

**THIS DOCUMENT IS IMPORTANT AND REQUIRES IMMEDIATE ATTENTION.** If you are in any doubt 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 pass this document together with all accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass them to the person who now owns the Shares. Application will be made to the UKLA for the D Shares offered for subscription pursuant to the Prospectus to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such D Shares to be admitted to trading on its main market for listed securities.

Calculus Capital Limited ("Calculus Capital") is acting for the Company and no-one else in connection with this document and, subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder, will not be responsible to any other person for providing the protections afforded to their customers or clients, or for providing advice in connection with this Circular. Calculus Capital is authorised and regulated in the United Kingdom by the Financial Conduct Authority and has given and not withdrawn its consent to the inclusion of references to its name in the Circular in the form and context in which it are included.

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## CIRCULAR TO SHAREHOLDERS of

# Calculus VCT plc

*(Incorporated in England and Wales with registered number 07142153)*

## Recommended Proposals to approve:

- Issue of up to £4 million worth of D Shares;
  - Disapplication of pre-emption rights in respect of the D Shares to be issued; and
  - Cancellation of share premium account arising on the issue of D Shares.
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Your attention is drawn to the letter from the chairman of the Company set out in Part 1 of this document which contains a recommendation to vote in favour of the Resolutions to be proposed at the General Meeting and Class Meetings. Your attention is also drawn to the risk factors set out in Part 2 of this document.

You will find set out on pages 9 and 10 of this document, Notice of a General Meeting of the Company to be held at the offices of Calculus Capital Limited at 104 Park Street, London W1K 6NF on 19 January 2017 at 12 noon to approve the Resolutions to effect the Proposals contained herein. Whether or not you plan to attend the Meeting, please complete and submit relevant proxy forms in accordance with the instructions printed on the enclosed forms. The proxy forms must be received by Capita Registrars, the Company's registrar at Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by 12 noon on 17 January 2017 to be valid.

This document should be read in conjunction with the Prospectus issued by the Company dated 25 November 2016 which is available at [www.calculuscapital.com](http://www.calculuscapital.com) and in hard copy on written request to the Manager.

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## PART 1

### LETTER FROM THE CHAIRMAN

#### Calculus VCT plc

(Registered in England and Wales with registered number: 07142153)

*Directors:*

Michael O'Higgins (Chairman)  
Kate Cornish-Bowden  
Arthur John Glencross  
Steven Guy Meeks

*Registered Office*  
104 Park Street  
London W1K 6NF

25 November 2016

Dear Shareholder

#### **Continuation of D Share Offer**

The Company has today published a new prospectus seeking further investment into the D Share fund (the “**Offer**”) and I am writing to you now to seek your authority to continue to issue D Shares pursuant to this new prospectus.

The Offer provides the opportunity for existing Shareholders and new Investors to invest in the Company. The previous offer for D Shares, which closed on 21 October 2016, raised approximately £3.8 million and the Directors believe that the D Share fund can benefit from raising further funds over the coming months to support its investment programme and to bring down costs per share across the VCT. The terms of the Offer are intended to be substantially similar to those of the previous offer for D Shares and key information regarding the expected timetable, statistics and costs are set out on page 7.

New D Shares to be issued will rank *pari passu* with the existing D Shares, other than that they will not be entitled to any dividend in respect of the year to 31 March 2017, as well as the Ordinary Shares and C Shares, with each class of share will be entitled to the assets, distributions and returns on liquidation arising in respect of their relevant fund. D Shares may be held in certificated or uncertificated form (through CREST) and no fractions of D Shares will be issued.

For the moment, the segregation of the Company’s assets into three funds will mean that the Ordinary Shareholders will continue to be entitled to receive the net returns flowing from the investments made out of the Ordinary Shares Fund, the C Shareholders will continue to be entitled to receive the net returns flowing from the investments made out of the C Shares Fund whilst the D Shareholders will be entitled to receive the returns flowing from investments made out of the D Shares Fund. Each fund will bear its pro rata share (based on net assets) of the annual running costs of the Company, unless expenses can be specifically attributed to a particular fund. Dividends to a particular class may be paid out of the available profits attributable to another class provided the Directors consider this to be in best interest of the Company as a whole and subject to any such amounts being subsequently accounted for and repaid between share classes.

