

Calculus  
CAPITAL



# Calculus VCT plc

Tax years 2020-21  
and 2021-22



New share offer to raise up to £10 million with  
an over-allotment facility for a further £5 million

# Risk Factors

Important Notice

This brochure constitutes a financial promotion, issued by Calculus VCT plc and approved by Calculus Capital Limited which is authorised and regulated by the Financial Conduct Authority (FCA No.: 190854). This brochure is not a prospectus, it is an advertisement. The offer described herein is only available pursuant to the terms of a prospectus dated 8 September 2020 (the “Prospectus”) which has been published by Calculus VCT plc and is available from [www.calculuscapital.com](http://www.calculuscapital.com). Investors must not subscribe for any Shares offered by Calculus VCT plc except on the basis of the information in the Prospectus. All capitalised terms used herein are as defined in the Prospectus.

Shareholders and prospective shareholders should read the Prospectus as a whole before taking any investment decisions, paying particular attention to the Risk Factors section. Below is a non-exhaustive summary of the key risks of an investment in Calculus VCT plc.

- The Net Asset Value of the Shares will reflect the values and performance of the underlying assets in the Company's portfolio. The Company's investment focus is on relatively young, unquoted trading companies and its strategy is that of a private equity manager seeking to create value by actively managing and supporting investee companies. Investment in smaller and unquoted companies involves a higher degree of risk than investment in larger companies and those traded on the main market of the London Stock Exchange.
- Changes to the VCT Rules in respect of investments made on or after 15 March 2018 have meant that VCTs may only invest in companies which pass a “risk to capital” gateway test requiring the investee company to have long term growth and development objectives and for the investment to carry a significant risk that invested capital will be lost over and above the net return to the Company irrespective of whether the return takes the form of income, capital growth, fees, other payments or anything else.
- Realisation of investments in unquoted companies can be difficult and may take considerable time. There may also be constraints imposed on the realisation of investments in order to maintain the VCT status of the Company which may restrict the Company's ability to obtain maximum value from its investments or to achieve the intended timing of distributions.
- The levels and bases of reliefs from taxation may change and changes could apply retrospectively. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of Investors. Investment in the Company may not be suitable for Investors who do not qualify for the full 30% VCT income tax relief.
- The past performance of investments made by the Company or other funds managed by Calculus Capital

should not be regarded as an indication of the performance of investments to be made by the Company.

- Legislative changes mean the Company is required to invest in younger businesses than has previously typically been the case, potentially exposing the Company to a higher risk profile, and also limiting the Company's ability to make new investments or make further investments into existing portfolio companies, which may negatively impact the Company's ability to support portfolio companies. The penalty for breaching some of these new rules is loss of VCT status, so the Company and its Investors may face a higher risk of the loss of tax benefits than previously.
- There can be no guarantee that suitable investment opportunities will be identified in order to meet the Company's objectives. As the Company is required to invest new capital within specific time periods (including 30% of new monies raised within 12 months of the end of the accounting period in which the monies are raised), this may lead to pressure to make less attractive investments sooner rather than wait for better ones.
- While it is the intention of the Directors that the Company will be managed so as to continue to qualify as a venture capital trust, there can be no guarantee that this status will be maintained. A failure to meet the qualifying requirements could result in the loss of tax reliefs previously obtained, resulting in adverse tax consequences for Investors, including a requirement to repay the income tax relief obtained, and could also cause the Company to lose its exemption from corporation tax on capital gains.

#### Risks relating to the Company's Ordinary Shares (including the Offer Shares)

- Although the existing Shares issued by the Company have been (and it is anticipated that the Offer Shares will be) admitted to the Official List of the FCA and traded on the London Stock Exchange's main market for listed securities, it is unlikely that there will be a liquid market for these Shares as there is a limited secondary market for VCT shares and Investors may find it difficult to realise their investments. The market price of the Shares may not fully reflect, and will tend to be at a discount to, their underlying net asset value. If the Company lacks sufficient cash reserves to purchase its own Shares and during prohibited periods when the Company is unable to purchase its own Shares the market price of Shares may not fully reflect, and will tend to be at a discount to, their underlying net asset value.
- If an Investor who subscribes for Shares disposes of those Shares within five years, the Investor is likely to be subject to clawback by HMRC of any income tax relief originally obtained on subscription. A failure to meet the qualifying requirements could result in the loss of tax reliefs previously obtained, resulting in adverse tax consequences for Investors, including a requirement to repay the income tax relief obtained, and could also cause the Company to lose its exemption from corporation tax on capital gains.

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Calculus VCT at a glance		
Closing Dates	2020/21 Tax year: 5pm 31 March 2021 2021/22 Tax Year: 5pm 27 August 2021	Cleared funds and documents must be received by the relevant closing date
Minimum Investment: £5,000	Discounts:	Early Bird: 0.5% until 29 January 2021 Existing Calculus VCT investor: 0.5%
Target Annual Dividend: 4.5% of NAV	Buyback:	Buyback policy in place. After 5 year hold, target max. 5% discount to NAV (Net Asset Value)
Holding Period: Minimum 5 years for tax reliefs	Portfolio:	Diverse selection of entrepreneurial, growth UK companies
Share and Tax Certificates:	Dispatched 10 business days following allotment	
Monthly Standing Order Option and Dividend Reinvestment Scheme available		

# Why Consider a VCT?

## What are VCTs?

Venture Capital Trusts (VCTs) were introduced to provide capital to smaller, higher-risk trading companies to help drive growth by offering a range of tax reliefs to investors. To qualify, at least 80% of a VCT's investments must be in small, qualifying companies (with maximum gross assets of size £15 million) that are unquoted or traded on AIM.

