Key Information Document – New Century AIM VCT 2 plc

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 of Product:	New Century AIM VCT 2 plc – £0.10 Ordinary Shares
ISIN	GB00B1SN3863
Manufacturer:	Oberon Investments Ltd
Competent Authority:	Financial Conduct Authority - UK
Firm Contact Details:	**Web:** www.oberoninvestments.com **Tel:** +44 (0)20 3179 5300
Date of document:	31st December 2022

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type: Venture Capital Trust

Objectives : The company's principal objectives, as set out in the prospectus, are to achieve long term capital growth through investment in a diversified portfolio of 'Qualifying Companies' – primarily quoted on AIM. To continue to qualify as a Venture Capital Trust by maintaining at least 80% of the company's assets invested in 'Qualifying Companies'.

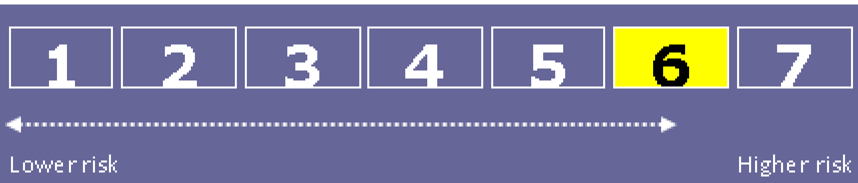
Intended Retail Investor : Potential investors will be seeking long-term, tax-efficient exposure to smaller UK companies, many of whose shares are quoted on AIM. UK tax-payers are generally exempt from income tax and capital gains tax on investments of up to £200,000 per year in Venture Capital Trusts.

Investment in Venture Capital Trusts is risky and is only suitable for investors who understand those risks and have sufficient resources to bear any loss that may arise.

The market in Venture Capital Trust shares is relatively illiquid. Investment in Venture Capital Trusts is unlikely to be suitable for money that may be required at short notice.

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

Risk indicator



VCTs are high risk products. The rules of the FCA require a risk indicator of 6 or 7 for VCTs.
Although VCTs are fully listed on the London Stock Exchange, their underlying investments are not. This means that the underlying investments may be less liquid and there may be less information available about their performance and value. There is also limited liquidity in the market for VCT shares. You may not be able to realise the full value of your investment at short notice.
We have scored this VCT as 6 because it invests in companies whose shares are quoted on AIM. This provides some visibility as to their value.

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.

This product offers no guarantee against credit or market risk. If the underlying companies do not pay what they owe the company, or if the value of the company's investments falls, you could lose part of the capital you invest. However, you will not be required to make additional capital contributions.

There is a limited secondary market for shares on Venture Capital Trusts. You may find it difficult to sell your shares at short notice, or you may have to sell at a discount to the company's net asset value.

Investment Performance Information

Venture Capital Trusts (VCTs) are a special class of investment trust created by the UK Government to encourage investment in new and small companies through a number of tax incentives on investments of up to £200,000 per year.

- If you invest in newly issued VCT shares, you will normally be able to claim income tax relief on 30% of your subscription. To get this relief, you must keep your whole investment for five years, and the company must continue to meet the criteria to qualify as a VCT
- You will normally be exempt from income tax on dividends and capital gains tax on sale of your shares.

Tax law may change and the tax treatment may depend on your individual circumstances. If in doubt, please take appropriate independent advice.

VCTs normally invest in new issues of shares and hold them for the medium to long term. They are not actively traded. This is a condition of maintaining the VCT status.

This is an AIM VCT. The shares of the companies in which it invests are normally quoted on AIM. The company has a broad portfolio of such shares. You should note, however, that not all companies whose shares are traded on AIM are 'qualifying investments' in a VCT.

Over the long term, the performance of the VCT's portfolio will be primarily determined by the success of the companies in which it invests. However, in the shorter term, it may be affected by the general economic outlook and by sentiment in the AIM market generally.

In addition, the market price of the VCT shares may differ from the net asset value of the portfolio. If you sell your shares in the market, the price you get may be less than the net asset value. This will adversely affect your return. Conversely, if you buy shares in the market at a discount to the net asset value, this will enhance your overall investment return.

