legislation, the absence of bank debt, contingencies and commitments and any market or reputational risks;
- Reviewing the forecasted cash flows that support the Directors' assessment of going concern, challenging assumptions and judgements made in the forecasts, and assessing them for reasonableness. In particular, we considered the available cash resources relative to the forecast expenditure; and

Independent Auditor's Report (continued)

- Reviewing the disclosures in the financial statements relating to going concern to assess whether they are consistent with the Company's circumstances.

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.

Overview

Key audit matters	Valuation of unquoted investments	2025 ✓
Materiality	*Company financial statements as a whole* £197,000 based on 2% of Net assets.	

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

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, including 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, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (continued)

<table>
<tr><th>Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>

Valuation of unquoted investments

(Note 6 and Note 12)

We considered the valuation of unquoted investments to be the most significant audit area as there is a high level of estimation uncertainty involved in determining the unquoted investment valuations.

There is an inherent risk of management override arising from the unquoted investment valuations being prepared by the Investment Manager, who is remunerated based on net asset value.

As a result of these factors, the audit of this area required significant auditor attention and we consider it a key audit matter.

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We tested 100% of the unquoted investment portfolio.

For all unquoted investments we:

- Challenged whether the valuation methodology was the most appropriate in the circumstances under the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines and the applicable financial reporting framework.
- Recalculated the value attributable to the Company, having regard to the application of enterprise value across the capital structures of the investee companies.

For investments that were valued using less subjective valuation techniques (price of recent investment) we:

- Verified the price of recent investment to supporting documentation.
- Considered whether the investment was an arm's length transaction through reviewing the parties involved in the transactions and considering whether or not they were already investors of the investee company.
- Considered whether there were any indications that the price of recent investment was no longer representative of fair value, including the current performance of the investee company compared to forecasts, milestones and expectations at the date of initial investment.

For investments that are valued using more subjective techniques (revenue multiples), where relevant we:

- Challenged and corroborated the inputs to the valuation with reference to management information of investee companies, market data and our own understanding and assessed the impact of the estimation uncertainty concerning these assumptions and the disclosure of these uncertainties in the financial statements;
- Reviewed the historical financial statements and any recent management information available to support assumptions about maintainable revenues, earnings or cash flows used in the valuations;
- Considered the revenue multiples applied and the discounts applied by reference to observable listed company market data; and
- Challenged the consistency and appropriateness of adjustments made to such market data in establishing the revenue multiple applied in arriving at the valuations adopted by obtaining independent multiples and performing sensitivity analysis on the investment valuations.

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Independent Auditor's Report (continued)

Key audit matter	How the scope of our audit addressed the key audit matter
Valuation of unquoted investments (continued)	Where appropriate, we performed a sensitivity analysis by developing our own point estimate where we considered that alternative input assumptions could reasonably have been applied and we considered the overall impact of such sensitivities on the portfolio of investments in determining whether the valuations as a whole are reasonable and free from bias. **Key observations** Based on the procedures performed we consider the investment valuations to be appropriate considering the level of estimation uncertainty.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

Company financial statements

	2025 £'000
Materiality	197
Basis for determining materiality	2% of Net assets
Rationale for the benchmark applied	Net asset value is the primary measure used by the users in assessing the performance of the Company. In setting materiality, we have had regard to the nature and disposition of the investment portfolio. Given that the Company's portfolio is comprised of unquoted investments which would typically have a wider spread of reasonable alternative possible valuations, we have applied a percentage of 2% of net assets.

Independent Auditor's Report (continued)

Company financial statements (continued)

	2025 £'000
Performance materiality	147
Basis for determining performance materiality	75% of Materiality
Rationale for the percentage applied for performance	The level of performance materiality applied was set materiality after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £9,800. We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the 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. 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.

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.

Independent Auditor's Report (continued)

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified; and • The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate.
Other Code provisions	• Directors' statement on fair, balanced and understandable; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems; and • The section describing the work of the Audit Committee.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	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. 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.

Independent Auditor's Report (continued)

Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	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, 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, 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.

Independent Auditor's Report (continued)

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the Companies Act 2006, the UK Listing Rules and Disclosure Guidance and Transparency Rules, the principles of the UK Corporate Governance Code, industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts and the applicable financial reporting framework. We also considered the Company's qualification as a VCT under UK tax legislation.

Our procedures in respect of the above included:

- Reviewing minutes of meeting of those charged with governance throughout the period for instances of non-compliance with laws and regulations;
- Enquiries of the management and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- Agreement of the financial statement disclosures to underlying supporting documentation; and
- Obtaining the VCT compliance reports prepared by management's expert during the year and as at year end and reviewing their calculations to check that the Company was meeting its requirements to retain VCT status; and

Fraud

We assessed the susceptibility of the financial statement to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;

Based on our risk assessment, we considered the areas most susceptible to be valuation of unquoted investments and management override of controls.

Our procedures in respect of the above included:

- In addressing the risk of valuation of unquoted investments, the procedures set out in the key audit matter section in our report were performed;
- In addressing the risk of management override of control, we:
  - Considered the opportunity and incentive to manipulate accounting entries and target tested relevant adjustments made in the period end financial reporting process;
  - Reviewed for significant transactions outside the normal course of business;
  - Reviewed the significant judgements made in the unquoted investment valuations and considering whether the valuation methodology is the most appropriate;

Independent Auditor's Report (continued)

- Considered any indicators of bias in our audit as a whole; and
- Reviewed unadjusted audit differences, if any, for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were deemed to have the appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement 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 deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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

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.