VCTs are listed on the London Stock Exchange. Investors are shareholders in a listed company overseen by an independent board and run by an investment manager – in the case of the Calculus VCT, Calculus Capital Ltd.

## How do they work?

Money raised from individual investors is used to acquire a number of different investments with the aim of spreading risk across the VCT portfolio. The Calculus VCT is targeting around 40 small UK companies across a diverse range of different sectors. The Calculus VCT provides immediate exposure to a diversified portfolio of entrepreneurial UK smaller companies with high growth potential. The additional funds will be used to provide development and scale-up capital to new investments with robust business

models and to help drive growth in existing portfolio companies.

Small companies tend to be affected by different factors when compared to the public equity markets; therefore SME (Small and Medium Enterprises) investment via a VCT provides a diversification opportunity to an existing portfolio of quoted investments.

## Tax Reliefs

Investors also enjoy a variety of tax reliefs, including income tax relief up to 30%, tax-free capital gains and tax-free dividends.

Once your shares in the Calculus VCT have been allotted, you will receive a tax certificate within 10 business days.

This tax certificate will enable you to claim your income tax relief. Income tax relief can be offset against income tax liabilities in the tax year the allotment has occurred. You cannot claim any income tax relief beyond your income tax liability in any year.



### Income tax relief at 30%

On the amount you invest each tax year.

Maximum investment per tax year is £200,000.

Shares must be held for 5 years.



### Tax free capital gains

There is no capital gains tax to pay on the sale(s) of your shares after 5 years if their value increases.



### Tax-free dividends

There is no tax to pay on dividends paid by a VCT.

Information based on current UK legislation. Tax benefits depend on individual circumstances. If you are unsure of your tax situation you should seek professional advice from a qualified tax adviser.



# Why Now?

Investment in the Calculus VCT – with its focus on growth, regular tax-free dividends and sensible risk management – could be a valuable addition to your diversified investment portfolio.

## Economic Climate

The UK has significant competitive advantages as a place to grow and scale a business and is on its way to becoming the entrepreneurial capital of the world. Having been a growth investor for over 20 years we have never seen the level of entrepreneurial activity in the UK as strong as it is today and such an appetite from investors.

.....  
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.....

## Government Support

HMRC does not give generous tax breaks without a reason, and the benefits associated with VCTs are undoubtedly generous. Income tax relief at 30%, tax free dividends and a CGT-free exit after five years make VCTs an attractive proposition, particularly for those who have maximised contributions to their pension and ISA or whose pension is close to breaching the lifetime allowance.

This rare government giveaway is designed to stimulate the flow of risk capital to promising small companies that often fail to scale their businesses, not because of poor management or products and services, but through lack of growth capital and insufficient support and guidance.

Inflows into VCTs across the peer group reached £619 million in the 2019/20 tax year, the third highest amount since 2006, despite the coronavirus outbreak and political uncertainty according to the AIC\*.

\*AIC Statistics, 7 April 2020

# Why Choose Calculus Capital?

Calculus Capital manage the venture capital investments of the Calculus VCT. It's our job to select the best companies to form part of the Calculus VCT portfolio, allowing the Company to deliver regular dividends and capital growth for investors. As of July 2020, there are 32 portfolio companies in the Calculus VCT, covering a diverse range of sectors.

## Our History:

**Calculus Capital have been investing in smaller UK companies for over 20 years, making us a trusted choice for VCT investors**

We have been managing VCTs since 2005. Having created the UK's first approved EIS Fund in 1999, Calculus is a pioneer of the tax efficient investment space. Calculus' unchanged focus on providing development and scale-up capital to high-growth UK companies has enabled it to continue to successfully deploy funds in a range of growing companies with robust business models addressing clear market needs.

## Our Focus:

**Providing development and scale-up capital to companies with growth potential over a diverse range of sectors**

Calculus Capital invests for growth. We are sector- diverse, simply looking for impressive management teams with robust business models and evidence of clear market need. Our investment helps these firms grow and succeed. We fully recognise and share our investors' desire to focus on growth within the portfolio, but also the need to protect their capital. We achieve this through robust investment processes and active portfolio management.

## Our Expertise:

**Our highly experienced investment team follow a structured, robust investment process, making sure all investments are thoroughly assessed**

Our standing and longevity in the market ensure we receive excellent deal flow from a range of sources. Our long track record of successful exits is due to: our focus on thorough due diligence prior to investment; the active management and support we offer companies throughout our partnership; and the vast M&A and initial public offerings experience within our investment team.

## At a glance:

- Targeting a regular annual dividend of 4.5% of NAV
- Diversified portfolio of entrepreneurial, growth orientated smaller companies, contributing to UK innovation, employment and prosperity
- Targeting value appreciation whilst being mindful of the need to protect capital

.....  
Clare Flynn Levy, Founder & CEO  
Essentia Analytics  
.....



# Investment Strategy

The VCT provides exposure to a diversified portfolio of smaller, growing UK companies. As of July 2020, the Calculus VCT holds investments in 32 qualifying companies across a wide range of sectors. The offer will be used to both invest in new companies with growth potential and provide further funding to a number of portfolio companies.

Calculus VCT is a streamlined and efficient way to gain access to the same portfolio of exceptional companies, applying the same level of care and attention that we do with our multi- award winning EIS fund. The Calculus VCT invests alongside the Calculus EIS fund. Calculus has been investing in small UK businesses for over 20 years and have a long track record.

We invest to aid and support a company's growth and development. Investments can sometimes include loans as well as equity, providing regular income to pay dividends and bolstering returns.

## Investment Strategy:

The key objective for each of our investments is capital growth, alongside robust investment and monitoring processes to manage risk.

Calculus Capital seeks out entrepreneurial, smaller companies with robust business models and strong growth potential. The completed portfolio is expected to include holdings in around 40 different companies across a diverse range of sectors.

