If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take you are recommended to seek your own financial advice immediately from a stockbroker, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000 (“FSMA”).

If you have sold or otherwise transferred all of your Shares, please send this Circular at once to the purchaser, transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Shares, you should retain this Circular and the accompanying documents.

This Circular does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue any security in the Company. This Circular does not constitute a prospectus or prospectus equivalent document. The Company has published a prospectus dated 3 September 2020 relating to the proposed B Ordinary Share Issue which has been prepared in accordance with the Prospectus Regulation Rules made under section 73A of the FSMA. Any decision to subscribe for B Ordinary Shares should only be made in reliance on that document.

Circular to Shareholders of
Pembroke VCT plc
Registered in England and Wales under number 08307631

Notice of General Meeting
of the Company to be held at 3 Cadogan Gate, London SW1X 0AS at 9.30 a.m. on 30 September 2020 seeking Shareholders’ approval to the recommended proposals for:

a. the issue of further B Ordinary Shares other than pro rata;
b. the cancellation of the share premium account of the Company

Your attention is drawn to the letter from the Chairman of the Company set out on pages 6 and 7 of this document which contains a unanimous recommendation to vote in favour of the Resolutions to be proposed at the General Meeting.

Please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form. The Form of Proxy must be received by 9.30 a.m. on 28 September 2020. As a result of the Government restrictions on movement and gatherings imposed as a result of the COVID-19 pandemic, Shareholders will not be allowed to attend the General Meeting in person. See note 1 to the General Meeting on page 17.

As an alternative to completing a hard-copy form of proxy, Shareholders can appoint a proxy electronically on-line, as explained on page 17.

The right to vote at the General Meeting is determined by reference to the register of members 48 hours before the time of the General Meeting. Accordingly, to be entitled to vote, Shareholders must be entered in the register of members by close of business on 28 September 2020.
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- Notice of General Meeting
### Expected Timetable

<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer of further B Ordinary Shares opens</td>
<td>3 September 2020</td>
</tr>
<tr>
<td>Latest time and date for receipt of the Form of Proxy for use at the General Meeting</td>
<td>9.30 a.m. on 28 September 2020</td>
</tr>
<tr>
<td>General Meeting</td>
<td>9.30 a.m. on 30 September 2020</td>
</tr>
<tr>
<td>Deadline for receipt of Applications and cleared funds under the Offer for final allotment in 2020/2021 tax year</td>
<td>3.00 p.m. on 1 April 2021</td>
</tr>
<tr>
<td>Deadline for receipt of Applications and cleared funds under the Offer for final allotment in 2021/2022 tax year</td>
<td>3.00 p.m. on 30 June 2021</td>
</tr>
</tbody>
</table>

Allotment of B Ordinary Shares under the Offer in the 2020/2021 tax year will take place on or before 5 April 2021 and admission to listing on the FCA's Official List and to trading on the premium segment of the London Stock Exchange's main market is expected to take place within ten Business Days of any allotment. Thereafter, it is expected that B Ordinary Shares will be issued and admitted to listing and trading at regular intervals at the Board's discretion.

*Note: The dates set out in the expected timetable above may be adjusted by the Company, in which event details of the new dates will be notified through a Regulatory Information Service. The Board reserves the right to issue B Ordinary Shares under the Offer at any time following the receipt of valid Applications.*
Part I
Letter from the Chairman of Pembroke VCT plc

(Registered in England and Wales No. 08307631, an investment company under section 833 of the Companies Act 2006)

Directors
Jonathan Djanogly (Chairman)
Laurence Blackall
David Till

Registered office
3 Cadogan Gate
London
SW1X 0AS

3 September 2020

Dear Shareholder

Proposals for a Further B Ordinary Share Offer (the “Offer”)
Pembroke VCT plc (the “Company”) is a venture capital trust launched in 2012 which has raised over £109 million pursuant to two Ordinary Share offers launched in 2013 and 2014 and six B Ordinary Share offers launched in October 2014, October 2015, November 2016, December 2017, August 2018 and September 2019 (the last of which closed in April 2020 having raised some £34.5 million).
The Offer is seeking to raise £20 million with an over-allotment facility of a further £20 million, which will be invested in accordance with the Company’s published investment policy.
The Board believes that the proposals described in this document (the “Proposals”) will provide an opportunity for existing Shareholders to increase their investment in the Company and for new investors to make an investment in the Company in a tax advantageous manner in a diverse portfolio of investments through an issue of further B Ordinary Shares. Funds raised will be invested in new businesses, as well as follow-on investments in existing portfolio companies. Investors should enjoy the benefit of investing in an existing portfolio.

Terms of the B Ordinary Share Issue
In order to be fair to both existing B Ordinary Shareholders and new investors under the Offer, the Offer Price will be adjusted by reference to any movement in the underlying NAV per B Ordinary Share published during the course of the Offer.

Cancellation of the Share Premium Account
The Company intends, subject to Shareholder and Court approval, to cancel the share premium account of the Company that currently exists in relation to the B Ordinary Shares, as well as the share premium account that will be created on the issue of the B Ordinary Shares pursuant to the Offer. This cancellation will increase the reserves of the Company which may be treated as distributable after 5 years, which can be used, among other things, to fund the Company’s payment of dividends and the buyback of Shares. Accordingly, Resolution 3 set out in the notice of General Meeting deals with this proposed cancellation.

