

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) or, if you are in a country outside the United Kingdom, another appropriately authorised independent financial adviser.

If you were a Shareholder and have sold or otherwise transferred all your Shares, please send this document (but not any accompanying personalised Form of Proxy or Tender Form) as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, neither this document nor any accompanying document(s) should be forwarded or transmitted to or in any jurisdiction outside the United Kingdom where to do so may violate any legal or regulatory requirement. If you are an existing holder of Shares and you have sold or transferred part only of your registered holding of Shares, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

Gresham House Strategic plc

(Incorporated in England & Wales under the Companies Act 1985 with registered number 03813450)

(An investment company under section 833 of the Companies Act 2006)

Recommended proposals for Managed Wind-Down of the Company Proposed initial return of capital by way of B Share Scheme and Tender Offer of up to £25.0 million in aggregate

Proposed return of capital by way of Future Tender Offers and

Notice of Requisitioned General Meeting

GENERAL MEETING

Notice of a General Meeting to be held at the offices of finnCap, One Bartholomew Close, London, EC1A 7BL at 2.00 p.m. on 15 December 2021 is set out at the end of this document.

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meeting and if the Shares are not held directly, to arrange for their nominee to vote on their behalf.

Shareholders are requested to complete and return the Form of Proxy accompanying this document for use at the General Meeting. To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to the Registrars, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible and, in any event, so as to arrive by no later than 2.00 p.m. on 13 December 2021. If you hold your Shares in uncertificated form (i.e. in CREST) you may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of Requisitioned General Meeting set out at the end of this document). Proxies submitted via CREST for the General Meeting must be transmitted so as to be received by the Registrars as soon as possible and, in any event, by no later than 2.00 p.m. on 13 December 2021.

B SHARE SCHEME

No application has been or will be made for any of the B Shares to be listed or admitted to trading on AIM or any other securities or investment exchange or trading platform.

The availability of the B Share Scheme and a Return of Capital pursuant to the B Share Scheme to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the United Kingdom should read the paragraph headed "Overseas Shareholders" set out in Part 3 of this document and should inform themselves about, and observe, any applicable legal or regulatory requirements.

The B Shares will not be registered under the US Securities Act or with any state or other jurisdiction of the United States, and none of the B Shares may be reoffered, resold, pledged, or otherwise transferred in or into the United States or to any US persons except pursuant to a transaction that has been registered under the US Securities Act and with the relevant state and other jurisdictions or a transaction that is exempt from, or otherwise not subject to, the securities laws of such jurisdictions.

Neither the B Shares nor this document have been approved, disapproved or otherwise recommended by any US federal or state securities commission or other regulatory authority or any non-US securities commission or regulatory authority, nor have such authorities passed upon or endorsed the merits of the B Share Scheme or a Return of Capital or confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

The B Share Scheme is conditional on approval from Shareholders, which is being sought at the General Meeting, notice of which is set out at the end of this document.

This document does not constitute an invitation to participate in the B Share Scheme or a Return of Capital in or from any jurisdiction in or from which, or to or from whom, it is unlawful to make such offer or participate under applicable securities laws or otherwise.

TENDER OFFER

If you have any questions about the procedure for tendering Shares or making a TTE Instruction, you require extra copies of this document or the Tender Form or you want help filling in the Tender Form, please telephone the Shareholder Helpline on 0371 664 0321 (from inside the UK) and +44 (0) 371 664 0321 (from outside the UK). Lines are open from 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales). Please note that Link Group cannot provide any financial, legal or tax advice and calls to these numbers may be monitored or recorded for security and training purposes. Calls to the Shareholder Helpline are charged at the standard geographic rate and will vary by provider. Calls from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones.

finnCap Ltd (“**finnCap**”), which is authorised by the Financial Conduct Authority, is acting exclusively for the Company and no-one else as broker in connection with the Tender Offer and finnCap, its affiliates and its and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any person other than the Company for providing the protections afforded to their clients, or for providing advice in relation to the Tender Offer or any other matters or arrangements referred to or contained in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on finnCap by FSMA or the regulatory regime established thereunder, finnCap does not accept any responsibility or liability whatsoever nor make any representation or warranty, express or implied, concerning the contents of this document, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Tender Offer or this document. Each of finnCap, its affiliates and their respective directors, officers, employees and agents accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement.

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the United Kingdom should read the paragraph headed “Overseas Shareholders” set out in Part 5 of this document and should inform themselves about, and observe, any applicable legal or regulatory requirements.

Unless otherwise determined by the Company and finnCap and permitted by applicable law and regulation, neither this document nor the accompanying Tender Form or any related document is being, or may be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed, or sent in, into or from any Restricted Jurisdiction, and persons receiving this document, the accompanying Tender Form and/or any related document (including, without limitation, trustees, nominees or custodians) must not mail or otherwise forward, distribute or send it in, into or from such Restricted Jurisdiction, as to do so may invalidate any purported acceptance of the Tender Offer. Any person (including, without limitation, trustees, nominees or custodians) who would or otherwise intends to, or who may have a contractual or legal obligation to, forward this document together with the accompanying Tender Form and/or any related document to any jurisdiction outside the United Kingdom, should seek appropriate advice before taking any action.

The Tender Offer is conditional on approval from Shareholders, which is being sought at the General Meeting, notice of which is set out at the end of this document.

The Tender Offer will close at 1.00 p.m. on 17 December 2021 unless extended by means of an announcement through a Regulatory Information Service and will only be available to Qualifying Shareholders on the Register on the Tender Offer Record Date. If you are a Qualifying Shareholder holding Shares in certificated form and wish to participate in the proposed Tender Offer, you should complete and return the accompanying Tender Form to the Receiving Agent at Link Group (using the accompanying reply paid envelope for use within the UK only) or (during normal business hours only) by hand to Link Group at Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received by not later than 1.00 p.m. on 17 December 2021. If you are a Qualifying Shareholder holding Shares in uncertificated form and wish to participate in the proposed Tender Offer, you should send the TTE Instruction through CREST so as to settle by no later than 1.00 p.m. on 17 December 2021.

This document should be read as a whole. In particular, your attention is drawn to the risk factors set out in Part 7 of this document. Your attention is also drawn to the letter from the Board which is set out in Part 1 of this document and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting. A summary of the action to be taken by Shareholders is set out in the section entitled “Action to be Taken” on paragraph 10 of Part 1 of this document.

The distribution of this document, together with accompanying documents, into jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession such documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.

TABLE OF CONTENTS

EXPECTED TIMETABLE OF EVENTS	4
PART 1 LETTER FROM THE BOARD	5
PART 2 PROPOSED NEW INVESTMENT POLICY	19
PART 3 DETAILS OF THE B SHARE SCHEME	20
PART 4 RIGHTS AND RESTRICTIONS ATTACHED TO B SHARES	23
PART 5 TERMS AND CONDITIONS OF THE TENDER OFFER	26
PART 6 QUESTIONS AND ANSWERS ON THE TENDER OFFER	39
PART 7 RISK FACTORS	44
PART 8 UNITED KINGDOM TAXATION	47
PART 9 ADDITIONAL INFORMATION	51
PART 10 DEFINITIONS	53
NOTICE OF GENERAL MEETING	59

EXPECTED TIMETABLE OF EVENTS

Date of this document and Tender Offer opens	29 November 2021
NAV per Share as at 9 December 2021, Tender Price and Individual Basic Entitlement percentage announced	13 December 2021
Latest time and date for receipt of Forms of Proxy	2.00 p.m. on 13 December 2021
General Meeting	2.00 p.m. on 15 December 2021
Results of General Meeting announced	15 December 2021
Record Date in respect of Initial Return of Capital pursuant to B Share Scheme	6.00 p.m. on 15 December 2021
Issue of B Shares in respect of Initial Return of Capital pursuant to B Share Scheme	16 December 2021
Redemption Date in respect of Initial Return of Capital pursuant to B Share Scheme	16 December 2021
Latest time and date for receipt of Tender Forms and submission of TTE Instructions from Shareholders	1.00 p.m. on 17 December 2021
Tender Offer Record Date	6.00 p.m. on 17 December 2021
Results of Tender Offer elections announced	20 December 2021
Purchase of Shares under the Tender Offer	22 December 2021
Payment date in respect of Initial Return of Capital pursuant to B Share Scheme: (i) cheques posted to Shareholders; and (ii) CREST holders credited with funds	30 December 2021
Payment date in respect of the Tender Offer (i) cheques posted to Shareholders; and (ii) CREST holders credited with funds	5 January 2022
Return of share certificates in respect of unsuccessful tenders of certificated Shares	by 5 January 2022
CREST accounts credited for revised uncertificated shareholdings of Shares (or, in the case of unsuccessful tenders, for entire holdings of Shares)	by 5 January 2022
Despatch of balancing share certificates (in respect of certificated Shares) for revised, certificated holdings in the case of partially successful tenders	by 5 January 2022

Notes:

1. Each of the times and dates referred to in the expected timetable above and elsewhere in this document may be extended or brought forward at the discretion of the Company. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service and, if required, the publication of a supplementary circular.
2. All times referred to in this document are, unless otherwise stated, references to London (UK) time.

PART 1

LETTER FROM THE BOARD

Gresham House Strategic plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 03813450)

(An investment company under section 833 of the Companies Act 2006)

Directors

Simon Pyper *(Non-executive Director and Interim Chair)*

Kenneth Lever *(Non-executive Director)*

Graham Bird *(Non-executive Director)*

Registered Office

6th Floor
60 Gracechurch Street
London
EC3V 0HR

29 November 2021

Dear Shareholder

Recommended proposals for Managed Wind-Down of the Company

Proposed initial return of capital by way of B Share Scheme and Tender Offer of up to £25.0 million in aggregate

**Proposed return of capital by way of Future Tender Offers and
Notice of Requisitioned General Meeting**

1. Introduction and background to the Proposals

On 24 May 2021, the Company announced the commencement of the Strategic Review to determine the best course of action to provide growth in value for all Shareholders. The Strategic Review had been requested by GHE in a previous requisition of a general meeting of the Company.

The Independent Directors evaluated strategic options against the following key objectives: continuing strong investment performance; lowering the Company's cost base to be in line with market standards; increasing the scale of the Company in NAV terms; and ensuring strong corporate governance arrangements between the Board and its investment manager.

After an extensive process during which the Board received a number of high quality proposals and after consultation with certain significant shareholders of GHS (other than GHE), the Independent Directors announced on 11 October 2021 the termination of GHAM as its investment manager and the appointment of Harwood as its replacement investment manager. Harwood's appointment became unconditional on 6 November 2021. The Independent Directors believed the proposal from Harwood provided a highly attractive and cost-effective proposition for the future management of the Company's investments. As part of the Strategic Review, the Independent Directors considered other options, including a managed wind-down of the portfolio, and concluded that these alternatives were unlikely to be in the best interests of Shareholders as a whole, a position which was supported by analysis provided to the Company by Smith Square Partners LLP, its corporate advisors to the Strategic Review.