Gary Fensom
(Senior Statutory Auditor)

For and on behalf of BDO LLP,
Statutory Auditor
London, UK

27 June 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Income Statement

for the period ended 31 March 2025

	Note	Revenue £	Capital £	Total £
Gain/(loss) on unquoted investments held at fair value	12		(39,163)	(39,163)
Investment income	7	95,769	-	95,769
Manager's fee	8	(42,494)	(127,481)	(169,975)
Other expenses	9	` (212,426)	-	(212,426)
(Loss)/profit before taxation		(159,151)	(166,644)	(325,795)
Taxation	10	-	-	-
(Loss)/profit attributable to equity shareholders		(159,151)	(166,644)	(325,795)
Return per Ordinary shares (pence)	11	(2.70)	(2.82)	(5.52)

The total column of this Income Statement represents the profit and loss account of the Company, prepared in accordance with Financial Reporting Standard 102 ("FRS 102"). The supplementary revenue and capital return columns are prepared in accordance with the Statement of Recommended Practice, "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP") updated in July 2022 with consequential amendments. A separate Statement of Comprehensive Income has not been prepared as all income is included in the Income Statement.

All the items above derive from continuing operations of the Company. The notes on pages 51 to 65 are an integral part of the financial statements.

Statement of Changes in Equity

for the period ended 31 March 2025

	Note	Called up share capital £	Share premium £	Capital reserve (unrealised) £	Capital reserve (realised) £	Revenue reserve £	Total reserve £
Opening balance as at 25 October 2023		-	-	-	-	-	-
Total comprehensive income/(loss) for the period		-	-	(39,163)	(127,481)	(159,151)	(325,795)
Contributions by and distributions to owners:							
Shares issued	16	102,572	10,154,607	-	-	-	10,257,179
Share issue expenses		-	(34,363)	-	-	-	(34,363)
Redeemable preference shares issued		50,000	-	-	-	-	50,000
Redeemable preference shares cancellation	16	(50,000)	-	-	-	-	(50,000)
Closing balance as at 31 March 2025		**102,572**	**10,120,244**	**(39,163)**	**(127,481)**	**(159,151)**	**9,897,021**

The notes on pages 51 to 65 are an integral part of the financial statements.

Balance Sheet

as at 31 March 2025

	Note	31 March 2025 £
Fixed assets		
Investments	12	9,058,508
Current assets		
Debtors	14	110,050
Funds held by Administrator	19	945,907
Cash at bank and in hand		0
Creditors: amounts falling due within one year	15	(217,444)
Net current assets		838,513
Net assets		**9,897,021**
Capital and reserves		
Called up share capital	16	102,572
Share premium account		10,120,244
Redeemable preference shares	16	
Capital reserves		(166,644)
Revenue reserves		(159,151)
Total shareholders' funds		**9,897,021**
Net asset value per Ordinary share (pence)	18	**96.49**

The Financial Statements were approved by the Directors and authorised for issue on 27 June 2025 and signed on their behalf by:

Andrew Whitehouse
Non-executive Chair

Company registered number: 15236513

The notes on pages 51 to 65 are an integral part of the financial statements.

Statement of Cash Flow

for the period ended 31 March 2025

	Notes	Period ended 31 March 2025 £
Operating activities		
Loss before taxation for the period		(325,794)
Net loss on investments	12	39,163
(Increase) in debtors		(110,050)
Increase in creditors		217,444
Net cash outflow from operating activities		(179,237)
Cash flows from investing activities		
Purchase of investments	12	(3,799,802)
Purchase of money market funds	12	(5,297,869)
Net cash outflow from investing activities		(9,097,671)
Net cash outflow before financing		(9,276,908)
Cash flows from financing activities		
Proceeds from share issues		10,257,179
Share issue costs		(34,363)
Net cash inflow from financing activities		10,222,816
***(Decrease)/increase in cash and cash equivalents**		945,907
*Cash and cash equivalents at the beginning of the period		0
***Cash and cash equivalents at the end of the period**		**945,907**

* Each of these amounts includes funds held by the administrator on behalf of the Company.

The notes on pages 51 to 65 are an integral part of the financial statements.

Notes to the Financial Statements

1. Company information

The Company is a public limited company by shares, incorporated in England and Wales. The registered address is c/o The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. The principal activity is investing in unlisted growth companies.

The Company's Ordinary Shares in issue have been admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

2. Basis of preparation

These Financial Statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and in accordance with the SORP issued by the Association of Investment Companies ("AIC") in July 2022. The Financial Statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The Financial Statements are prepared in pounds sterling, which is the functional currency of the company. All values in these financial statements are rounded to the nearest pound, except where stated.

3. Going concern

The Board of Directors is satisfied that the Company has adequate availability to continue as a going concern and are satisfied that the Company has adequate resources to continue in business for the foreseeable future (being a period of 12 months from the date these Financial Statements were approved). In reaching this conclusion the Directors took into the account the nature of the Company's business and Investment Policy, its risk management policies, and the cash holdings. As at 31 March 2025 the Company held cash balance with value of £0. There was also cash held by the Administrator in the Offer account totalling £945,907 to be received by the Company post the period-end. The Company also held £5,297,869 in highly liquid money market funds at the period-end, which the Company can sell to satisfy cash requirements. In the period ended 31 March 2025, the Company had operating expenses of £382,400. The Company also benefits from the Investment Adviser's cost cap which limits annual running expenses to 3.5% of year end NAV. The Directors have reviewed the budgets and forecasts, which have been subject to stress tests performed by the Investment Adviser, and consider the Company has adequate financial resources to enable it to continue in operational existence for at least 12 months from the date of approval of the Financial Statements. The stress tests included a scenario that assumed the Company raised no future funds which had no impact on the going concern basis of the Company. Thus, the Directors believe it is appropriate to continue to apply the going concern basis in preparing the financial statements.

Notes to the Financial Statements (continued)

4. Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business.