The Proposals and the General Meeting
In order to proceed, the Proposals will need Shareholder approval:
1. to issue further B Ordinary Shares under the Offer and further B Ordinary Shares;
2. to disapply pre-emption rights in relation to the issue of B Ordinary Shares under the Offer and further B Ordinary Shares, under the authority referred to in paragraph 1 above; and
3. to cancel the share premium account of the Company.
The Company intends, therefore, to convene a General Meeting for 30 September 2020 at 9.30 a.m. at 3 Cadogan Gate, London SW1X 0AS, notice of which is set out on pages 16 to 18 of this document, to put to Shareholders the Resolutions to approve the above matters. As a result of the Government restrictions on movement and gatherings imposed as a result of the COVID-19 pandemic, Shareholders will not be allowed to attend the General Meeting in person. See note 1 to the General Meeting on page 17.

If you have any questions in relation to the General Meeting please do not hesitate to contact the Company Secretary by post at The City Partnership (UK) Limited, 110 George Street, Edinburgh EH2 4LH, or by email at doreen.nic@city.uk.com, but note that the Company Secretary is not able to give investment advice and if you have any doubt as to whether or not you should invest in B Ordinary Shares under the Offer or how you should vote on the Proposals you should seek your own independent advice from a person experienced and authorised to give such advice.
**Resolutions**

Pages 16 to 18 of this Circular contain a notice convening a General Meeting of the Company, to be held at 9.30 a.m. on 30 September 2020 at 3 Cadogan Gate, London SW1X 0AS, where the Resolutions below will be proposed. The Offer is conditional upon Resolutions 1 and 2 being passed at the General Meeting. Resolution 1 will be proposed as an ordinary resolution, which means that in order for such Resolution to be passed more than 50% of the votes cast on the Resolution must be in favour. Resolutions 2 and 3 will be proposed as special resolutions, which means that for these Resolutions to be passed 75% or more of the votes cast on each Resolution must be in favour.

**Resolution 1** – In accordance with the CA 2006, authority is sought to allot further B Ordinary Shares under the Offer and subsequent allotments. Resolution 1 will be proposed as an ordinary resolution. The shareholder authority which is sought under the terms of Resolution 1 is explained below.

The Directors are seeking the authority of Shareholders to allot (i) up to 40 million B Ordinary Shares pursuant to offer(s) for subscription (including the Offer) and (ii) a further amount of B Ordinary Shares up to an aggregate nominal amount representing 20% of the issued B Ordinary Share capital of the Company from time to time (for use, for example, by way of a top-up offer), representing 59.9% of the issued Share capital of the Company as at the date of this Circular.

If granted, these authorities will expire on 29 December 2021. The Company currently holds no Shares in treasury. Apart from the issue of B Ordinary Shares under the Offer, the Directors do not currently intend to use the general authority to allot additional B Ordinary Shares, but consider it desirable to have the flexibility to do so in the future.

**Resolution 2** – In accordance with the CA 2006, authority is sought to allot the B Ordinary Shares under the Offer (and any subsequent allotment under Resolution 1) whilst disapplying pre-emption rights in respect of any such allotment. Resolution 2 will be proposed as a special resolution.

The authorities contained in Resolutions 1 and 2 are in addition to the authorities granted by Shareholders at the general meeting held on 26 September 2019 and the authority to allot additional B Ordinary Shares under the dividend investment scheme of the Company.

**Resolution 3** – This Resolution seeks the approval of Shareholders as required by the CA 2006 to authorise the cancellation of the share premium account of the Company. This share premium account will arise on the issue of B Ordinary Shares pursuant to the Offer, and exists in relation to B Ordinary Shares currently in issue. All of the share premium account at the date of the order made by the Court confirming such cancellation will be cancelled, and will be used to establish a new reserve which may be treated as distributable and which can be used, among other things, to fund the Company’s buy back of Shares and the payment of future dividends. In accordance with the VCT Rules, such distributable reserves cannot, however, be utilised for such purposes until after three years from the end of the accounting period in which the relevant Shares were issued. Resolution 3 will be proposed as a special resolution.

**Action to be Taken by Shareholders**

Shareholders are requested to complete and return the form of proxy to The City Partnership (UK) Limited, Suite 2 Park Valley House, Park Valley Mills, Meltham Road, Huddersfield, HD4 7BH, so as to be received not later than 9.30 a.m. on 28 September 2020 or, if the General Meeting is adjourned, by not later than 48 hours prior to the adjourned General Meeting. As a result of the Government restrictions on movement and gatherings imposed as a result of the COVID-19 pandemic Shareholders will not be allowed to attend the General Meeting in person. Please see note 1 to the General Meeting on page 17.

As an alternative to completing a hard-copy form of proxy, Shareholders can appoint a proxy electronically on-line, as explained on page 17.

The Board considers that all of the Resolutions contained in this Circular are in the best interests of the Company and the Shareholders as a whole and, accordingly, recommends that Shareholders vote in favour of the Resolutions.

All of the Directors intend to vote in favour of the Resolutions to be proposed at the General Meeting in respect of their own aggregate beneficial shareholdings of 622,598 B Ordinary Shares, representing approximately 0.6% of the issued B Ordinary Shares as at the date of this Circular.