Following this announcement, as announced on 15 October 2021, the Board received the Notice of Requisition from the Requisitionist. GHE informed the Board that it had obtained irrevocable undertakings from Shareholders to vote in favour of resolutions which proposed the immediate return of cash on the Company's balance sheet and the complete realisation of the Company's assets and return of capital within 24 months. When taken together with GHE's own beneficial shareholding of approximately 23.4 per cent., these irrevocable undertakings accounted for approximately 46.8 per cent. of the issued share capital of the Company.

As announced on 5 November 2021, the Board recognises that, whilst some Shareholders who had been consulted during the Strategic Review had indicated their support for the continuation of the Company and the appointment of Harwood as investment manager, Shareholders accounting for a substantial proportion of the Company's issued share capital have now indicated support for the discontinuation of the Company's

activities and the associated return of capital to Shareholders. Therefore, those resolutions are very likely to be approved and the conclusions of the Strategic Review supported by the Independent Directors at the time and described in detail in the Company's announcement on 11 October 2021 are very unlikely to be capable of full implementation.

The Board agreed with GHE to delay the posting of the circular convening the requisitioned meeting until no later than 26 November 2021, so that it could include further resolutions relating to a change of the Company's investing policy and a mechanism to return capital in a cost-effective and tax-efficient manner, which treats all Shareholders equally.

As announced on 5 November 2021, it was also agreed that Helen Sinclair, the Company's Interim Chair at the time, would resign. Charles Berry was appointed Interim Chair, pending the appointment of Simon Pyper, whereupon he would likewise stand down from the Board. Simon joined the Board on 22 November 2021 and Charles consequently stepped down. Simon has been appointed Interim Chair whilst the Board conducts a process to consider whether it should comprise three or four directors on an ongoing basis and has commenced a process to recruit an external independent non-executive director who may be appointed Chair.

As announced on 5 November 2021, the Requisitionist agreed to withdraw resolutions 3 to 6 in the Notice of Requisition following the occurrence of certain events, including the appointment of Simon Pyper as a director of the Company becoming effective. However, the Board is still required to convene a general meeting to propose resolutions 1 and 2 in the Notice of Requisition.

On 24 November 2021, the Company announced that it had been advised by its recently appointed investment manager, Harwood, that the realisation of the Augean Proceeds, which gave rise to a gain of £18.8 million, together with other recent profitable sales are expected to give rise to a tax liability which was not provided for in the NAV calculations and that as a result, its weekly net asset values have been incorrectly stated since 30 July 2021, the date on which an offer for Augean plc was formally announced.

The net impact of the overstatement was approximately £1.3 million (approximately 2 per cent. of NAV as at 19 November 2021, the date of the last NAV released by the Company prior to the publication of that announcement). The amount is made up of a tax provision of approximately £1.6 million less an overpayment of management and performance fees to GHAM (the Company's former investment manager) of approximately £0.3 million (inclusive of VAT). GHAM has offered to provide any support required to remedy the position and to fully reimburse the consequent over-payment of performance fees without any delay.

Whilst the Company has significant brought forward capital losses, changes to the tax legislation which became effective on 1 April 2020 limit the use of capital losses against realised gains to £5 million per year. Thereafter, 50 per cent. of realised gains are subject to corporation tax. The net effect is that realised gains over £5 million per annum are currently taxed at 9.5 per cent. and not zero as was previously the case for the Company as gains could be fully offset against brought forward capital losses.

Whilst the realisation of the portfolio is expected to be spread over two years and, as a result, the Company expects to be able to use the £5 million annual allowance for utilising brought forward capital losses, the Board has been advised that if the entire GHS portfolio was liquidated at the market prices prevailing at the date of this document within the current financial year, there would be an additional corporation tax liability of approximately £1.3 million (approximately 2 per cent. of NAV as at 19 November 2021, the date of the last NAV released by the Company prior to the publication of that announcement).

As announced today, the Company has entered into amendments to the Harwood Agreements, conditional on the passing of Resolutions 2 and 3. A summary of the amendments to the Harwood Agreements is set out in paragraph 3 of this Part 1.

This document therefore sets out details of, and seeks your approval of, the proposals relating to:

- the approval of resolutions 1 and 2 as set out in the Notice of Requisition;
- the Managed Wind-Down of the Company and associated adoption of the New Investment Policy; and
- the return of capital to Shareholders pursuant to the Managed Wind-Down by:
 - providing a mechanism to return capital to Shareholders by way of a proposed B Share Scheme by way of adoption of the New Articles;
 - the immediate return of capital to Shareholders of up to £25.0 million in aggregate by way of the proposed adoption of the B Share Scheme and Tender Offer ("**Initial Return of Capital**"); and

- o effecting the remaining return of capital to Shareholders pursuant to the Managed Wind-Down by way of further tender offers, and cancelling the capital redemption reserve and any remaining share premium reserve by way of the Capital Reduction to increase the Company's distributable reserves in order to do so,

(together the "**Proposals**"), as further summarised in paragraph 2 below.

The Proposals are subject to Shareholder approval and if approved, are expected to result in the realisation of all the Company's assets over a two year period and the subsequent return of capital to Shareholders. This document sets out in more detail the background to the Proposals and the reasons why the Board recommends that you vote in favour of the Resolutions to approve the Proposals.

Subject to the Proposals being approved at the General Meeting, the Board intends to change the name of the Company to Rockwood Realisation plc pursuant to the authority given to the Directors in article 168 of the Existing Articles for that purpose. A further announcement would be made in due course confirming when the name change will become effective.

Notice of the General Meeting to be held at the offices of finnCap, One Bartholomew Close, London, EC1A 7BL commencing at 2.00 p.m. on 15 December 2021 is set out at the end of this document. A Form of Proxy to be used in connection with the General Meeting is also enclosed with this document.

2. Summary of the Proposals

2.1 Requisitioned Resolutions

Resolution 1 is being proposed to effect the immediate return of cash on the Company's balance sheet, after taking into account cash required to meet ongoing expenses (including the proceeds arising from the disposal of its interest in Augean plc) to its existing Shareholders. If this resolution is passed, the Board expects to return the cash (net of cash required to meet ongoing expenses) on its balance sheet through the Initial Return of Capital (assuming the B Share Resolutions and the Tender Offer Resolution are also passed).

If none of the B Share Resolutions or the Tender Offer Resolution are also passed, the Board would expect to return the cash on its balance sheet (net of cash required to meet ongoing expenses) by way of a dividend and on market share purchases to the extent permitted. If either only the B Share Resolutions or the Tender Offer Resolution are also passed, then the Board would expect to implement the B Share Scheme or Tender Offer (as applicable) to immediately return capital to Shareholders, and to return any remaining cash on its balance sheet (net of cash required to meet ongoing expenses) utilising its existing authorities to buy back shares on market and by declaring a dividend.

Resolution 2 is being proposed to commence the complete realisation of the Company's assets for the benefit of all its Shareholders, with such realisation and return of capital to Shareholders to be completed within 24 months of the General Meeting.

2.2 Amendments to the Current Investment Policy

If Resolution 2 is passed, the Company proposes to (i) amend its Current Investment Policy to reflect a realisation strategy; and (ii) cease making any new investments except in very limited circumstances as detailed in Part 2 of this document. The proposed amendments to the Current Investment Policy are considered a material change, which requires the consent of Shareholders in accordance with the AIM Rules.

In seeking the full realisation of the Company's investments within 24 months of the General Meeting, the Directors will aim to achieve a balance between maximising their net value and progressively returning cash to Shareholders. In so doing, the Board will take account of the continued costs of operating the Company. The Company's admission to AIM and the capacity to trade in its Shares will be maintained for as long as the Directors believe it to be practicable and cost-effective during the Managed Wind-Down period. If the Managed Wind-Down is approved, the Board believes it may be appropriate from a cost perspective to de-list the Company's shares at the end of the two year run-off period, or once 85 per cent. of the value of the Company's assets (as at today's date) have been

realised and returned to Shareholders and the Board will consult with Shareholders at that time accordingly.

Irrespective of whether or not the Board seeks to de-list the Shares, once all, or substantially all, of the Company's investments have been realised, the Company will, at an appropriate time, seek Shareholders' approval for it to be placed into members' voluntary liquidation.

Part 2 of this document sets out the New Investment Policy in full.

2.3 ***Mechanics for returning cash to Shareholders***

The Board has carefully considered the potential mechanics for returning capital to Shareholders as part of the Managed Wind-Down and the Company's ability to do so.

Having considered the various options for returning cash to Shareholders, the Board believes that the following proposals would be the fairest and most cost-effective and tax efficient ways to effect returns of capital:

- An initial return of capital to Shareholders of up to £25.0 million in aggregate using the B Share Scheme and the Tender Offer. It is proposed certain changes to the Existing Articles are made by the adoption of the New Articles in order to enable the Company to use the B Share Scheme mechanism, as set out in further detail at paragraph 2.4 below.
- Subsequent returns of capital pursuant to the Managed Wind-Down at the appropriate times at the Board's discretion by utilising further tender offers.

The Company reserves the right to use alternative mechanisms to return cash to Shareholders from time to time if the Board believes any such mechanisms to be in the best interests of Shareholders as a whole or if any of the B Share Resolutions, the Tender Offer Resolution or the Future Tender Offer Resolution are not passed.

Further details of each of the proposed methods of returning capital to Shareholders is set out below.

(a) *B Share Scheme*

The Board proposes to adopt a B Share Scheme whereby the Company will issue redeemable B Shares with an aggregate paid up nominal share capital equal to the amount of cash available for this purpose of approximately £10.4 million, with such B Shares then immediately being redeemed for cash without further action being required by Shareholders.

It is intended that the Initial Return of Capital pursuant to the B Share Scheme, together with the Tender Offer as detailed in the next paragraph, will be used to effect a return of the Audgean Proceeds to Shareholders. The Board is unlikely to use the B Share Scheme to effect further Returns of Capital to Shareholders, as it is likely that the use of the B Share Scheme as part of the Initial Return of Capital will substantially erode the amount which the Company can return to Shareholders as capital for UK tax purposes. Further details of the B Share Scheme and the proposed amendments to the Existing Articles to effect the B Share Scheme are set out in Parts 3 and 4 of this document.

How will cash be returned via the B Shares?

