

Product

Pembroke VCT plc

Tax Status

Venture Capital Trust

Fund Group

Pembroke Investment Managers LLP

Risk Warning

This communication is provided for informational purposes only. This information does not constitute advice on investments within the meaning of Article 53 of the Financial Services and Markets Act (Regulated Activities) Order 2001. Should investment advice be required this should be sought from a FCA authorised person.

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RISK WARNINGS AND DISCLAIMERS

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GENERAL RISK WARNINGS

Your attention is drawn to the following risk warnings which identify some of the risks associated with the investments which are mentioned in the Review:

Fluctuations in value of investments

The value of investments and the income from them can go down as well as up and you may not get back the amount invested.

Suitability

The investments may not be suitable for all investors and you should only invest if you understand the nature of and risks inherent in such investments and, if in doubt, you should seek professional advice before effecting any such investment.

Past performance

Past performance is not a guide to future performance.

Legislation

Changes in legislation may adversely affect the value of the investments.

Taxation

The levels and the bases of the reliefs from taxation

may change in the future. You should seek your own professional advice on the taxation consequences of any investment.

ADDITIONAL RISK WARNINGS

Venture capital trusts

1. An investment in a VCT carries a higher risk than many other forms of investment.
2. A VCT's shares, although listed, are likely to be difficult to realise.
3. You should regard an investment in a VCT as a long term investment, particularly as regards a VCT's investment objectives and policy and the five year period for which shareholders must hold their ordinary shares to retain their initial income tax reliefs.
4. The investments made by VCTs will normally be in companies whose securities are not publicly traded or freely marketable and may therefore be difficult to realise and investments in such companies are substantially riskier than those in larger companies.
5. If a VCT loses its Inland Revenue approval tax reliefs previously obtained may be lost.
6. No investment can be made by the VCT in a company whose first commercial sale was more than 7 years prior to date of investment, except where previous State Aid Risk Finance was received by the company within 7 years (10 years for a 'knowledge intensive' company) or where a turnover test is satisfied; and
7. No funds received from an investment by the VCT into a company can be used to acquire another existing business or trade.

Factsheet

Pembroke VCT

Type	Generalist VCT with track record
Size	£287m AUM (30 June 2026) and is seeking £40m and a £20m over-allotment facility
Manager	Pembroke Investment Managers LLP ("Pembroke")
Sponsor	Howard Kennedy Corporate Services LLP
Registrars	The City Partnership Limited
Focus	To generate tax free capital gains and regular dividend income for shareholders through a portfolio of VCT qualifying investments across a range of sectors
Promoter	Pembroke and co-distributed by RAM Capital
Funds initially invested	Cash deposits, fixed income securities and other securities
Minimum investment	£5,000 per tax year, excluding initial adviser charges
Initial Closing Date	5 April 2027 (2026/2027 offer), 2 June 2027 (2027/2028 offer) unless amended
Issue costs	3% of the amount subscribed for advised investors and 5% of the amount subscribed for direct investors
Annual costs	2% annual management fee and up to 0.5% annual running cost (March 2026 annual running cost is 0.32% of NAV)
Initial advisor charges	If charged, these may be facilitated by the VCT on subscription up to 4.5%

Summary

Table 1: Tax Efficient Review summary of offering Pros and Cons

PROs	CONs
The exits from the Pembroke VCT continue, with the latest exit of KX in June 2026 realising £1.8m (2.6x). This was following on from the exit from N Family Club in November 2025, realising £8.7m at 2.9x cost and funding a 3.5p per share dividend in January 2026. This followed the 5.3x realised return from the partial exit of Secret Food Tours, which funded a 2p dividend	The year to 31 March 2026 saw five holdings written off entirely: Peckwater Brands (£4.0m cost), Floom (£4.6m cost), United Fitness Brands (£5.3m cost), KXU (£1.0m cost), and Chucs Restaurants (£2.2m cost), a combined £17.1m of invested cost, which have off set some of the gains made elsewhere in the portfolio of companies
The Pembroke VCT does not pay dividends out of shareholder capital, like many other VCTs, and instead funds them from profitable realisations. They also do not base their performance fee on increases in the NAV per share, which is a position to be encouraged across the VCT industry	The portfolio of companies within Pembroke VCT is fairly concentrated, with the top 10 companies forming £133.7m of the £234.8m portfolio value (59% of total portfolio value and 47% of the Net Asset Value)
The Pembroke VCT has increased its annual target dividend from 3 pence per share to 5 pence per share and it has consistently managed to achieve this target since 2021	Despite profitable realisations, the performance of the NAV per share has dropped around 4%, from 115.1p per share in 2023 to 98.1p per share as at 30 June 2026 after distributing 13.0p of dividends}

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TER classification

TER classifies this VCT as a “Generalist VCT with track record” and Pembroke are experienced

fund managers within the VCT market. The first Pembroke VCT launch was in 2013.

Review based upon

TER always meet with fund managers prior to a review. This review is based on that meeting, the prospectus for the offer, (Pembroke VCT

reference - September 2026) and data provided by Pembroke Investment Managers LLP.

Consumer Duty

The FCA’s Consumer Duty comes into force from 31 July 2023 for existing products and services. One of the main purposes of this new legislation is that it seeks to ensure customers receive “fair value” and that fund management firms provide evidence that these outcomes are being met.

The assessment carried out by each firm is to ensure that its products provide fair value to retail customers in the target markets for those products; and that it has carried out a value assessment of its products which they review

on a regular basis (appropriate to the nature and duration of the product).

Each firm being reviewed by TER has created their own “Confirmation of Value” assessment, which are available directly from the fund manager. Please note that in each TER report, there is a Fees section which compares the costs of the offer being reviewed against its peer group.