### Investee companies will have the following characteristics:

- Strong management teams
- Their primary constraint to growth is access to finance
- A clear route to exit
- Proven and competitive products and services
- A clear market need

Investee Companies may conduct a trade in the UK or overseas provided they maintain a permanent establishment in the UK.

The portfolio will be focused around the following:



### Technology

The UK is Europe's number 1 tech nation, largely due to world-class universities, flexible labour market and investor capital supported by schemes such as VCT and EIS.

The sector is currently growing six times faster than that of the wider economy\*. This hotbed of entrepreneurial activity and innovation presents a strong investment opportunity.

\*Tech Nation Report 2020



### Healthcare

The UK is in a good position to continue as world leaders in healthcare companies. With top universities, government R&D spend, charitable support and our National Health Service which is a unique institution, the sector is thriving and making significant input into worldwide development.

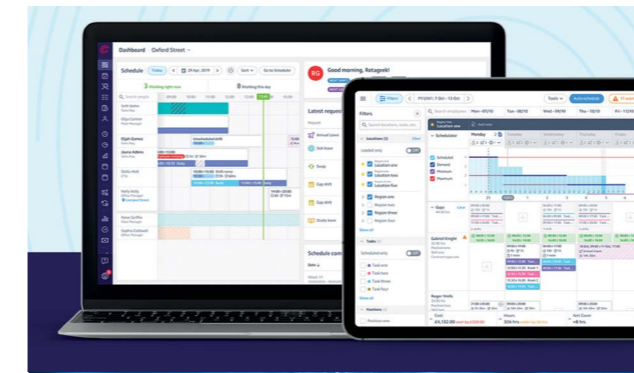


### Other

This more diversified portion of the portfolio could include investments in the creative industry, energy, environmental sector and others. Diversification is one of the ways in which we mitigate risk in the portfolio.

# Investment Examples

Calculus are active in a diverse range of sectors, ensuring that the Calculus VCT portfolio contains a balanced mix of investments. Below are some examples of the different companies within the current Calculus VCT portfolio.



## Rotageek

**Rotageek uses cloud-based technology and automatic scheduling to help multi-site businesses manage and schedule staff to meet demand, drive efficiency and reduce costs.**

The tool uses machine learning to identify patterns which may otherwise go unnoticed and its apps make it easier for staff to swap and cover shifts and know when they are working.

Rotageek has established a strong position in the UK retail sector, working with High Street names such as Pret A Manger, The Perfume Shop, Dune, Pets at Home and O2. The company was founded by the current CEO Dr Chris McCullough, CTO Nick Mann and Professor Roy Pounder. Chris trained as a medical doctor spending 16 years in the NHS and 8 years as an Emergency Medicine Physician, at several London-based hospitals, including St Mary's Hospital. The difficulties of managing a shift-based, lean workforce provided Chris with the motivation to establish Rotageek, utilising Nick's technological ability to create a relevant solution.

Rotageek has a strong management team and impressive technology, which delivers significant measurable returns for clients. The company has a strong client base in its core sector and is poised to expand into the global workforce management market.



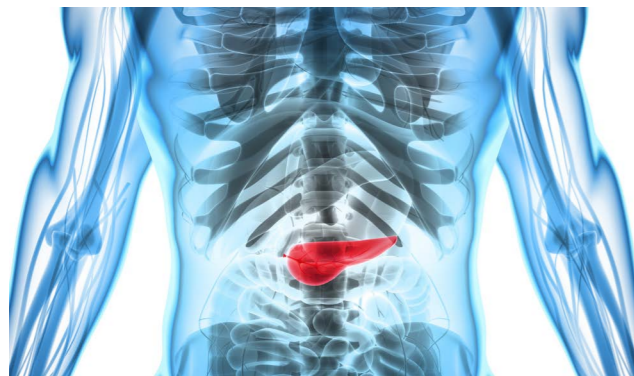
## Fiscal Technologies

**Fiscal Technologies is a world leading provider for forensic financial solutions and services to protect organisational spend.**

Fiscal Technologies incorporates unique forensics technology combined with machine learning and AI to reduce risk, fraud and compliances issues in the Procure-to Pay function.

FISCAL's NXG Forensics® enterprise solutions are used on a continuous, preventative basis to protect supplier spend to increase profitability and drive process improvement. In addition, the outputs from the NXG Forensics® solution have been used to deliver payment assurance, removed the need for resource heavy audits and have facilitated informed decisions for process improvement.

Designed specifically for Finance, P2P, Shared Services and Accounts Payable (AP) teams, NXG Forensics has been developed from their own in-house expertise. Unique to AP optimisation, it employs machine learning to automatically adapt tests and logic to meet each organisation's specific data structure and processes. These tests use industry recognised logic, financial analytics and complex algorithms, to identify risks within the supplier transactions. Sitting in the Cloud, it offers a secure connection to any ERP system to deliver results of AI generated complex analysis in understandable and easy to act upon dashboards.



## Areacor

**Areacor is a life sciences company focused on biopharmaceutical reformulation.**

Areacor is a leader in developing biopharmaceutical products via the application of its patented Arestat formulation technology platform. Arestat is an innovative platform that enhances the effectiveness and stability of products, primarily in liquid solutions. These include stable high concentration antibodies, reformulations of lyophilised (powder) products into stable liquids, taking products out of the cold-chain (thermostability) as well as changing properties such as fast acting insulins.

Using the Arestat platform, Areacor has developed its own portfolio of superior therapeutics, primarily focused on enabling improves treatments for diabetes via the innovative reformulation of already approved proteins and peptides. Areacor's lead products are Ultra-Rapid Acting Insulin and Ultra-Concentrated Rapid Acting Insulin, each of which is based on the reformulation of insulin.