5. Significant judgements and estimates

The preparation of the Financial Statements may require the Board to make judgements and estimates that affect the application of policies and reported amounts of assets, liabilities and income and expenses. Estimates and assumptions mainly relate to the fair value of the fixed asset investments, particularly unquoted investments. The valuation methodologies used when valuing unquoted investments provide a range of possible values. Judgments are made to determine the best valuation methodology in order to ascertain the fair value of unquoted investments. Estimates are based on historical experience and other assumptions that are considered reasonable under the circumstances. The estimates and the assumptions are under continuous review with attention paid to the carrying value of the investments.

More information related to unquoted investments and their valuations is included in Note 12, pages 58 to 60, and the Investment Adviser's Review on page 3.

Judgements

The Directors consider that the preparation of the Financial Statements involves the following key judgements:

i. the fair valuation of the unlisted investments The key judgements in the fair valuation process are:
   i. the Investment Adviser's determination of the appropriate application of IPEV Guidelines to each unlisted investment; and
   ii. the Directors' consideration of whether each fair value is appropriate following review and challenge. The judgement applied in the selection of methodology used for determining fair value of each unlisted investment can have a significant impact upon the valuation.

Estimates

The key estimate in the Financial Statements is the determination of the fair value of the unlisted investments by the Investment Adviser for consideration by the Directors. This estimate is key as it significantly impacts the valuation of the unlisted investments at the Balance Sheet date. The fair valuation process involves estimation using subjective inputs that are unobservable (for which market data is unavailable). The main estimates involved in the selection of the valuation process inputs are:

i. the selection of appropriate comparable companies in order to derive revenue multiples and meaningful relationships between enterprise value, revenue and earnings growth. Comparable companies are chosen on the basis of their business characteristics and growth pattern;

Notes to the Financial Statements (continued)

5. Significant judgements and estimates (continued)

ii. the selection of a revenue metric, either historic or forecast;

iii. the selection of an appropriate industry benchmark index to assist with the valuation validation or the application of valuation adjustments, particularly in the absence of established earnings or closely comparable peers; and

iv. the multiple is adjusted to reflect any risk associated with lack of marketability and to take account of the differences between the investee company and the benchmark company or companies used to derive the multiple.

6. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, is set out below.

a. Investments

The Company held money market funds during the reporting period. Money market funds are recognised at fair value, which is the latest published price.

Investments in unlisted companies are held at fair value through profit or loss. Information about the portfolio is provided internally to the Directors on that basis and the Directors consider the basis to be consistent with the Company's investment strategy. The fair value of unquoted investments is assessed by the Directors with reference to the International Private Equity and Venture Capital Valuation Guidelines December 2022 ("IPEV guidelines") which include the following techniques:

i. Where a value is indicated by a material arms-length transaction by an independent third party in the shares of a company within the last twelve months. This value will be used only if, after careful consideration of all the facts and circumstances it is considered the best measure of fair value.

ii. In the absence of (i), and depending upon both the subsequent trading performance and investment structure of an investee company, the valuation basis will usually move to either:

    a. a revenue multiple basis. The shares may be valued by applying a suitable enterprise value-to-revenue ratio to that company's historical, current, or forecast revenue, or to the revenues (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 with the sector including, inter alia, a lack of marketability); or

    b. an assessment of other relevant, objective evidence.

iii. Where a revenue multiple or other objective evidence is not appropriate and overriding factors apply, discounted cash flow or net asset valuation bases may be applied.

Notes to the Financial Statements (continued)

6. Accounting policies (continued)

b. Income

Dividends receivable on investments are recognised as revenue on the date on which the shares or units are marked as ex-dividend basis. Where no ex-dividend date is available, the revenue is recognised when the Company's right to receive payment has been established.

Interest receivable on bank deposits and investments is included in the financial statements on an accruals basis.

c. Expenses

All expenses are accounted for on an accruals basis. In respect of analysis between revenue and capital items presented within the income statement, all expenses have been accounted for as revenue except as follows:

Expenses are split and presented partly as capital items where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated, and accordingly the investment management fee is currently allocated 25% to revenue and 75% to capital, which reflects the Directors' expected long-term view of the nature of the investment returns of the Company.

Expenses which are incidental to the purchase of an investment are charged through the capital column of the Company's Income Statement.

d. Cash at bank and in hand

Cash at bank and in hand comprises cash in hand and at bank deposits with an original maturity of less than three months, readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

e. Funds held by Administrator

Funds held by the Administrator on behalf of the Company comprise the net funds standing to the credit of the Company after the deduction of expenses from the sums subscribed for shares during the period.

f. Financial instruments

The Company has applied the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments. Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Most of the Company's financial instruments fall under the 'Basic financial instruments' category and comprise its cash balances, funds held by the Administrator and most debtors and creditors. These financial assets and financial liabilities are initially and subsequently measured at the transaction price (including transaction costs) less any impairment.

The Company's investment portfolio falls within the scope of Section 11 'Basic Financial Instruments', and is measured and carried at fair value through profit or loss.

Notes to the Financial Statements (continued)

6. Accounting policies (continued)

g. Equity

Called up share capital

Equity instruments (ordinary shares and redeemable preference shares) issued by the Company are recorded at the nominal amount.

Share premium

The share premium account is a non-distributable reserve which represents the price paid for shares and the nominal value of the shares, less issue costs.

Non-distributable capital reserve

Non-distributable capital reserve represents increases and decreases in the value of investments held at the period-end.

Distributable capital reserve

The following are disclosed in this reserve:

- gains and losses on the disposal of investments; and
- expenses allocated to this reserve in accordance with the above policies.

Revenue reserve

The revenue reserve represents accumulated profits and losses, and any surplus profit is distributable by way of dividends.

h. Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue return on the "marginal" basis as recommended in the SORP.