Subject to the B Share Resolutions being passed, the Company will have a mechanism to enable it to return cash to Shareholders at such times as the Board may, in its absolute discretion, determine by capitalising part of the amount standing to the credit of the Company's share premium account and then applying the resulting amount for the purpose of paying up the nominal value of the appropriate number of B Shares. Such B Shares would then be issued to Shareholders pro rata to their holding of Shares at the time of issue of the B Shares and, shortly thereafter, be redeemed and cancelled in accordance with their terms for an amount not exceeding the amount treated as paid up on the issue of the B Shares. The Company will not allot any fractions of B Shares and entitlements will be rounded down to the nearest whole B Share.

Following the redemption and cancellation of the B Shares, the redemption proceeds would be sent to Shareholders, either through CREST to uncertificated Shareholders or via cheque to certificated Shareholders. Each issue and redemption would be announced via Regulatory Information Services and each Shareholder would also be notified via email by the Company's Registrar.

Further details of the B Share Scheme are set out in Parts 3 and 4 of this document.

The structure of a B Share Scheme should result in UK Shareholders receiving their cash proceeds on redemption of the B Shares as capital for UK tax purposes. Your attention is drawn to Part 8 of this document which sets out a summary guide to certain potential tax consequences in the UK.

Advantages of returning cash via B Shares

The advantages of returning capital via the B Share Scheme rather than via a tender offer are as follows.

- (i) All Shareholders would automatically participate in the redemption process and they would be treated equally.
- (ii) Subject to the B Share Resolutions being passed at the General Meeting, Shareholders should not be required to take any further action to give effect to the Return of Capital pursuant to the B Share Scheme.
- (iii) This provides greater certainty for the Company regarding the rate of return of capital to Shareholders (unlike tender offers, capital returns under the B Share Scheme would be mandatory and would apply to all Shareholders on a pro rata basis).

However, for some Shareholders, there may be some disadvantages in returning capital via the B Share Scheme relating to the timing and mandatory nature of the scheme. Unlike a tender offer, Shareholders would not be given a choice as to whether or not to participate in the Initial Return of Capital and, for those Shareholders who hold Shares through a number of different vehicles, they would not be given the choice as to which of their vehicles should participate in the Initial Return of Capital. This could potentially lead to adverse tax consequences for Shareholders as they may not be able to structure their returns in the most tax efficient manner.

Taxation of the B Share Scheme

Based on current United Kingdom tax law, it is expected that the redemption of B Shares pursuant to the Initial Return of Capital should be treated as a disposal by the Shareholder of their B Shares for United Kingdom tax purposes. This may, subject to the Shareholder's individual circumstances and any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of United Kingdom taxation of chargeable gains.

For further information regarding taxation on redemptions of B Shares please see Part 8 of this document.

Further information on the B Shares

No share certificates would be issued in relation to the B Shares and the B Shares will not be listed or admitted to trading on AIM or on any other securities or investment exchange or trading platform.

The B Shares would be non-transferable and will have limited rights, including a right to a very small dividend at a fixed rate. Any dividend would not be payable through CREST but by cheque or BACS only.

Given the very short period of time for which any B Share would be in issue, it is unlikely that any dividends would become payable on the B Shares. The rights and restrictions attached to the B Shares are set out more fully in Part 4 of this document.

Proposed Initial Return of Capital pursuant to the B Share Scheme

Subject to the passing of the B Share Resolutions at the General Meeting, the Board intends to return approximately £10.4 million to Shareholders via an issue of B Shares. B Shares of £1 each will be paid up from capital and issued to all Shareholders by way of a bonus issue pro rata to their holding of Shares on the basis of three B Shares for every one Share held at the Record Date of 6.00 p.m. on 15 December 2021. The B Shares are expected to be issued on 16 December 2021 and immediately redeemed at £1 per B Share. The Redemption Date in respect of the Initial Return of Capital is 16 December 2021. The proceeds from the redemption of the B Shares, which is equivalent to 100 pence per Share, will be sent to Shareholders through CREST to uncertificated Shareholders or via cheque to certificated Shareholders. The Initial Return of Capital pursuant to the B Share Scheme will represent approximately 16.0 per cent. of the Company's Net Asset Value as at 19 November 2021, being the latest published Net Asset Value prior to the publication of this document.

(b) *Tender Offer*

As the B Share Scheme will not effect a full return of the Augean Proceeds and other cash available, the Board proposes to supplement the B Share Scheme with the Tender Offer, in order to return the balance of the free cash of approximately £14.6 million to Shareholders. Further details of the Tender Offer are set out in Part 5 of this document.

Benefits of the Tender Offer

The Board considered the various options for returning cash to Shareholders and determined that, in conjunction with the B Share Scheme, the Tender Offer would be the most appropriate means of returning cash to Shareholders. In particular, the Tender Offer:

- provides Qualifying Shareholders with the choice of whether or not they wish to tender all or part of their respective Individual Basic Entitlements; and
- enables those Qualifying Shareholders who do not wish to receive cash at this time to maintain their full investment in the Company.

Structure of the Tender Offer

The Tender Offer will be implemented on the basis of finnCap acquiring, as principal, the successfully tendered Shares at the Tender Price. Following completion of those purchases, finnCap will then sell all the tendered Shares back to the Company at the same price pursuant to the Repurchase Agreement by way of an on-market transaction on AIM. Details of the Repurchase Agreement are set out in paragraph 4 of Part 9 of this document. The Company intends to cancel any repurchased Shares. The repurchase of Shares by the Company under the Repurchase Agreement will be financed using the Company's distributable reserves.

Under the terms of the Tender Offer, which is being made by finnCap, Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) will be entitled to tender up to their Individual Basic Entitlement, rounded down to the nearest whole Share. Shareholders may also tender additional Shares, but any such excess tenders above the Individual Basic Entitlement will only be satisfied, on a pro rata basis, to the extent that other Shareholders tender less than their aggregate Individual Basic Entitlement.

The Tender Price and the Individual Basic Entitlement will be announced on 13 December 2021, alongside the Company's NAV per Share as at 9 December 2021, together with the potential impact of tax on the Company's NAV on the assumption that the portfolio were fully liquidated in the current financial year, providing an Adjusted Post Tax NAV per Share. The Tender Price will be calculated in accordance with paragraph 7 of Part 5 of this document and will represent a 2.0 per cent. discount to the Adjusted Post Tax NAV per Share as at 9 December 2021. The Individual Basic Entitlement will be calculated by dividing £14.6 million by the Tender Price to give the maximum number of Shares that will be purchased under the Tender Offer. The Individual Basic Entitlement will equal the percentage of the Company's issued share capital that the aggregate number of Shares to be purchased under the Tender Offer represents.

Qualifying Shareholders can decide whether they want to tender all, some or none of their Individual Basic Entitlement in the Tender Offer at the Tender Price.

Qualifying Shareholders can tender their Shares in the following ways (in the case of certificated Shares):

- (i) placing an "X" in Box 3 of the Tender Form, indicating that they wish to tender their Individual Basic Entitlement; or
- (ii) insert a number of Shares in Box 3 of the Tender Form which they shall tender, where they wish to tender less or more than their Individual Basic Entitlement,

or as explained in paragraphs 3.3 and 3.4 of Part 5 of this document (in the case of uncertificated Shares).

Shareholders may tender Shares in excess of their Individual Basic Entitlement where other Shareholders tender less than their Individual Basic Entitlement and subject to the scaling back of tenders, as set out in paragraph 2.4 of Part 5 of this document.

If in finnCap's determination (in its absolute discretion) Box 3 of any Tender Form has not been validly completed in respect of the number of Shares to be tendered, provided that that Tender Form is otherwise in order and accompanied by all other relevant documents, the relevant Shareholders may be deemed to have tendered such amounts of Shares as are equal to their respective Individual Basic Entitlements.

All valid tenders made by a Qualifying Shareholder of a number of Shares less than or equal to its Individual Basic Entitlement, will be satisfied in full (subject to the Tender Offer not being withdrawn prior to its completion and satisfaction in full of the other terms and conditions set out in Part 5 of this document and (where relevant) the Tender Form).

If you wish to retain your Shares and do not wish to sell any of your Shares in the Tender Offer, do not complete and return the Tender Form or submit a TTE Instruction (as applicable). The Directors who hold Shares intend to tender their Individual Basic Entitlement in the Tender Offer.

The Tender Offer will close at 1.00 p.m. on 17 December 2021 and tenders received after that time will not be accepted (unless the Tender Offer is extended).

Number of Shares to be purchased

Successfully tendered Shares will be purchased by finnCap free of commission and dealing charges.

Any Shares repurchased by the Company from finnCap following the purchase by finnCap will be cancelled. Any rights of Shareholders who do not participate in the Tender Offer will be unaffected by the Tender Offer.

Circumstances in which the Tender Offer may not proceed

The Tender Offer is conditional on, among other things, the passing of the Tender Offer Resolution as set out in the Notice of Requisitioned General Meeting and on satisfaction of the other conditions specified in Part 5 of this document.

The Tender Offer is also conditional on there not arising any material adverse change or certain other force majeure events prior to the closing of the Tender Offer. Further details of these conditions are set out in paragraph 2.1 of Part 5 of this document.

Full terms and conditions of the Tender Offer

Full details of the Tender Offer, including the terms and Tender Conditions on which it is made, are set out in Part 5 of this document. Some questions and answers related to the Tender Offer are set out in Part 6 of this document.

Existing Share buy-back authority

The Company's authority to repurchase its own Shares, which was granted at the last annual general meeting of the Company held on 26 July 2021, in respect of up to 521,785 Shares, will remain in force and be unaffected by the Tender Offer.

To the extent that the Tender Offer is not taken up in full (including by way of excess tender applications), the Board intends to utilise the existing buy-back authority to conduct on-market buy-backs of Shares to return the full amount of the Tender Offer as soon as possible.

Costs and expenses of the Tender Offer

The costs and expenses relating to the Tender Offer will be reflected in the Tender Price and so will be borne by the Shares tendered. Such costs and expenses are not expected to exceed £186,000 (excluding portfolio realisation costs but including VAT).

Taxation in respect of the Tender Offer

Shareholders should be aware that there will be tax considerations that they should take into account when deciding whether or not to participate in the Tender Offer. Summary details of certain UK taxation considerations are set out in Part 8 of this document.

(c) *Further returns of capital pursuant to the Managed Wind-Down*

To enable the Company to effect further returns of capital to Shareholders to complete the proposed Managed Wind-Down over the next 24 months following the date of the General Meeting, the Board is also proposing a resolution to approve Future Tender Offers to enable the return of the further capital in the Company without further action being required by Shareholders until a replacement authority is sought at the Company's next annual general meeting. As noted above, the Board does not expect to use the B Share Scheme to effect further Returns of Capital to Shareholders, as the amount expected to be returned under the B Share Scheme as part of the Initial Return of Capital, is expected to substantially erode the amount which the Company can return to Shareholders as capital for UK tax purposes.