In light of the tax incentives available to the Company's investors, this VCT seeks to distribute its realised profits by way of dividends. This means that the VCTs shares are likely to underperform AIM. However, as this document was being prepared, the tax free dividend yield on the shares was 7.02%. This may, of course, vary according to the availability of distributable reserves in the Company.

Because VCTs invest in new issues by start ups and growing companies, there is a relatively higher risk that any one investment will fail. We seek to manage this risk by diversifying the portfolio.

What happens if the Venture Capital Trust is unable to pay out?

Venture Capital Trusts invest their funds in smaller companies, some of which may be unquoted. Investment in such companies involves a higher degree of risk than investment in larger quoted companies. They may have more limited resources or product lines, and they may be more reliant on key individuals involved in their management.
The company's ability to return funds to shareholders in the form of dividends or capital redemptions will ultimately depend on the performance of these underlying investments. If the underlying investments fail then the value of your investment will be reduced.
A Venture Capital Trust is a listed company. Shareholders are not covered by the Financial Services Compensation Scheme in the event that the company is unable to pay you.

What are the costs?

Costs over time

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, on-going and incidental costs. The amounts shown here are the cumulative costs of the product itself, for an illustrative holding period of one, three, or five years. The figures assume an investment of £10,000. We have assumed for this purpose that the company earns no returns on its investment portfolio. Because the charges are based on the value of the portfolio, the cash amount of the charges will be higher if the VCT makes a profit and lower if it makes a loss. However, the percentage impact will be broadly similar..

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.

Cost Scenarios Investment of £10,000	One Year	Three Years	Five Years
Total costs	(£110.00)	(£326.38)	(£538.03)
RIY as a percentage of investment	(1.10%)	(1.10%)	(1.10%)

Composition of costs

This table shows the different costs borne by the VCT:			
One-off costs	Entry and exit costs	£0.00	The VCT is a close-ended company. Shares are traded on the stock exchange. The company does not make any charges in this regard. Your stock broker will notify you of his charges for buying and selling the shares.
Recurring costs	Management Charge	(£489.12)	The investment manager charges a fee of 1% per annum
Occasional costs	Dealing commission	(£48.91)	The company incurs dealing charges where it exits investments in the secondary market. These are charged by its broker on an ad-valorem basis at 0.5%. However, by the nature of a VCT, investments are generally held for several years.

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

The recommended holding period is 5 years or more.
Venture Capital Trusts are listed companies. Their shares may be bought and sold on the London Stock Exchange whenever the market is open for business. The market is relatively illiquid, however, and the costs of dealing are likely to be high. Venture Capital Trust shares commonly trade at a discount to the value of their underlying assets. A sale in the secondary market is unlikely to realise the full value of your investment. The company arranged a tender offer to buy back up to 10% of its issued shares at a 5% discount to NAV in 2017. It intends to make further buy back offers "from time to time"
If you have subscribed for newly issued shares within the past five years, you may have to repay part of any tax relief that you obtained if you sell the shares.

How can I complain?

If you have any complaints about the company, you should contact the chairman of the company:

Geoff Gamble, Chairman, New Century AIM VCT2 Plc,
c/o 4th Floor, 50 Mark Lane, London, EC3R 7QR

Shareholders do not have access to the Financial Ombudsman Service in relation to complaints about their investee companies.

Other relevant information

This document has been produced in accordance with regulatory requirements to provide a standardised overview of the key features of shares in New Century AIM VCT 2 plc. The illustrative returns have been estimated in accordance with a methodology required by the Financial Conduct Authority. They are based on the historical performance of the Company's portfolio which may not continue in the future.
The tax implications of an investment in a Venture Capital Trust may depend on your personal circumstances and may be subject to legislative change.
There is no guarantee that the companies invested in will be qualifying companies or that the company will retain its qualifying status as a Venture Capital Trust.
If you are unsure about the suitability of this investment for you, please seek advice from a suitably qualified financial adviser.