However, investors should note that it is the Directors’ intention to merge the Ordinary Shares and C Shares with the D Share classes into a single class following the sale or liquidation of the last Structured Product in the C Share Fund, on or before 14 March 2017, with the mergers expected to be by June 2017. These class mergers were approved by the Company’s Shareholders in a general meeting held in October 2015.

The purpose of this Circular is to set out and explain the rationale behind the Proposals and to seek Shareholders’ approval of the Resolutions required to implement the Proposals at the General Meeting scheduled for 19 January 2017.

## **General Meeting**

13.3.1(9)(g)

In order to make the Offer for the D Shares, the Company requires the authority of Shareholders. The Company is also seeking authority to cancel the share premium account created by the issue of D Shares pursuant to the Offer which will, subject to certain restrictions contained in the VCT Rules, create a distributable reserve from which the Company can pay future dividends and finance share buybacks.

To this end, notices convening a General Meeting are set out at the end of this document. The Meeting will be held at 12 noon on 19 January 2017 at the offices of Calculus Capital, 104 Park Street, London W1K 6NF. The Resolutions to be proposed at the General Meeting are set out on pages 9 and 10.

## **Action to be taken**

Before taking any action, you are recommended to read the further information set out in this document.

Shareholders will find enclosed with this document the form of proxy for use at the General Meeting. Whether or not you propose to attend the Meeting, you are requested to complete and return the form of proxy attached so as to be received not less than 48 hours before the time appointed for holding of the Meeting. Completion and return of a form of proxy will not prevent you from attending and voting in person at the Meeting, should you wish to do so.

## **Recommendations**

13.3.1(5)

13.6.1(6)

The Board is of the opinion that the Proposals to be proposed at the General Meeting are in the best interests of the Shareholders as a whole and unanimously recommends you to vote in favour of all the Resolutions. The Board recommends you to vote in favour of those resolutions.

The Board intend to vote, in respect of their own holdings of 251,050 Ordinary Shares, 10,000 C Shares and 88,700 D Shares (representing 3.3 per cent. of the voting rights in the Company), in favour of all Resolutions.

I look forward to welcoming you at the Meeting and to your support for the Resolutions to be proposed.

Yours faithfully

**Michael O'Higgins**

Chairman

## PART 2

### DEFINITIONS

In this Circular and in the notice attached the following expressions have the following meanings:

<b>"Admission"</b>	the date on which the D Shares are listed on the Official List of the UK Listing Authority and admitted to dealing on the LSE's main market for listed securities
<b>"Annual Report"</b>	the annual report and financial statements of the Company for the year ended 29 February 2016
<b>"Articles"</b>	the articles of association of the Company, as amended from time to time
<b>"Board" or "Directors"</b>	the board of directors of the Company
<b>"Business Day"</b>	any day (other than a Saturday or Sunday) on which clearing banks are open for normal banking business in the City of London
<b>"CA 2006"</b>	Companies Act 2006, as amended
<b>"Calculus Capital"</b>	Calculus Capital Limited, the investment manager of the Company in relation to Venture Capital Investments
<b>"Capita"</b>	Capita Asset Services, the Company's registrar
<b>"Circular"</b>	this document
<b>"Company" or "the VCT"</b>	Calculus VCT plc, incorporated in England and Wales with registered number 07142153 (formerly called Investec Structured Products Calculus VCT plc)
<b>"C Shares"</b>	C ordinary shares of 1p each in the capital of the Company
<b>"D Shares"</b>	D ordinary shares of 1p each in the capital of the Company
<b>"FCA"</b>	the Financial Conduct Authority
<b>"FSMA"</b>	the Financial Services and Markets Act 2000, as amended
<b>"General Meeting" or "Meeting"</b>	the general meeting of the Company to be held on 19 January 2017 convened in accordance with notice enclosed with this Circular
<b>"HMRC"</b>	HM Revenue & Customs
<b>"Investor"</b>	an individual who subscribes for D Shares pursuant to the Offer
<b>"ITA 2007" or "Tax Act"</b>	Income Tax Act 2007, as amended
<b>"Listing Rules"</b>	the listing rules of the UKLA
<b>"London Stock Exchange" or "LSE"</b>	London Stock Exchange plc
<b>"NAV"</b>	the net asset value
<b>"Offer"</b>	the offer of D Shares made pursuant to the Prospectus
<b>"Proposals"</b>	the proposals set out in this document in connection with the Offer and the resolutions to be proposed at the General Meeting
<b>"Prospectus"</b>	the prospectus issued by the Company on 25 November 2016 containing details of the Offer
<b>"Prospectus Rules"</b>	the prospectus rules of the UK Listing Authority