Table 2: Pembroke funds under Management Data

As at June 2026	Net assets	Annual Management fee	Still to be invested Cash held as at 30/06/2026
VCT Funds			
Pembroke VCT B Ordinary shares	£287.2m	2% of NAV	£45m
TOTAL	£287.2m		£45m

Source Pembroke

The Offer

This new offer from the Pembroke VCT comes at a time when VCTs are looking at a new world of 20% income tax relief, reduced from the 30% previously available. Last year, under the previous income tax regime, the Pembroke VCT raised £41m from investors. This year they are seeking £40m plus an over-allotment facility of a further £20m.

The Pembroke VCT first launched 13 years ago and it has shown that it is possible to launch a new VCT and make a success of it (the VCT market is notoriously unkind to new entrants). It now has over £280m in assets under management across 47 investee companies, and it has recently added to its rollcall of profitable exits which have generated a healthy stream of dividends over recent years.

In particular, the most recent exit was the full realisation of KX in June 2026 which generated proceeds of £1.8m at 2.6x cost. Plus N Family Club which successfully exited in November 2025, and generated proceeds of £8.7m at 2.9x cost and funded a 3.5p per share dividend paid in January 2026. These exits followed on from the 5.3x partial exit from Secret Food Tours in May 2025, where Pembroke still holds equity in the acquired business.

Strategy

Pembroke focuses on backing what they call “*exceptional founders and management teams*” with a deep understanding of the market in which they operate and the problem they are looking to solve. Pembroke seeks to provide these teams with the capital, contacts, advice and strategic guidance to help enable success.

The Pembroke VCT seeks to invest across three key market segments:

1. **Technology**
2. **Consumer**
3. **Business Services**

Table 8 in the appendix of this report shows the classification of each company within the portfolio of the Pembroke VCT in these three segments. There are currently 18 Business Services companies, 15 Consumer based businesses, and 14 technology-based businesses

Within Pembroke’s current portfolio of over 45 companies, Pembroke say that 28% are profitable

businesses on an annualised basis and the remainder are post-revenue, pre-profitable.

Most of Pembroke’s deal flow is sourced by the Manager from the personal and professional networks of the team, with a growing share now driven by a structured outbound origination programme. This proactive approach, alongside referrals from Pembroke’s current portfolio companies, complements a wide range of deal flow channels, including corporate finance firms, service providers, other funds, and direct founder outreach. In the year to 31 March 2026 Pembroke say that they reviewed 915 opportunities representing £2.9bn of potential investment and held 218 management meetings.

Historically, Pembroke has also been provided with opportunities from the Oakley Capital Private Equity team and their portfolio companies, particularly where the investments may be too small for their institutional funds. In addition, Pembroke benefits from insights from PROfounders who are also part of the Oakley group. They provide Pembroke with market intelligence and a potential source of deal flow through their wider network. Pembroke receives support from the Oakley group including legal, compliance, IT and HR.

Two important differentiators of the Pembroke VCT within the VCT market are based around how they structure their investments:

Typically, Pembroke will invest on the same terms as founders wherever possible to ensure an alignment of interests. It actively works with its investee companies, taking board positions and offering counsel and practical help to founders seeking to grow their businesses.

Pembroke does charge some fees to its portfolio companies, of which arrangement fees and monitoring fees (as referenced) may form a part. However, unlike other VCT managers, Pembroke does not charge director or exit fees.

Due diligence costs may be charged to the company, but they are capped and any costs incurred will be specific to the deal/company

In April 2023, Pembroke introduced a Portfolio Monitoring Fee (initially of £30,000 + VAT per annum but now increased to £40,000 +VAT), for three consecutive years, payable annually in

advance. This Monitoring Fee is discretionary, subject to a minimum investment of £1m. Pembroke tell us that the Support Fee introduced by Pembroke Investment Managers, has the full support of the Pembroke VCT Board.

At their discretion, the Manager may also charge an Arrangement Fee to the portfolio companies in which the VCT invests. The Arrangement Fee is a percentage of the gross amount invested by the Company. Pembroke considers exercising its discretion to either lower the arrangement fee to match that of other investors participating in the round or waive it completely, depending on the commercial terms agreed as part of the round.

This is a change in stance from Pembroke which they have been building up to over the past couple of years. Historically, they did not charge such fees, but now, after 10 years, Pembroke say that they are reaching a level of complexity in the portfolio which requires greater support in the respective markets.

Pembroke will typically lead an investment round with a cheque of between £0.5–4m, with capacity to follow on in high-performing companies, a discipline typical of quality Venture Capital managers investing in expansion capital deals. Pembroke contends that this founder-friendly and “milestone investing” approach, combined with its portfolio growth specialists and extensive commercial and professional networks in its key sectors, which, Pembroke say, makes them an attractive funding partner.

An example is Serve First, an AI-driven customer experience and operations platform that monitors, analyses and enhances frontline performance in real time. Following an initial investment of £2m in June 2025, Serve First has almost doubled its annual recurring revenue to over £2m and won customers including Brentford FC, The Body Shop, Topps Tiles and Spud Bros, as well as expanding into Europe. In March 2026 Pembroke invested a further £3m to accelerate the company’s next stage of growth.

In general terms, and certainly no prediction is implied, Pembroke aims to exit after 4-8 years; its Management Team claims experience of selling companies to both strategic/trade buyers as well as private equity funds. An ideal exit would be to a strategic trade buyer or to a sector-specialist PE fund. The most recent exit was from KX, generating proceeds of £1.8m representing a 2.6x return.

Pembroke aims to invest 30-35% of new funds raised into new businesses, and 65-70% into existing investments. Of the 30-35% in new investments, it targets 80% in mid-growth companies with revenues of over £1m per annum and up to 20% in early-stage growth companies with revenues under £1m).

In the year to 31 March 2026, £19.7m was invested in 7 new companies, with £14.8m of follow on investment made into 13 existing portfolio companies, making a total of £34.5m deployed.