In order to effect further tender offers the Company will need to increase its distributable reserves and therefore also proposes a resolution to authorise the cancellation of the whole of its capital redemption reserve, together with any remaining share premium reserve after the B Shares are issued pursuant to the B Share Scheme in respect of the Initial Return of Capital, so that the Company may seek a court-approved capital reduction for this purpose. Further details of the cancellation of the capital redemption reserve and remaining share premium reserve are set out in paragraph 2.5 of this Part 1. It is the Board's intention that Future Tender Offers will be conducted at prices per share which represent the lowest discount at which it can be shown that those participating in the relevant tender offer carry the costs of such tender without detriment to other Shareholders who may not be able to participate, and in any event at a discount of no more than 2.5 per cent. to the Adjusted Post Tax NAV per Share at the time of such future tender.

In line with the Company's proposed New Investment Policy, the Board will aim to conduct an orderly realisation of the Company's assets in a manner that seeks to achieve a balance between maximising the value of the Company's investments and progressively returning cash to Shareholders. The quantum and timing of a Return of Capital to Shareholders following receipt by the Company of the net proceeds of realisations of investments will be dependent on the Company's liabilities and general working capital requirements.

Accordingly, the quantum and timing of any Return of Capital will be at the discretion of the Board, which will announce details of each Return of Capital through an RIS announcement.

2.4 Adoption of the New Articles

It is proposed that the rights attaching to the B Shares be included as new article 169 of the New Articles. Such rights set out when and how the B Shares may be issued and redeemed and are necessary for the implementation of the B Share Scheme. Please refer to Part 4 of this document for a summary of the rights attaching to the B Shares.

As there are no longer any of the historic B shares or C shares in the capital of the Company in existence, it is also proposed that existing articles 165 (in respect of the historic B shares) and 166 (in respect of the historic C shares) of the Existing Articles be deleted in accordance with the provisions of existing articles 165.6 and 166.6, together with any consequential amendments that may be required to the rest of the Existing Articles.

A copy of the Existing articles and the New Articles marked to show the changes will be available during normal business hours (Saturdays, Sunday and public holidays excepted) at the Company's registered office from the date of this document up to and including close of business on 15 December 2021 and the venue of the General Meeting for at least 15 minutes prior to the start of the meeting and up until the close of the meeting. A copy of the New Articles will also be placed for review on the Company's Website.

2.5 **Court approved Capital Reduction**

When carrying out any Future Tender Offers, the Company will be limited to the amount of its distributable reserves available at the time. To give the Board more flexibility, the Board proposes to carry out the Capital Reduction to increase its distributable reserves by the amount by which its capital redemption reserve and share premium account are reduced.

(a) *Capital Redemption Reserve & Share Premium Reduction*

The Companies Act treats a capital redemption reserve as if it were part of the Company's paid up share capital. The Company therefore only has two options for dealing with the capital redemption reserve. It may either (a) apply it in paying up unissued shares of the Company to be allotted to members of the Company as fully paid bonus shares; or (b) reduce it pursuant to the Companies Act provisions in the same way as it may reduce its share capital generally. The Board is recommending that any amount standing to the credit of the Company's capital redemption reserve be cancelled so that the total amount standing to the credit of the Company's capital redemption reserve following such reduction will be £nil.

In addition, the Companies Act requires that, if a company issues shares at a premium to the nominal value of those shares, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums must be transferred to the company's share premium account. A share premium account can only be used in very limited circumstances. The Board is recommending that any amount standing to the credit of the Company's share premium reserve after the B Shares are issued pursuant to the B Share Scheme in respect of the Initial Return of Capital be cancelled so that the total amount standing to the credit of the Company's share premium account following such reduction will be £nil.

The Board intends to use the reserves created pursuant to the Capital Reduction to carry out the Future Tender Offers.

(b) *Shareholder and Court Approval*

Shareholder approval is being sought to carry out the Capital Reduction pursuant to Resolution 8 set out in the Notice of Requisitioned General Meeting. In addition to approval by the Shareholders, the Capital Reduction requires the confirmation of the Court. Accordingly, following approval of the Capital Reduction by Shareholders, an application will be made to the Court in order to confirm and approve the Capital Reduction.

In confirming the Capital Reduction, the Court may need to be satisfied that there is no real likelihood of any creditor of the Company remaining unpaid by reason of the Capital Reduction. The Company anticipates being able to satisfy the Court in that regard and will put into place such form of creditor protection as it considers appropriate in the circumstances. The Board has undertaken a thorough and extensive review of the Company's liabilities (including contingent liabilities) and considers that the Company will be able to satisfy the Court that, as at the date on which the Court Order relating to the Capital Reduction and the statement of capital in respect of the Capital Reduction have both been registered by the Registrar of Companies at Companies House and the Capital Reduction therefore becomes effective, the Company's creditors will be sufficiently protected.

The Court approval process will involve an initial directions hearing and a subsequent final hearing by the Court to confirm the Capital Reduction and the Capital Reduction becoming effective as soon as possible thereafter, following the necessary registration of, amongst other things, the order of the Court confirming the Capital Reduction at Companies House. Based on current guidance from Companies House, it is anticipated that Companies House will take at least 14 calendar days from the date of the Court Order to register the Court Order and related documents.

The Board reserves the right to abandon or to discontinue (in whole or in part) the application to the Court in the event that the Board considers that the terms on which the Capital Reduction would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or the Shareholders as a whole.

3. Related party transaction – Amendments to the Harwood Agreements

In connection with Harwood's appointment as investment manager of the Company, the Company and Harwood are party to the following agreements (together, the "**Harwood Agreements**"):

- an investment management agreement dated 10 October 2021 ("**Existing IMA**");
- a conditional subscription letter relating to the proposed subscription of shares in the Company by Harwood dated 10 October 2021 ("**Subscription Letter**");
- a side letter to the Existing IMA relating to, among other things, financial commitments by Harwood to the Company's marketing budget ("**Side Letter**"); and
- a conditional relationship agreement to regulate the relationship between the Company and Harwood dated 10 October 2021 ("**Relationship Agreement**").

On 29 November 2021, the Company and Harwood entered into a conditional amendment and restatement agreement of the Existing IMA ("**New IMA**"), to reflect the impact the proposed Managed Wind-Down will have on Harwood's role as investment manager. The New IMA is conditional on Shareholder approval of Resolutions 2 and 3.

With effect from the passing of Resolutions 2 and 3, the key amendments to the Existing IMA are as follows:

- Harwood's appointment as investment manager is no longer for a minimum of one year, such that it could be terminated on six months' notice at any time;
- Harwood shall not be entitled to a management fee or performance fee (if applicable) unless the New IMA is terminated by the Company without cause, in which case Harwood will be entitled to the management fees and performance fees it would have received under the Existing IMA up to the date of termination of the New IMA. Any termination payment will be no greater than that which would have been payable under the Existing IMA. The fees payable under the Existing IMA would be:
 - o 1.25 per cent. of NAV up to £25 million and 1.0 per cent. of NAV thereafter per annum; and
 - o a performance fee equal to 10 per cent. of outperformance over the higher of a 6 per cent. per annum total return hurdle and the high watermark;
- the services of Harwood as investment manager have been amended to reflect that it will be managing the Company in accordance with the New Investment Policy; and
- Richard Staveley is expected to act as a consultant to Harwood and Christopher Mills will act as lead fund manager.

As GHE rejected Harwood's offer to purchase its entire holding in the Company, the Subscription Letter and Relationship Agreement have not become unconditional, so the Company and Harwood have entered into a side letter confirming the Subscription Letter and Relationship Agreement have terminated and no longer have any effect. In addition, subject to shareholder approval of Resolutions 2 and 3, the Company and Harwood have agreed to amend the Side Letter by deleting Harwood's contractual commitment to make certain financial contributions to the Company's marketing budget, as this will not be necessary in a Managed Wind-Down.

Harwood is treated as a related party for the purposes of the AIM Rules for Companies. Accordingly, the proposed changes to the Harwood Agreements as set out above constitute a related party transaction in accordance with rule 13 of the AIM Rules for Companies. The Directors, having consulted with finnCap, in its capacity as nominated adviser to the Company, consider the terms of the proposed changes to the Harwood Agreements to be fair and reasonable insofar as the Shareholders are concerned.

4. Company outlook

The Board notes that the Company's interim results for the six month period to 30 September 2021 are expected to be published in December 2021. Shareholders are advised to review that announcement to receive an update on the Company's financial position.

The Board expects the Managed Wind-Down will likely take up to 24 months to execute with the objective of delivering investors total proceeds which maximise the value of investments in the wind-down period less expenses required in the process.

The Board expects to lower the Company's cost base over the coming months. The goal in the Managed Wind-Down will be to achieve a balance between maximising the value received from those assets and making timely returns of capital to Shareholders.

5. Dividends

The Company paid a final dividend of 15.36 pence to Shareholders for the financial year ended 31 March 2021. Since then, no other dividends have been paid. As part of the Managed Wind-Down, the Company will continue to accumulate cash enabling it to continue returning cash to Shareholders in an orderly manner. However, the Board does not expect to declare any dividends in respect of the financial year to 31 March 2022, as its accumulated cash is expected to be used to return cash by way of a Return of Capital.

6. Risk factors

Shareholders' attention is drawn to the risk factors set out in Part 7 of this document. Shareholders should review the risk factors which set out certain factors that should be considered by Shareholders when deciding what action to take in relation to the Proposals.

With regards to taxation, Shareholders who are in any doubt as to what their tax position would be should the Proposals be adopted, are encouraged to consult an appropriate professional adviser.

7. Overseas Shareholders

The attention of Shareholders who are not resident in the United Kingdom is drawn to paragraph 5 of Part 3 of this document (in respect of the B Share Scheme) and paragraph 6 of Part 5 of this document (in respect of the Tender Offer).

8. Takeover Code

Shareholders' attention is drawn to important information set out in paragraph 5 of Part 9 of this document relating to certain provisions of the Takeover Code which will be relevant to purchases of Shares after the date of this document.

9. Details of the General Meeting

Location, Date and Time

The Proposals are subject to Shareholder approval. Set out at the end of this document is the Notice of Requisitioned General Meeting to be held at the offices of finnCap, One Bartholomew Close, London, EC1A 7BL at 2.00 p.m. on 15 December 2021, where the following resolutions will be proposed:

Resolutions

Resolutions 1 to 5 are proposed as ordinary resolutions and Resolutions 6 to 9, as special resolutions.

If passed, the B Share Resolutions will allow the Company to return capital to Shareholders through a bonus issue of B Shares. Shortly after their date of issue, the B Shares would be redeemed at the option of the Company and cancelled in accordance with their terms. The redemption proceeds would then be sent to Shareholders, as set out more fully in Parts 3 and 4 of this document. Subject to the B Share Resolutions being passed, the Initial Return of Capital would be implemented at the discretion of the Company.

