



Octopus Defensive Fund (formerly Virgin Money Defensive Fund)

Interim Report and Financial Statements

For the six month period ended 31 January 2026 (unaudited)

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Management and professional services

For the six month period ended 31 January 2026 (unaudited)

Manager (the 'Manager')

Until 30 November 2025

Virgin Money Unit Trust Managers Limited
Jubilee House
Gosforth
Newcastle upon Tyne
NE3 4PL

Directors:

S. Hynes
D. Marsh (Appointed 30 November 2025)
R. Milne
P. Moore
C. Rhodes (Resigned 30 November 2025)
P. Titterton (Appointed 30 November 2025)

From 1 December 2025

Octopus Money Unit Trust Managers Limited
33 Holborn
London
EC1N 2HT

Telephone 03456 10 20 30*

Authorised and regulated by the Financial Conduct Authority.

Investment Adviser

Aberdeen Investments Limited
280 Bishopsgate
London
EC2M 4AG

Authorised and regulated by the Financial Conduct Authority.

Registrar

SS&C Financial Services Europe Limited**
SS&C House
St Nicholas Lane
Basildon
Essex
SS15 5FS

FNZ (UK) Limited ***
10th Floor 135 Bishopsgate
London
EC2M 3TP

Authorised and regulated by the Financial Conduct Authority.

* Calls to 03 numbers cost the same as calls to 01 or 02 numbers and they are included in inclusive minutes and discount schemes in the same way. Calls may be monitored and recorded.

** Main Register of Unitholders.

*** FNZ Plan Register.

Management and professional services

For the six month period ended 31 January 2026 (unaudited)

Trustee

Citibank UK Limited
Citigroup Centre
Canada Square
Canary Wharf
London
E14 5LB

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Independent Auditor

KPMG LLP
1 St Peter's Square
Manchester
M2 3AE

Manager's investment report

For the six month period ended 31 January 2026 (unaudited)

Investment Objective, Policy and Strategy

The Octopus Defensive Fund (formerly Virgin Money Defensive Fund) (the "Fund") aims to grow investors' money over the medium term (3 years or more) whilst limiting ups and downs in value by investing mainly in assets considered to be lower risk or 'defensive' in nature.

The Fund aims to achieve the objective by investing in other funds, rather than investing directly in individual bonds or shares. This means that the Fund is what's often known as a 'fund-of-funds'. The funds which it invests in may be managed by us, our Investment Adviser, or any other authorised fund manager.

The Fund invests:

- at least 75% in funds that have a lower risk and return potential compared to other investments in the Fund. This includes government bonds (loans to a government) from developed countries, investment grade corporate bonds (loans to a company) with relatively strong credit ratings (BBB or higher), and cash;
- the rest in funds that have a higher return potential compared to other investments in the Fund – but which carry a higher level of risk, such as shares (from both developed and emerging countries) and higher yielding bonds. This includes company shares, property shares, and higher yielding bonds such as corporate bonds rated by the leading credit agencies as below investment grade (BB or lower).

The split between higher and lower risk investments, and the types of investment (for example, geography and types of bonds) are chosen so that risk (measured by how much the Fund's value fluctuates, known as 'volatility') is expected to remain within the range 2% to 5% per year, measured over five-year periods.

The underlying funds are chosen to implement the desired mix of assets as per the bullet points above. Normally at least 80% of the funds (excluding cash or money market funds) that the Fund invests in will be passively managed. This means that they aim to track the performance of a particular share index or bond index. The rest will be actively managed funds – this is where the fund manager chooses individual shares / bonds and as a result returns may be higher (or lower) than the market.

One way in which the Fund seeks to manage risks and opportunities is via Environmental, Social and Governance (ESG) considerations. Where the Investment Adviser feels it is beneficial from a risk or return perspective, and suitable investment options are available, underlying investment funds will be chosen because of their:

- integration of ESG considerations into stock selection (increasing / decreasing allocation to individual companies based on the ESG scoring process of the index provider / fund manager)
- adoption of sustainable investing objectives or policies
- positive shareholder engagement policies, and / or
- investment in companies providing products and services that support the transition to a low carbon economy.