Within the portfolio of investee companies, key drivers of performance have been from Pembroke’s developing portfolio of brands including Popsa, Secret Food Tours, COAT and LYMA.

Tax Efficient Review will cover these in more detail in the Track Record section of this review. But as would be expected in a portfolio of 47 companies, there have also been some write-off of portfolio companies, which include, Peckwater Brands (£4.0m cost), Floom (£4.6m cost) and United Fitness Brands (£5.3m cost), which make a combined investment cost of £13.9m.

New investors in the current B Ordinary Share offer will have immediate access to a maturing portfolio of 47 active companies. Of these, Pembroke tell us that 28% (representing 50% of the total portfolio value) are currently profitable on an annualised EBITDA basis.

The B Ordinary Share NAV is invested:

- 22% in the Consumer sector which includes Five Guys, the premium burger chain with over 150 restaurants in the UK, Troubadour a sustainable London based luxury accessories brand specialising in superior handcrafted leather and textile goods, Bloobloom, a premium eyewear brand selling glasses and sunglasses direct to consumer online and through a growing network of London stores, and Hackney Gelato, a premium ice cream brand. As well as newer investments such as women’s fashion brand, With Nothing Underneath (WNU)
- 34% in the Technology sector which includes LYMA a high-end nutritional supplement, Popsa, a photobook app that uses algorithms to creates photobooks from customer pictures,

Table 3: Generalist VCT provider 3,5 & 10 year performance comparison

VCT manager (alphabetical order)	VCT name	Data as at	Annual return over last 3 years	Annual return over last 5 years	Annual return over last 10 years
ALBION	Albion Technology & General VCT	31/03/2026	1.2%	5.3%	6.3%
	Albion Crown VCT	31/03/2026	0.7%	4.7%	7.4%
	Albion Enterprise VCT	31/03/2026	4.4%	7.3%	9.1%
BERINGEA	ProVen Growth & Income New	31/05/2026	1.9%	0.2%	1.6%
	ProVen VCT	31/05/2026	3.5%	1.0%	2.8%
BLACKFINCH	Blackfinch Spring VCT	30/06/2026	3.5%	2.9%	
CALCULUS	Calculus VCT plc New Ord share	30/06/2026	0.4%	1.5%	-1.2%
FORESIGHT	Foresight VCT	31/12/2025	5.5%	11.0%	6.4%
	Foresight Enterprise VCT	31/12/2025	4.9%	7.7%	4.7%
	Foresight Technology VCT FWT shares	31/03/2026	-3.8%	-1.4%	
	Foresight Ventures VCT	31/03/2026	-7.5%	-5.3%	-4.3%
GRESHAM HOUSE	Gresham House Income & Growth 2 VCT PLC	31/03/2026	1.8%	1.0%	5.2%
	Gresham House Income & Growth VCT PLC	31/03/2026	1.9%	1.3%	5.1%
	Baronsmead Second Venture Trust	31/07/2026	0.2%	-3.7%	1.1%
	Baronsmead Venture Trust	31/07/2026	0.8%	-3.2%	1.4%
MAVEN	Maven Income & Growth VCT 3	31/08/2026	0.4%	-0.2%	1.3%
	Maven Income & Growth VCT 5	31/08/2026	1.8%	0.6%	3.6%
	Maven Income & Growth VCT	31/08/2026	1.5%	0.7%	1.6%
	Maven Income & Growth VCT 4	30/06/2026	-0.7%	-0.4%	1.3%
MERCIA	Northern 2 VCT	30/06/2026	3.8%	1.3%	4.1%
	Northern Venture Trust VCT	30/06/2026	4.3%	0.8%	5.1%
	Northern 3 VCT	30/06/2026	3.7%	1.2%	4.2%
MOLTEN	Molten Ventures VCT	31/03/2026	-3.6%	1.4%	0.2%
OCTOPUS	Octopus Apollo VCT	31/01/2026	2.4%	6.5%	3.3%
	Octopus Titan VCT	31/12/2025	-10.3%	-5.8%	-0.4%
PEMBROKE	Pembroke VCT B share	30/06/2026	-0.5%	0.4%	3.8%
PUMA	Puma Alpha VCT	28/02/2026	-8.6%	-3.3%	
	Puma VCT 13	28/02/2026	-2.2%	2.4%	
SENECA	Seneca Growth Capital VCT B shares	31/03/2026	-12.0%	-9.4%	
TRIPLE POINT	Triple Point Venture VCT Venture shares	31/07/2026	1.1%	0.9%	
YFM	British Smaller Companies VCT	30/06/2026	3.0%	4.7%	5.5%
	British Smaller Companies VCT 2	30/06/2026	2.5%	3.8%	5.8%

Source: Tax Efficient Review calculation based on dividend and Net Asset Value data from public accounts

Calculation: (Closing period NAV less Opening period NAV plus dividends paid in the period) divided by number of years in the period

Figures do not include tax relief

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Table 4: **Provider results comparison**

PROVIDER	AVERAGE SCORE BASED ON PLACE IN PEER GROUP (lower is better)
FORESIGHT VCT & FORESIGHT ENTERPRISE VCT	3
ALBION	7
YFM BSC VCTs	8
OCTOPUS Apollo VCT	10
MERCIA Northern VCTs	11
GRESHAM HOUSE Mobeus VCTs	12
BERINGEA Proven VCTs	15
CALCULUS	19
MAVEN	20
PEMBROKE	20
MOLTEN	21
GRESHAM HOUSE Baronsmead VCTs	23
OCTOPUS Titan VCT	29

Calculation as at 20/09/2026 and based on results in Table 3 for providers with ten year performance. In order to reduce the data down to one figure, each VCTs' position in the Table 3 results is scored from 1 (first in the year) to the total number of VCTs in the analysis for the period (lower numbers are better), added together and then averaged over the three periods being measured

and COAT, a digital paint brand offering premium, environmentally friendly paint online at around 20% less than its premium competitors. As well as new investments such as PeakAiO, a software-defined storage business, and MonetizationOS, a billing and payments platform

- 24% in the Business Services sector which include Serve First, an AI-driven customer experience platform that within about a year the company had almost doubled ARR and added Brentford FC, The Body Shop and Topps Tiles to its customer base. SeatFrog, a two-sided technology business with a mission to build a better future for rail operators and their passengers with its consumer-facing application. As well as new investments such as cyber security business CybaVerse, and AI consumer research platform Bolt Insight

The remaining 20% is composed of other net assets, mainly cash and money market funds amounting to £56.6m (as at 31 March 2026) that is available to be invested.