- **Resolution 1** is proposed as an ordinary resolution to effect the immediate return of cash on the Company's balance sheet (including the proceeds arising from the disposal of its interest in Augean plc) to its existing Shareholders.
- **Resolution 2** is proposed as an ordinary resolution which authorises the Directors to commence the complete realisation of the Company's assets to maximise the value of its assets for the benefit of all its Shareholders, with such realisation and return of capital to Shareholders to be completed within 24 months of the General Meeting.
- **Resolution 3** is proposed as an ordinary resolution (conditional on Resolution 2 being passed) which authorises the Directors to adopt the New Investment Policy, as set out at Part 2 of this document, in substitution for the Current Investment Policy.
- **Resolution 4** is proposed as an ordinary resolution (conditional on Resolutions 1 and 6 being approved) which authorises the Directors to capitalise the sums standing to the credit of certain of the Company's reserves and to apply such sums in paying up in full up to 10,442,652 B Shares for the purpose of the Initial Return of Capital.
- **Resolution 5** is proposed as an ordinary resolution (conditional on Resolutions 1, 4 and 6 being approved) which authorises the Directors to issue B Shares from time to time up to an aggregate nominal amount of £10,442,652 on a pro rata basis to the holders of Shares by way of bonus issues. If approved, this authority to allot and issue B Shares will expire and, if the Directors consider appropriate, be proposed for renewal, at the next annual general meeting of the Company in 2022 and at each annual general meeting thereafter.
- **Resolution 6** is proposed as a special resolution (conditional on Resolution 1 being approved) and relates to the adoption of the New Articles which set out the rights of the B Shares as described in Part 4 of this document and enable the Directors to capitalise reserves from time to time for the purposes of the B Share Scheme with the authority which will be sought pursuant to Resolutions 4 and 5.
- **Resolution 7** is proposed as a special resolution (conditional on Resolution 1 being approved) and relates to the approval of the Tender Offer, further details of which are set out in Parts 5 and 6 of this document and will enable the Directors to make market purchases of ordinary shares for the purposes of the Tender Offer.
- **Resolution 8** is proposed as a special resolution (conditional on Resolution 2 being approved) and relates to the cancellation of the Company's capital redemption reserve together with any remaining share premium reserve after the B Shares are issued pursuant to the B Share Scheme in respect of the Initial Return of Capital, to be effected by way of the Capital Reduction to create further distributable reserves from which the Directors may make further tender offers for ordinary shares for the purposes of further returns of capital pursuant to the Managed Wind-Down.
- **Resolution 9** is proposed as a special resolution (conditional on Resolution 2 being approved) and relates to the approval of further tender offers which may be announced at the Directors' discretion, to enable the Directors to make market purchases of ordinary shares for the purposes of further returns of capital pursuant to the Managed Wind-Down.

Voting and attendance

The Resolutions will be conducted on a poll. An ordinary resolution will require more than 50 per cent. of the votes cast (whether in person or by proxy) to be in favour in order for it to be passed. A special resolution requires at least 75 per cent. of the votes cast (whether in person or by proxy) to be in favour in order for it to be passed.

All Shareholders are entitled to attend and vote at the General Meeting.

In accordance with the Existing Articles, all Shareholders entitled to vote and be present in person or by proxy at the General Meeting shall upon a poll have one vote in respect of each Share held. In order to ensure that a quorum is present at the General Meeting, it is necessary for two or more Shareholders to be present in person or by proxy (or, if a corporation, by representative).

10. Action to be taken

YOU ARE ADVISED TO READ ALL OF THE INFORMATION CONTAINED IN THIS DOCUMENT BEFORE DECIDING ON THE COURSE OF ACTION YOU WILL TAKE IN RESPECT OF THE GENERAL MEETING AND THE TENDER OFFER.

Voting at the General Meeting/Form of Proxy

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meeting and if the Shares not held directly, to arrange for their nominee to vote on their behalf. Shareholders will find enclosed with this document a personalised Form of Proxy for use at the General Meeting.

To be valid, the Form of Proxy must be completed, signed and returned in accordance with the instructions printed thereon to the Company's Registrar, Link Group, FREEPOST PXS, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, or deliver it by hand during office hours only to the same address so as to be received as soon as possible and in any event by no later than 2.00 p.m. on 13 December 2021. If you hold your Shares in uncertificated form (i.e. in CREST) you may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of Requisitioned General Meeting set out at the end of this document). Proxies submitted via CREST for the General Meeting must be transmitted so as to be received by the Registrars, as soon as possible and, in any event, by no later than 2.00 p.m. on 13 December 2021.

Shareholders are requested to complete and return a Form of Proxy whether or not they wish to attend the General Meeting and regardless of whether they intend to tender their Shares under the Tender Offer. The return of a Form of Proxy will not prevent Shareholders from attending the General Meeting and voting in person should they so wish.

Participation in the Tender Offer

Only Shareholders whose names appear on the Register on the Tender Offer Record Date, being 6.00 p.m. on 17 December 2021, are able to participate in the Tender Offer in respect of the Shares held as at that time.

If you hold your Shares in certificated form and you wish to tender some or all of your Shares, you should complete the Tender Form in accordance with the instructions printed on it and in Part 5 of this document and return it by post in the accompanying reply-paid envelope (for use in the UK only) or by hand to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, together with your share certificate(s) in respect of the Shares tendered. A Tender Form submitted without the related share certificate or other document(s) of title representing the amount of Shares to be tendered will be treated as invalid.

If you hold your Shares in uncertificated form and you wish to tender some or all of your Shares, you should send a TTE Instruction and follow the procedures set out in Part 5 of this document in respect of tendering uncertificated Shares.

If you do not wish to sell any of your Shares in the Tender Offer, do not complete and return the Tender Form or submit a TTE Instruction (as applicable).

Whether, and to the extent to which, Shareholders participate in the Tender Offer is a matter each Shareholder to decide and will be influenced by their own individual financial and tax circumstances and investment objectives. Shareholders should seek advice from an appropriately qualified independent financial adviser, authorised under FSMA if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom. All Shareholders are strongly advised to consult their professional advisers regarding their own tax position.

If you have any questions about the procedure for tendering Shares or making a TTE Instruction, you require extra copies of this document or the Tender Form or you want help filling in the Tender Form, please telephone the Shareholder Helpline on 0371 664 0321 (from inside the UK) and +44 (0) 371 664 0321 (from outside the UK). Lines are open from 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales). Please note that calls to these numbers may be monitored or recorded for security and training purposes. Calls to the Shareholder Helpline are charged at the standard geographic rate and will vary by provider. Calls from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones.

Please note that for legal reasons the Shareholder Helpline will only be able to provide information contained in this document and the accompanying Tender Form and will be unable to give advice on the merits of the Tender Offer or to provide financial, investment or taxation advice.

The results of the General Meeting will be announced through a Regulatory Information Service and the Company's Website as soon as possible once known. It is expected that this will be on 15 December 2021.

11. Intentions of GHE and the Directors relating to the Tender Offer

The Company has received an irrevocable undertaking from GHE to:

- accept the Tender Offer in respect of the GHE Tendered Shares; and
- vote in favour of all of the Resolutions in respect of the GHE Shares.

Further details of this irrevocable undertaking are set out in paragraph 3 of Part 9 of this document.

In addition, those Directors who hold Shares intend to tender at least their full Individual Basic Entitlements under the Tender Offer, comprising 32,373 Shares in aggregate (representing approximately 0.93 per cent. of the issued ordinary share capital of the Company as at 26 November 2021 (being the latest practicable date prior to the publication of this document)).

12. Recommendation

The Board believes, having taken into account the views of a range of major Shareholders who have expressed their intention to support Resolutions 1 and 2, that the Proposals are in the interests of the Company and its Shareholders as a whole, and should yield the following principal benefits:

- implementing the Managed Wind-Down is expected to achieve a balance between maximising the net value received from those investments and making timely returns to Shareholders; and
- the Proposals will allow cash to be returned to Shareholders in a cost-effective, tax-efficient and timely manner through the proposed B Share Scheme, Tender Offer and Future Tender Offers (or by way of such other mechanisms which the Directors consider, in their discretion, are in the best interests of Shareholders from time to time).

Accordingly, the Board recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting. Graham Bird intends to vote in favour of all of the Resolutions in respect of his own beneficial holdings amounting to 26,543 Shares representing 0.76 per cent. of the issued share capital of the Company as at 26 November 2021 (being the latest practicable date prior to the publication of this document). Kenneth Lever, being the only independent non-executive director present at the time of the conclusion of the Strategic Review, does not intend to support Resolutions 1 and 2 but will support the remaining resolutions on the basis that they are necessary to implement Resolutions 1 and 2 which are very likely to be passed as a result of the support of GHE and certain other Shareholders.

The Board makes no recommendation to Shareholders as to whether or not they should tender all or any of their Shares in the Tender Offer. Whether or not Shareholders decide to tender their Shares will depend, amongst other factors, on their view of the Company's prospects and their own individual circumstances, including their own tax position. If you are in any doubt as to the action you should take, you are recommended to seek your own independent advice.

Yours faithfully

Simon Pyper Kenneth Lever Graham Bird
The Board

PART 2

PROPOSED NEW INVESTMENT POLICY

It is proposed that, if the Proposals are approved, the Current Investment Policy will be deleted in its entirety and replaced with the New Investment Policy set out below.

Investment Policy:

The Company will be managed with the intention of realising all remaining investments in a prudent manner consistent with the principles of good investment management and with a view to returning cash to Shareholders in an orderly manner, with such realisations and returns of cash to Shareholders to be completed within 24 months of the General Meeting.

The Company will pursue the investment policy by effecting an orderly realisation of the investments of the Company in a manner that seeks to achieve a balance between maximising the value received from those investments and making timely returns of capital to Shareholders.

The Company will cease to make any new investments except where, in the opinion of the Investment Manager, and with the approval of the Board:

- *the investment is a follow-on investment made in connection with an existing asset held by the Company in order to comply with the Group's pre-existing obligations; or*
- *failure to make the follow-on investment may result in a breach of contract or applicable law or regulation by the Group; or*
- *the investment is considered necessary by the Board to protect or enhance the value of any existing investments of the Company or to facilitate orderly disposals of assets held by the Company.*

Any cash received by the Company as part of the realisation process prior to its distribution to Shareholders will be held by the Company, on behalf of the Shareholders, as cash on deposit and/or as cash equivalents.

The Company does not intend to undertake any new borrowings although the Company may borrow where, in the opinion of both the Board and the Investment Manager, necessary for working capital purposes or to protect or enhance the value of an existing investment of the Company and the Company does not have the available equity capital to fund the investment. Any such borrowings are expected to be short-term and would be repaid following the realisation of assets.