Yours sincerely

Jonathan Djanogly  
Chairman
Part II
Additional Information

1. Material contracts

Other than the contracts listed in paragraphs 1.1 to 1.9 below the Company has not entered into (i) any contract (not being a contract entered into in the ordinary course of business) within the two years preceding the date of publication of this Circular which is or may be material or (ii) any other contract (not being a contract entered into in the ordinary course of business) which contains any provision under which the Company has any obligation or entitlement which is material to the Company as at the date of this Circular:

1.1 Offer Agreement

Under an offer agreement dated 3 September 2020 and made between the Company (1), the Directors (2), Howard Kennedy (3) and the Manager (4), Howard Kennedy agreed to act as sponsor to the Offer and the Manager undertook as agent of the Company to use its reasonable endeavours to procure subscribers under the Offer. The Company will be entitled to any interest earned on subscription monies prior to the allotment of B Ordinary Shares under the Offer. Under the Offer Agreement, the Manager will be paid a Promoter Fee of (i) 5.5% for Investors who have invested directly into the Company or invested through an Intermediary/platform and have not received advice and (ii) 3.0% for Investors; who have invested in the Offer through an Intermediary and have received upfront advice including Investors who are investing through Intermediaries/advisers using financial platforms, or such lower percentage in each case as may be agreed by the Board and the Manager.

The Manager will pay all costs and expenses of or incidental to the Offer and Admission, excluding any annual trail commission but including commission payable to the Distributor. Total initial costs payable by the Company under the Offer Agreement are limited to 5.5% of the gross proceeds of the Offer.

Under the Offer Agreement, which may be terminated by the parties in certain circumstances, the Manager, the Company and the Directors have given certain warranties and indemnities. Warranty claims must be made by no later than 60 days after the date of the publication of the audited accounts of the Company for the accounting year ending 31 March 2022. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits in aggregate of £2,000,000 (or 10% of gross funds raised under the Offer (whichever is higher)) for the Manager, £10,000 for Jonathan Djanogly and £7,500 for each of the other Directors. The Company has also agreed to indemnify Howard Kennedy in respect of its role as sponsor and under the Offer Agreement. The Offer Agreement may be terminated, inter alia, if any material statement in the Prospectus is untrue, any material omission from the Prospectus arises or any material breach of warranty occurs.

1.2 Offer Agreement – 2019 Offer

Under an offer agreement dated 2 September 2019 (the “2019 Offer Agreement”) and made between the Company (1), the Directors (2), Howard Kennedy (3) and the Manager (4), Howard Kennedy agreed to act as sponsor to the 2019 Offer and the Manager undertook as agent of the Company to use its reasonable endeavours to procure subscribers under the 2019 Offer. The Company was entitled to any interest earned on subscription monies prior to the allotment of B Ordinary Shares under the 2019 Offer. Under the 2019 Offer Agreement, the Manager will be paid a promoter fee of 3.5% of the value of each application under the 2019 Offer accepted by the Company.

The Manager paid all costs and expenses of or incidental to the 2019 Offer and admission, excluding any annual trail commission but including commission payable to the Distributor. Total initial costs payable by the Company under the 2019 Offer Agreement were limited to 3.5% of the gross proceeds of the 2019 Offer.

Under the Offer Agreement, which may be terminated by the parties in certain circumstances, the Manager, the Company and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than 60 days after the date of the publication of the audited accounts of the Company for the accounting year ending 31 March 2021. The warranties and indemnities were in usual form for a contract of this type and the warranties were subject to limits of £2,000,000 (or 70% of gross funds raised under the Offer (whichever is higher)) for the Manager, £10,000 for Jonathan Djanogly and £7,500 for each of the other Directors. The Company also agreed to indemnify Howard Kennedy in respect of its role as sponsor and under the Offer Agreement. The Offer Agreement could be terminated, inter alia, if any material statement in the Prospectus is untrue, any material omission from the prospectus relating to the 2019 Offer arose or any material breach of warranty occurred.
1.3 Offer Agreement – 2018 Offer

Under an offer agreement dated 29 August 2018 (the “2018 Offer Agreement”) and made between the Company (1), the Directors (2), Howard Kennedy (3) and the Manager (4), Howard Kennedy agreed to act as sponsor to the 2018 Offer and the Manager undertook as agent of the Company to use its reasonable endeavours to procure subscribers under the 2018 Offer. The Company was entitled to any interest earned on subscription monies prior to the allotment of B Ordinary Shares under the 2018 Offer. Under the 2018 Offer Agreement, the Manager was paid a promoter fee of 3.5% of the value of each application under the 2018 Offer accepted by the Company.

The Manager paid all costs and expenses of or incidental to the 2018 Offer and admission, excluding any annual trail commission but including commission paid to the Distributor. Total initial costs paid by the Company under the 2018 Offer Agreement were limited to 3.5% of the gross proceeds of the 2018 Offer.

Under the 2018 Offer Agreement, which could be terminated by the parties in certain circumstances, the Manager, the Company and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than 60 days after the date of the publication of the audited accounts of the Company for the accounting year ending 31 March 2020. The warranties and indemnities were in usual form for a contract of this type and the warranties were subject to limits of £2,000,000 (or 70% of gross funds raised under the 2018 Offer (whichever is higher)) for the Manager and one-half year’s director’s fees for each Director. The Company also agreed to indemnify Howard Kennedy in respect of its role as sponsor and under the 2018 Offer Agreement. The 2018 Offer Agreement could be terminated, inter alia, if any material statement in the prospectus was untrue, any material omission from the prospectus relating to the 2018 Offer arose or any material breach of warranty occurred.

