



Octopus Apollo VCT: product overview

Apollo VCT gives investors the opportunity to accelerate the growth of technology companies that have already brought their product or service to market.

With net assets of over £300 million, Octopus Apollo VCT is the UK's second largest Venture Capital Trust (VCT).¹

- Apollo VCT features a diverse portfolio of over 40 smaller business-to-business (B2B) software companies. It looks to back businesses that have been operating between four to ten years that have recurring or contracted revenues of £2-8 million per year. The investments Apollo VCT makes tend to be between £2-10 million.
- Apollo VCT is managed by a specialist investment team that sit within Octopus Ventures. The Apollo VCT investment team has extensive experience in origination, execution and portfolio management within the software sector. This experience makes them extremely well positioned to find opportunities to invest into smaller B2B software businesses, then help them to grow.
- Octopus is also the UK's largest VCT manager.¹ We manage over £1.8 billion across our VCTs on behalf of more than 35,000 investors.² That's around a quarter of the money managed by all the VCTs in the industry.¹

Dividend target

Octopus Apollo VCT aims to pay regular tax-free dividends of at least 5% per share annually. If portfolio companies are exited or sold for a significant profit, there may also be the potential for the payment of a special dividend.

¹ Association of Investment Companies, 27 September 2022.

² Octopus Investments, 31 July 2022.

Important information. This advertisement is not a prospectus. Investors should only subscribe for shares based on information within the prospectus and Key Information Document (KID), available at octopusinvestments.com/apollovct/ or by calling our dedicated Investor Support Team on **0800 316 2295**.

Key tax benefits

- Up to 30% income tax relief on the amount invested as long as the shares are held for at least five years. The income tax relief claimed cannot exceed the amount of tax due.
- When the VCT pays dividends, there's no tax to pay, and you don't have to declare them on your tax return.
- If the value of the shares increases, you won't be liable for capital gains tax when you sell them, any growth is tax free.

Key risks

- The value of an investment, and any income from it, could fall or rise. You may not get back the full amount you invest.
- Tax treatment depends on your circumstances and may change in the future. Tax reliefs depend on the VCT maintaining its VCT-qualifying status.
- Investing in smaller companies is considered a high-risk investment. They can fall or rise in value much more sharply than other shares listed on the main market of the London Stock Exchange. They also have a higher rate of failure.
- Your shares might be difficult to sell. It might take time to find a buyer and you might have to accept a price lower than the Net Asset Value (NAV) of the investment.

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Investment details

Minimum investment: £5,000

Maximum investment qualifying for tax relief each tax year: £200,000

New share offer: Launched October 2022, seeking to raise up to £35 million.

Loyalty discount: 1% discount on the initial fee to existing Octopus VCT investors, offered throughout the fundraising.

Keeping you updated

We'll send you the annual report once a year, which includes updates from the Chairman of the VCT and Octopus Investments, the VCT investment manager.

Five-year performance

| Year to 31 July | 2018 | 2019 | 2020 | 2021 | 2022 |
|------------------------------------|--------------------|------|-------------------|-------------------|--------------------|
| Annual total return ¹ | -0.6% | 2.7% | 3.0% | 18.4% | 12.2% |
| Annual dividend yield ² | 22.3% ³ | 6.3% | 3.2% ⁴ | 7.8% ⁴ | 11.2% ³ |

Past performance is not a reliable indicator of future results and may not be repeated.

Net Asset Value (NAV): this is the combined value of all the assets owned by the VCT after deducting the value of its liabilities.

¹**NAV total return:** The performance information above shows the total return and annual dividend yield of Octopus Apollo VCT for the last five years to 31 July. The annual total return is calculated from the movement in NAV (the combined value of the assets owned by the VCT after deducting the value of its liabilities) over the year to 31 July and includes dividends paid over the year. The revised figure is divided by the NAV at the start of that year to get the annual total return. The performance shown is net of all ongoing fees and costs.

²**Annual dividend yield:** Annual dividend yield is calculated by dividing the dividends paid per annum by the NAV at the start of the period. For this calculation we use the record date for each dividend, which is the cut-off date by which shareholders must be on the shareholder register to receive the dividend.

³**Includes special dividend** paid following a number of partial and total sales of holdings from the portfolio.

⁴**Only one dividend was paid in the year to 31 July 2020;** and three dividends in the following 12 month period. This was due to timing differences caused by COVID-19 and is not expected to be repeated.



The charges

Our charges are taken from the money you invest and depend on the way you invest in Octopus Apollo VCT. If you invest through a financial adviser, we can facilitate initial and ongoing adviser charges. The charges are as follows:

Upfront charges

| | |
|--------------------------|------------|
| Initial fee (to Octopus) | 3% |
| Adviser charges | up to 4.5% |

Ongoing annual charges

| | |
|---|------------|
| Annual management charges (to Octopus) ⁶ | up to 2% |
| Adviser charges | up to 0.5% |
| Admin and accounting charge (to Octopus) | 0.3% |

Performance fees

When the performance of the companies we invest in exceeds expectations, we think it's fair to take a performance fee of 20% on all future gains.

Ongoing adviser charges, direct charges or commission is paid for a maximum of nine years after the investment date.

If you choose to pay your adviser less than the maximum amount shown in the table, the money will be used to buy more VCT shares for you.

For full details on the performance fee and other charges, **please see the prospectus.**