Any tax relief obtained in respect of management fees allocated to capital is reflected in the capital column of the Statement of Comprehensive Income and a corresponding amount is charged against the revenue column. 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 at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

The tax expense/(income) is presented either in the Income Statement or Statement of Changes in Equity depending on the transaction that resulted in the tax expense/(income). Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Notes to the Financial Statements (continued)

7. Income

	2025 £
Dividends received	0
MMF income	95,769

8. Investment Manager's fee

Period ended 31 March 2025	Revenue £	Capital £	Total £
Fee	43,744	131,231	174,975
Cost cap provision	(1,250)	(3,750)	(5,000)

Sturgeon Ventures LLP has been appointed as the Company's Investment Manager. This appointment continues unless and until terminated by either party giving to the other not less than 12 months' notice in writing, such notice not to take effect before the end of the fifth anniversary following the last allotment of Shares pursuant to an offer for subscription made by the Company. The Investment Management Agreement is subject to earlier termination by either party in certain circumstances, particularly on written notice from the Investment Adviser that they have been granted the relevant FCA authorisations and wish to become the new investment manager.

Details of the appointment, including fees, may be found in the Strategic Report on pages 13 and 14.

9. Other expenses

	Period ended 31 March 2025 £
Directors' remuneration – fees	38,456
Administration fees	15,904
Registrars' fee	8,881
Auditor's remuneration – audit of Statutory Financial Statements	52,500
Other professional fees	8,890
Other costs	51,473
Irrecoverable VAT	36,322
	212,426

The Company has no employees other than the Directors.

Information relating to Director's remuneration can be found in the audited section of the Director's Remuneration Report on pages 33 to 35.

Notes to the Financial Statements (continued)

10. Taxation

a) Analysis of tax charge

	Period ended 31 March 2025 £
Current year charge:	
Revenue charge	-
Credited to capital return	-
Current tax charge (Note 10b)	-
Prior year charge:	-
Revenue charge	-
Credited to capital return	-
Total current and prior year tax charge	-

b) Factors affecting tax charge for the year

	Notes	2025 £
Profit/(loss) on ordinary activities before taxation		(325,794)
Effect of:		
Profit/(loss) before taxation multiplied by average rate of corporation tax in UK of 25%		(81,449)
Losses on investments held at fair value not taxable		9,791
Excess management expenses on which deferred tax not recognised		71,658
Tax charge for year	10a	-

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.

No deferred tax asset has been recognised on surplus expenses carried forward as it is not envisaged that any such tax will be recovered in the foreseeable future. The value of the unrecognised deferred tax asset is £71,658 based on losses carried forward of £286,631. This is calculated using a corporation tax rate of 25% which is the rate at which it is deemed that any losses would be utilised.

Notes to the Financial Statements (continued)

11. Return per Ordinary share (Basic and Diluted)

Period ended 31 March 2025	Net(loss)/ profit £	Weighted average shares	Return per share pence
Revenue	(159,151)	5,900,071	(2.70)
Capital	(166,644)	5,900,071	(2.82)
Total	**(325,795)**	**5,900,071**	**(5.52)**

The Company has no dilutive shares and consequently, basic and diluted return per ordinary share are equivalent in any accounting reference period.

12. Investments

	Notes	Unquoted investments £	Money Market Funds £	Total £
Movements in the period				
Purchased at cost		3,799,802	5,297,869	9,097,671
Sales proceeds				
Unrealised gains/(losses)		(39,163)	-	(39,163)
Increase/(decrease) in investment holding		-	-	-
Total movements in period		(39,163)	-	(39,163)
Closing valuation:				
Cost at 31 March 2025		3,799,802	5,297,869	9,097,671
Unrealised gains/(losses) at 31 March 2025	17	(39,163)	-	(39,163)
Investment holding gains/(losses) at 31 March 2025		-	-	-
Valuation at 31 March 2025		3,760,639	5,297,869	9,058,508

The Company is required to report the category of fair value measurements used in determining the value of its investments, to be disclosed by the source of inputs, using a three-level hierarchy:

Level 1: quoted prices in active markets for identical assets or liabilities. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is defined as a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market price used for financial assets held by the Company is the current bid price.

The Company has no investments classified in this category.

Notes to the Financial Statements (continued)

12. Investments (continued)

Level 2: the fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Company's money market fund investments are classified in this category.

Level 3: the fair value of financial instruments that are not traded in an active market (for example, investments in unquoted companies) is determined by using valuation techniques such as revenue multiples. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. All of the Company's qualifying investments fell into this category at 31 March 2025.

Most companies, due to the recency of investment were valued at the price of that investment.

The remaining investments were valued using a multiple of revenue based off a relevant public market peer set.

Valuation Methodology	Total Value of Investments, £
Revenue multiple	803,491
Held at price of recent investment	2,957,148
Held at cost – money market funds	5,297,869

The Board acknowledges the uncertainty that accompanies the valuation of unquoted investments and has conducted sensitivities to determine the impact of changing these parameters on the fair value of the portfolio. Revenue multiples are based on the multiples of a comparable publicly listed companies where the change in value of a market multiple could lead to a significant change in the fair value of the portfolio. The prices of new investments that are agreed are subjective and could affect the value of any prior holding in that company. FRS 102 requires the Directors to consider the impact of changing one or more of the inputs used as part of the valuation process to reasonable possible alternative assumptions. The key inputs are comparable public company revenue multiples and price of recent investments. See below for the results of our analysis:

Valuation Methodology	Input modified	Change to input	Increase in fair value of investments £	Increase in NAV per share p
Revenue Multiple	Reference public revenue multiple	+20%	160,698	1.57
		-20%	*(160,698)	(1.57)
Price of recent investment	Price of recent investment	+20%	591,430	5.77
		-20%	(591,430)	(5.77)

* This calculation does not take into account downside protection. If downside protection is taken into account the theoretical reduction in fair value would be approximately £12,000.