<b>"Resolutions"</b>	the resolutions to be proposed at the Meeting
<b>"Shareholder"</b>	a holder of Shares
<b>"Shares"</b>	means the Ordinary Shares, C Shares or D Shares, as the context dictates
<b>"UKLA" or "UK Listing Authority"</b>	the UK Listing Authority, being the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part 6 of the Financial Services and Market Act 2000
<b>"VCT" or "venture capital trust"</b>	a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts
<b>"VCT Rules"</b>	the legislation, rules and HMRC interpretation and practice regulating the establishment and operation of venture capital trusts
<b>"Venture Capital Investments"</b>	shares in, or securities of, a company held by a VCT which meets the requirements of the VCT Rules.

## PART 3

### EXPECTED OFFER TIMETABLE, STATISTICS AND COSTS

#### Indicative Offer Timetable

Offer opens	25 November 2016
Closing date (for 2016/17 tax year)	3 April 2017
Closing date (for 2017/18 tax year)†	28 April 2017
First allotment	no later than 5 April 2017
Effective date for the listing of the D Shares and commencement of dealings	three Business Days following allotment
D Share certificates and tax certificates to be dispatched	ten Business Days following allotment

† The Directors reserve the right to extend the closing date at their discretion. The Offer will close earlier than the date stated above if fully subscribed or otherwise at the Directors' discretion.

#### Offer Statistics

Maximum amount to be raised by the Company*	£4 million
Initial NAV per D Share	97.6p
Maximum number of D Shares to be issued**	3,900,000
Estimated net proceeds of the Offer***	£3.8 million
Discount for applications received by 27 January 2017***	0.5%
Discount for applications received from existing investors in the Company***	0.5%

\* The Directors reserve the right to increase the size of the Offer, any such increase being subject to the issue of a supplementary prospectus.

\*\* Assuming full subscription, D Shares issued under the Offer would represent 27.1% of the Company's issued share capital, before taking account of the effects of the intended merger (as at 24 November 2016, being the latest practicable date before the publication of this document)

\*\*\* Assuming full subscription and Offer costs of 5 per cent.

#### Costs and Commissions relating to the Offer

##### Advised Investors

Promoter's Fee	3.0 % of funds invested
Adviser Charge	As agreed between investor and intermediary

##### Non-Advised Investors (through intermediaries)

Promoter's Fee	3.0 % of funds invested
Commission	2.0% up front, 0.5% trail pa (maximum of 3.0%)

##### Director Investors (those without an intermediary)

Promoter's Fee	5.0%
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## CORPORATE INFORMATION

### Directors

Michael O'Higgins (Chairman)  
Kate Cornish-Bowden  
Arthur John Glencross  
Steven Guy Meeks

### Registered Office

104 Park Street  
London W1K 6NF

Telephone: 020 7493 4090

### Company Registration Number

07142153

### Investment Manager, Fund Administrator and Company Secretary

Calculus Capital Limited  
104 Park Street  
London W1K 6NF

Telephone: 020 7493 4090

Website: [www.calculuscapital.com](http://www.calculuscapital.com)

### Registrars

Capita Asset Services  
The Registry  
34 Beckenham Road  
Beckenham  
Kent BR3 4TU

Tel: 0371 664 0324

(calls cost 12p per minute plus network  
extras, lines open Mon-Fri from 9.00 a.m.  
to 5.30 p.m.)