Other recent investments include Kaizan, an

AI-based client intelligence platform for services businesses that connects data from emails, calls, CRMs and other internal systems, helping account management and client success teams identify churn risk, uncover upsell opportunities and reduce administrative workload. Also added during the year to 31 March 2026 were Exeros Technologies (B2B SaaS, £4.0m), PeakAiO (£3.7m), Bolt Insight (£3.5m), MonetizationOS (£3.0m), CybaVerse (£2.5m), Serve First (£2.0m) and Fanalysis (£1.0m).

Dividend Policy

The B Ordinary Share class has annual target dividend of 5 pence per B Ordinary Share. The dividend is expected to be paid each year, and the Pembroke VCT will also aim to pay further dividends where realisations from the sale of portfolio assets allow.' However, this is a target, and no forecast or projection should be implied or inferred.

In the year to 31 March 2026 the Company paid dividends of 5.5p per share, exceeding its 5p per share annual target. This included a 2p per share dividend in May 2025 following the Secret Food

Table 5: Sectors data as at March 2026 as % of portfolio value

Sector name	
Consumer	22%
Technology	34%
Business Services	24%
Cash and other net assets	20%
TOTAL	100%

Source Pembroke VCT, FY2026 Annual Report (31 March 2026)

Table 6: Stage of investment as at March 2026 as % of portfolio value

Stage by revenue:	
Early stage (turnover under £1m)	10%
Growth (turnover £1m-£5m)	24%
Scale up (over £5m - £50m)	60%
Mature (turnover over £50m)	6%
TOTAL	100%

Stage by profitability:	
Pre-Revenue	2%
Revenue Generating + Pre-Profit (EBITDA)	48%
Revenue Generating+ Profitable (EBITDA)	50%
TOTAL	100%

Source Pembroke

Tours exit and a 3.5p per share dividend in January 2026 following the exit from N Family.

At 30 June 2026 the total return per share for the B Ordinary Shares was 143.6p and the NAV per share was 98.1p.

The Pembroke VCT dividend track record is:

Financial Year	Dividend per share
2017	2.0p
2018	3.0p
2019	3.0p
2020	3.0p
2021	7.0p
2022	7.0p
2023	5.0p
2024	5.0p
2025	5.0p
2026	5.5p

Share Buyback Policy

It is intended that the Company will continue to repurchase shares which shareholders wish to sell, at a discount of no more than 5% to net asset value per share, less transaction costs payable to market makers and stockbrokers; this will be at the discretion of the Board who must believe it to be in the best interests of the Company at the relevant time. Investors should note that a "buyback scheme" does not involve the VCT purchasing shares from the investor. It works by investors selling to a market maker who in turn will sell to the VCT.

The last share buyback of £6.6m was in April 2026 (7,233,786 shares at 91.37p) and is subject to consideration by the Board every 6 months. Buybacks in the year to 31 March 2026 total an impressive £7.9m.

Pembroke say they have never been unable to facilitate a full share buyback.

Tax Efficient Review Strategy rating: 28 out of 30

Track record

Our approach to comparing track records between providers is to use 3, 5 & 10 year measures of the annual increase in total return (calculated as closing net asset value less opening net asset value plus dividends paid during the period).

The 3, 5 & 10 year results are in Table 3. In order to reduce the data down to one figure we score each VCTs' position in the results from 1 (first in the year) to the total number of VCTs in the analysis (therefore lower numbers are better). We then add the 3, 5 & 10 year figures together and take an average over the three periods being measured. The results are in Table 4.

The data in Table 4 shows that the Pembroke VCT is in the bottom half of the pack in their peer group returns over 3 years (their -2% return places them 23rd out of 32), 5 years (their 3% return places them 21st out of 32) and 10 years (their 4% return places them 13th out of 25).

On the face of it, these results do not look particularly impressive. But one must remember that firstly the Pembroke VCT is younger than many other VCTs in the table, and secondly that they have managed to achieve seven profitable exits from investee companies over that time.

The seven positive exits to date are Pasta Evangelists, Plenish, ME+EM, Boat, Secret Food Tours, N Family Club and, most recently, KX

The VCT held Pasta Evangelists for a period of less than one year, before exiting in January 2021 with a return of 2.3x; the business was acquired by Barilla, the world's largest pasta business. Plenish was acquired in May 2021 by FTSE 250 listed beverage giant Britvic, realising a 2.3x return on investment. In March 2022 Pembroke VCT's share of ME+EM was acquired by Highland Europe, realising a 16.2x return on investment. In July 2024, Boat was acquired by Informa Group, realising 1.4x return on investment, and in May 2025, the VCT realised part of its investment in Secret Food Tours, generating a 5.3x realised return for shareholders. In November 2025, the VCT fully exited N Family Club, realising £8.7m and a 2.9x return on cost, which funded the 3.5p per share dividend paid in January 2026.

Pembroke has also had 25 loss-making exits or write-downs to date. Five holdings were written off entirely in the year to 31 March 2026.

- United Fitness Brands, a £5.3m investment had

previously been written down and entered administration

- Floom, a £4.6m investment
- Peckwater Brands, a £4.0m investment, was written down to nil.
- Chuc's Restaurants, a £2.2m investment, and KXU, a £1m investment, are legacy businesses that struggled through Covid and took on significant debt; both continue to trade, but are not expected to recover the investment and have written both down to nil.