Notes to the Financial Statements (continued)

12. Investments (continued)

The aggregated effect of these sensitivities could be to decrease, or increase, the value of the Companies unquoted investments by £0.75 million which, in turn, would decrease or increase NAV per share by 7.23p and also impact the Income Statement by the amount of the valuation change. However, it is likely that the downside effect would be reduced given the majority of investments have downside protection achieved through preference shares. For valuations determined by a revenue multiple, the average multiple used was based on 5x.

13. Significant interests

Investee company	*Total Equity (fully diluted) held by Fuel Ventures SEIS & EIS Portfolios (%)	Equity (fully diluted) held by Fuel Ventures VCT Plc (%)
Hotel Manager	25.70%	3.65%
Lunio	23.71%	1.10%
Materials Market	28.28%	4.92%
HowNow	17.69%	1.56%
FundPath	21.97%	1.55%
SearchLand	21.87%	0.94%
StudioSpace	24.99%	2.81%
Wollit	22.95%	2.08%
Eleos	23.13%	1.55%

* Investment Adviser Fund portfolios refer to other services advised by the Investment Adviser which may co-invest alongside the VCT.

The voting rights for each investee company are aligned with the equity interest disclosed in the table above.

Further details of the holdings may be found in the Investment Portfolio section on pages 4 to 9.

14. Debtors

	2025 £
Amounts falling due within one year:	
Prepayments	1,943
Other debtors	72,907
Trade debtors	35,200
	110,050

Notes to the Financial Statements (continued)

15. Creditors

	2025 £
Amounts falling due within one year:	
Trade creditors	2,508
Other creditors	13,656
Accruals	201,280
	217,444

16. Called up share capital

During the period, the Company issued 10,257,181 Ordinary shares for a consideration of £10,257,179 comprising the allotment of 10,257,179 shares at £1 each and the issue of two subscriber shares at £0.01 each.

	2025 Number	2025 £
Allotted, issued, and fully paid during the period:		
Ordinary shares (1p shares)	10,257,181	10,257,179
Redeemable preference shares (£1 shares)	0*	0*

* On 30 October 2023, the Company allotted and issued 50,000 redeemable preference shares of £1.00 each to Titan Alternatives. These 50,000 redeemable preference shares were paid up, fully redeemed and subsequently cancelled during the period.

The redeemable preference shares:

- carry the right to receive a fixed cumulative preferential dividend from the revenue profits of the Company which are available for distribution and which the Directors determine to distribute by way of dividend in priority to any dividend payable on the ordinary shares at the rate of 0.1% per annum (exclusive of any imputed tax credit available to shareholders) on the nominal amount thereof, but confer no other right to a dividend;
- confer no right to receive notice of, or to attend or vote at general meetings, except where the rights of holders of redeemable preference shares are to be varied or abrogated;
- on a winding up confer the rights to be paid out of the assets of the Company available for distribution the nominal amount paid up to such shares pari passu with, and in proportion to, the amount of capital paid to the holders of the ordinary shares, but do not confer any right to participate in any surplus assets of the Company; and
- are capable of being redeemed by the Company at any time and on their redemption the holders thereof shall, subject to the provisions of the Act, be paid sum equivalent to the amount paid on each redeemable preference share held and each redeemable preference share which is redeemed shall thereafter be cancelled without any further resolution or consent.

Notes to the Financial Statements (continued)

17. Reserves

Called up share capital represents the nominal value of the shares that have been issued.

Share premium account includes any premiums received on issue of share capital less any transaction costs associated with the issuing of shares and any amounts which may be transferred to a special reserve.

Capital reserves include all costs which are considered capital in nature. As at 31 March 2025 there were losses of £286,631, and unrealised losses of £39,163.

Revenue reserves include all retained profits and losses. The balance on the account is distributable.

18. Net asset value per Ordinary share

As at 31 March 2025	Net assets £	Ordinary shares	NAV per share pence
Ordinary share	9,897,021	10,257,181	96.49

19. Financial instruments

The Company's financial instruments comprise equity, cash balances and liquid resources including debtors and creditors.

The Company holds financial assets in accordance with its investment policy to invest in qualifying investments and money market funds.

The Company held the following categorises of financial instruments at 31 March 2025:

	Cost £	Fair value £
Assets at fair value through profit or loss:		
Equity investments	3,799,802	3,760,639
Money market funds	5,297,869	5,297,869
Total	**9,097,671**	**9,058,508**
Assets measured at amortised cost:		
Cash at bank	0	0
Funds held by Administrator	945,907	945,907
Other debtors	108,107	108,107
Liabilities measured at amortised cost:		
Creditors	(16,164)	(16,164)
Accruals	(201,280)	(201,280)
	836,570	**836,570**

Notes to the Financial Statements (continued)

19. Financial instruments (continued)

When an investment has been made recently, the value of that investment is based on its cost, reviewed for impairment or uplift. This valuation is also calibrated with the most appropriate choice of a market-based multiple or discounted cash flow analysis, and considering any significant triggers or events that may affect it. This same valuation model will typically be used to value the investment when there has been no recent investment to provide firm evidence of the market price of an investment, subject to a review to confirm it is still most appropriate. Adjustments consistent with the IPEV guidelines may be made to the resulting company valuation if deemed appropriate by the Board.

The Company's investment policy means that many portfolio companies are targeting long-term growth and will not reach sustained profitability for some years. Consequently, a revenue multiple will often be the most appropriate market-based methodology to use for the calibration and valuation models. However, the Company would expect to switch to an earnings multiple when an investment has achieved the scale required for consistent profitability.