In addition to its own portfolio of therapeutics, Areacor also partners with leading pharmaceutical and biotech companies, delivering to them reformulations of their proprietary products. In doing so, such businesses are able to deliver improved products to patients as well as strengthen their patent protection and commercial market access in an increasingly competitive market.



## Wazoku

**Wazoku's software allows very large companies and organisations to capture and develop the ideas and innovations latent within the workforce.**

Wazoku's mission is to enable companies to embed innovation as a core, strategic, everyday capability. Successful innovation requires not only capturing raw ideas, but also their collation, evaluation, selection and transformation into actionable improvements. Wazoku's market-leading software provides the process and structure for this, leading to the implementation of the best ideas from both internal and external stakeholders and measurement of their impact.

Wazoku's core product suite, 'Idea Spotlight', is a customisable, off-the-shelf solution with modular design ensuring scalability, whilst meeting the diverse requirements of complex global businesses. Sales are made on a Software-as-a-Service (SAAS) basis meaning that, instead of a single upfront purchase, customers license the software, giving a closer ongoing relationship and a high level of recurring revenues year on year. The company has an impressive list of blue-chip customers including John Lewis, HSBC and Bristol-Myers-Squibb.

Wazoku is an emerging leader in a market growing at close to 30% annually with a cutting-edge product delivering real and measurable benefits to its customers - Waitrose deployed Idea Spotlight in 350 stores engaging with 60,000 employees and generated £3.5million in savings, 15 times its investment.

Sectors we are currently considering investment include:  
biotechnology, technology, software and services, and the creative industries.

# Exit Examples



## Synpromics

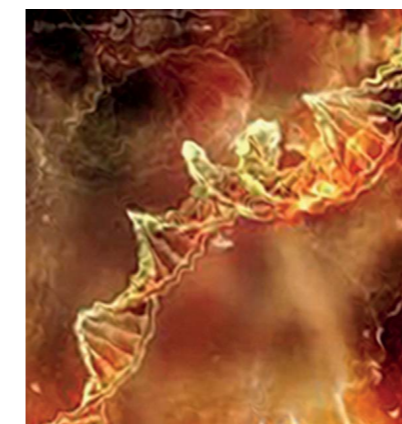
**Exit: Trade Sale**

**Sector: Biotechnology**

**Synpromics is a Scottish biotech company, and the market leader in gene control therapeutics.**

Synpromics' synthetic promoters are designed to better regulate gene activity and precisely control protein production therefore creating better targeted gene therapies. its technology has wide applications, including potential for the treatment of conditions such as haemophilia, liver and heart disease.

Synpromics was acquired by AskBio, the American pioneer in gene therapeutics delivering an impressive return to investors in 2019.



## Horizon Discovery

**Exit: IPO through AIM**

**Sector: Pharmaceuticals and Biotechnology**

**Horizon Discovery is a world leader in the application of gene editing technologies, which are used for research into, and treatment of, genetically based diseases.**

Calculus Capital exited its holding, via a placement of shares following the companies initial public offering on AIM. The investment was held for three years, three months.



## Metropolitan Safe Deposits

**Exit: Sale to private investors**

**Sector: Business & Professional Services**

**Metropolitan Safe Deposits is one of the oldest established brands in the sage custody sector in London.**

Traditionally, this service has been provided by clearing banks but high street banks are fast withdrawing from such physical banking services, providing opportunities for independent operators.

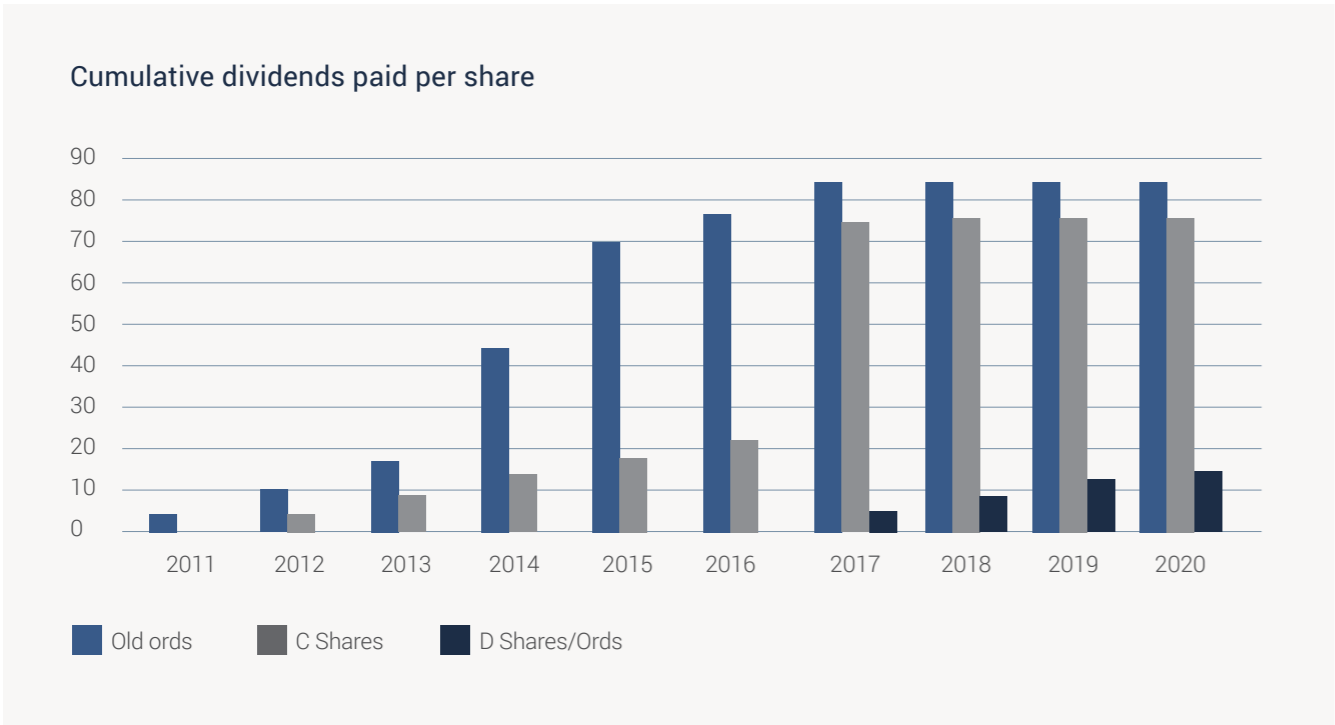
A group of private individuals acquired our stake in Metropolitan in September 2016.

