

Pembroke VCT Plc

B Share Offer Summary



About Kin Capital:

Kin Capital is an experienced firm operating in the tax-efficient investment industry, providing fundraising, fund management and custodial services. Kin represent EIS, VCT, SEIS and SISR funds, which are all government approved venture capital schemes.

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About Oakley Capital:

A privately owned asset management and advisory group which comprises private equity, asset management, venture capital and corporate finance, managing approximately €1.5 billion of discretionary capital.

Pembroke VCT is managed by Oakley IM, part of the Oakley Capital Group.



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“Pembroke is an interesting addition for generalist VCT investors wanting to diversify their holdings, gain exposure to a maturing consumer sector portfolio, through a VCT with the lowest running costs in the industry”

Source: Tax Efficient Review, Dec 2016



Fund Type	VCT
Sector	Generalist
Strategy	Growth
Min investment	£3,000
Portfolio size	20+ companies
Deadline	5th April (2017/18) & 29th June (18/19)
Tax years available	2017/18 and 2018/19
Dividend target	3p per annum

Why invest?

- **Low fees** - no hidden portfolio fees, one of the lowest TERs in industry
- **Maturing portfolio** of high quality and performing assets
- **Experienced manager**, backed by Oakley Capital Group (€1.5bn AUM)
- **Access high potential growth companies** such as Five Guys, Blaze, Second Home and Chilangos
- **Diverse portfolio** of consumer investments, mix of later stage and early stage
- **Dividend target** 3p per share per annum
- **AUM** over £46m*
- **Directors have invested circa £1m** into the VCT

*Data for Pembroke VCT, as at October 2017

Please note: VCT investments involve a high degree of risk and are not suitable for all investors. Please see the risk warnings section in this summary, they must be read in conjunction with the prospectus. Investors could lose part or all of their capital invested.

Investment strategy:

Pembroke VCT is a generalist VCT focused on early stage investments in the leisure and luxury brands sectors. The VCT was launched in 2013 and was the largest first-time fundraise for a VCT since 2006 (excluding a renewable energy offer).

Pembroke has strong deal flow and has a well-connected management team with an extensive network of industry contacts, as well as being part of the Oakley Capital group who help originate new investment opportunities.

The investment team look for businesses which are revenue generating and have a product already validated by the market. The portfolio is a mix of later stage businesses with

visible exit or dividend streams, and earlier stage ventures with strong founders or potential for growth.

Typically Pembroke has targeted equity investments ranging from £250,000 to £3 million. The average deal size for Pembroke VCT is likely to be £1 million to £1.5 million.

The current B-share portfolio consists of 25 companies which are split approximately 50% profitable, 50% revenue-generating but pre-profit (data as at December 2017).

Pembroke VCT is one of the few VCTs that have not have to change investment strategy post the 2015 rule changes. And likewise the 2017 budget announcements play to Pembroke's strengths.



Looking to invest?

Call the Kin Capital team
on 020 3743 3100 or
email info@kincapital.co.uk

Investment case study: **Blaze**

- Blaze reimagined the bike light creating a laser & LED projection that helps cyclists be seen in blind spots, junctions and more
- Blaze was founded in 2012
- Pembroke invested in October 2014
- In 2016 11,500 fleet of Santander Cycles fitted with Laserlight
- Further investment from a private office at an increased company valuation of 164%

Track record:

Pembroke VCT targets a 3p annual dividend for investors in the B share class. The B class has declared dividends of 3p per year for 2016/17 and 2017/18. Please note that dividends can be variable and are not guaranteed.

Since launch in 2013, the Pembroke VCT Ordinary Share class has achieved an IRR of 16% (including initial tax reliefs).
Source: Martin Churchill's VCT Performance Table, October 2017.

Pembroke VCT Total Return


Ordinary shares - total return of 119.8p

B Ordinary shares - total return of 106.3p

Source: Pembroke VCT audited accounts as at 30th September 2017
Please note that past performance is not an indicator of future performance

How to invest

After reading the prospectus and you have consulted your financial adviser, please complete the relevant Application Form and return to:

 **The City Partnership**
Pembroke VCT application
110 George Street, Edinburgh, EH2 4LH

If you have any questions regarding applications please contact the Kin Capital team on 0203 743 3100.

Health and fitness



Apparel and accessories



Hospitality



Media and technology



Pembroke are a growth-orientated smaller companies fund investing in and run by entrepreneurs. *It just happens to be tax efficient.*



About Oakley Capital:

Pembroke VCT is managed by Oakley IM, part of the Oakley Capital Group. Oakley Capital has an AUM of over €1.5bn, as at October 2017.

Oakley Capital was founded in 2002 by experienced consumer/retail entrepreneur Peter Dubens. Peter founded the firm to be a best of breed entrepreneurially driven UK investment house, creating an ecosystem that supports the companies Oakley Capital invests in whether they are early stage companies or established businesses.

Within Oakley Private Equity, Peter has sold businesses resulting in proceeds to the funds of over €480 million and realising a gross IRR of 45% on those investments.

Pembroke VCT launched to take advantage of the volume of high quality, smaller company investment opportunities that Oakley encountered.

Charges & Fees

Pembroke are proud to have one of the lowest fee structures in the VCT market.

The team are passionate about putting as much of investors' money to work as possible, driven to make strong investments that generate strong performance. Share buyback facility and dividend reinvestment scheme available. Adviser fees or execution only fees can be facilitated upon request. Full details of charges can be found in the Prospectus.

Initial fee (execution only)	5.5%
Annual Management Charge	2%
Other fees	One of the lowest TER (Total Expense Ratio) in industry and no hidden portfolio fees
Total % available for tax relief	100% of subscription

VCT Tax Reliefs



Tax free dividends



Income tax relief at 30%



Gains exempt from CGT

Investors must hold on to VCT qualifying shares for 5 years in order to retain 30% income tax relief to qualify. Tax reliefs are subject to individual circumstances.

Risk Warning:

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This advertisement should be read in conjunction with the prospectus published by Pembroke VCT plc dated 01 December 2017.

A copy of the prospectus is available at www.pembrokevct.com and upon request by telephone from the number stated above. An investment in shares in Pembroke VCT plc should be made solely on the basis of information set out in the prospectus.

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19 January 2018