Together these represent £17.1m of cost

Any measure of track record depends largely upon the manager's valuation of its holdings; there are examples where there has been obvious substantial growth at a portfolio company level, for instance Five Guys growing to more than 150 UK restaurants since Pembroke invested but are yet to exit. LYMA is also a notable performer within the portfolio, currently held at a value of £38m on an investment of £2m.

As at 30 June 2026 the Total Return (NAV per share plus cumulative dividends paid per share) is 143.6 pence on the B Ordinary Shares (issued at 100p) since 2015, excluding any tax benefit. In the year to 31 March 2026 Pembroke paid 5.5p per share, ahead of its 5p per share target, comprising a 2p per share dividend in May 2025 following the partial exit from Secret Food Tours and a 3.5p per share dividend in January 2026 following the exit from N Family Club. Cumulative dividends paid since launch now total 45.5p per share.

Tables 4 & 5 above shows the sector breakdown of the Pembroke VCT across 3 broad sectors.

Table 6 in the appendix of this report has the details of all of the exits or write downs achieved within the portfolio over the past three years. The two profitable exits mentioned earlier are contained in this Table along with those written off, but there are still some recoupments of debt positions within companies such as Chucs.

Pembroke values its investments in accordance with International Private Equity and Venture Capital Valuation Guidelines. Of the B Ordinary Share Portfolio:

- 19% of the portfolio is calculated by reference to valuations that are set by most recent funding round valuations in which mostly non-

Pembroke investors also participated

- 81% of the portfolio is calculated with reference to comparable company metrics such as earnings and EBITDA multiples

TER always prefer to see any uplift in the value of unquoted investee companies within a VCT to be accompanied by the rigour of a 3rd party investor participating in the round.

Comfort could be taken from one of the recent exits being transacted at a price in line with their carrying value. While two of the exits are lower than the carrying value, this is caused by circumstances beyond Pembroke's control.

Overall the performance has held up over the past year. One area of concern, however, could be in how concentrated the portfolio is in the top holdings. The top three companies at present

(LYMA, Popsa and Coat) comprise a value of £76.9m of the AUM (being 27%). The top 10 holdings are £133.7m of the AUM (being 47%, and 59% of total portfolio value).

Whilst it is normal for a VCT of this size and maturity to see it's best performing holdings take a more dominant role within the AUM. But this is still a high level of concentration, and it could make the future performance of the VCT sensitive to the performance of these top holdings.

In summary, the team at Pembroke have done well to produce the profitable exits they have achieved to date and that these have gone on to fund a healthy level of shareholder dividends in recent years.

Tax Efficient Review Track Record rating: 33 out of 40

Manager

The key members of the Pembroke investment team is listed in Table 8 with a breakdown of their activities.

The Management Team of Pembroke Investment Managers LLP comprises:

- Peter Dubens –Co-Founder of Oakley
- David Till –Co-Founder of Oakley
- Andrew Wolfson – Chief Executive Officer
- Chris Lewis – Chief Financial & Chief Operating Officer
- Fred Ursell – Head of Investments

Not only must an investment manager obtain deal flow, but it must also have a team resourced to invest at the correct rate to satisfy the VCT rules. The 80% investment rule requires that by the end of the third accounting period after launch and in every accounting period thereafter the VCT must have at least 80% of its funds invested in qualifying holdings. Most Boards impose a minimum level that is higher than this to ensure that any exits do not push the VCT below the 80% level.

As at 31 March 2026 the Manager has invested the majority of its prior funds and the VCT held £56.6m (20% of its NAV in cash and money market funds) and the manager says there is a £12.5m of pipeline of potential investments in due diligence.

Overall, TER feel that a potential £50m plus deployment should be achieved with the current team and track record of recent years.

Board of Directors

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. The past and present Directors have already invested more than £2m in the Company, and intend to invest further under the Offer. Members of the Manager also intend to invest under the Offer.

Pembroke VCT plc has a board of directors consisting of six independent non-executive directors and one non-independent non-executive director:

- **Jonathan Djanogly (MP)** – Jonathan is a non-practising solicitor and was, for over ten years, a corporate partner at City law firm SJ Berwin

LLP. He specialised in mergers and acquisitions, private equity and joint ventures as well as fund raising on public markets. Jonathan was a Member of Parliament between 2001 and 2024, where he served as a Member of the Trade and Industry Select Committee and latterly as a member of the Public Accounts Committee. He also served on the Opposition front bench as Shadow Solicitor General, as a Shadow Minister for Trade and Industry with responsibility for employment law and corporate governance and as a Justice Minister for over two years.

- **David Till** - David co-founded the Oakley Capital Group in 2002. He plays a key role within the group and has overall responsibility for the operations, finance, due diligence, compliance and fund formation. Oakley Capital Private Equity invests in, and supports, the continued growth and development of some of Europe's leading companies and seeks to build long-term relationships with talented entrepreneurial founders and managers. Over the past 20 years, Oakley has built expertise in three core sectors: TMT, Digital Consumer and Education, and has strong credentials and networks in these areas. Oakley Capital comprises five mid market private equity funds. The Funds generate strong returns for their Limited Partners as well as Oakley Capital Investments Limited, a listed investment vehicle that invests in Oakley Private Equity Funds
- **Mark Stokes** - Mark has over 30 years' experience in financial services, and 20 years at executive committee level. He is currently an executive director and Chief Commercial Officer at United Trust Bank, and previously held managing director positions at Lloyds Corporate and Commercial Banking, Williams & Glyn, and Metro Bank
- **Louise Wolfson** - Louise is a senior corporate lawyer who was previously a partner at Allen & Overy LLP and Pinsent Masons LLP. She has a particular focus on corporate finance transactions, and has wider experience including mergers and acquisitions, joint ventures, strategic investments, capital raisings and listings. Louise currently works as a freelance legal consultant and sits as a tribunal judge hearing social security and immigration appeals. Louise is also a director of Women's