1.4 Offer Agreement – 2017 Offer

Under an offer agreement dated 1 December 2017 (the “2017 Offer Agreement”) and made between the Company (1), the Directors (2), Howard Kennedy (3), the Manager (4), Oakley (5) and Kin Capital Limited (6), Howard Kennedy agreed to act as sponsor to the 2017 Offer and Oakley and Kin Capital Limited undertook as agents of the Company to use their respective reasonable endeavours to procure subscribers under the 2017 Offer. The Company was entitled to any interest earned on subscription monies prior to the allotment of B Ordinary Shares under the 2017 Offer. Under the 2017 Offer Agreement, with the exception of those investors who made an application under the 2017 Offer that was received on or before 5 p.m. on 12 January 2018 (“2017 Early Applications”) (see below), Oakley was paid a promoter fee of 2.5% on accepted applications (where it is not required to pay commission to an intermediary). If Oakley was required to pay commission to an intermediary, Oakley was paid a promoter fee of 5.5% on accepted applications.

In the case of investors under the 2017 Offer who made 2017 Early Applications (with no intermediary commission), Oakley received a promoter fee of 1.5% on any applications except those through direct investments (which attracted a promoter fee of 3.0%).

Oakley paid all costs and expenses of or incidental to the 2017 Offer and admission of B Ordinary Shares issued under the 2017 Offer including commission payable to Kin Capital Limited. The Company paid the promoter fee on the value of each application for B Ordinary Shares under the 2017 Offer accepted by the Company. Total initial costs payable by the Company under the 2017 Offer Agreement were limited to 5.5% of the gross proceeds of the 2017 Offer.

Under the 2017 Offer Agreement, which could be terminated by the parties in certain circumstances, the Manager, Oakley, Kin Capital Limited, the Company and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than 60 days after the date of the publication of the audited accounts of the Company for the accounting year ending 31 March 2019. The warranties and indemnities are in usual form for a contract of this type and the warranties are subject to limits of £100,000 for Oakley, £100,000 for Kin Capital Limited and £2,000,000 (or 70% of gross funds raised under the 2017 Offer (whichever is higher)) for the Manager and one-half year’s director’s fees for each Director. The Company also agreed to indemnify Howard Kennedy in respect of its role as sponsor and under the 2017 Offer Agreement. The 2017 Offer Agreement could be terminated, inter alia, if any material statement in the prospectus relating to the 2017 Offer was untrue, any material omission from the prospectus relating to the 2017 Offer arises or any material breach of warranty occurs.
1.5 Offer Agreement – 2016 Offer

Under an offer agreement dated 30 November 2016 (the "2016 Offer Agreement") made between the Company (1), the Directors (2), Howard Kennedy (3), the Manager (4), Oakley (5) and Kin Capital Limited (6), Howard Kennedy agreed to act as sponsor to the 2016 Offer and Oakley and Kin Capital Limited undertook as agents of the Company to use their respective reasonable endeavours to procure subscribers under the 2016 Offer. The Company was entitled to any interest earned on subscription monies prior to the allotment of B Ordinary Shares under the 2016 Offer. Under the 2016 Offer Agreement, the Company paid Oakley a commission of either 2% or 5% of the aggregate value of accepted applications for B Ordinary Shares received pursuant to the 2016 Offer.

Oakley paid all costs and expenses of or incidental to the 2016 Offer and subsequent admission of B Ordinary Shares issued under the 2016 Offer including commission payable to Kin Capital Limited. The Company paid a promoter fee on the value of each application for B Ordinary Shares accepted by the Company under the 2016 Offer. Total initial costs payable by the Company under the 2016 Offer Agreement were limited to 5% of the gross proceeds of the 2016 Offer.

Under the 2016 Offer Agreement, which could be terminated by the parties in certain circumstances, the Manager, Oakley, Kin Capital Limited, the Company and the Directors gave certain warranties and indemnities. Warranty claims must be made by no later than 60 days after the date of the publication of the audited accounts of the Company for the accounting year ending 31 March 2018. The warranties and indemnities were in usual form for a contract of this type and the warranties were subject to limits of £100,000 for Oakley, £100,000 for Kin Capital Limited and £2,000,000 (or 70% of gross funds raised under the 2016 Offer whichever is higher) for the Manager and one-half year’s director’s fees for each Director. The Company also agreed to indemnify Howard Kennedy in respect of its role as sponsor and under the 2016 Offer Agreement. The 2016 Offer Agreement could be terminated, inter alia, if any material statement in the prospectus relating to the 2016 Offer is untrue, any material omission from the prospectus relating to the 2016 Offer is untrue, any material omission from the prospectus relating to the 2016 Offer had arisen or any material breach of warranty had occurred.

1.6 Investment Management Agreement

An agreement (the "IMA") dated 15 February 2013 and made between the Company and the Original Manager whereby the Original Manager agreed to provide discretionary investment management and advisory services to the Company in respect of its portfolio of Qualifying Investments and Non-Qualifying Investments. On 1 July 2014 the IMA was novated to the Manager and on 3 October 2014, 1 December 2017 and 16 July 2020 the IMA was varied.