[www.capitaassetservices.com](http://www.capitaassetservices.com)

### Fund Administrator

Capita Asset Services  
Beaufort House  
51 New North Road  
Exeter EX4 4EP

### Auditors

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2P 2YU

### Receiving Agent

The City Partnership (UK) Limited  
110 George Street  
Edinburgh EH2 4LH

### Solicitors and Arrangers

RW Blears LLP  
125 Old Broad Street  
London EC2N 1AR

## NOTICE OF GENERAL MEETING

### CALCULUS VCT PLC

(Registered in England and Wales with registered number 07142153)

Notice is hereby given that a general meeting of Calculus VCT plc (the "**Company**") will be held at 12 noon on 19 January 2017 at the offices of Calculus Capital, 104 Park Street, London W1K 6NF for the purposes of considering and, if thought fit, passing the following resolutions, of which resolution 1 will be proposed as an ordinary resolutions and resolutions 2 and 3 will be proposed as special resolutions.

All capitalised terms used in this notice of meeting shall bear the meanings given to them in the circular to shareholders dated 25 November 2016 (the "**Circular**").

#### **1. Authority to allot D Shares**

THAT, conditionally upon the passing of Resolution 2, the Directors be generally and unconditionally authorised pursuant to section 551 of the CA 2006 to allot D Shares having the rights and being subject to the restrictions set out in the articles of association of the Company as proposed to be amended pursuant to Resolution 3 below and to grant rights to subscribe for or to convert any security into D Shares in the Company up to an aggregate nominal amount of £150,000 provided that this authority shall expire on the fifth anniversary of the date of the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require D Shares to be allotted or rights to subscribe for or to convert securities into D Shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or to convert securities into D Shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

This resolution is additional to and does not revoke or replace existing and unexercised authorities previously granted to the Directors to allot Shares or grant rights to subscribe for or convert securities into Shares.

#### **2. Disapplication of pre-emption rights (Special Resolution)**

13.8.2(1)(2) THAT, conditionally upon the passing of Resolution 1, the Directors be and hereby are given the general power to allot equity securities (as defined by section 560 of the CA 2006) for cash pursuant to the authority conferred by Resolution 1 as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall:

- (a) be limited to the allotment of equity securities with an aggregate nominal value not exceeding £150,000 in connection with:
- (i) an Offer for Subscription of D Shares published on or around 25 November 2016 ("the Offer");
  - (ii) an offer of securities by way of rights;
  - (iii) the allotment of equity securities in connection with performance incentive arrangements with Calculus Capital in connection with its appointment as the investment manager in respect of the capital raised by the issue of D Shares;
  - (iv) the allotment of D Shares with an aggregate nominal value not exceeding £10,000 pursuant to any dividend investment scheme operated from time to time by the Company;
  - (v) the allotment of D Shares with an aggregate nominal value of up to 14.99% of the issued D Share capital of the Company immediately following the close of the Offer where the proceeds of the allotment are to be used in whole or in part to purchase the Company's D Shares in the market; and
  - (vi) the allotment of equity securities from time to time with an aggregate nominal value of up to 5% of the issued D Share capital of the Company immediately following close of the Offer,

- (b) expire on the fifth anniversary of the date of the passing of this resolution save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution is additional to and does not revoke or replace existing and unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the CA 2006 did not apply.