Pioneer Housing, a housing association which supports women in West London. (TER asked if there was any relationship between Louise Wolfson and Andrew Wolfson and Pembroke have confirmed that whilst they share the same surname, they are not related)

- **Chris Allner** - Chris Allner joined the Board of Pembroke VCT plc in June 2024. He brings deep industry experience from a 40-year career in venture capital and private equity, including senior roles at fund, investment manager and portfolio company level. He has been a partner at Downing LLP since 2012 and continues to chair their investment committee as well as being a member of Nesta's Impact investment committee. He also remains on the board of Thames Ventures VCT 1 plc, Thames Ventures VCT 2 plc, and was formerly a Non-Executive Director on the Boards of Firefly Education Ltd, FundingXchange Ltd, Curo Compensation Limited and Xupes Handbags & Jewellery Ltd. Previously, he held senior investment roles at Octopus Capital, Beringea and Bridgepoint
- **Neeta Patel CBE** - Neeta joined the Board of Pembroke VCT plc in January 2026. She is Chief Executive of the Centre for Entrepreneurs and Senior Independent Director of Allianz Technology Trust.
- **Elizabeth Flockhart** - Elizabeth joined the Board of Pembroke VCT plc in January 2026. She is a chartered accountant and was previously Global Head of Oversight at Aberdeen plc. She is also a Non-Executive Director of Baillie Gifford US Growth Trust.

Pembroke has continued to build out its team, adding three new hires to the investment team.

- **Fred Ursell — Head of Investments:** Fred leads Pembroke's investment strategy alongside Andrew Wolfson and is responsible for its execution across sourcing, due diligence, capital allocation and portfolio management. He leads the investment team and is a voting member of Pembroke's Deal Committee
- **Elizabeth Lazell — Investment Director:** Elizabeth was promoted to Investment Director having joined the team in 2023 as an Investment Manager. She splits her time between new investments and supporting Pembroke's existing portfolio companies, working closely with founders and management

teams

- **Sheeraz Salar – Head of Legal:** Sheeraz was promoted to Head of Legal having joined the team as Legal Director in 2023. He leads on investment documentation and advises on strategic legal and business matters across the firm, including fundraising, governance and exit planning
- **Patricia El Jichi – Investment Manager** (joined July 2026): Patricia works across the full investment lifecycle, from deal origination through to execution and long-term strategic support. She joined from PXN / Par Equity, having previously invested in technology start-ups and spinouts at Ada Ventures and SIS Ventures. Before venture capital she spent over a decade at Citigroup and J.P. Morgan, advising ultra-high-net-worth clients across asset classes. Patricia is a CFA Charterholder
- **Andy Hall – Investment Manager** (joined July 2025): Andy is an ACCA-qualified accountant

with over ten years' experience supporting UK SMEs. He joined from BDO, where he spent four and a half years in the growth capital advisory team, helping UK SMEs raise up to £10m from venture capital, private equity and venture debt. His focus was Series A technology and tech-enabled businesses, covering investor readiness, fundraising preparation and support through to close

- **Hugo Adams – Investment Associate** (joined July 2025): Hugo joined from PwC, where he worked in Audit with a focus on high-growth consumer technology businesses.

Lastly, four departures should be noted: Jamie Kennell, previously Chief Investment Officer, left in June 2025; Yasmina Jebai, Investment Manager, left in October 2025; Severin Baker, Investment Associate left in May 2025; and Victoria Barber, Sales Director, left in December 2025.

Tax Efficient Review Team rating: 17 out of 20

Costs

- **Initial costs:** 3% 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

5% for Investors who have invested directly into the Company or invested through an Intermediary/platform and have not received advice. The VCT may facilitate adviser charging from intermediaries up to a maximum of 4.5%.

Pembroke say that initial adviser charges may be facilitated and be available for tax relief.

- **Annual management fee:** 2% of the VCT's NAV. The Manager also caps the Annual Running Costs of the Company such that they will not exceed 0.5% pa of NAV. In the year to 31 March 2026 the Annual Running Costs to NAV ratio was 0.32%, being £918,000 (was 0.36% in the year to 31 March 2025) and will continue to be capped at 0.5% in the year to 31 March 2027

Performance fee: 20% fee (+VAT if applicable) on net realised investment gains, since inception. The Performance Fee is only payable to the Manager if the Company's cumulative realised investment gains are greater than its cumulative realised investment losses.

The Total Return Hurdle of 3 pence (or 3% if the NAV per share is below 100p) per year, from 121.3p at August 2020, must also be achieved before a Performance Fee is paid to the Manager. This is not a particularly high hurdle, but we are pleased to see that the performance fee is paid on profitable exits (not just valuations) over and above a positive return plus an annual hurdle increase each year. But, we would rather this was 3% than 3p. At 31 March 2026 the Total Return NAV per share was 143.1p, against a hurdle of 140.9p per share. No performance fee was paid for the year ended 31 March 2026.

This is refreshing to see in the VCT sector as it reduces the risk of performance fees being

paid on valuations which do not hold up to the point of exit. Nevertheless, Pembroke confirms its intention to return to shareholders both the amounts invested and the realised investment gains by paying dividends from the exit proceeds. This has been the case with the exit proceeds from Pasta Evangelists, Plenish, ME+EM, Boat, Secret Food Tours and N Family Club. The Manager (Pembroke) has confirmed to us that they would not draw their performance fee until such time as the directors did approve a distribution to shareholders.

In April 2023, Pembroke introduced a discretionary Portfolio Support Fee (now renamed Portfolio Monitoring Fee) of £30,000 + VAT per annum, for three consecutive years, payable annually in advance payable by the companies in which Pembroke invests (whether as new or follow-on) an amount greater than £1.0 million,

with the three-year period commencing on the date of Pembroke's investment.