The Fund will limit (to no more than 0.5% of the value of the Fund's assets) indirect exposure to companies which:

- make more than 5% of their earnings from tobacco products, thermal coal or unconventional oil and gas (such as oil sands or shale gas),
- are involved in the manufacture of controversial weapons such as cluster munitions or anti-personnel landmines; or
- who violate the UN Global Compact principles on human rights, labour, the environment and anti-corruption.

If the Investment Adviser determines that the allocation to the above type of companies is above 0.5% of the value of the Fund's assets, they will reduce exposure to below 0.5%. They will do this by selling underlying funds identified as contributing to the over-exposure, usually within two months.

We expect the Fund to have a better ESG rating (based on the analysis and scoring system of one or more market leading data providers) and lower carbon emissions compared to investing in the same mix of assets using a standard indexing approach without ESG consideration. This will be reported in the annual value statement when reviewing the non-financial performance of the Fund.

As well as investing in bond and share funds, the Fund may also hold cash or funds investing in cash and money-market investments.

The Fund's mix of investments will be reviewed at least annually and may change in consideration of the outlook for each investment type, but it will always include at least 75% in funds with lower risk/return potential.

Manager's investment report

For the six month period ended 31 January 2026 (unaudited)

Trust Status

The Fund is an authorised unit trust scheme under S243 of the Financial Services and Markets Act 2000 and is categorised as a UK UCITS¹ scheme under the Collective Investment Schemes Sourcebook ('the COLL Rules').

Financial Instruments

In pursuing its investment objective set out above, the Fund holds a number of financial instruments. The Fund's financial instruments comprise securities and other investments, cash balances and debtors and creditors that arise directly from its operations.

Unit Trust schemes are not permitted by the Regulations² to enter into a transaction if its purpose could reasonably be regarded as speculative. The Fund's use of financial instruments satisfies these requirements and no speculative trading in financial instruments is undertaken.

The Fund invests predominantly in collective investment schemes, as shown in the Portfolio statement on page 10. Management fees for the funds in which it invests are met by the Manager out of the operating charges set out on page 9.

Risk and Reward Profile

The Fund's Synthetic Risk and Reward Indicator ('SRRI') is 3 on a scale of 1 (lower) to 7 (higher) as it invests in other underlying funds, which in turn invest in a mixture of gilt-edged securities and corporate bonds - which typically provide moderate rewards but carry a lower level of risk, and company shares which typically provide higher rewards but carry a higher level of risk.

For further information, please refer to the Fund's Key Investor Information Document ('KIID').

Distribution

The Fund receives income from the underlying funds held in its portfolio. Every six months, income received is netted off against expenses incurred. Any net balance is distributed two months after the end of the period.

Accumulation Unit Class

The interim distribution for the period ended 31 January 2026 for the Accumulation Unit Class will be 2.0018p net per unit payable on 31 March 2026.

Fund Performance

The net asset value for Accumulation Units increased by 3.86%³ from 104.83p to 108.88p.

Significant Events

On 8 August 2025 it was announced that Octopus Money had agreed to purchase Virgin Money Unit Trust Managers Limited from its ultimate parent company Nationwide Building Society. The sale was completed on 30 November 2025. With effect from 1 December 2025, the following changes took place:

- The name of the Manager changed from Virgin Money Unit Trust Managers Limited to Octopus Money Unit Trust Managers Limited.
- The name of the Fund changed from Virgin Money Defensive Fund to Octopus Defensive Fund.

There will be no immediate changes for customers. Following sale completion fund documentation previously found on the Virgin Money UK website will be found on the Octopus Money Direct website.

¹ Authorised in accordance with the Undertakings in Collective Investments in Transferable Securities (UCITS) Directive.

² The Regulations derive from UK and EU financial services legislation including the Financial Services and Markets Act 2000, the UCITS Directive and Financial Conduct Authority (FCA) rules, principally COLL.

³ Based on published net asset value as shown on page 9.