# Dividend Track Record

We have a strong track record. Our aim is to exit companies within the VCT portfolio after a holding period of 3-5 years. Common exit routes include trade sale, sale to a larger private equity house or flotation.

It is intended that profits made on the disposal of investments will enable the Company to pay dividends; to support this further, Calculus will invest by way of loan stock and/or redeemable preference shares as well as ordinary

shares. In August and September 2017 a share class merger took place. There are now only Ordinary Shares in the Calculus VCT. For further details please contact the Investor Relations team.



# Meet the Directors

The Calculus VCT Board is made up of four non-executive Directors, three of whom (including the Chairman) are independent of Calculus Capital. The Board has substantial experience of venture capital businesses and holds overall responsibility for the Calculus VCT.

## Jan Ward (Chairman) \*

Jan Ward joined the board on the 1 March 2019 and was appointed Chairman. Jan brings strategic and operational experience gained from more than thirty years in the oil, gas, petrochem and power industries. Jan is the founder and CEO of Corrotherm International Ltd which specialises in supplying advanced metals for fabricating oil, gas and power generating equipment. Corrotherm is a significant exporter of UK manufactured products and has grown to 10 offices globally. Jan was named a CBE in the 2015 New Year’s Honours list for services to business.

An adviser and non-executive board member to a number of manufacturing companies and government departments, she is also the Director of the Saudi British Joint Business Council and UAE UK Business Council, Director of Energy Industries Council. She is a NatWest everywoman award winner, as well as IoD London and South East Global Director of the year. Jan was awarded a CBE for services to Business and Honorary Doctorate of Engineering.

## Janine Nicholls (Audit Committee Chairman) \*

Janine has spent more than 20 years in private equity and asset management in both investment and operational roles. Latterly, Janine was Chief Operating Officer at GH0 Capital, a specialist investor in European and North American healthcare. Prior to that, she was Chief Operating Officer at Hermes GPE, an investor in private equity funds, companies and infrastructure. Janine joined both of these businesses at their inception and shaped the governance, risk and operating strategies that underpinned a number of successful fundraisings from institutional investors. Before turning to operations, she was Head of Private Equity for The Pearl Group.

Janine began her career with 7 years at Price Waterhouse where she qualified as a Chartered Accountant before moving into corporate finance and transaction roles in New York and London. She holds a Masters in Business Administration (MBA) from INSEAD, a BSc(Econ) from the London School of Economics and the Investment Management Certificate.

John Glencross

John co-founded Calculus Capital Limited in 1999, creating one of the UK’s most successful, independent private equity and venture capital firms focused on investing in smaller, unquoted companies.

John has over 30 years’ experience in private equity, corporate finance, and operational management. During that time, he has invested in, advised on or negotiated more than 100 transactions and served on publicly quoted and private corporate boards. He is a director of Terrain Energy Limited which is a company in which this Company has invested. He is also a board member of the Enterprise Investment Scheme Association and a member of its Tax and Technical Committee. He was also a director of Neptune-Calculus Income and Growth plc until its assets and liabilities were acquired by the Company. Before co-founding Calculus Capital Limited, John was an Executive Director of European Corporate Finance for UBS for nine years where he advised on M&A, IPOs, restructurings and recapitalisations, strategic alliances and private equity. Prior to this, John was headhunted to be Head of the Mergers & Acquisitions Group of Philips and Drew, a 100 year old London based financial institution. At the start of his career, John qualified as a Chartered Accountant with Peat Marwick (subsequently KPMG), where he then went on to be recruited as a founder member of Deloitte’s newly established Corporate Finance practice in London. John graduated from Oxford University with an MA (Hons) in Philosophy, Politics and Economics.

Claire Olsen \*

Claire has a background in financial services marketing and research and is currently an independent consultant. Prior to this, she was Head of European Corporate & Research Marketing for equity research firm, AB Bernstein where she was responsible for directing the strategy, growth, development and execution of the EMEA corporate research marketing programme. During her eleven years at Bernstein, she developed their European Strategic Decisions Conference to become Europe’s largest and most respected generalist conference, rated by institutional investors and corporate management teams. Claire was ranked yearly under ‘Specialist Sales’ across multiple sectors in the European Extel Survey.

Before joining Bernstein, Claire consulted for a number of Corporate Finance Boutiques, Investment Management firms and High Net Worth Individuals. Claire began her career working at JPMorgan Chase (previously Flemings Investment Bank) and is a qualified Paralegal and Legal Executive.

\*Independent of the Investment Manager



# Meet the Calculus Capital Team

The Board appointed Calculus Capital to manage its Venture Capital Investments. Calculus Capital will not advise the Board in relation to the Company’s non-VCT qualifying investments. The Board will, as required, consult a suitable adviser in respect of the investment of these funds.