The Manager intends to maintain the Portfolio Monitoring Fee in its current form but will review it annually. It has done so and the fee has been increased by 33% to up to £40,000 +VAT.

In addition, as mentioned above, to the Portfolio Support Fee, from 9 September 2024, the Manager may, at its discretion, charge an arrangement fee ("Arrangement Fee") to the portfolio companies in which the Company invests. The fee is 2.0% to 3.0% of the gross amount invested by the Company (whether a new or follow-on investment) into the portfolio company in a particular investment round.

Tax Efficient Review Cost rating: 9 out of 10

Conclusion

This latest fund raising from the Pembroke VCT team comes at a time when the VCT industry is in a new regime of income tax relief available to investors, with a reduction from 30% to 20% coming into effect on 6th April 2026.

It is too early to say what the effect of this reduction will be on the VCT market fund raising across the 2026/2027 tax year. But one thing it will do is to focus the spotlight even more so on the performance of VCTs. In order to earn their place in the adviser “toolkit”, VCTs need to show they can deliver real performance for VCT shareholders from their underlying portfolio of investee companies.

With this in mind, the Pembroke VCT should be in a more comfortable position than many other VCTs. They have consistently managed to generate profitable exits from their underlying companies. The earlier exits from companies such as Pasta Evangelists, Plenish, ME+EM, Boat International Media and a partial exit from Secret Food Tours have been added to recently by exits from KX in June 2026 which generated proceeds of £1.8m at 2.6x cost and N Family Club which exited in November 2025 and generated proceeds of £8.7m at 2.9x cost and funded a 3.5p per share dividend paid in January 2026.

There is currently £287m of assets under management in the Pembroke VCT and what also makes this VCT interesting is the position they adopt when it comes to dividends and performance fees. They pay dividends out of profitable realisations and not shareholder capital and performance fees are based on net realised investment gains from profitable exits, not just on movements in the NAV per share like many other VCTs.

The portfolio of companies which make up the Pembroke VCT are fairly concentrated, with the top 10 companies forming £133.7m of the £234.8m portfolio value (59% of total portfolio value and 47% of the Net Asset Value). One company in particular in the portfolio, Lyma, the skincare technology company, is valued at £38m, which make it 17% of the active company portfolio. Furthermore, despite the exits listed above, the performance of the Pembroke VCT since the previous review has dropped slightly over the past year following write-offs from portfolio companies such as Peckwater Brands (£4.0m cost), Floom (£4.6m cost) and United Fitness Brands (£5.3m cost).

But the dividend payment history of circa 5p per share to shareholders has remained consistent and this has arisen from profitable exits and not just payments of shareholder capital back to investors. The team at Pembroke need a large exit from one of their portfolio companies to add strength to the performance of VCTs in this new tax relief regime. The recently announced agreement for NetApp to acquire PEAK:AIO, which remains subject to completion, is a step in that direction.

In late September 2026 Pembroke VCT published an RNS stating that, as a result of movement in its portfolio, it expects in due course to announce an unaudited increase in net asset value of approximately 6 to 9 per cent.

Tax Efficient Review rating: 87 out of 100 for a generalist VCT with track record

Table 7 (1 of 2): Pembroke B Share Exits & Write-downs in the three years to September 2026

Investee Company name	Chucs Restaurants	N Family Club	Kinteract (Note 1)	Kat Maconie (Note 1)	Boat	Beryl
Structure of investment	Equity	Equity & Debt	Equity	Equity & Debt	Equity & Debt	Equity
Sector	Consumer	Consumer	Business Services	Consumer	Business Services	Technology
Financing stage when first invested	Early Stage, post-revenue	Early Stage, post-revenue	Early Stage, pre-revenue	Early Stage, post-revenue	Early Stage, post-revenue	Early Stage, post-revenue
Board seat	No	No	Yes	Yes	Yes	No
Amount originally invested	£0.3m Mar 2016	£1.5m Aug 2018	£0.5m Apr 2019	£0.3m Jun 2013	£1.7m Nov 2013	£0.1m Oct 2014
Further investment	£1.92m equity	£1.5m equity; £2.2m debt (repaid)	£3.1m equity	£1.5m equity; £1.02m debt	£1.55m debt	£0.45m equity
Realisations/Dividends	£nil	£8.7	£nil	£nil	£4.64m	£0.27m
Profit/Loss	(£2.22m)	£5.7m	(£3.6m)	(£2.85m)	£1.4m	(£0.29m)
Length of investment: to final realisation *	12 years	7 years	5 years	11 years	11 years	10 years

Notes: *From first investment by either Ordinary or B-Ordinary share classes

(1) Kinteract, Kat Maconie, Floom & United Fitness Brands: Remains in administration/orderly wind-down. Held at nil valuation

Source Pembroke September 2026

Table 7 (2 of 2): Pembroke B Share Exits & Write-downs in the three years to September 2026

Investee Company name	KX	Secret Food Tours	Floom (Note 1)	United Fitness Brands (Note 1)	KXU	Peckwater Brands
Structure of investment	Equity	Equity	Equity & Debt	Equity	Equity & Debt	Equity
Sector	Consumer	Consumer	Technology	Consumer	Consumer	Business Services
Financing stage when first invested	Early Stage, post-revenue	Early Stage, post-revenue	Early Stage, post-revenue	Early Stage, post-revenue	Early Stage, post-revenue	Early Stage, post-revenue
Board seat	No	Yes	No	No	No	Yes
Amount originally invested	£0.7m Sep 2013	£1.0m Aug 2018 (£0.8m cost was exited)	£0.6m Nov 2018	£0.3m Apr 2013	£0.1m Mar 2017	£1.0m Sep 2021
Further investment		£1.0m equity (none exited)	£3.85m equity; £0.15m debt	£5.0m equity	£0.16m equity £0.79m debt	£3m equity
Realisations/Dividends	£1.8m	£4.3m	£nil	£nil	£nil	£nil
Profit/Loss	£1.1m	£3.5m	(£4.6m)	(£5.3m)	(£1m)	(£4m)
Length of investment: to final realisation *	12 years	7 years	7 years	12 years	9 years	4 years