Manager's investment report

For the six month period ended 31 January 2026 (unaudited)

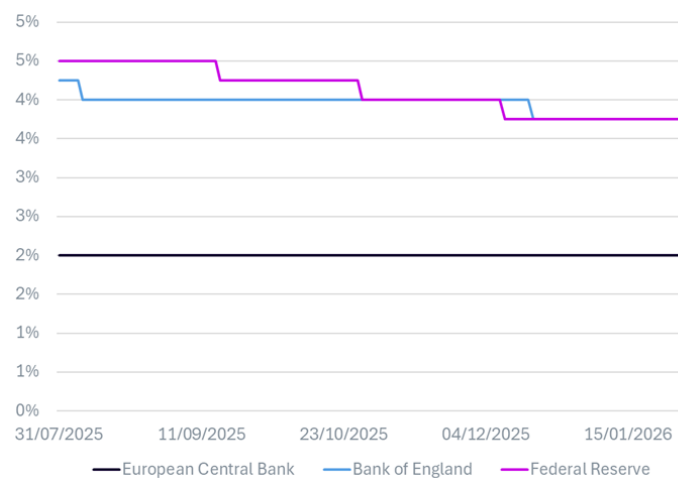
Markets overview from 1 August 2025 to 31 January 2026

The fixed income market had a mostly positive streak over the six-month review period, with global government bonds rising in sterling terms. Amid a general slowdown in inflation, the US Federal Reserve (Fed) and Bank of England (BoE) cut interest rates. However, investors remained concerned about higher future inflation due to US tariffs and growing fiscal deficits in major economies. Meanwhile, global equities delivered strong gains over the review period. Performance was supported by resilient economic growth and continued disinflation, which sustained expectations of further interest-rate cuts. In October and November, a partial US government shutdown and volatility linked to elevated technology-sector valuations intermittently weighed on markets. In January 2026, renewed trade tensions emerged after US President Trump threatened tariffs on several European countries over a dispute regarding Greenland. This raised concerns about retaliation before the US subsequently scaled back its tariff plans and ruled out the use of force.

Sustained growth and continued disinflation lead to interest-rate cuts

- Inflation continued to decrease over most of the review period. Resilient economic growth and strong corporate earnings led to further policy easing from central banks.

A comparison of central bank rates through the period



- Following a sustained moderation in inflation and signs of cooling in the labour market, the Fed reduced the federal funds target range by 25 basis points (bps) at its September, October and December 2025 meetings, bringing it to 3.50%–3.75%, while continuing to emphasise a data-dependent approach given the underlying resilience of the economy. The US economy grew 3.8% in the second quarter (Q2), above expectations and driven by lower imports and strong consumer

spending. GDP then expanded by a higher-than-expected 4.3% in the third quarter (Q3).

- In the UK, the BoE lowered the Bank Rate by a total of 50 bps across August and December, taking it to 3.75%. The Consumer Price Index peaked at an annualised rate of 3.8% between July and September 2025, partly because of increased energy costs, before falling back to 3.0% in January 2026. Q3 GDP rose 0.1% after 0.2% growth in Q2. Meanwhile, Chancellor Rachel Reeves's November Budget aimed to raise around £26 billion a year by the fiscal period 2029–30, lifting estimated fiscal headroom to roughly £22 billion.
- Eurozone GDP grew by a higher-than-expected 0.3% on a sequential basis in Q3, following 0.1% growth in the previous quarter. Having cut interest rates to 2% in the first half of 2025, the European Central Bank (ECB) made no significant monetary policy changes during the period as inflation in the bloc remained under control; inflation declined to an annual rate of 1.7% in January 2026 – below the 2% ECB target.

Bond markets rise despite geopolitical and inflation expectation challenges

- Global government bonds rose in local currency terms over the period. In the US, yields on 10-year Treasuries ended Q3 lower, as easing price pressures and softer labour market data fuelled expectations of further rate cuts. As inflation concerns over US tariffs persisted and worries about deteriorating fiscal positions grew in the fourth quarter, government bond yields rose in Germany despite periods of safe-haven demand amid the Russia–Ukraine conflict and Middle East tensions. However, 10-year US Treasury yields were little changed as easing price pressures and softer labour market data fuelled expectations of further rate cuts. Global bond markets weakened in January as investors priced in a slower pace of further monetary easing and elevated fiscal risks.
- Corporate bonds also performed well as investor risk appetite remained buoyant. Investment-grade bonds benefitted from expectations of further Fed rate cuts and safe-haven interest amid ongoing geopolitical tensions. High-yield bonds also rose, underpinned by a relatively robust US economy and still-low default rates. Across both categories, strong company fundamentals and favourable technical conditions, such as limited new issuance, strengthened investor confidence and helped keep spreads tight by historical standards. This was despite some concerns about lingering inflationary pressures and growing fiscal deficits in some major economies.