At the end of the proposed 24 month period, should any of the Company's investments remain unrealised, the Board will make arrangements to seek Shareholder approval as to whether to extend the realisation period or put the company into members' voluntary liquidation.

Any material change to the New Investment Policy would require Shareholder approval in accordance with the AIM Rules.

PART 3

DETAILS OF THE B SHARE SCHEME

1. Conditions to the implementation of the B Share Scheme

The B Share Scheme requires and is conditional upon Shareholder approval of the B Share Resolutions at the General Meeting. A Notice of Requisitioned General Meeting is set out at the end of this document and a summary explanation of the B Share Resolutions is set out in paragraph 8 below. The action to be taken by Shareholders is set out on paragraph 10 of Part 1 of this document.

If the B Share Resolutions are not passed then the Company will be unable to return surplus cash from time to time to Shareholders by way of a B Share Scheme although cash may still be returned in other ways.

2. Returns of Capital to Shareholders

A Return of Capital consists of the allotment and issue of B Shares to Shareholders and the redemption of the B Shares by the Company.

The Board intends to notify Shareholders of the details of any and each Return of Capital, including the relevant Record Date, the Redemption Price and the Redemption Date, at the relevant time through an RIS Announcement, a copy of which will be communicated to Shareholders.

It is the intention of the Board that, subject to the passing of the B Share Resolutions at the General Meeting, payments to Shareholders in respect of the Initial Return of Capital pursuant to the B Share Scheme is completed on 30 December 2021. The Record Date in respect of the Initial Return of Capital pursuant to the B Share Scheme will be 6 p.m. on 15 December 2021, the Redemption Date will be 16 December 2021 and the Redemption Price will be £1 per B Share.

3. Allotment and issue of and rights attaching to the B Shares

For the purposes of making an issue of B Shares, it is proposed that the Directors be authorised to capitalise from time to time amounts standing to the credit of the Company's share premium account for the purpose of making a new issue of shares in accordance with the Act and article 169 of the New Articles. These aggregate capitalised amounts will be used from time to time to pay up in full B Shares with a nominal value of £1 each on the basis that the aggregate nominal value of the B Shares so issued on each such occasion will not exceed the aggregate sum or sums capitalised on each such occasion for the purposes of such B Share issue. The aggregate maximum number of B Shares that may be issued by the Company over time under the B Share Scheme will not exceed 10,442,652 and the aggregate nominal value of all B Shares issued will not exceed £10,442,652.

As at close of business on 26 November 2021 (being the latest practicable date prior to the publication of this document), the amount standing to the credit of Company's share premium account was £13,062,140.24 of which at least £10,442,652 should be available to returned to Shareholders as capital for UK tax purposes.

Under the New Articles, the Directors may, having obtained the relevant authority of Shareholders, capitalise any sum standing to the credit of the Company's share premium account for the purposes of paying up, allotting and issuing B Shares to Shareholders.

The B Shares will be allotted and issued to Shareholders pro rata to their holding of Shares at the time of the issue of the B Shares. The Company will not allot any fractions of B Shares and entitlements will be rounded down to the nearest whole B Share.

The B Shares will have only very limited rights, including a right to a very small fixed rate dividend and will be non-transferable. The rights and restrictions to be attached to the B Shares are more fully set out in Part 4 of this document.

No share certificates will be issued for any B Shares allotted and no CREST accounts will be credited with any such shares.

No application will be made for the B Shares to be listed or admitted to trading on AIM and the B Shares will not be listed or admitted to trading on any other securities or investment exchange or trading platform. Given the very short time for which any B Shares issued will be in issue, it is unlikely that any dividend will become payable on the B Shares.

4. Redemption

Each redemption of B Shares will be undertaken at the option of the Company. It is expected that redemption will occur shortly after each date of issue of the B Shares, when all of the B Shares then in issue will be compulsorily redeemed and cancelled in accordance with their terms for an amount not exceeding the amount treated as paid up on the B Shares.

Following the redemption and cancellation of the B Shares, the redemption proceeds will be sent to Shareholders either through CREST to uncertificated Shareholders or via cheque to certificated Shareholders. As any B Share Dividend payment will be an income payment, it will be paid separately either to mandated bank accounts or by cheque. The cash received, other than any very small B Share dividend, should, under current legislation, be taxed as capital for UK Shareholders. Please see Part 8 of this document for a summary guide to certain potential tax consequences in the UK.

5. Overseas Shareholders

Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of other countries should consult their professional advisers to ascertain whether the B Share Scheme (including, as may be relevant in each case, the issue, holding or redemption of the B Shares (which will be non-transferable)) will be subject to any restrictions or require compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which they are resident or to which they are subject. In particular, it is the responsibility of any Overseas Shareholder to satisfy himself or herself as to full observance of the laws of each relevant jurisdiction in connection with the B Share Scheme, including the obtaining of any government, exchange control or other consents which may be required or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties in such jurisdiction.

The distribution of this document in certain jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the B Share Scheme constitutes an invitation, offer or other action on the part of the Company in any jurisdiction in which such invitation, offer or other action is unlawful.

The provisions of this paragraph 5 relating to Overseas Shareholders may be waived, varied or modified as regards specific Overseas Shareholders or on a general basis by the Company in its absolute discretion.

6. Securities law considerations in the United States

None of the B Shares will be registered under the US Securities Act or with any state or other jurisdiction of the United States, and none of the B Shares may be reoffered, resold, pledged, or otherwise transferred in or into the United States or to any US persons except pursuant to a transaction that has been registered under the US Securities Act and with the relevant state and other jurisdictions or a transaction that is exempt from, or otherwise not subject to, the securities laws of such jurisdictions.

7. Amendments to the Existing Articles

Amendments to the Existing Articles are required in order to implement the B Share Scheme and require approval at the General Meeting. Therefore it is proposed that the Existing Articles be amended by the adoption of the New Articles which include an insertion that contains the rights and restrictions attaching to the B Shares, as set out in Part 4 of this document together with a mechanism to allow the Directors to capitalise any sum or sums standing to the credit of Company's share premium account from time to time for the purposes of the B Share Scheme with the authority of an ordinary resolution of Shareholders to be obtained on a one-off basis.

8. Summary explanation of the B Share Resolutions

Resolutions 4 and 5 will each be proposed as ordinary resolutions, the passing of which requires more than 50 per cent. of the votes cast (whether in person or by proxy) to be in favour.

Resolution 6 will be proposed at the General Meeting as a special resolution, the passing of which requires at least 75 per cent. of the votes cast (whether in person or by proxy) to be in favour.

If passed, the B Share Resolutions will allow the Company to return capital to Shareholders through bonus issues of B Shares. Shortly after their date of issue, the B Shares would be redeemed at the option of the Company and cancelled in accordance with their terms. The redemption proceeds would then be sent to Shareholders, as set out paragraph 4 of this Part 3. Subject to the B Share Resolutions being passed, each Return of Capital would be implemented at the discretion of the Company. However, following the Initial Return of Capital, the Board is not expected to use the B Share Scheme to effect further Returns of Capital to Shareholders, as it is expected that the use of the B Share Scheme as part of the Initial Return of Capital will substantially erode the amount which the Company can return to Shareholders as capital for UK tax purposes.

A summary of the B Share Resolutions follows below:

- Resolution 4 (which is conditional upon the passing of Resolutions 1 and 6 being approved) proposes to authorise the Directors to capitalise from time to time a sum or sums not exceeding, at each relevant time, the aggregate amount then standing to the credit of the Company's share premium account in accordance with the Act and the New Articles, and to apply such sum or sums from time to time in paying up in full up to 10,442,652 unlisted redeemable fixed rate preference shares of £1 each in the capital of the Company carrying the rights and restrictions set out in article 169 of the New Articles which may be allotted from time to time pursuant to the authority given by Resolution 5.
- Resolution 5 (which is conditional upon Resolutions 1, 4 and 6 being approved) proposes to authorise the Directors to allot and issue B Shares from time to time on a pro rata basis as determined by the Directors from time to time up to an aggregate nominal amount of £10,442,652. This authority to allot will expire and, if the Directors consider appropriate, be proposed for renewal, at the next annual general meeting of the Company which is expected to be held by 30 September 2022 and at each annual general meeting thereafter.
- Resolution 6 (which is conditional upon Resolution 1 being approved) proposes the adoption of New Articles with immediate effect incorporating the rights and restrictions to be attached to the B Shares (as set out in Part 4 of this document) together with a mechanism to allow the Directors to capitalise a sum or sums standing to the credit of the Company's share premium account from time to time for the purposes of the B Share Scheme with the authority of an ordinary resolution of Shareholders to be obtained on a one-off basis.

PART 4

RIGHTS AND RESTRICTIONS ATTACHED TO B SHARES

Set out below is the proposed insertion to the Existing Articles, which contains the rights and restrictions attached to the B Shares. The following article 169 is to be inserted into the Existing Articles immediately following the existing article 168 together with any new defined terms and other consequential amendments required.

The Company also proposes to delete the wording in existing articles 165 and 166 in accordance with the provisions of articles 165.6 and 166.6 respectively, together with any deletion of defined terms or other consequential amendments required, as the historic B shares and C shares in the capital of the Company are no longer in existence.

The proposed changes will together form the New Articles. The Company is seeking Shareholder approval to adopt the New Articles pursuant to Resolution 6.

“B Shares

169. **Rights and restrictions attached to B Shares**

- 169.1 Subject to the 2006 Act and notwithstanding anything in these Articles to the contrary:
- 169.1.1 the Directors may issue B Shares provided that such B Shares are fully paid up out of the reserves of the Company; and
 - 169.1.2 the Directors may, with the authority of an ordinary resolution of the Company (which need only be obtained once and need not be obtained on every occasion B Shares are to be issued), from time to time resolve to capitalise any sum or sums standing to the credit of the Company's share premium account and apply such sum or sums for the purposes of paying up B Shares to be allotted and issued to existing Shareholders pro rata to their shareholding of Shares at the time of issue of B Shares. No fractions of B Shares will be issued and entitlements will be rounded down to the nearest whole B Share.
- 169.2 Notwithstanding any other provisions in these Articles, the B Shares shall have the rights, and be subject to the restrictions, attaching to shares set out in these Articles save that in the event of a conflict between any provision in this Article 169 and any other provision in these Articles, the provisions in this Article 169 shall prevail.
- 169.3 The profits available for distribution shall be applied first in paying to the holders of the B Shares (in priority to any payment of dividend to the holders of any other class of shares in the capital of the Company) a fixed rate cumulative preferential cash dividend (the “**Preferential Dividend**”) at the rate of 1 per cent. of the nominal value of £1 on every B Share held by them, such dividend to be paid annually on the date falling six months after the date on which any B Shares are issued and thereafter on each anniversary of such date (the “**Fixed Dividend Dates**”) to the registered holders of B Shares shown in the register of members of the Company on the relevant Fixed Dividend Date. Every Preferential Dividend shall be distributed to the holders of the B Shares pro rata according to the amounts paid up or credited as paid up on the B Shares held by them respectively and shall be rounded down to the nearest whole penny.
- 169.4 Except as provided in Article 169.9 below, on a return of capital on a winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of the B Shares shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company, to £1 per B Share held by them.
- 169.5 On a winding up, the holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in Article 169.4 above. In the event that there is a winding-up to which Article 169.4 applies and the amounts available for payment are insufficient to pay the amounts due on all the B Shares in full, the holders of the B

Shares shall be entitled to their pro rata proportion of the amounts to which they would otherwise be entitled.