In the valuation models and calibration exercise, comparable trading multiples are selected, based on the most relevant combination of sector, size, growth rate, developmental stage, and strategy. The multiple for each company is calculated by dividing the enterprise value of the comparable by its revenue or earnings as appropriate, and adjusting for other considerations such as illiquidity, territories served, and other company specific circumstances.

Further details of the bases on which financial instruments, including investments, are held may be found in Note 6 and Note 12 and in the Investment Portfolio Section on pages 4 to 9.

Market and Investment valuation risk

Market risk is the exposure of the Company to the revaluation and devaluation of investments as a result of macroeconomic changes. The main driver of market risk is the dynamics of market quoted comparators as well as the financial and operational performance of portfolio companies. The Board seeks to reduce this risk by diversifying investments across a variety of sectors, details of the sectors the Company invests in can be found in the pie chart on page 9.

The Board tracks the investment valuation risk inherent in the Company's portfolio on the risk register that is reviewed quarterly. It maintains an appropriate spread of risk and ensures full and timely access to relevant information from the Investment Adviser. The Company does not use derivative instruments to hedge against market risk. The equity of the Company's unquoted investee companies is not traded and, as such, its price is more uncertain than this of more frequently traded stocks.

A sensitivity analysis was conducted where the key inputs of valuation were reduced by 20%; this would reduce profit before tax by £0.75 million and the NAV per share by 7.23 pence. However, it is likely that the downside effect would be reduced given that the majority of investments have downside protection achieved through preference shares which provide the Company with liquidity preference in exit scenarios.

More information related to a sensitivity analysis is included in Note 12 on pages 58 to 60.

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Company is exposed to credit risk through its debtors and cash held with bank.

Notes to the Financial Statements (continued)

19. Financial instruments (continued)

Credit risk arising on transactions with debtors relates to transactions awaiting settlement. Risk related to unsettled transactions is considered to be small due to the short settlement period involved.

At 31 March 2025, cash held on behalf of the Company was held by Bank of Scotland. Bankruptcy or insolvency of the bank may cause the Company's rights with respect to the cash held by it to be delayed or limited. Should the credit quality or the financial position of the bank deteriorate significantly the Company has the ability to move the cash holdings to another bank.

Liquidity risk

The Company's financial instruments may include investments in unlisted equity investments which are not traded in an organised public market, and require a mid to long term commitment, which generally may be illiquid. The Company retains a portion of the portfolio in cash in order to finance new investment opportunities. Surplus cash is invested into highly liquid money market funds which can be sold if the need to use more cash arose, typically within 3 working days.

Interest rate risk

The Company has some exposure to changes in interest rates with small bank deposits attracting bank interest. Most surplus cash is invested into money market funds and the returns on those investments are directly correlated with interest rates. The potential impact to portfolio companies of interest rates is kept under review by the Investment Adviser.

The Company's floating rate investments comprise cash held on interest bearing money market securities. The benchmark rate which determines the rate of interest receivable on such investments is the bank base rate, which was 4.5% at 31 March 2025. The amounts held in floating rate investments at 31 March 2025 were as follows - £5,297,869 in money market funds.

A 1% increase in the base rate would increase income receivable from these investments by £52,979.

Every 1% increase in the base rate would increase income receivable from these investments for the year by £52,979.

20. Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern;
- to satisfy the relevant HMRC requirements; and
- to maximise the income and capital return to its shareholders.

As a VCT, the Company must hold at least 80% of its assets by value in Qualifying Investments by the second anniversary of the end of the accounting period in which the Company issued the shares. In addition, at least 30% of all new funds raised by the Company must be invested in Qualifying Investments within 12 months of the end of the accounting period in which the Company issued the shares. Qualifying Investments will be made in companies which are carrying out a qualifying trade, and have a permanent establishment in the UK, although some may trade overseas.

Notes to the Financial Statements (continued)

20. Capital management policies and procedures (continued)

The Company is targeting: (1) an annual dividend commencing in the financial year beginning 1 April 2027 equivalent to 4p per Share and (2) special dividends, where appropriate, from the proceeds of successful exits of portfolio companies that are not reinvested. The Company's ability to pay dividends is subject to the existence of realised profits, distributable reserves, legislative requirements and the available cash reserves of the Company, at the relevant time. No forecast or projection is to be implied or inferred.

21. Post Balance Sheet events

Since 31 March 2025, the Company has completed the following investment transactions:

- Investment of £499,997 in Cult Mia UK Ltd; and
- The allotment of an additional 935,445 shares for a consideration of £908,333.

22. Contingencies, guarantees and financial commitments

Under the terms of the Investment Adviser Agreement, the running expenses of the Company which are provided for in an annual budget approved by both the Board and the Investment Adviser are restricted to a maximum of 3.50% of the net asset value of the Company. Such excess, if occurred, is either to be paid by the Investment Adviser or to be refunded by way of a reduction to its annual investment adviser fee.

The running expenses incurred in the period were 3.50% of the net asset value as at 31 March 2025.

There were no other contingencies or guarantees as at 31 March 2025.

23. Related parties and Transactions with the Investment Manager

The remuneration and shareholdings of the Directors, who are key management personnel of the Company, are disclosed in the Directors' Remuneration Report on page 34.

The Company retains Sturgeon Ventures LLP as its Investment Manager and Sturgeon Ventures LLP retains Fuel Ventures Limited as its Investment Adviser. Details of the agreements with the Investment Manager and the Investment Adviser are set out on pages 13 and 14.

The Company also retains Titan Alternatives Limited as the promoter of the Company's offers for subscription ("Promoter").

Details of the transactions during the period with each of the Investment Manager, Investment Adviser and Promoter are given below:

Further to the agreements referenced above, the Investment Manager was paid £169,974 in respect of the period ended 31 March 2025 and the Investment Manager paid £148,611 of this amount to the Investment Adviser.