Global equities gain due to strong earnings, positive sentiment around artificial intelligence (AI) and monetary easing

- Global stock markets, as represented by the MSCI World Index, rose over the six-month period in all major currencies, including sterling.

Manager's investment report

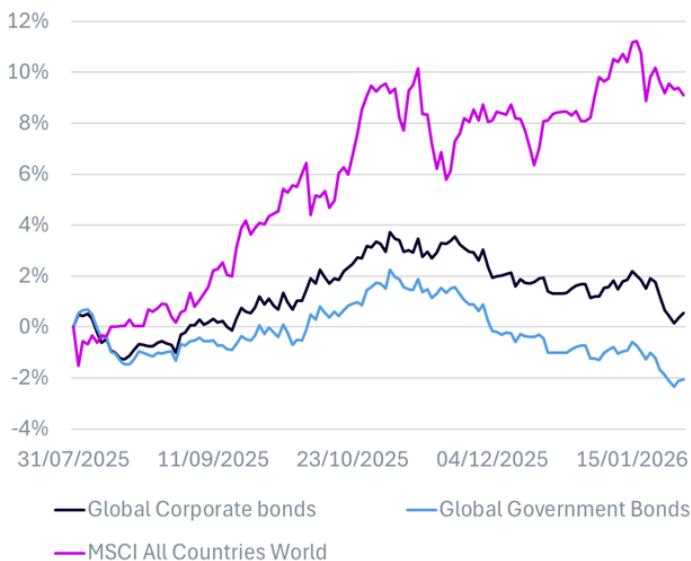
For the six month period ended 31 January 2026 (unaudited)

- Global equities were supported by strong earnings, particularly from large technology and AI-related companies, along with expectations of gradual monetary easing as inflation data softened.
- US share prices, as measured by the broad S&P 500 Index, advanced over the period, helped by the Fed's rate cuts, robust corporate earnings and improving US–China trade relations. While AI optimism also lifted markets, investors were concerned over relatively high valuations and debt-funded AI investments. The US administration's plans to intervene in other regions weighed on sentiment in the new year, although concerns eased after US President Donald Trump decided not to tariff European countries based on the dispute over Greenland.
- UK equities performed well over the period. The FTSE 100 Index, home to multinational companies, posted particularly impressive performance and rose above the 10,000-point barrier for the first time in its history at the start of 2026. Banks and mining companies contributed strongly to the FTSE 100's rise. However, gains on the domestically-focused FTSE 250 Index were more muted due to concerns about the UK's economic outlook.
- European equities, as measured by the FTSE World Europe ex UK Index, recorded strong gains over the period. European defensive stocks such as banks and energy companies performed particularly positively. Firms in the defence and aerospace industries continue to benefit from the news that the German government was planning to relax fiscal rules to increase spending on the military and related infrastructure. Conversely, there was considerable volatility in the technology sector due to concerns about the valuations of companies exposed to AI, as well as the potential for AI to disrupt business models in software services.

Cautious approach amid evolving global macro dynamics

- As the global trade shock has moderated and the risks of a tariff spiral have receded, the probability of a US recession has reduced. However, uncertainty has not dissipated, with US trade and fiscal policy likely to persist as sources of volatility both for the global economy and financial markets.
- We therefore reiterate the importance of exposure to a diverse set of high-quality global opportunities.

A comparison of global government bonds, corporate bonds and equities



Net asset value and operating charges

As at 31 January 2026 (unaudited)

	Accumulation Units		
	31 Jan 26	31 Jul 25	31 Jul 24
Closing net asset value (£)	195,884,130	180,277,538	156,571,260
Closing number of units	179,902,977	171,964,458	156,988,974
Closing net asset value per unit (p)	108.88	104.83	99.73
Operating charges (%) [†]	0.40	0.40	0.40

[†]The operating charges are the annualised total expenses paid by the Fund in the year, expressed as a percentage of its average net assets.