The Manager has agreed to act as Alternative Investment Fund Manager to the Company.

The Manager has agreed with the Company that it will indemnify the Company if the total Annual Running Costs of the Company are more than 2% of net asset value. Otherwise the Manager will receive an annual management fee only if, and to the extent that, the Annual Running Costs (disregarding any annual management fee payable) amount to less than 2% of the Company’s NAV. In such a case the management fee (exclusive of VAT) will be payable quarterly. The Manager is also entitled to reimbursement of expenses incurred in performing its obligations.

The Manager will also receive a performance fee as follows:

- a Performance Fee is only payable to the Manager if the Company’s cumulative realised gains are greater than its cumulative realised losses (requiring all realised losses, past and future, to be recovered before a Performance Fee is paid);
- a Total Return Hurdle of 3 pence per year from 31 March 2020 must be achieved before a Performance Fee is paid to the Manager;
- the relevant Performance Fee will be calculated at each financial year-end and half-year balance sheet dates using information disclosed in the relevant year-end or half-year financial statements;
- if the above conditions are met a Performance Fee of 20% (exclusive of VAT) of the amount by which cumulative realised gains exceed cumulative realised losses will be payable to the Manager;
- any Performance Fee earned by the Manager in the year to 31 March 2021 will only be paid after June 2021.

The Manager is entitled to receive and retain entirely for its own use and benefit all other transaction fees, directors’ fees, monitoring fees, consultancy fees, corporate finance fees, introductory fees, syndication fees, exit fees, commissions and refunds of commission received by the Manager in connection with the management of the investment portfolio of the Company.
The appointment will continue until terminated on 12 months' notice in writing given by either party at any time after 16 April 2023, although the Manager will have the benefit of a five year term in relation to any new funds raised by the Company after the 2019 Offer (and any investments acquired from such funds), with the term in relation to such funds/investments reverting to a rolling term with termination on one-year's notice by either the Company or the Manager after the expiry of the relevant five year period. The IMA is subject to earlier termination by either party in certain circumstances.

When conflicts occur between the Manager and the Company because of other activities and relationships of the Manager, the Manager will ensure that the Company receives fair treatment. Such conflicts will be disclosed to the Company.

The Manager may make investments on behalf of the Company in collective investment vehicles of which it is manager or in companies where the Manager has been involved in the provision of services to those companies and may receive commissions, benefits, charges or advantage from so acting.

Any fees arising in connection with investments made by the Company in Oakley Funds (if any) will be discharged by the Manager. There will be no duplication of fees in such situations.

1.7 Investment Management Agreement Amendment Agreement
On 1 December 2017, the Manager and the Company entered into a further amendment agreement to the IMA providing that the definition of Annual Running Costs be amended so that it also excludes auditors’ fees, administration, accounting and company secretarial costs, share registrars’ fees, London Stock Exchange fees, printing and mailing costs in respect of the year end audited accounts, interim accounts and circulars to Shareholders, fees in respect of regulatory announcements made through a Regulatory Information Service, corporate broking fees, insurance premiums, and remuneration of the Board (including employers’ national insurance contributions) where the aggregate of such fees in any rolling period of 12 months, for such time as the Net Asset Value of the Company is £100,000,000 or less, is less than £350,000 and, for such time as the Net Asset Value of the Company exceeds £100,000,000, is less than £500,000.

1.8 Administration Agreement
An agreement dated 15 February 2013 (as varied on 3 October 2014) (“Administration Agreement”) and made between the Company and The City Partnership (UK) Limited (the “Administrator”) whereby the Administrator provides certain administration, accounting and company secretarial services to the Company in respect of the period from admission of the former Ordinary Shares until the termination of the Administration Agreement. Further to an amendment agreement entered into between the Company and the Administrator on 3 October 2014, following the launch of the initial offer for subscription by the Company for B Ordinary Shares, the annual fee was increased to take into account the creation of the B Ordinary Share class (with it being agreed that the annual fee would be based upon gross funds raised by the Company under all of its offers). The administration fee is currently charged at a rate of £82,275 per annum (subject to increase by an amount equal to 0.05% of any further funds raised by the Company in any future share issues), plus VAT at the relevant rate. The annual fee is payable quarterly in advance and increases annually in line with RPI.

The Administration Agreement is terminable by either party giving six months' written notice, on or after the initial one-year period, but subject to early termination in certain circumstances.

1.9 Directors’ Letters of Appointment
Each of Jonathan Djanogly and Laurence Blackall has entered into an agreement with the Company dated 15 February 2013, and David Till has entered into an agreement with the Company dated 28 August 2018, whereby he is required to devote such time to the affairs of the Company as the Board reasonably requires consistent with his role as non-executive Director. The Chairman of the Company is entitled to receive an annual fee of £20,000 and each other Director an annual fee of £15,000. Each party can terminate the relevant agreement by giving to the others at least three months’ notice in writing to expire at any time on or after the date 15 months from the respective commencement date of the letter. In respect of the last reporting period to 31 March 2020, Jonathan Djanogly received £20,000, Laurence Blackall received £15,000 and David Till received £15,000. From 1 April 2020 the fees of Jonathan Djanogly and Laurence Blackall were increased to £30,000 and £25,000 per annum respectively in accordance with the terms of their respective agreements and David Till agreed to waive his fee from 1 April 2020.
2. No significant change

Save in respect of the sum of £34.5 million raised by the Company under the offer subscription that was launched on 2 September 2019, since 31 March 2020 (being the end of the last financial period of the Company for which audited financial information has been published), there has been no significant change in the financial or trading position of the Company.