**3. Cancellation of share premium account (Special Resolution)**

THAT in accordance with Section 641 of the CA 2006 the Company be generally authorised to reduce its share premium account by up to 100% of the amount standing to the credit thereof immediately following the close of the Offer provided that any reduction pursuant to this resolution is confirmed by order of the court and that the Company may not make a reduction that has the effect that there would no longer be any member of the Company holding shares other than redeemable shares.

By order of the Board  
Calculus Capital Limited  
Company Secretary

Registered Office:  
104 Park Street  
London W1K 6NF

25 November 2016

## **NOTES TO THE NOTICE OF GENERAL MEETING**

1. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes they may cast), members must be registered in the Register of Members of the Company at close of business on 17 January 2017 (or, in the event of any adjournment, 48 hours before the time of the adjourned meeting). Changes to the Register of Members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member, but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
3. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment (you may photocopy the proxy form), stating clearly on each proxy form how many shares the proxy is appointed in relation to. A failure to specify the number of shares to which each proxy appointment relates or specifying an aggregate number of shares in excess of those held by the member will result in the proxy appointment being invalid. Please indicate if the proxy instruction is one of multiple instructions being given. All proxy forms must be signed and should be returned together in the same envelope.
4. A personalised form of proxy is enclosed with shareholders' copies of this document. To be valid, it should be lodged with the Company's registrars, Capita Asset Services, at the address printed on the proxy form so as to be received not later than 48 hours (excluding weekends and bank holidays) before the time appointed for the meeting or any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. A member may return a proxy form in their own envelope with the address FREEPOST CAPITA PXS.
5. For the proxy appointment to be valid, your form must be received in such time as it can be transmitted to the Company's registrar so as to be received no later than 48 hours (excluding weekends and bank holidays) before the time appointed for the meeting or any adjourned meeting.
6. Appointment of a proxy will not preclude a member from subsequently attending and voting at the meeting should the member subsequently decide to do so. A member can only appoint a proxy using the procedures set out in these notes and the notes to the proxy card. The termination of the authority of a person to act as a proxy must be notified to the Company in writing. Amended instructions must be received by the Company's registrars by the deadline for receipt of proxies.
7. Ordinary Shares, C Shares and D Shares carry equal voting rights and a member present in person or by proxy shall have one vote on a show of hands and on a poll shall have one vote for every share of which he/she is the holder.
8. A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company. On a vote on a resolution on a show of hands, each authorised person has the same voting rights as the corporation would be entitled to. On a vote on a resolution on a poll, if more than one authorised person purports to exercise a power in respect of the same shares, if they purport to exercise the power in the same way, the power is treated as exercised; if they do not purport to exercise the power in the same way, the power is treated as not exercised.
9. Any person receiving a copy of this Notice as a person nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "Nominated Person") should note that the provisions in Notes 2 and 3 above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she

may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting.

10. Nominated persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy information rights (or, perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.
11. As at the date of this notice, the Company's issued share capital and total voting rights amounted to 10,483,113 shares, being 4,738,463 Ordinary Shares, 1,931,095 C Shares and 3,813,555 D Shares, each carrying one vote each.
12. Section 319A of the Companies Act 2006 requires the Directors to answer any question raised at the meeting which relates to the business of the meeting, although no answer need be given (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information; (b) if the answer has already been given on the Company's website; or (c) if it is undesirable in the best interests of the Company or the good order of the meeting. You may alternatively submit your question in advance by letter addressed to the Company Secretary at the registered office.
13. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement required to be placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its website.
14. By attending the meeting, members and their proxies and representatives are understood by the Company to have agreed to receive any communications relating to the Company's shares made at the meeting.
15. Members satisfying the thresholds in section 338 of the Companies Act 2006 may require the Company to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the meeting. A resolution may properly be moved at the meeting unless (i) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (ii) it is defamatory of any person; or (iii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the meeting.
16. Members satisfying the thresholds in section 338A of the Companies Act 2006 may request the Company to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may properly be included in the business at the meeting. A matter may properly be included in the business at the Annual General Meeting unless (i) it is defamatory of any person or (ii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the meeting.