Portfolio statement

As at 31 January 2026 (unaudited)

Security	Holdings	Market Value £'000	% of Net Assets
Bonds and Gilts (83.32%*)		163,837	83.65
abrln Liquidity Fund Lux - Sterling Fund Z-1 Income Share [#]	29,895	29,895	15.26
abrln OEIC IV - abrln Global Corporate Bond Screened Tracker Fund Class X Accumulation Shares [#]	8,301,083	9,610	4.91
abrln OEIC IV - abrln Global Government Bond Tracker Fund [#]	25,132,378	23,501	12.00
abrln OEIC IV - abrln Global Inflation-Linked Bond Tracker Fund [#]	3,542,791	3,767	1.92
abrln OEIC IV - abrln Short Dated Global Corporate Bond Tracker Fund [#]	8,164,084	9,705	4.95
abrln OEIC IV - abrln Short Dated Global Inflation-Linked Bond Tracker Fund [#]	11,198,053	13,782	7.04
abrln SICAV I - Global High Yield Sustainable Bond Fund [#]	512,485	5,891	3.01
iShares ESG Sterling Corporate Bond Index Fund	4,073,892	3,913	2.00
Legal & General ESG Emerging Markets Government Bond Index Fund	5,282,558	5,699	2.91
Legal & General ESG GBP Corporate Bond 0-Year UCITS ETF Fund	1,987,614	19,111	9.76
Vanguard Investment Series - UK Government Bond Index Fund	228,414	23,425	11.96
Vontobel Fund-Twentyfour Sustainable Short Term Bond Income	132,895	15,538	7.93
Shares (16.83%*)		32,225	16.44
abrln Evolve American Equity Index Fund [#]	3,900,752	5,863	2.99
abrln Evolve Asia Pacific ex-Japan Equity Index Fund [#]	4,858,381	6,193	3.16
abrln Evolve UK Equity Index Fund [#]	3,662,897	5,977	3.05
abrln OEIC IV - abrln Evolve European Equity Index Fund [#]	3,278,023	4,043	2.06
abrln OEIC IV - abrln Global REIT Tracker Fund [#]	1,673,127	1,831	0.93
iShares MSCI EM ESG Enhanced Fund	696,976	4,246	2.17
iShares MSCI Japan ESG Enhanced Fund	687,364	4,072	2.08
Portfolio of investments		196,062	100.09
Net other liabilities (-0.15%*)		(178)	(0.09)
Net assets		195,884	100.00

*Comparative figures shown in brackets relate to percentage of total net assets at 31 July 2025.

[#] This fund is managed by Aberdeen Investments Limited, Investment Adviser to the Fund.

Purchases and sales of investments

For the six month period ended 31 January 2026 (unaudited)

Purchases	Cost £'000
abrdn Liquidity Fund Lux - Sterling Fund Z-1 Income Shares [#]	15,644
Vanguard Investment Series - UK Government Bond Index Fund	4,820
abrdn OEIC IV - abrdn Global Corporate Bond Screened Tracker Fund Class X Accumulation Shares [#]	4,250
abrdn OEIC IV - abrdn Global Government Bond Tracker Fund [#]	3,300
Legal & General ESG Emerging Markets Government Bond Index Fund	1,900
abrdn OEIC IV - abrdn Evolve European Equity Index Fund [#]	1,800
iShares MSCI Japan ESG Enhanced Fund	1,584
iShares MSCI EM ESG Enhanced Fund	1,545
Legal & General ESG GBP Corporate Bond 0-5 Year UCITS ETF Fund	1,176
abrdn OEIC IV - abrdn Short Dated Global Inflation-Linked Bond Tracker Fund [#]	900
Vontobel Fund-Twentyfour Sustainable Short Term Bond Income	790
abrdn OEIC IV - abrdn Short Dated Global Corporate Bond Tracker Fund [#]	760
abrdn SICAV I - Global High Yield Sustainable Bond Fund [#]	325
iShares ESG Sterling Corporate Bond Index Fund	300
Total for the period	39,094

[#]This fund is managed by Aberdeen Investments Limited, Investment Adviser to the Fund.

