

Dear

## **Confirmation of the merger of Octopus Eclipse VCT with Octopus Apollo VCT**

We're writing to let you know that following shareholder approval, the merger of Octopus Eclipse VCT with Octopus Apollo VCT is now complete.

Here's a brief summary of the results of the merger:

- The assets and liabilities of Octopus Eclipse VCT were transferred to Octopus Apollo VCT on 19 December 2016.
- The number of Octopus Apollo VCT shares that you will receive is based on the relative net asset value (NAV) per share of the two VCTs when the merger took place.
- On this date, the NAV per share of Octopus Eclipse VCT was 21.8p and the NAV per share of Octopus Apollo VCT was 61.3p – resulting in you receiving a ratio of 0.355628 Octopus Apollo VCT shares for each Octopus Eclipse VCT share you held.
- You will shortly receive your new Octopus Apollo VCT share certificate in the post.

We have enclosed a letter from Scott-Moncrieff, the reporting accountant, which confirms that the method used to value the net assets of the two VCTs before the merger was reasonable. With any merger such as this, there is a regulatory requirement to engage a reporting accountant to provide its opinion and to send this information to you.

## **We're always happy to help**

We can't offer financial or tax advice, but if you have any questions about the merger, or if you want to speak to one of the fund managers looking after your investment, please call **0800 316 2295** or email [clientrelations@octopusinvestments.com](mailto:clientrelations@octopusinvestments.com). We're always happy to hear from you.

Yours sincerely,



Simon Rogerson,  
Chief Executive

The Shareholders  
Octopus Eclipse VCT plc  
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19 December 2016

Our Ref: WGM/KCT/UHM

Dear Sirs

**Independent accountant's report to the members of Octopus Eclipse VCT plc in respect of the proposed merger with Octopus Apollo VCT plc for the purposes of S909 of the Companies Act 2006**

We report on the proposed merger which involves the issue by Octopus Apollo VCT plc ("Apollo") of new Scheme Shares to former members of Octopus Eclipse VCT plc ("Eclipse").

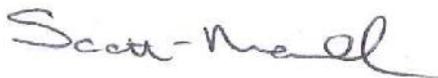
The share exchange ratio has been calculated by reference to the net asset value attributable to each ordinary share in Eclipse and Apollo as at 16 December 2016. This share exchange ratio was adjusted to take account of the estimated costs of the Scheme attributable to both companies.

The investments were valued by the directors of the respective companies on 16 December 2016 on the basis of fair value in line with the International Private Equity and Venture Capital Valuation Guidelines. The cash balances and other net current assets were valued at book value. This basis of valuation has been adopted in the accounts of each company and we have reviewed the basis on which these valuations have been made.

Based on the information available at 16 December 2016 and taking into account the estimated costs of the Scheme, the net asset value of a share in Eclipse was 21.8p and in Apollo was 61.3p. On this basis 0.355628 Scheme Shares will be issued to Eclipse Shareholders for every Eclipse Share held (assuming no dissenting Eclipse Shareholders).

In our opinion, the method adopted is reasonable in all the circumstances and the share exchange ratio is reasonable.

**Yours faithfully**



**Scott-Moncrieff**

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