## Investment Team



**Susan McDonald**  
Executive Chairman

Susan is one of the UK’s leading experts on investing in smaller companies and the government’s Enterprise Investment Scheme. A pioneer of the EIS industry, in 1999/2000 she structured and launched the UK’s first H.M. Revenue & Customs approved EIS Fund with John Glencross. Susan has over 30 years of experience and has personally directed investment to over 80 companies in the last 18 years covering a diverse range of sectors. She has regularly served as board member of the firm’s portfolio companies.

Before co-founding Calculus Capital, Susan was Director and Head of Asian Equity Sales at Banco Santander. Prior to this, she gained over 12 years’ experience in company analysis, flotations and private placements with Jardine Fleming in Hong Kong, Robert Fleming (London) and Peregrine Securities (UK) Limited. Susan has an MBA from the University of Arizona and a BSc from the University of Florida. Before entering the financial services industry, Susan worked for Conoco National Gas Products Division and with Abbott Laboratories Diagnostics Division



‘It takes expertise and experience to identify, manage and realise successful investments. To do so consistently – year after year – takes discipline.’

**John Glencross**, Chief Executive  
(Details for John Glencross can be found on page 13)



**Alexander Crawford**  
Co-Head of Investments

Alexander joined Calculus Capital in 2015, and has over 20 years’ corporate finance experience, incorporating M&A, capital raising in both public and private markets, and other strategic advice. He spent ten years with Robert Fleming & Co, Evercore Partners and JP Morgan in London, New York and Johannesburg, where he advised the South Africa government on the privatisation of their incumbent telecoms operator. He was more recently a Managing Director at Pall Mall Capital.

Alexander has an MA in Mathematics from Cambridge University and qualified as a Chartered Accountant with KPMG.



**Richard Moore**  
Co-Head of Investments

Richard joined Calculus Capital in 2013. Prior to this he was a Director at Citigroup, which he joined in 2005, and previously worked at JPMorgan and Strata Technology Partners. Richard has over 14 years corporate finance experience advising public and private corporations and financial sponsors on a range of M&A and capital raising transactions. Richard began his investment banking career in the UK mid-cap advisory team at Flemings (acquired by JPMorgan in 2000), working with companies across a broad a range of sectors. More recently Richard has specialised in advising companies in the technology industry. Richard has advised on a wide range of transactions including buy-side and sell-side M&A mandates, public equity and debt offerings, private equity investments and leveraged buy outs in the UK, Europe, US and Asia. Richard began his career at KPMG where he qualified as a Chartered Accountant and remains a member of the ICAEW. He has a BA (Hons) in Politics and Economics from Durham University.



**Dominic Harris**  
Head of Portfolio Management

Dominic joined Calculus Capital in 2019. Prior to this he was an Investment Director at Valtegra, a mid-market, private equity firm. He has voer 20 years investment experience, including as an investment banker in both M&A execution and coverage across the industrials, transport, shipping and services sectors. He previously worked at HSBC, Nomura, KPMG, Citigroup and BDO.

Dominic has a Masters in Finance from London Business School, an MBA from SDA Bocconi Business School, Milan and a BA(Hons) in economics from the University of Manchester. He is also a Chartered Accountant having qualified with BDO.



**Alexandra Lindsay**  
Investment Director

Alexandra joined Calculus Capital in 2008. As a senior member of the investment team, Alexandra’s role is to source and execute new deals, as well as managing some of the existing portfolio companies through to exit. Prior to joining Calculus Capital, she worked on the hedge fund team at Apollo Management International where she conducted research into companies and markets.

She graduated from University College London with a first class degree in History of Art having previously studied Engineering Science at Wadham College, Oxford. Alexandra is a CFA charterholder.

**Daniela Tsoneva****Investment Assistant Director**

Daniela joined Calculus in 2016. Prior to that she worked as an Analyst in a mergers and acquisitions focused investment bank, Berkshire Capital Securities in New York where she covered the financial services sector. Daniela's experience also includes product launch and supply chain consulting projects in the renewables and financial services industries in Africa.

Daniela holds an MBA (Dist) degree from Oxford University and a BA (Hons) in Political Economy from Middlebury College in the US.

**Matthew Connor****Investment Associate**

Matthew joined Calculus in 2017 and works in the investment team. Prior to this, he worked at Aberdeen Standard Investments, joining the group's graduate scheme after university and rotating across various areas of the group, latterly working within the Pan-European equities team.

Matthew holds an MA (Hons) in Economics from the University of Edinburgh, and is a CFA Charterholder.

**Vivek Elluru****Investment Associate**

Vivek joined Calculus in 2019 and is part of the investment team. Prior to that he worked in a boutique investment bank in Mumbai specialising on capital raising transactions for private companies in the healthcare and technology sectors. Vivek's experience also includes working in the valuations and business modelling team at EY in Mumbai India.

Vivek holds a Masters in Business Administration (MBA) degree from University of Oxford and a Bachelors in Engineering (BE) in Biomedical Engineering from Manipal University in India.

**Ali Chinoy****Investment Associate - Portfolio Management Team**

Ali joined Calculus in February 2019 as a Finance and Fund Administration Manager and now works in the Portfolio Management team. His main responsibilities involve monitoring the performance of Calculus' investee companies and assisting the Head of Portfolio Management. Prior to joining he worked at Cinven Partners LLP as a Management Accountant. Ali has over 5 years' experience working in the private equity industry.

Ali is a full member of the Association of Chartered Certified Accountants and has a degree in Business and Management Accounting from Brunel University.

**Natalie Evans****Finance Director**

Natalie joined Calculus in 2010 and has been administering our EIS and VCT funds since 2011. Natalie manages all aspects of fund finance and operations including investor reporting and preparation of annual accounts as well as being responsible for regulatory aspects of the funds. Most recently Natalie has taken on the company secretarial function for the Calculus VCT.

