Pembroke
VENTURE CAPITAL TRUST

Pembroke VCT plc – B Ordinary Shares

Target Market and Value Assessment (November 2026)

For financial intermediaries and distributors. This document should be read alongside the Company's latest Prospectus, Key Information Document (KID) and Annual Report, available at www.pembrokevct.com.

1. Product

Product	Pembroke VCT plc (the "Company") – B Ordinary Shares (ISIN GB00BQVC9S79), listed on the main market of the London Stock Exchange.
Investment Manager	Pembroke Investment Managers LLP ("PIM" or the "Manager"), authorised and regulated by the Financial Conduct Authority.
Manufacturer	**Pembroke Investment Managers LLP**
Investment objective	To provide shareholders with an attractive income and capital return by investing in unquoted companies which meet the relevant criteria for VCTs.
Product type	Venture Capital Trust (VCT). The Directors consider the shares to be "non-complex" for the purposes of the UK MiFID Laws.
Date of assessment	November 2026. This assessment is reviewed at least annually and before each new offer. The next review is due by September 2027.

2. Outcome of the assessment

Having completed this assessment, we confirm that:

- The shares remain appropriate to the needs, characteristics and objectives of the identified target market.
- The shares continue to provide fair value to retail customers in the target market.
- The intended distribution strategy remains appropriate.

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3. Target market

The table below sets out the target market for the shares and the reasons for each criterion.

Category	Target market	Rationale
Type of investor	UK taxpayers aged 18 or over who consider the investment policy attractive. May include retail, institutional, sophisticated and high net worth investors who already have a portfolio of non-VCT investments.	The main benefits of the product are VCT tax reliefs, which are only available to UK taxpayers aged 18 or over.
Knowledge and experience	Investors who receive financial advice; or Investors with knowledge and experience of VCTs, EIS or other higher risk investments who can assess the product without advice.	Advised investors rely on their adviser to assess suitability. Direct and execution only investors receive no advice or appropriateness assessment, so must be able to understand the product and its risks themselves.
Financial situation and capacity for loss	Investors who do not need capital protection, can accept the loss of their entire investment, and have already considered other tax efficient options such as pensions and ISAs.	100% of capital is at risk. The Company invests in small, unquoted, early stage companies, some of which may fail.
Risk tolerance	High. Investors comfortable that investing in smaller UK companies is higher risk than other investments, and willing to accept limited liquidity in return for potential long term returns and tax benefits.	The KID gives the product a summary risk indicator of 6 out of 7, the second highest risk class. VCT shares have a limited secondary market.
Objectives and needs	Investors seeking: • Tax efficient investment • Long term capital growth and tax-free income • Diversification into smaller UK growth companies	The Company targets an annual dividend of 5.0p per share, with further dividends paid following significant realisations. Dividends are not guaranteed.
Investment horizon	At least seven years, in line with the recommended holding period in the KID.	Venture capital investments typically take several years to mature. Shares must also be held for at least five years to retain upfront income tax relief.
Investment amount	Between £5,000 and £200,000 per tax year.	The minimum supports diversification within the investor's wider portfolio. The upper limit reflects the statutory cap on VCT tax relief.

Negative target market. The shares are not suitable for investors who:

- Have an investment horizon of less than seven years, or may need access to their capital at short notice;
- Seek capital protection or have a low tolerance or capacity for loss;
- Do not have a UK income tax liability;
- Do not understand the risks of VCTs or comparable products, and are not receiving advice; or
- Have not considered other tax efficient options, such as pensions and ISAs.

Vulnerable customers. VCT investors are often later in life. Characteristics of vulnerability, such as health conditions, life events, low resilience or low capability, may affect an investor's ability to hold an illiquid, long term investment. Distributors should take this into account when assessing

suitability. Investors can contact the Company's registrar, The City Partnership (UK) Limited, by phone or email for support. Complaints can be made through www.pembrokevct.com or in writing to 223-231 Old Marylebone Road, London NW1 5QT.

4. Distribution strategy

Channel	Description
Advised	Investors apply through a financial adviser or wealth manager, who assesses suitability. This is the primary channel and the Manager's preferred route, and investors pay a lower Promoter Fee.
Direct	Investors apply directly to the Company. No investment, tax or legal advice is given. Intended for investors able to assess the product without advice.
Execution only	Investors apply through a third party platform or broker without advice. The Manager has no control over the platform's processes and recommends that investors seek independent financial advice.

Information available to distributors. The Manager makes the following available to distributors:

- This Target Market and Value Assessment;
- The Prospectus, any Supplementary Prospectus and the KID;
- The Annual and Half Year Reports, newsletters and presentations; and
- The European MiFID Template (EMT), which reports a positive outcome of our value assessment.

Distributors must consider their own charges and remuneration, and their effect on value for the end investor, as part of their own value assessment. We welcome feedback from distributors on investor outcomes.

5. Price and value assessment

Our approach. In line with PRIN 2A.4 and the FCA's guidance (FG22/5), we have assessed whether the price an investor pays is reasonable relative to the benefits they can reasonably expect. We have considered costs, benefits, limitations, comparable products and outcomes for different groups of investors. We have assumed that investors are within the target market and are able to claim the tax reliefs available.