The above constitutes all purchases of investments in the period.

Purchases and sales of investments

For the six month period ended 31 January 2026 (unaudited)

Sales	Proceeds £'000
abrdn Liquidity Fund Lux - Sterling Fund Z-1 Income Shares [#]	17,009
abrdn OEIC IV - abrdn Global Inflation-Linked Bond Tracker Fund [#]	5,200
abrdn Evolve Asia Pacific ex-Japan Equity Index Fund [#]	2,750
abrdn Evolve UK Equity Index Fund [#]	1,800
abrdn Evolve American Equity Index Fund [#]	1,800
abrdn OEIC IV - abrdn Short Dated Global Inflation-Linked Bond Tracker Fund [#]	1,300
Total for the period	29,859

[#] This fund is managed by Aberdeen Investments Limited, Investment Adviser to the Fund.

The above constitutes all sales of investments in the period.

Statement of total return

For the six month period ended 31 January 2026 (unaudited)

	31 Jan 26		31 Jan 25	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		3,516		759
Revenue	3,862		2,989	
Expenses	(295)		(254)	
Interest payable and similar charges	(2)		(4)	
Net revenue before taxation	3,565		2,731	
Taxation	(1)		(3)	
Net revenue after taxation		3,564		2,728
Total return before distributions		7,080		3,487
Distributions		(3,560)		(2,728)
Change in net assets attributable to unitholders from investment activities		3,520		759

Statement of change in net assets attributable to unitholders

For the six month period ended 31 January 2026 (unaudited)

	31 Jan 26		31 Jan 25	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		180,278		156,571
Amounts receivable on issue of units	14,851		10,900	
Amounts payable on cancellation of units	(6,366)		(4,189)	
		8,485		6,711
Change in net assets attributable to unitholders from investment activities		3,520		759
Retained distribution on accumulation units		3,601		2,777
Closing net assets attributable to unitholders		195,884		166,818

Comparative information is provided for the Statement of change in net assets attributable to unitholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance sheet

As at 31 January 2026 (unaudited)

	31 Jan 26		31 Jul 25	
	£'000	£'000	£'000	£'000
Assets				
Fixed assets				
Investments		196,062		180,552
Current assets				
Debtors	1,086		9	
Cash and bank balances	97		1	
Total current assets		1,183		10
Total assets		197,245		180,562
Creditors				
Other creditors	(1,361)		(284)	
Total liabilities		(1,361)		(284)
Net assets attributable to unitholders		195,884		180,278

Notes to the financial statements are on page 15.

Notes to the financial statements

For the six month period ended 31 January 2026 (unaudited)

Accounting policies

Basis of accounting

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 July 2025. They have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard (FRS) 104 and the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Management Association (now known as the Investment Association) in May 2014 and updated in June 2017.

Under the SORP guidelines adopted by the Fund, complete notes to the financial statements are not disclosed for the interim accounts. Complete notes to the financial statements will be available in the year end accounts.

Distribution tables

For the six month period ended 31 January 2026 (unaudited)

Distribution in pence per unit

Interim distribution payable 31 March 2026

Group 1 Units purchased prior to 1 August 2025
 Group 2 Units purchased from 1 August 2025 to 31 January 2026 inclusive

	Revenue (p)	Equalisation (p)	Distribution payable 31 Mar 26 (p)	Distribution paid 31 Mar 25 (p)
Accumulation units				
Group 1	2.0018	-	2.0018	1.6963
Group 2	1.3772	0.6246	2.0018	1.6963

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of income included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Directors' statement

For the six month period ended 31 January 2026 (unaudited)

We approve the Interim Report and Financial Statements of Octopus Defensive Fund (formerly Virgin Money Defensive Fund) for the six month period ended 31 January 2026 on behalf of Octopus Money Unit Trust Managers Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook.



Rich Milne
Director
30 March 2026



Paula Moore
Director
30 March 2026