

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name: Hargreave Hale AIM VCT plc

PRIP Manufacturer: Hargreave Hale AIM VCT plc

Contact number: 01253 754 755

This key information document is accurate as at **30 April 2019**

ISIN: GB00B02WHS05

Competent authority: The Financial Conduct Authority (FCA)

What is this product?

| | |
|--------------------------|--|
| Type | This product is a Venture Capital Trust (VCT) and public limited company, listed on the London Stock Exchange and incorporated in the United Kingdom. |
| Objectives | The VCT's objective is to invest in a range of smaller companies in order to generate income and capital growth over the long-term. The VCT aims to maintain a diversified portfolio of qualifying investments, primarily those which are traded on AIM and have the potential for significant value appreciation. The VCT will also make non-qualifying investments in companies listed on the main market of the London Stock Exchange. The VCT will also invest funds in the Marlborough Special Situations Fund pending investment into qualifying companies. |
| Intended retail investor | VCTs are not suitable for every category of investor. VCTs are designed for individuals over 18 years of age who: (1) pay UK income tax; (2) can invest between £5,000 and £200,000 per tax year; (3) can tolerate a high level of investment risk; (4) can accept a minimum holding period of five years. Before deciding whether to subscribe for new ordinary shares issued through a prospectus, investors are strongly encouraged to consult an independent adviser authorised under FSMA and to carefully consider the suitability of an investment into the VCT in light of their personal circumstances. |
| Gearing | The VCT has the ability to borrow an amount equal to 15% of its adjusted capital and reserves (more information is detailed in the Articles of Association of the VCT). The VCT has no borrowing and has no plans to borrow. Any future borrowing would magnify any gains or losses made by the VCT. |
| Bid / Offer spread | Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it. |
| Continuation | The VCT operates a continuation vote whereby investors can vote to continue or wind up the VCT every five years. This will next be considered at the 2025 annual general meeting. |

What are the risks and what could I get in return?

Risk Indicator



Lower risk ◀ ▶ Higher risk

The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to sell your investment easily or you may have to sell at a price that significantly impacts on how much you get back. Investors who sell their VCT shares before the fifth anniversary of the share issue are likely to have to repay their income tax relief.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product

as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact the capacity of Hargreave Hale AIM VCT plc to pay you. This product does not include any protection from future market performance so you could lose some or all of your investment. Investments in smaller companies have higher degrees of risk than quoted companies. **There are a number of material risks not included in this document that potential investors should be aware of. Please refer to the latest fact sheet for further details at <https://www.hargreaveaimvcts.co.uk/our-vcts>.**

Performance Scenarios

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself, but may not include all the costs that you pay your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back. **The results below do not include any benefits from tax relief applicable to VCTs available to investors.**

| Investment: £10,000 | | 1 year | 3 years | 5 years |
|-----------------------|---|--------|---------|---------|
| Stress scenario | What you might get back after costs (£) | 5,553 | 7,032 | 6,296 |
| | Average return each year (%) | -44.5% | -11.1% | -8.8% |
| Unfavourable scenario | What you might get back after costs (£) | 9,192 | 8,893 | 8,821 |
| | Average return each year (%) | -8.1% | -3.8% | -2.5% |
| Moderate scenario | What you might get back after costs (£) | 10,231 | 10,721 | 11,234 |
| | Average return each year (%) | 2.3% | 2.3% | 2.4% |
| Favourable scenario | What you might get back after costs (£) | 11,407 | 12,947 | 14,332 |
| | Average return each year (%) | 14.17% | 9.0% | 7.5% |

What happens if Hargreave Hale AIM VCT plc is unable to pay out?

As a shareholder of Hargreave Hale AIM VCT plc you would not be able to make a claim to the Financial Services Compensation Scheme about Hargreave Hale AIM VCT plc in the event that the Company is unable to pay out.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

| Investment: £10,000 If you cash in after... | 1 year | 3 years | 5 years |
|--|--------|---------|---------|
| Total Costs (£) | 249 | 802 | 1,435 |
| Impact on return (RIY) per year (%) | 2.49% | 2.49% | 2.49% |

Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

| This table shows the impact on return per year | | | |
|--|-----------------------------|-------|--|
| One – off costs | Entry costs | 0% | The product does not have any entry costs. |
| | Exit costs | 0% | This product does not have any exit costs. |
| Ongoing costs | Portfolio transaction costs | 0.23% | The impact of the costs of the fund buying and selling underlying investments for the product. |
| | Other ongoing costs | 2.26% | The impact of the costs taken by the fund each year for managing your investments. |
| Incidental costs | Performance fees | 0% | The impact of performance fees. We take these from your investment if the product returns dividends to ordinary shareholders in excess of 6p per ordinary share per annum, and the net asset value per share exceeds 95p. There has been no performance fee to date. |
| | Carried interests | 0% | This product does not charge any carried interest. |

How long should I hold it and can I take money out early?

Recommended required minimum holding period: 5 years

The recommended minimum holding period of 5 years has been selected, as the VCTs are intended to have a long investment horizon and any divestment less than 5 years, could have implications with respect to the tax advantages of investing in VCT's.

Disinvestment is possible at any time. VCT shares are quoted and traded on the London Stock Exchange, so, provided there is a willing buyer, you can realise the value of your VCT investment at any time through a stockbroker or a share dealing account. You should note that previously owned VCT shares do not qualify for initial income tax relief and there is, therefore, a limited market for buying VCT shares. To improve liquidity in the ordinary shares, the VCT will buy back shares at a 5% discount to the prevailing net asset value per share. Share buy-backs are subject to the Companies Act 2006, the Listing Rules and tax legislation, all of which may restrict the VCT's ability to buy shares back. The policy is non-binding and the Directors reserve the right to amend or suspend the share buy-back policy.

There are no additional fees or penalties incurred on exit however the price you receive on the open market may not reflect the underlying net asset value of the shares.

How can I complain?

As a shareholder of Hargreave Hale AIM VCT plc you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of Hargreave Hale AIM VCT plc.

Complaints about the VCT or the key information document should be directed to Hargreave Hale AIM VCT plc.

You can submit your complaint via post to Stuart Brookes, Company Secretary, Hargreave Hale AIM VCT plc, Talisman House, Boardmans Way, Blackpool, FY4 5FY or via email to aimvct@canaccord.com.

Other relevant information

The latest annual report, fact sheet and prospectus can be found at <https://www.hargreaveaimvcts.co.uk/document-library>. The cost, performance and risk calculations included in the KID follow the methodology prescribed by EU rules. Depending on how you buy or sell these shares you may incur other costs. The distributor will provide you with additional information where necessary. Investors are strongly encouraged to consult an independent adviser authorised under FSMA and to carefully consider the suitability of an investment into the VCT in light of their personal circumstances.