Natalie is a Chartered Management Accountant, has a first class Bachelor of Law degree and graduated with a Masters of Modern Languages from the University of Manchester.

**Karen Makomereh****Assistant Director & Head of Fund Administration**

Karen joined Calculus in 2015 as Fund Administration Manager. Prior to joining she worked at Fidelity Investment Limited initially on the graduate scheme before moving into the Portfolio Analytics Group. Karen has experience in project management, client reporting and portfolio performance analysis.

Karen has a degree in Biomedical Engineering from Imperial College London. She also holds the Investment Management Certificate (IMC) – CFA UK. She is currently studying for her CIMA qualification.

**Alex Wells****Associate, Fund Administration**

Alex joined Calculus in 2018 as a Finance and Fund Administration Analyst. Prior to joining Alex worked in as a Systems Analyst primarily focusing on financial software systems for life insurance firms. Alex covers all aspects of administration and reporting for the Calculus EIS Fund.

Alex has a degree in Banking and Finance from the University of Leicester and is starting his qualifications in chartered management accountancy.

# Questions?

Please contact the Investor Relations team



**Madeleine Ingram**  
Director, Head of Investor Relations and Marketing  
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**Francesca Rayneau**  
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.....  
**John Glencross, Chief Executive**  
Calculus Capital  
.....



## Discounts

0.5% Early Bird Discount  
until 29 January 2021

0.5% Loyalty Discount  
for existing Calculus  
VCT shareholders

## Regular Payment Option - Monthly Standing Order

Investors can purchase the Company’s shares by monthly standing order. Investors simply need to complete the ‘standing order’ section in the Application Form. Payments should be made on or around day 14 of every month.

At roughly three monthly intervals, this money will be used to purchase Offer Shares. Share and tax certificates will be sent shortly after the regular share allotment dates which are currently scheduled for:

- December (2020/21 tax year)
- April (2020/21 tax year)
- August (2021/22 tax year)

If the fundraising proves popular and looks to be reaching capacity early, the Company will stop taking new applications but will keep collecting money and allotting shares for existing standing order customers. This aims to continue until the Offer formally closes on 27 August 2021.

At the close of the Offer, Calculus Capital will contact investors to inform them whether the Company will be reopening for new investment, and to see if investors would like their standing order to continue under a new share offer. Standing orders can be cancelled at any time by contacting your bank or building society.

**Minumum Investment** - the investment amount committed on the application form must total at least £5,000.

### Dividend Reinvestment Scheme (DRIS)

Investors in the Calculus VCT who do not wish to take dividends as cash (by cheque or directly paid into a bank or building society account) have the option to reinvest the dividends in exchange for more VCT shares. This could increase your shareholding, enabling you to get further income tax relief on the additional shares allotted. Please be aware that reinvested dividends would form part of the annual VCT investment limit of £200,000. To take part in the DRIS please complete the relevant section on the application form. For further information please see Part 8 of the Prospectus or contact the Investor Relations team.

## Fees and Costs

Please see below for a full breakdown of fees and the Pricing Formula. Investors should be able to claim initial tax relief on the full amount of their investment, subject to the normal rules on eligibility for tax relief.

There are three ways to invest in the Calculus VCT:

- 1) Through a financial adviser with whom you agree an adviser charge
- 2) Through a non-advised intermediary
- 3) Directly yourself

		Investors with an adviser	Investors with a non-advised intermediary	Direct Investors
Upfront charges (borne by Investors through the Pricing Formula)	Promoters Fee (% of funds invested)	3%	3%	5%
	Adviser Charge	As agreed between adviser and client	n/a	n/a
	Commission (% of funds invested, paid to eligible intermediaries)	n/a	2%*	n/a
Ongoing annual fees (borne by the VCT)	Annual Management Charge**	1.75%	1.75%	1.75%
	Trail Commission (Maximum of 3% of funds invested, paid to eligible intermediaries)	n/a	0.5% per year (based on the latest NAV)*	n/a
	Performance Fee***	20%	20%	20%

\*unless waived and subject to FCA rules on commission. \*\*Annual Management Charge and other expenses (excluding irrecoverable VAT, annual trail commission and performance incentive fees) subject to a cost cap of 3.0% of net assets. \*\*\*Performance Fee subject to a hurdle of 105p.

### Pricing Formula

The number of Shares to be issued to an Investor shall be calculated based on the Pricing Formula below (rounded down to the nearest share):

Number of Shares

=

Amount Subscribed

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NAV\*

(i) Less Promoter’s Fee

(ii) Less Commission †/  
Adviser Charge (as relevant)

(iii) Plus Applicable Early Application and/or  
Loyalty Discount(s)

\*The NAV will be the most recently published NAV per Share on the day of the allotment, adjusted for dividends declared and for which the record date for payment has passed at the time of allotment.  
† Adjusted where commission is waived by intermediaries.

# Key Facts

## Closing Dates\*:

5pm on 31 March 2021 for the 2020/21 tax year

5pm on 27 August 2021 for the 2021/22 tax year

Cleared funds, as well as application form required by the relevant close date.

Please note that cheques can take up to five working days to clear.

## First Allotment of Shares:

For investors in the 2020/21 tax year, Calculus VCT shares will be allotted no later than 5 April 2021 – to ensure tax relief is available against 2020/21 tax year liabilities.

## Minimum Investment:

£5,000

## Buyback (share repurchase) Policy:

When buybacks are available, Calculus VCT will aim to buy back shares at a share price of no more than 5% discount to the NAV, after the minimum 5 year holding period.

Share certificates and tax certificates to be dispatched:

Within 10 business days of allotment

Maximum amount to be raised by the Company through the offer\*\*:

£10,000,000

\*The Directors reserve the right to extend the closing date, or close earlier, at their discretion.