169.6 The aggregate entitlement of each holder of B Shares on a winding-up in respect of all the B Shares held by him shall be rounded down to the nearest whole penny.

169.7 The holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in their capacity as holders of B Shares.

169.8 **Attendance and voting at general meetings**

169.8.1 The holders of the B Shares shall not be entitled, in their capacity as holders of such B Shares, to receive notice of any general meeting of the Company nor to attend, speak or vote at any such general meeting nor to vote on a written resolution of the Company.

169.8.2 The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B Shares) shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

169.8.3 A reduction by the Company of the capital paid up or credited as paid up on the B Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

169.8.4 Without prejudice to the generality of the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such redemption (or purchase) shall not involve a variation of any rights attaching to the B Shares for any purpose or require the consent of the holders of the B Shares.

169.9 **Redemption of B Shares**

Subject to the provisions of the 2006 Act and these Articles, the Company shall redeem the B Shares as follows:

169.9.1 The B Shares shall be redeemed at such time or times as the Directors may in their absolute discretion determine (each a "**Redemption Time**"). There shall be paid on each B Share redeemed under this Article 169.9 the amount paid up thereon together with a sum equal to all arrears, of any Preferential Dividend due and payable at any time prior to the Redemption Time.

169.9.2 As from the Redemption Time, no Preferential Dividends shall be payable on the B Shares.

169.9.3 In the absence of bad faith or wilful default, neither the Company nor any of its Directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the determination of the Redemption Time in accordance with Article 169.9.1 above.

169.9.4 The receipt of the registered holder for the time being of any B Shares (or in the case of joint registered holders the receipt of any of them) of the monies payable on redemption thereof shall constitute an absolute discharge to the Company in respect thereof.

169.10 **Transfer**

The B Shares shall not be transferable.

169.11 **Share certificates**

The B Shares shall not be listed or admitted to trading on any stock exchange nor shall any share certificates be issued in respect of the B Shares.

169.12 **Definitions**

For the purposes of this Article 169, the following terms have the meanings given below:

B Shares	unlisted, redeemable, fixed rate preference shares of £1 each in the capital of the Company
Fixed Dividend Dates	has the meaning given to it in Article 169.3
Preferential Dividend	has the meaning given to it in Article 169.3
Redemption Time	has the meaning given to it in Article 169.9.1

PART 5

TERMS AND CONDITIONS OF THE TENDER OFFER

1. Introduction

- 1.1 Qualifying Shareholders are being invited to tender some, all or none of their Individual Basic Entitlement for purchase by finnCap on the terms and subject to the conditions set out in this document and, in the case of certificated Shares only, in the accompanying Tender Form.
- 1.2 Qualifying Shareholders who do not wish to participate in the Tender Offer need take no action. The rights of Qualifying Shareholders who choose not to tender their Shares will be unaffected.
- 1.3 The Shares purchased by finnCap pursuant to the Tender Offer will, following the completion of the Tender Offer, be acquired from finnCap by the Company in accordance with, and subject to, the terms and conditions of the Repurchase Agreement through the facilities of AIM, and such Shares will subsequently be cancelled.

2. Terms and Conditions of the Tender Offer

- 2.1 The Tender Offer is conditional upon the following (together, the “**Tender Conditions**”):
 - 2.1.1 the passing of the Tender Offer Resolution at the General Meeting and such resolution remaining in full force and effect;
 - 2.1.2 finnCap being satisfied that the Company has procured payment of an amount equal to the Tender Price multiplied by the number of Shares successfully tendered into a designated bank account in accordance with the Repurchase Agreement;
 - 2.1.3 finnCap being satisfied that the Company has sufficient distributable profits (as defined in section 830 of the Companies Act) to effect the purchase of all Shares successfully tendered pursuant to the Repurchase Agreement;
 - 2.1.4 the Tender Offer not having been terminated in accordance with paragraph 2.29 of this Part 5; and
 - 2.1.5 finnCap being satisfied, acting in good faith, that, at all times up to immediately prior to the announcement of the results of the Tender Offer, the Company has complied with its obligations, and is not in breach of any of the representations and warranties given by it, under the Repurchase Agreement.

finnCap will not purchase the Shares pursuant to the Tender Offer unless the Tender Conditions have been satisfied. The purchase by finnCap of the Shares pursuant to the Tender Offer will occur upon the Tender Conditions being satisfied. If any of the Tender Conditions are not satisfied by 5.00 p.m. on 20 December 2021 (or such later time and date as the Company and finnCap may agree), the Tender Offer will lapse.

- 2.2 All Shares tendered by Qualifying Shareholders under the Tender Offer will be tendered at the Tender Price, which will be calculated by the Company in accordance with paragraph 7 of this Part 5. The calculations approved by the Board will be conclusive and binding on all Shareholders. Shares may not be tendered at any other price.
- 2.3 The Individual Basic Entitlement will be calculated by dividing £14.6 million by the Tender Price to give the aggregate number of Shares that will be purchased under the Tender Offer. The Individual Basic Entitlement will equal the percentage of the issued Share capital that the aggregate number of Shares that will be purchased under the Tender Offer represents. The Individual Basic Entitlement and the maximum aggregate number of Shares that can be repurchased pursuant to the Tender Offer will be announced on 13 December 2021 alongside the Tender Price and the Company's Adjusted Post Tax NAV per Share as at 9 December 2021.
- 2.4 Shareholders will also be entitled to sell more Shares than their Individual Basic Entitlement up to the total number of Shares held by each Shareholder on the Tender Offer Record Date, but only to the extent to which other Shareholders tender less than their aggregate Individual Basic Entitlement. In

these circumstances, excess tenders will be satisfied, subject to the overall limit on the number of Shares which may be purchased by the Company pursuant to the Tender Offer pro rata and in proportion to the aggregate number of Shares validly tendered by Shareholders in excess of their Individual Basic Entitlement (rounded down to the nearest whole number of Shares).

- 2.5 The Board has chosen to seek authority to purchase a maximum of 1,040,784 Shares pursuant to the Tender Offer, representing approximately 29.9 per cent. of the Company's issued share capital as at 26 November 2021 (being the latest practicable date prior to the publication of this document). The maximum number of Shares to be purchased under the Tender Offer will not be known until the Tender Price has been calculated. The Board has therefore chosen this figure to ensure that there is sufficient capacity under the authority to return the full £14.6 million to Shareholders.
- 2.6 Shares acquired by finnCap in the Tender Offer and by the Company from finnCap pursuant to the Repurchase Agreement will be on-market purchases in accordance with the AIM Rules.
- 2.7 The Tender Offer is available only to Qualifying Shareholders and by reference to the number of Shares registered in those Qualifying Shareholders' names at such time. If the total number of Shares tendered exceeds such Qualifying Shareholder's Individual Basic Entitlement, it will be taken to have tendered all of its Individual Basic Entitlement.
- 2.8 Shareholders may tender Shares in excess of their Individual Basic Entitlement where other Shareholders tender less than their Individual Basic Entitlement and subject to the scaling back of tenders, as set out in paragraph 2.4 above. If in finnCap's determination (in its absolute discretion) Box 3 of any Tender Form has not been validly completed in respect of the number of Shares to be tendered, provided that that Tender Form is otherwise in order and accompanied by all other relevant documents, the relevant Shareholders may be deemed to have tendered such amounts of Shares as are equal to their respective Individual Basic Entitlements.
- 2.9 All or any part of a Qualifying Shareholder's Individual Basic Entitlement may be tendered. Shares successfully tendered under the Tender Offer will be sold to finnCap (acting as principal) fully paid and free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same.
- 2.10 In accordance with the terms and subject to the conditions of the Repurchase Agreement, Shares successfully tendered under the Tender Offer (or a corresponding number of Shares) will be sold by finnCap to the Company through the facilities of AIM and will be cancelled.
- 2.11 The consideration for each tendered Share acquired by finnCap pursuant to the Tender Offer will be paid in accordance with the settlement procedure set out in paragraph 5 below. finnCap will not be liable to pay the Tender Price to tendering Shareholders unless and until the Company has paid the amount necessary for it to purchase from finnCap all the tendered Shares pursuant to the terms of the Repurchase Agreement.
- 2.12 The Tender Offer will close at 1.00 p.m. on 17 December 2021 and no tenders received after that time will be accepted unless otherwise approved by finnCap (with the consent of the Company).
- 2.13 Tender Forms which have been, or are deemed to be, validly and properly completed (for Shares held in certificated form) and submitted to the Receiving Agent and TTE Instructions which have settled (for Shares held in uncertificated form) will become irrevocable and cannot be withdrawn at 1.00 p.m. on 17 December 2021. All questions as to the validity (including time of receipt) of tenders will be determined by finnCap, in its sole discretion, which determination shall be final and binding (except as otherwise required under applicable law). finnCap reserves the right to reject any or all tenders it determines not to be in proper form or the acceptance of payment for which may, in the opinion of finnCap, be unlawful. None of the Company, finnCap, the Receiving Agent or any other person is or will be obliged to give notice of any defects or irregularities and none of them will incur any liability for failure to give such notice.
- 2.14 All tenders of Shares held in certificated form must be made on the accompanying Tender Form, duly completed in accordance with the instructions set out below and on the Tender Form, as applicable

(which constitute part of the terms of the Tender Offer). Such tenders will be valid only if the procedures contained in this document and in the Tender Form are complied with.