The Promoter waived its fee for the 2024/25 offer for subscription in favour of additional shares for the subscribers.

24. Geographical analysis

The operation of the Company is wholly in the United Kingdom.

Appendix
Alternative Performance Measures (Unaudited) ("APMs")

An APM is 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. The APMs noted below are commonly used measures for VCTs and will help shareholders to understand the Company's progress and serve to improve comparability between VCTs. As this is the Company's first annual report, there are no comparable previous year figures.

Total Return per Ordinary Share

Total return per ordinary share is calculated as NAV plus dividends, paid or proposed to date, divided by the number of Ordinary shares at the year end. This APM allows shareholders to evaluate the performance of the Company as it reflects the underlying value of the portfolio at the reporting date.

		31 March 2025
Net Asset Value	a	9,897,021
Dividends (paid or proposed)	b	0
Number of Ordinary Shares	c	10,257,181
Total Return per Ordinary Share	(a+b)/c	96.49

Appendix (continued)

Annual running expenses as a proportion of NAV

Annual running expenses are defined as the Company's annual expenses less irrecoverable VAT. This figure is divided by NAV to calculate annual running expenses as a proportion of NAV. The Investment Adviser has agreed to cap the total annual running expenses to a maximum of 3.5% of year end Net Assets and any excess above this will be borne by them.

Expenses Included in the Calculation		31 March 2025
Investment Management fee		169,974
Directors' fees		38,456
Audit fees		52,500
Accountancy fees		2,000
Registrars' fee		8,881
Company secretary and administration fees		15,904
Marketing fees		18,466
VCT status fees		6,000
LSE fees		2,500
Broking fees		6,110
RNS fees		2,110
CT Compliance fees		1,950
FCA fees		9,087
Other professional fees (ongoing - expected to be received annually)		8,890
Insurance		3,250
Annual Running Expenses	(a)	346,078
Net Asset Value	(b)	9,897,021
Annual Running Expenses as % of NAV	a/b	3.50%

Appendix
(continued)

Ongoing charges ratio

The ongoing charges ratio is the annualised operating costs divided by the average NAV over the period. The expenses included follow the AIC recommended methodology. The average NAV is calculated as the mean of the Company's NAV at the end of each quarter. This APM demonstrates to shareholders all operating costs incurred in relation to the average NAV over the period.

Expenses Included in the Calculation	31 March 2025
Investment Management fee	169,974
Directors' fees	38,456
Audit fees	52,500
Accountancy fees	2,000
Registrars' fee	8,881
Company secretary and administration fees	15,904
Marketing fees	18,466
VCT status fees	6,000
LSE fees	2,500
Broking fees	6,110
RNS fees	2,110
CT Compliance fees	1,950
FCA fees	9,087
Other professional fees (ongoing - expected to be received annually)	8,890
Insurance	3,250
Irrecoverable VAT	36,322
Ongoing Expenses	382,400
30-Jun-24	£6,516,669
30-Sep-24	£8,308,170
31-Dec-24	£9,959,433
31-Mar-25	£9,897,021
Average NAV	8,670,323
Ongoing Expenses as % of Average NAV	4.41%

Notice of Annual General Meeting

Fuel Ventures VCT plc

(Registered in England and Wales with Registered Number 15236513)

NOTICE IS HEREBY GIVEN that the first annual general meeting of Fuel Ventures VCT plc ("the Company") will be held at noon on 15 September 2025 at Howard Kennedy's offices, 1 London Bridge, London SE1 9BG for the purposes of considering and, if thought fit, passing the following resolutions, resolutions 1 to 10 as ordinary resolutions and resolutions 11 and 12 as special resolutions.

It is the Board's opinion that all resolutions are in the best interests of shareholders as a whole and the Board recommends that shareholders should vote in favour of all resolutions. Any shareholder who is in doubt as to what action to take should consult an appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all your shares in the Company, please forward this document to the purchaser, transferee, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

The Board also encourages the submission, by those who are unable to attend in person, of questions on either the Company or the portfolio to the Board via email to enquiries@city.uk.com by 1 September 2025, being one week prior to the date of the AGM. Answers will be published on the Company's website at the time of the AGM.

Ordinary resolutions

1. To receive the Directors' Report and Financial Statements of the Company for the period ended 31 March 2025 together with the Independent Auditor's Report thereon.
2. To receive and approve the Directors' Remuneration Policy contained in the Director's Remuneration Report for the period ended 31 March 2025.
3. To receive and approve the Directors' Remuneration Report for the period ended 31 March 2025 other than the part of such report containing the Directors' Remuneration Policy.
4. To appoint BDO LLP as auditor of the Company from the conclusion of the AGM until the conclusion of the next AGM of the Company to be held in 2026 at which financial statements are laid before the Company.
5. To authorise the directors to fix the remuneration of the auditor.
6. To elect Andrew Whitehouse as a director of the Company in accordance with the Articles of Association.
7. To elect Charles Elliott as a director of the Company in accordance with the Articles of Association.
8. To elect Marc Rubinstein as a director of the Company in accordance with the Articles of Association.
9. To elect Stuart Knight as a director of the Company in accordance with the Articles of Association.
10. That, the Directors be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006, as amended, (the "Act") to exercise all of the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal value of £350,000, representing approximately 313% of the issued share capital of the Company as at 26 June 2025, being the latest practical date prior to publication of this document, provided that the authority conferred by this Resolution 10 shall expire at the conclusion of the Company's next annual general meeting or on the expiry of fifteen months following the passing of this Resolution 10, whichever is the later (unless previously renewed, varied or revoked by the Company in general meeting).