Notes: *From first investment by either Ordinary or B-Ordinary share classes

(1) Kinteract, Kat Maconie, Floom & United Fitness Brands: Remains in administration/orderly wind-down. Held at nil valuation

Source Pembroke September 2026

Table 8: Pembroke VCT holdings as at 31 March 2026

Companies	Share class	Sector Classification	First investment	Equity (cost) £'000	Loan (cost) £'000	Total invested (cost) £'000	Current valuation £'000	Multiple on cost
Lyma		Technology	Dec-18	2,000	-	2,000	38,289	19.14
Secret Food Tours		Consumer	Aug-18	1,195	-	1,195	8,947	7.49
Popsa		Technology	Feb-18	6,250	-	6,250	22,711	3.63
Five Guys		Consumer	Aug-13	1	2,725	2,726	9,267	3.4
Coat		Technology	Jun-21	5,000	-	5,000	15,884	3.18
Toucantech		Business Services	May-20	1,000	-	1,000	2,930	2.93
Troubadour		Consumer	Sep-13	2,540	-	2,540	7,073	2.78
Stillking		Business Services	Oct-14	1,452	-	1,452	3,828	2.64
KX		Consumer	Sep-13	700	-	700	1,800	2.57
Thriva		Business Services	Jul-19	1,330	-	1,330	3,266	2.46
With Nothing Underneath		Consumer	Oct-24	1,500	-	1,500	3,148	2.1
Tala		Consumer	Dec-21	3,200	-	3,200	5,771	1.8
SeatFrog		Business Services	Feb-23	5,800	-	5,800	10,349	1.78
Ryft		Technology	Feb-25	960	-	960	1,682	1.75
Serve First		Business Services	Jun-25	5,000	-	5,000	7,557	1.51
Unbolted		Technology	Nov-16	400	-	400	553	1.38
Smartify		Technology	Nov-20	2,300	-	2,300	3,045	1.32
HotelMap		Business Services	Nov-18	3,300	-	3,300	4,200	1.27
Credentially		Business Services	Feb-21	6,247	-	6,247	7,764	1.24
Hackney Gelato		Consumer	Jan-20	3,200	1,800	5,000	5,878	1.18
Bloobloom		Consumer	Aug-22	4,500	-	4,500	5,223	1.16
Vieve		Consumer	Oct-22	2,206	-	2,206	2,232	1.01
Exeros Technologies	Pembroke delined to provide this data	Business Services	Sep-25	4,000	-	4,000	4,000	1.00
Smartr365		Business Services	Dec-24	3,500	-	3,500	3,500	1.00
Bolt Insight		Business Services	Dec-25	3,500	-	3,500	3,500	1.00
CybaVerse		Business Services	Sep-25	2,500	-	2,500	2,500	1.00
Mindset AI		Business Services	Mar-25	2,250	-	2,250	2,250	1.00
Cydar		Business Services	Feb-22	4,800	-	4,800	4,800	1.00
Bella Freud		Consumer	Nov-13	3,379	900	4,279	4,279	1.00
My Expert Midwife		Consumer	May-22	3,000	-	3,000	3,000	1.00
Annie Mals		Consumer	Mar-22	500	-	500	500	1.00
PeakAiO		Technology	Sep-25	3,713	-	3,713	3,713	1.00
Transreport		Technology	Dec-23	3,000	-	3,000	3,000	1.00
MonetizationOS		Technology	Jan-26	3,000	-	3,000	3,000	1.00
Fanalysis		Technology	Aug-25	999	-	999	999	1.00
OnePlan		Business Services	May-21	5,000	-	5,000	4,438	0.89
Ro&Zo		Consumer	Oct-22	2,600	500	3,100	2,580	0.83
Roto VR		Technology	Dec-19	2,500	-	2,500	2,073	0.83
Wishi		Business Services	Sep-16	153	-	153	114	0.74
Auddy		Technology	Jul-22	1,800	-	1,800	1,108	0.62
Droplless		Business Services	Mar-21	3000	3350	6,350	3,431	0.54
Rubies In The Rubble		Consumer	Jul-19	1,328	-	1,328	510	0.38
Rated People		Technology	Jan-14	641	-	641	189	0.3
Eave		Business Services	Oct-20	3900	500	4,400	1,262	0.29
Heist		Consumer	Jul-17	7,249	1,100	8,349	1,754	0.21
JustWears		Consumer	Sep-21	2,000	-	2,000	420	0.21
Active portfolio companies				128,393	10,875	139,268	228,317	1.64

Source Pembroke VCT

Table 9: Pembroke VCT matrix of individual responsibilities where Deal Origination & New Deal doing exceed 30% of an individual's time and with at least three years VCT involvement September 2026

	Andrew Wolfson	Fred Ursell	Alicia Taylor	Liz Lazell
VCT RELATED				
Deal origination	30%	30%	35%	35%
General enquiries		5%	5%	5%
New deal doing	35%	35%	40%	40%
Investee board seats No.	13	10	2	1
Sitting on Board and/or portfolio strategy	20%	10%	10%	10%
Fund raising	5%	10%		
Internal issues	5%	5%	5%	5%
Exits	5%	5%	5%	5%
NON VCT				
Non-VCT work	-	-		
TOTAL	100%	100%	100%	100%
Years in venture capital	16	11	7	3.5
Years involved with VCTs	13	11	4	3.5
Years with current team	13	7.5	4	3.5

Source Pembroke