\*\*The Directors reserve the right to increase the size of the Offer by up to an additional £10m.

# FAQs

## Q: How do I claim income tax relief?

The Company will send you a tax certificate 10 business days after allotment. There are two possible ways in which tax relief can be claimed: You can write to your HMRC office to ask them to change your tax coding under the PAYE system (this is the system that calculates how much tax you pay each month), so you will receive your income tax relief on a monthly basis through your pay cheques. Alternatively, you can claim income tax relief as part of your annual self-assessment tax return.

## Q: How often are dividends paid out?

The Calculus VCT expects to pay its dividend annually.

## Q: What happens if I die whilst invested in the Calculus VCT?

Initial income tax: If an investor dies at any time after making an investment in a VCT, the transfer of shares on death is not treated as a disposal and, therefore, the initial income tax relief is not withdrawn. However, the shares will become part of the deceased's estate for inheritance tax purposes.

Tax implications for the beneficiary: Provided a number of conditions are met, the beneficiary of any VCT shares will be entitled to tax-free dividends and will not pay capital gains tax on any disposal, but will not be entitled to any initial income tax relief.

## Q: Can I transfer my shares to my spouse?

Yes, transfer of shares in a VCT between spouses is not deemed to be a disposal and, therefore, all tax reliefs will be retained.

## Q: I am not a resident in the UK, can I invest?

Non-resident investors, or investors who may become non-resident, should seek their own professional advice as to the consequences of making an investment in a VCT, because they may be subject to tax in other jurisdictions.

## Q: What happens if I purchase existing VCT shares in the market after listing?

Should an investor wish to purchase existing VCT shares in the market, perhaps to gain access to a more mature portfolio or to benefit from 'existing shareholder' benefits, the shares will not qualify for income tax relief but may benefit from tax-free dividend relief and from capital gains tax relief on the disposal of his/her VCT shares.

## Q: What are the costs of running the VCT? Is there an expenses cap on the Calculus VCT?

Yes, there is a cost cap of 3.0% of net assets. Annual running costs include, inter alia, Directors' fees, fund administration fees, fees for audit, taxation and legal advice, registrar's fees, cost of communicating with Shareholders and annual trail commission and the annual fees payable to Calculus Capital.

Subject to the cost cap, Calculus Capital is entitled to receive an annual management fee of 1.75% of the net assets of the Company, in respect of investment management services provided to the Calculus VCT.

Calculus Capital provides company secretarial services for an additional annual fee of £15,000.

**Q: What type of companies can VCTs invest into?**

Companies must be unquoted or quoted on AIM and meet a ‘risk to capital’ gateway test requiring that they have plans to grow and develop over the long term and that invested capital must accordingly be at risk. Maximum value of a company’s gross assets (before VCT investment) is £15m. Subject to certain exceptions, companies must be no more than seven years old, or ten years old for ‘knowledge intensive’ firms.

No more than 250 employees (before VCT investment), or 500 for ‘knowledge intensive companies’.

Companies must not carry on activities contained on an excluded list, including property development, energy generation and financing. There are a number of other restrictions on investee companies’ activities and their use of funds contained in the VCT legislation.

*The above is a non-exhaustive summary only and based on the Company’s understanding of current law and practice. Investors are recommended to consult a professional adviser as to the taxation consequences of making a VCT investment. All tax reliefs referred to in this document are UK tax reliefs and are dependent on the Company maintaining its VCT qualifying status.*

**Q: What if I change your mind?**

Please let us know as soon as possible. If you contact us before your shares have been allotted, we will do our best to return your money to you.

After the shares have been allotted, you own shares in the Calculus VCT itself and you will need to sell your shares through a broker.

**Q: What is the NAV and how often is it calculated?**

The NAV (Net Asset Value) of a VCT is the value of all the assets of the VCT minus any liabilities. The NAV is calculated and published quarterly. Full interim accounts and annual accounts are also published as at end- August and end-February respectively.

The NAV, alongside dividends paid, is a good way of tracking the performance of a VCT.

# Additional Information

**Sponsor**

In connection with the Offer, Beaumont Cornish Limited (the “Sponsor”) is acting for the Company and for no-one else and will not (subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder) be responsible to anyone other than the Company for providing the protections afforded to customers of the Sponsor nor for providing advice in relation to the Offer. The Sponsor is authorised and regulated in the United Kingdom by the FCA.

**Solicitors**

RW Blears LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Company and Calculus Capital and no-one else and will not be responsible to any other person for providing advice in connection with any matters referred to in this document.

**Investment Manager**

Calculus Capital Limited (“Calculus Capital”) acts for the Company as investment manager in respect of its venture capital portfolio. Calculus Capital will not be responsible to anyone other than the Company for the provision of protections afforded to customers of Calculus Capital nor for providing advice in relation to the Offer. Calculus Capital is authorised and regulated in the United Kingdom by the FCA.

**Consents for Intermediaries**

The Company and the Directors consent to the use of the Prospectus by financial intermediaries, from the date of the Prospectus until the close of the Offer, for the purpose of subsequent resale or final placement of securities by financial intermediaries. The Offer is expected to close on 27 August 2021, subject to the Offer not having closed at an earlier date (if fully subscribed or otherwise at the Directors discretion) or unless previously extended by the Directors. There are no conditions attaching to this consent. In the event of an offer being made by a financial intermediary, financial intermediaries must give investors information on the terms and conditions of the Offer at the time they introduce the Offer to investors. Any financial intermediary using the Prospectus is required to state on its website that it uses the Prospectus in accordance with the consent and the conditions attached thereto.



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Simon Hill, Founder & CEO  
Wazoku  
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## Contact us for more information

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# Calculus

CAPITAL

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