3. Directors’ interests in Shares

The interests of the Directors and their immediate families in the share capital of the Company, all of which are beneficial, at the date of this document and as they are expected to be following the Offer, and of persons connected to the Directors and their immediate families and the existence of which is known to, or could with reasonable diligence, be ascertained by that Director will be as set out below together with the percentages which such interests represent of the B Ordinary Shares in issue assuming that the Offer is fully subscribed (with the over-allotment facility being utilised in full), a promoter fee of 5.5% on all such subscriptions at an Offer Price of 116.7 pence per B Ordinary Share:

<table>
<thead>
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<th>Number of B Ordinary shares</th>
<th>% of B Ordinary shares in issue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current</td>
<td>Following Offer</td>
</tr>
<tr>
<td>Jonathan Djanogly</td>
<td>75,992</td>
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<tr>
<td>Laurence Blackall</td>
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<tr>
<td>David Till</td>
<td>238,664</td>
<td>324,353</td>
</tr>
</tbody>
</table>

4. Substantial share interests

DTR5 of the Disclosure Guidance and Transparency Rules requires a Shareholder to notify the Company of the percentage of its shares he holds if such percentage reaches, exceeds or falls below 3% or subsequent 1% thresholds. The Company will make such information public through a Regulatory Information Service. With the exception of Roy Nominees Limited, which as at 2 September 2020, being the last practicable date prior to publication of this document, held 4,286,085 B Ordinary Shares and UBS Private Banking Nominees Limited which, as at 2 September 2020 held 11,891,002 B Ordinary Shares (being approximately 4.3% and 11.9% of the issued B Ordinary share capital of the Company respectively), neither the Company nor the Directors are aware of any person who, not being a member of its administrative, management or supervisory bodies, as at the date of this document or immediately after the Offer (assuming full subscription), directly or indirectly, jointly or severally, exercises or could exercise control over the Company or who is interested directly or indirectly in 3% or more of the issued share capital of the Company.
5. Miscellaneous

5.1 The Company was incorporated and registered in England and Wales on 26 November 2012 under the name Pembroke VCT 2 plc with registered number 08307631 as a public company limited by shares under the CA 2006. On 28 November 2012 the name of the Company was changed to Pembroke VCT plc. The principal legislation under which the Company operates, and under which the Shares have been created, is the CA 2006 and the regulations made thereunder. The Company is not regulated to conduct investment business under the FSMA, and is neither regulated nor authorised by any particular regulatory authority. By virtue of the fact the Company is a VCT it will be subject to the regulations of HMRC, the CA 2006, the FCA and other relevant regulations and legislation.

5.2 The issued share capital of the Company as at the date of this document is 100,185,546 B Ordinary Shares.

5.3 As at the date of this Circular, no warrants or options to subscribe for Shares are outstanding.

5.4 As at the date of this Circular, the Company does not hold any treasury Shares.

5.5 Save for the Offer Agreement, the fees paid to the Directors of the Company as detailed in paragraph 1.9 above, the fees payable for investment adviser services under the IMA and the fees payable to the Manager under the 2019 Offer, there have been no related party transactions or fees paid by the Company to related parties since 31 March 2020, the date of the Company’s latest published audited financial information, to the date of this document.

5.6 None of the Directors has a service contract with the Company and no such contract is proposed.

6. Documents available for inspection

The Articles will be available for inspection, by prior appointment, from the date of this Circular at the registered office of the Company at 3 Cadogan Gate, London SW1X 0AS during normal business hours on any day (Saturdays, Sundays and public holidays excepted) until the conclusion of the General Meeting and will also be available for inspection at the place of the General Meeting during, and for at least 15 minutes before, the General Meeting, although see note 1 to the General Meeting on page 17.

3 September 2020
Part III
Definitions

The following definitions are used throughout this document unless the context otherwise requires:

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;2016 Offer&quot;</td>
<td>the offer for subscription of B Ordinary Shares as described in the prospectus issued by the Company on 30 November 2016</td>
</tr>
<tr>
<td>&quot;2017 Offer&quot;</td>
<td>the offer for subscription of B Ordinary Shares as described in the prospectus issued by the Company on 1 December 2017</td>
</tr>
<tr>
<td>&quot;2018 Offer&quot;</td>
<td>the offer for subscription of B Ordinary Shares as described in the prospectus issued by the Company on 29 August 2018</td>
</tr>
<tr>
<td>&quot;2019 Offer&quot;</td>
<td>the offer for subscription of B Ordinary Shares as described in the prospectus issued by the Company on 2 September 2019</td>
</tr>
<tr>
<td>&quot;Admission&quot;</td>
<td>the admission of the B Ordinary Shares allotted pursuant to the Offer to the premium segment on the Official List and to trading on the London Stock Exchange's market for listed securities</td>
</tr>
<tr>
<td>&quot;Application&quot;</td>
<td>an application for B Ordinary Shares under the Offer</td>
</tr>
<tr>
<td>&quot;Application Form&quot;</td>
<td>the application form for use in respect of the Offer</td>
</tr>
<tr>
<td>&quot;Articles&quot;</td>
<td>the articles of association of the Company (as amended from time to time)</td>
</tr>
<tr>
<td>&quot;Associates&quot;</td>
<td>has the meaning given in the Listing Rules</td>
</tr>
<tr>
<td>&quot;Board&quot; or &quot;Directors&quot;</td>
<td>the board of directors of the Company (and each a &quot;Director&quot;)</td>
</tr>
<tr>
<td>&quot;B Ordinary Share Issue&quot;</td>
<td>the issue of the B Ordinary Shares pursuant to the Prospectus</td>
</tr>
<tr>
<td>&quot;B Ordinary Shares&quot; or &quot;Shares&quot;</td>
<td>the B Ordinary shares of 1p each in the capital of the Company</td>
</tr>
<tr>
<td>&quot;Business Days&quot;</td>
<td>means any days on which banks in London are generally open for business and excepting Saturdays, Sundays and UK public holidays</td>
</tr>
<tr>
<td>&quot;CA 2006&quot;</td>
<td>the Companies Act 2006</td>
</tr>
<tr>
<td>&quot;Circular&quot;</td>
<td>this document</td>
</tr>
<tr>
<td>&quot;Company&quot;</td>
<td>Pembroke VCT plc</td>
</tr>
<tr>
<td>&quot;Disclosure, Guidance and Transparency Rules&quot;</td>
<td>the disclosure, guidance and transparency rules of the FCA</td>
</tr>
<tr>
<td>&quot;Distributor&quot;</td>
<td>Portlight Limited</td>
</tr>
<tr>
<td>&quot;FCA&quot;</td>
<td>the Financial Conduct Authority</td>
</tr>
<tr>
<td>&quot;FSMA&quot;</td>
<td>the Financial Services and Markets Act 2000 (as amended)</td>
</tr>
<tr>
<td>&quot;General Meeting&quot;</td>
<td>the general meeting of the Shareholders of the Company convened in accordance with the notice set out at pages 16 to 18 of this document, or any adjournment thereof</td>
</tr>
<tr>
<td><strong>“HMRC”</strong></td>
<td>Her Majesty’s Revenue &amp; Customs</td>
</tr>
<tr>
<td><strong>“Howard Kennedy”</strong></td>
<td>Howard Kennedy Corporate Services LLP</td>
</tr>
<tr>
<td><strong>“Intermediary”</strong></td>
<td>a firm which signs an Application Form and whose details are set out in an Application Form</td>
</tr>
<tr>
<td><strong>“Investor”</strong></td>
<td>individuals aged 18 or over who subscribe for B Ordinary Shares under the Offer (and “Investor” means any one of them)</td>
</tr>
<tr>
<td><strong>“ITA 2007”</strong></td>
<td>Income Tax Act 2007 (as amended)</td>
</tr>
<tr>
<td><strong>“Listing Rules”</strong></td>
<td>the listing rules issued by the FCA in accordance with section 73A of FSMA</td>
</tr>
<tr>
<td><strong>“Manager”</strong></td>
<td>Pembroke Investment Managers LLP</td>
</tr>
<tr>
<td><strong>“NAV”</strong></td>
<td>net asset value</td>
</tr>
<tr>
<td><strong>“Non-Qualifying Investments”</strong></td>
<td>the assets of the Company that are not Qualifying Investments</td>
</tr>
<tr>
<td><strong>“Oakley”</strong></td>
<td>Oakley Capital Limited</td>
</tr>
<tr>
<td><strong>“Offer”</strong></td>
<td>the offer of further B Ordinary Shares as described in this document</td>
</tr>
<tr>
<td><strong>“Offer Agreement”</strong></td>
<td>the agreement under which the Manager is entitled to a promoter fee</td>
</tr>
<tr>
<td><strong>“Offer Price”</strong></td>
<td>the price per B Ordinary Share under the Offer</td>
</tr>
<tr>
<td><strong>“Ordinary Shares”</strong></td>
<td>the former ordinary shares of 1p each in the capital of the Company</td>
</tr>
<tr>
<td><strong>“Proposals”</strong></td>
<td>the proposals as described in this document</td>
</tr>
<tr>
<td><strong>“Prospectus”</strong></td>
<td>the prospectus dated 3 September 2020 relating to the Offer</td>
</tr>
<tr>
<td><strong>“Prospectus Regulation”</strong></td>
<td>Regulation (EU) 2017/1129</td>
</tr>
<tr>
<td><strong>“Prospectus Regulation Rules”</strong></td>
<td>the Prospectus Regulation rules of the FCA</td>
</tr>
<tr>
<td><strong>“Qualifying Investments”</strong></td>
<td>a company satisfying the requirements of Chapter 4 of Part 6 of ITA 2007</td>
</tr>
<tr>
<td><strong>“Regulatory Information Service”</strong></td>
<td>a regulatory information service that is on the list of regulatory information services maintained by the FCA</td>
</tr>
<tr>
<td><strong>“Resolutions”</strong></td>
<td>the resolutions to be proposed at the General Meeting (and each a “Resolution”)</td>
</tr>
<tr>
<td><strong>“Shareholders”</strong></td>
<td>holders of Shares</td>
</tr>
<tr>
<td><strong>“VCT” or “venture capital trust”</strong></td>
<td>a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts</td>
</tr>
<tr>
<td><strong>“VCT Rules”</strong></td>
<td>Part 6 of ITA 2007 and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning VCTs</td>
</tr>
</tbody>
</table>
Notice of General Meeting

Pembroke VCT plc

AS A RESULT OF GOVERNMENT RESTRICTIONS ON MOVEMENT AND GATHERINGS IMPOSED AS A RESULT OF THE COVID-19 PANDEMIC, SHAREHOLDERS WILL NOT BE ALLOWED TO ATTEND THE GENERAL MEETING IN PERSON.