Notice of Annual General Meeting (continued)

Special resolutions

11. That, the Directors be and hereby are empowered pursuant to Section 570(1) 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 given in accordance with Section 551 of the Act by Resolution 10 above as if Section 561 of the Act did not apply to such allotments, provided that the power provided by this Resolution 11 shall expire at the conclusion of the Company's next annual general meeting or on the expiry of fifteen months following the passing of this Resolution 11, whichever is the later (unless previously renewed, varied or revoked by the Company in general meeting).
12. That, the Company be and is hereby authorised to make one or more market purchases (within the meaning of section 693(4) of the Act) of Ordinary shares provided that:
    i. the maximum aggregate number of Ordinary shares authorised to be purchased is an amount equal to 14.99% of the issued Ordinary shares;
    ii. the minimum price which may be paid for an Ordinary share is their nominal value;
    iii. the maximum price which may be paid for an Ordinary share, exclusive of expenses, is an amount equal to the higher of (i) 105% of the average of the middle market prices shown in the quotations for an Ordinary share in the Daily Official List of the London Stock Exchange for the five Business Days immediately preceding the day on which that Ordinary share is purchased; and (ii) the amount stipulated by Article 5(6) of Market Abuse Regulation;
    iv. unless renewed, the authority hereby conferred shall expire either at the conclusion of the annual general meeting of the Company following the passing of this Resolution 12 or on the expiry of fifteen months from the passing of this Resolution 12, whichever is the later, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary shares which will or may be completed or executed wholly or partly after such expiry.

By order of the Board

The City Partnership (UK) Limited
Company Secretary

27 June 2025

Notes

Entitlement to vote

The right to vote at the Annual General Meeting is determined by reference to the register of members 48 hours before the time of the Annual General Meeting. Accordingly, to be entitled to vote, Shareholders must be entered in the register of members by close of business on 11 September 2025.

Appointment of proxies

1. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting.

   For this purpose, you may use the Form of Proxy which will have been sent to you unless you opted for electronic communications. Shareholders can appoint a proxy electronically on-line, as explained below (point 6).

   If you opted for electronic communications, then you will have been sent an email which includes information on how to appoint a proxy electronically on-line.

   You can only appoint a proxy using the procedures set out in these notes.

2. A proxy does not need to be a member of the Company. Details of how to appoint the Chair of the meeting or another person as your proxy using the Form of Proxy are set out in these notes.

3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please complete a Form of Proxy for each proxy specifying which of your shares the proxy will be acting in respect of.

4. If you do not give your proxy an indication of how to vote on the resolutions, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using hard copy Form of Proxy

5. These notes explain how to direct your proxy to vote on the resolutions or withhold their vote.

   To appoint a proxy using the Form of Proxy, the form must be:

   - completed and signed;
   - sent or delivered to The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH; and
   - received by The City Partnership (UK) Limited no later than noon on 11 September 2025 in respect of the Annual General Meeting or, if the meeting is adjourned, by no later than 48 hours prior to the adjourned Annual General Meeting.

   In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

   Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

Electronic appointment of proxies

6. As an alternative to completing the hard copy Form of Proxy, you can appoint a proxy electronically via the registrar's on-line Proxy Voting App: https://fuel-agm.city-proxyvoting.uk. You will need your City Investor Number (CIN) and your Access Code which may be found either on the Form of Proxy or in the email sent to you.

   For an electronic proxy appointment to be valid, your appointment must be received by The City Partnership (UK) Limited no later than 48 hours prior to the time of the meeting, i.e. by noon on 11 September 2025.

Appointment of proxy by joint members

7. In the case of joint shareholders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first- named being the most senior).

Changing proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut- off time will be disregarded.

   Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH.

   If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Notes (continued)

Termination of proxy appointments

9. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
    - By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
    - By sending an e-mail to proxies@city.uk.com with a signed revocation attached to the email such that the revocation would have been valid had it been sent by ordinary mail. This email address should not be used for any other purpose unless expressly stated.
    - By amending your proxy vote via the Proxy Voting App: https://fuel-agm.city-proxyvoting.uk.

    Whichever method is used, the revocation notice must be received by the Company no later than noon on 11 September 2025 in respect of the Annual General Meeting or, if the meeting is adjourned, by no later than 48 hours prior to the adjourned Annual General Meeting.

    If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Communication

10. Except as provided above, members who have general queries about the meeting should contact the Company Secretary by post at The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH, or by email at registrars@city.uk.com (no other methods of communication will be accepted).

    You may not use any electronic address provided either:
    - in the notice of the Annual General Meeting; or
    - any related documents (including the Form of Proxy), to communicate with the Company for any purposes other than those expressly stated.

Directors and Advisers

Directors
(all non-executive)

Andrew Whitehouse (Chair)
Marc Rubinstein
Charles Elliott
Stuart Knight

All of:

Registered Office at
The Mending Rooms,
Park Valley Mills
Meltham Road
Huddersfield, HD4 7BH

Solicitors

Howard Kennedy LLP
No.1 London Bridge
London, SE1 9BG

Sponsor

Howard Kennedy Corporate Services LLP
No.1 London Bridge
London, SE1 9BG

Secretary and Administrator

The City Partnership (UK) Limited
The Mending Rooms,
Park Valley Mills
Meltham Road
Huddersfield, HD4 7BH

Registrars and Receiving Agent

The City Partnership (UK) Limited
The Mending Rooms,
Park Valley Mills
Meltham Road
Huddersfield, HD4 7BH

VCT Tax Adviser

Philip Hare & Associates LLP
6 Snow Hill
London, EC1A 2AY

Auditor

BDO LLP
55 Baker Street
London, W1U 7EU

Investment Manager

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19 Heathmans Road,
London, England, SW6 4TJ

Investment Adviser

Fuel Ventures Limited
424 Margate Road,
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Kent, England, CT12

Fuel Ventures

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