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Costs and charges to the investor

Charge	Amount	Paid by / notes
Promoter Fee (one off)	Advised: **3.0%** Direct and non-advised: **5.0%**	Deducted from the subscription. May be reduced by agreement with the Board and the Manager.
Adviser charge (one off)	As agreed with the adviser	Can be facilitated by the Company, up to 4.5% of the amount subscribed.
Initial and trail commission	Initial: up to 2.0% Trail: up to 0.375% of NAV p.a. for up to six years	Only payable for execution only clients or professional clients of an intermediary. Paid by the Manager, not the Company. Initial commission waived by an intermediary is used to buy additional shares for the investor.
Annual management fee	**2.0%** of NAV	Paid by the Company to the Manager.
Annual running costs	Capped at **0.5%** of NAV	Any excess is met by the Manager. Running costs were **0.32%** of NAV for the year to 31 March 2026.
Performance incentive fee	20% of net realised gains	Only payable on realised gains, once cumulative realised gains exceed cumulative realised losses and a total return hurdle has been met. No fee was payable for the years to 31 March 2025 or 2026.
Exit fees	None	No exit fees are charged to investors, the Company or portfolio companies.

Fees charged to portfolio companies. PIM charges portfolio companies an Arrangement Fee of 2.0% to 3.0% of the amount invested in each round, and a Portfolio Monitoring Fee of up to £40,000 (plus VAT) per year for three years where the Company invests £1.0m or more. These fees are paid by portfolio companies, not by the Company or investors directly. They were introduced after ten years of charging no fees to portfolio companies. The Arrangement Fee is discretionary and may be reduced or waived where co-investors charge less. PIM reviews both fees annually.

Non-financial costs. Investors need to spend time reading the Prospectus and KID and understanding the product. They must accept limited liquidity and a minimum five year holding period to retain tax relief. We consider these reasonable relative to the benefits of the product.

Benefits

- Upfront income tax relief of 20% on subscriptions of up to £200,000 per tax year, subject to a five year holding period.
- Tax-free dividends and no capital gains tax on disposal of the shares.
- Exposure to a diversified portfolio of early stage, founder-led UK companies across technology, consumer and business services, which most investors could not access directly.
- A target annual dividend of 5.0p per share, with further dividends following significant realisations. The Company paid 5.5p per share in the year to 31 March 2026 and 45.5p per share since launch.
- An exit-based performance fee, paid only on realised gains, which aligns the Manager with investors.
- Half yearly share buybacks, at the Board's discretion, at a discount of no more than 5% to NAV.
- Clear communication, including the Annual and Half Year Reports, quarterly newsletters, an online investor portal, the website and LinkedIn.

Limitations

- Investors may lose some or all of their capital. Past performance is not a reliable indicator of future results.
- The shares are illiquid and usually trade at a discount to NAV. Buybacks are not guaranteed.
- Selling within five years requires repayment of the upfront income tax relief.
- Tax reliefs depend on individual circumstances and may change. Upfront income tax relief on new subscriptions reduced from 30% to 20% from 6 April 2026.
- Investors cannot claim against the Financial Services Compensation Scheme if the Company is unable to pay out.
- The Company must meet the VCT rules to maintain its status. Loss of status would remove the tax benefits.

Total cost of ownership. The KID shows the effect of all costs on an investment of £10,000 held for the seven year recommended holding period. It assumes the maximum 5.0% entry fee, so advised investors will typically pay less than shown. The figures do not take account of VCT tax reliefs.

Cost (impact on return per year)	Over seven years
One-off entry costs	0.78%
Exit costs	None
Portfolio transaction costs	0.44%
Other ongoing costs (2.0% management fee and 0.33% other costs)	2.33%
Performance fee (estimated)	0.80%
Total reduction in yield	**4.33%**
Total costs on £10,000: £883 after one year, £2,284 after four years, £4,231 after seven years	

Comparable products. We have compared the Company's charges with other VCTs. The Promoter Fee for advised investors is in line with market practice, and running costs are well within the 0.5% cap. An independent review in September 2026 found the Company's total expense ratio to be competitive against its close VCT peers, and its KID costs to be towards the upper end of its peer group. The KID shows the maximum entry fee, so investors may pay less than reported. We will continue to monitor this.

Different groups of investors

- **Advised and direct investors.** Direct and non-advised investors pay a Promoter Fee 2.0 percentage points higher than advised investors. This reflects the Manager's preference for investors to receive advice given the risk profile of the product. The difference is clearly disclosed.
- **Investors who sell early.** Investors who sell within five years repay their upfront income tax relief and so receive lower value. This is clearly disclosed and reflected in the negative target market.
- **Investors who sell through buybacks.** Shares are bought back at a discount of no more than 5% to NAV. This is disclosed in the Prospectus and KID.

We have not identified any group within the target market that does not receive fair value.

6. Governance and monitoring

This assessment is reviewed at least annually and before each new offer. The Company's Board, six

of whose seven Directors are independent, oversees the Manager and monitors costs, performance and investor outcomes at regular Board meetings. In September 2026 the Company also commissioned an independent Consumer Duty assessment from Dorey Financial Modelling, which concluded that the Company delivers good overall value for investors.

Ongoing monitoring covers performance, costs relative to peers, investor communications, complaints and distributor feedback. If we identify that the product no longer provides fair value, we will take appropriate action and inform distributors.

7. Conclusion

Having considered the factors above, we conclude that the B Ordinary Shares of Pembroke VCT plc provide fair value to retail customers in the target market as at the date of this assessment.

Important information

This document is provided to financial intermediaries and distributors to support their own assessments under the Consumer Duty. It is not a financial promotion or a recommendation to invest. Investment in a VCT carries a high degree of risk and investors may lose some or all of their capital. Past performance is not a reliable indicator of future results. Tax reliefs depend on individual circumstances and may change. Investors should read the Prospectus and KID before investing and are recommended to seek independent financial advice. Figures are taken from the Annual Report for the year ended 31 March 2026 the Prospectus dated 14 September 2026 and the KID dated 16 September 2026, unless otherwise stated.