SHAREHOLDERS ARE URGED TO COMPLETE THEIR FORM OF PROXY TO INDICATE HOW THEY WOULD WISH TO VOTE AT THE GENERAL MEETING. SEE NOTE 1 TO THE GENERAL MEETING ON PAGE 17 CONCERNING THE VENUE AND FORMAT OF THE GENERAL MEETING.

Notice is hereby given that a general meeting of Pembroke VCT plc (the "Company") will be held at 3 Cadogan Gate, London SW1X 0AS on 30 September 2020 at 9.30 a.m. for the purposes of considering and, if thought fit, passing the following resolutions, resolution 1 which will be proposed as an ordinary resolution and resolutions 2 and 3 which will be proposed as special resolutions of the Company:

Ordinary Resolution

1. THAT, in addition to any existing authorities, in accordance with section 551 of the Companies Act 2006 (the "Act"), the directors be generally and unconditionally authorised to exercise all the powers of the Company to allot:
   a. B Ordinary Shares up to an aggregate nominal amount of £400,000 in connection with offer(s) for subscription; and
   b. B Ordinary Shares up to an aggregate nominal amount representing 20% of the issued B Ordinary Shares from time to time; and

   that, in connection with the use of the authority, the directors may pay commission(s) including in the form of fully or partly paid shares in accordance with article 9 of the Articles and provided that this authority shall, unless renewed, extended, varied or revoked by the Company, expire on 29 December 2021 save that the Company may, before such expiry, make offers or agreements which would or might require B Ordinary Shares to be allotted and the directors may allot B Ordinary Shares in pursuance of such offers or agreements notwithstanding that the authority conferred by this resolution has expired.

Special Resolutions

2. THAT, in accordance with section 570(1) of the Act, the directors be and are hereby given power to allot or make offers or agreements to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authorities conferred by resolution 1 above as if section 561 of the Act did not apply to any such allotment, and so that:
   a. reference to the allotment in this resolution shall be construed with section 560 of the Act, and
   b. the power conferred by this resolution shall enable the Company to make offers or agreements before the expiry of the said power which would or might require equity securities to be allotted after the expiry of the said power and the directors may allot equity securities in pursuance of such offers or agreements notwithstanding the expiry of such power.

3. THAT, subject to the approval of the High Court of Justice, the amount standing to the credit of the share premium account of the Company, at the date the court order is made confirming such cancellation, be and is hereby cancelled.

For the purpose of these resolutions, words and expressions defined in the circular issued to the Company’s shareholders dated 3 September 2020 shall have the same meanings in these resolutions, save where the context requires otherwise.

By order of the Board of Pembroke VCT plc
The City Partnership (UK) Limited
Company Secretary
3 September 2020
Notes to the Notice of General Meeting of Pembroke VCT plc

As a result of the Government restrictions on movement and gatherings imposed as a result of the COVID-19 pandemic, Shareholders will not be allowed to attend the General Meeting in person.

Appointment of proxies

1. The Board has been closely monitoring the impact of the Coronavirus in the United Kingdom and has decided that in view of the measures that are likely to be in effect at the date of the General Meeting, that the General Meeting will proceed as set out in those notices with a quorum being present which will be made up of Shareholders who are Directors. To minimise this impact, the Board actively encourages Shareholders to vote by proxy, and where possible, to vote by proxy online, to indicate how they would wish to vote at the General Meeting.

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

3. A proxy does not need to be a member of the Company. Details of how to appoint a person as your proxy using the forms of proxy are set out in these notes.

4. 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.

5. 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

6. These notes explain how to direct your proxy how 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, Suite 2 Park Valley House, Park Valley Mills, Meltham Road, Huddersfield, HD4 7BH; and
   • received by The City Partnership (UK) Limited no later than 9.30 a.m. on 28 September 2020 or, if the General Meeting is adjourned, by no later than 48 hours prior to the adjourned 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

7. 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 at https://proxy-pembroke.cpip.io. You will need your City Investor Number (CIN) and your Access Code which are shown at the top of the hard-copy proxy form enclosed.

   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 9.30 a.m. on 28 September 2020.

Appointment of proxy by joint members

8. 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).
Part IV

Notice of General Meeting continued

Changing proxy instructions

9. 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, Suite 2 Park Valley House, 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.

Termination of proxy appointments

10. 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, Suite 2 Park Valley House, 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 at https://proxy-pembroke.cpip.io.

Whichever method is used, the revocation notice must be received by the Company no later than 9.30 a.m. on 28 September 2020 or, if the General Meeting is adjourned, by no later than 48 hours prior to the adjourned 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

11. 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, 110 George Street, Edinburgh EH2 4LH, or by email at doreen.nic@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 General Meeting; or
• any related documents (including the forms of proxy),

to communicate with the Company for any purposes other than those expressly stated.