- 2.15 All tenders of Shares held in uncertificated form (that is, in CREST) must be made by the input and settlement of an appropriate TTE Instruction in CREST in accordance with the instructions set out below and the relevant procedures in the CREST manual which together constitute part of the terms of the Tender Offer. Such tenders will be valid only if the procedures contained in this document and in the relevant parts of the CREST manual are complied with.
- 2.16 The Tender Offer and all tenders will be governed by, and construed in accordance with, the laws of England and Wales and the delivery of a Tender Form or the input of a TTE Instruction in CREST, as applicable, will constitute submission to the jurisdiction of the courts of England and Wales.
- 2.17 The results of the Tender Offer are expected to be announced on 20 December 2021.
- 2.18 All documents and remittances sent by or to Shareholders and all instructions made by or on behalf of a Shareholder in CREST relating to the Tender Offer will be sent or made (as the case may be) at the risk of the sender or maker. If the Tender Offer does not become unconditional, or does not proceed, and lapses, in respect of Shares held in certificated form, Tender Forms, share certificates and other documents of title will be returned by post to Shareholders not later than 20 Business Days after the date of such lapse, or, in respect of Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all Shares held in escrow balances by TFE Instruction to the original available balances to which those Shares relate.
- 2.19 If only part of a holding of Shares is successfully tendered pursuant to the Tender Offer, the relevant Qualifying Shareholder will be entitled to receive the following:
- 2.19.1 if Shares are held in certificated form, a certificate in respect of the unsold Shares; or
 - 2.19.2 if Shares are held in uncertificated form (that is, in CREST), the transfer by the Receiving Agent by TFE Instruction to the original available balances of those unsold Shares or the credit of the balance of the unsold Shares by the Receiving Agent by an ARAN Message.
- 2.20 Further copies of the Tender Form may be obtained on request from the Receiving Agent or by telephone from the Shareholder Helpline on 0371 664 0321 or, if calling from overseas, on +44 (0) 371 664 0321. Lines are open 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales). Calls to the Shareholder Helpline are charged at the standard geographic rate and will vary by provider. Calls to the Shareholder Helpline from outside the UK will be charged at the applicable international rate. Calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline cannot provide advice on the merits of the Tender Offer or give any financial, legal or tax advice.
- 2.21 Under the Tender Offer and subject to the terms and conditions set out in this Part 5 of this document, and (where relevant) the Tender Form, Qualifying Shareholders will be entitled to sell to finnCap up to their Individual Basic Entitlement subject to any excess tenders that are successful pursuant to paragraph 2.4 above. Alternatively, they may tender a number of Shares representing less than the Qualifying Shareholder's Individual Basic Entitlement.
- 2.22 All valid tenders made by a Qualifying Shareholder of a number of Shares less than or equal to the Individual Basic Entitlement, will be satisfied in full (subject to the Tender Offer not being withdrawn prior to its completion and satisfaction of the other terms and conditions set out in this Part 5 of this document and (where relevant) the Tender Form).
- 2.23 All Shares successfully tendered will be purchased by finnCap, as principal and not as agent, nominee or trustee, at the Tender Price.
- 2.24 All questions as to the number of Shares tendered and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Shares under the Tender Offer will be determined by finnCap in its sole discretion, which determination shall be final and binding on all parties (except as otherwise required under applicable law).

- 2.25 finnCap reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance of payment for which may, in the opinion of finnCap, be unlawful. finnCap also reserves the absolute right to waive any of the terms or conditions of the Tender Offer (other than the Tender Conditions) and any defect or irregularity in the tender of any particular Shares or any particular holder thereof. No tender of Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration under the Tender Offer will not be despatched (in respect of Shares in certificated form) or made by way of CREST payment (in respect of Shares in uncertificated form) to the relevant Shareholder until after (in the case of Shares in certificated form) the Tender Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to finnCap have been received or (in the case of Shares in uncertificated form) the relevant TTE Instruction has settled.
- 2.26 None of the Receiving Agent, finnCap, the Company or any other person is or will be obliged to give notice of any defects or irregularities in any tender and none of them will incur any liability for failure to give any such notice.
- 2.27 Shares will be purchased under the Tender Offer free of all commissions and dealing charges.
- 2.28 The failure of any person to receive a copy of this document or the Tender Form shall not invalidate any aspect of the Tender Offer. None of the Company, the Receiving Agent, finnCap or any other person will incur any liability in respect of any person failing to receive this document and/or, for a person who holds their Shares in certificated form, the Tender Form.
- 2.29 If, at any time prior to finnCap effecting the purchase as principal of the successfully tendered Shares pursuant to the Repurchase Agreement:
- 2.29.1 the Company (acting through the Board) notifies finnCap in writing that in the Board's reasonable opinion the Tender Offer would no longer be in the best interests of the Company and/or the Shareholders as a whole (in coming to such opinion, the Board will give consideration, among other things, to the impact of the Tender Offer on the Company's ongoing compliance with applicable provisions of the AIM Rules); or
- 2.29.2 there shall occur:
- (a) in finnCap's opinion, any material adverse change in the national or international, financial, economic, political or market conditions; or
- (b) in finnCap's and/or the Board's reasonable opinion, any material adverse change in the financial position or prospects and/or circumstances of the Company (including, without limitation, in relation to the distributable profits of the Company or by reason of any change in legislation, practice, circumstances or otherwise);
- such that the purchase of Shares by finnCap may have adverse fiscal consequences for the Company or Shareholders as a whole and it renders (in the reasonable opinion of either finnCap and/or the Company), the Tender Offer temporarily or permanently impractical or inadvisable (taking into account the background to and reasons for the Tender Offer); or
- 2.29.3 the Company fails to comply with its payment obligations under the Repurchase Agreement,
- finnCap and/or the Company (as the case may be) shall be entitled at its complete discretion to withdraw the Tender Offer, in which case the Tender Offer shall terminate. If the Tender Offer is terminated, the Company will make an announcement through a Regulatory Information Service and notify Shareholders in writing that such is the case.
- 2.30 The Company reserves the right, at any time prior to the announcement of the results of the Tender Offer, with the prior consent of finnCap, to revise the aggregate value of the Tender Offer, based on market conditions and/or other factors, subject to compliance with applicable legal and regulatory requirements. The Company shall notify Qualifying Shareholders of any such revision without delay by public announcement through a Regulatory Information Service.
- 2.31 The terms of the Tender Offer shall have effect subject to such non-material modifications as the Company and finnCap may from time to time approve in writing. The times and dates referred to in this document may be amended by agreement in writing between the Company and finnCap.

3. Procedure for tendering

3.1 *Different procedures for certificated and uncertificated Shares*

If you hold Shares in certificated form, you may tender such Shares only by completing and returning the Tender Form in accordance with the instructions printed thereon and set out in paragraph 3.2 below. If you hold Shares in certificated form, but under different designations, you should complete a separate Tender Form, as appropriate, in respect of each designation. Additional copies of the Tender Form can be obtained from the Receiving Agent or by calling the Shareholder Helpline by telephone on 0371 664 0321 or on +44 (0) 371 664 0321 if calling from outside the United Kingdom. Lines are open from 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales).

If you hold Shares in uncertificated form (that is, in CREST) you may only tender such Shares by TTE Instruction in accordance with the procedure set out in paragraphs 3.3 and 3.4 below and, if those Shares are held under different member account IDs, you should send a separate TTE Instruction for each member account ID.

3.2 *Shares held in certificated form (that is, not in CREST)*

To participate in the Tender Offer, Qualifying Shareholders holding Shares in certificated form must complete, sign, have witnessed and return the Tender Form in accordance with these instructions and the instructions on the Tender Form.

Completed, signed and witnessed Tender Forms, together with the relevant valid share certificate(s) and/or other document(s) of title, should be sent either by post in the accompanying reply paid envelope (for use in the UK only) or (during normal business hours only) delivered by hand to the Receiving Agent at Link Group, at Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 17 December 2021. Tenders received after that time will be accepted only at the sole discretion of finnCap (with the consent of the Company). Any Tender Form received in an envelope postmarked in a Restricted Jurisdiction or otherwise appearing to finnCap or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid tender. For further information on Overseas Shareholders, see paragraph 6 below.

Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given.

The completed and signed Tender Form should be accompanied, where possible, by the relevant share certificate(s) and/or other document(s) of title.

If your share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by the Receiving Agent, at Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL by no later than 1.00 p.m. on 17 December 2021 together with any share certificate(s) and/or document(s) of title that you may have available and a note of explanation stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. The relevant share certificate(s) and document(s) of title should be forwarded as soon as possible thereafter.

In respect of those Shares for which your share certificate(s) is/are unavailable and you have been sent a Tender Form, a letter of indemnity can be obtained by writing to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL or contacting them on the Shareholder Helpline. If a separate letter of indemnity is completed, this should be returned with the Tender Form as described above so as to be received by the Receiving Agent at Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL by no later than 1.00 p.m. on 17 December 2021. A fee may be payable by the Shareholder in respect of each letter of indemnity.

Where you have returned a letter of indemnity in respect of unavailable share certificate(s) and you subsequently find or obtain the relevant share certificate(s), you should immediately send the certificates by post or (during normal business hours only) by hand to the Receiving Agent at Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL.

If you are in any doubt as to the procedure for acceptance, please telephone the Shareholder Helpline on 0371 664 0321 from within the UK or on +44 (0) 371 664 0321 if calling from outside the UK. Lines are open from 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales). Calls to the Shareholder Helpline are charged at the standard geographic rate and will vary by provider. Calls to the Shareholder Helpline from outside the UK will be charged at the applicable international rate. Calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Receiving Agent will not be able to give advice on the merits of the Tender Offer or provide legal, financial or personal taxation advice and, accordingly, for such advice you should consult your stockbroker, solicitor, accountant, bank manager or other independent professional adviser.

By signing and returning a Tender Form, you will be deemed to have appointed finnCap as your agent in respect of the tender process. finnCap will therefore issue a contract note on behalf of all Shareholders whose Shares are so purchased under the Tender Offer and will remit the cash consideration to the Receiving Agent with instructions that such consideration be remitted to Shareholders in accordance with the instructions set out on the Tender Form.

3.3 Shares in uncertificated form (that is, in CREST)

If your Shares are in uncertificated form, to tender such shares under the Tender Offer you should take (or procure the taking of) the action set out below to transfer (by means of a TTE Instruction) the number of Shares you wish to tender under the Tender Offer to the relevant escrow account specifying the Receiving Agent (in its capacity as a CREST Participant under the relevant Participant ID(s) and member account ID(s) referred to below) as the escrow agent, as soon as possible and in any event so that the TTE Instruction settles by no later than 1.00 p.m. on 17 December 2021. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE Instructions accordingly.

The input and settlement of a TTE Instruction in accordance with this paragraph 3.3 shall constitute an offer to finnCap to sell to it the number of Shares at the price indicated on the terms of the Tender Offer by transferring such shares to the relevant escrow account as detailed below. This offer will become irrevocable and cannot be withdrawn at 1.00 p.m. on 17 December 2021.

If you are a CREST Sponsored Member, you should refer to your CREST Sponsor before taking any action. Your CREST Sponsor will be able to confirm details of your Participant ID and the member account ID under which your Shares are held. In addition, only your CREST Sponsor will be able to send the TTE Instruction to Euroclear in relation to the Shares which you wish to tender. The corporate action number is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST.

After settlement of the TTE Instruction, you will not be able to access in CREST the Shares concerned for any transaction or charging purposes, notwithstanding that they will be held by the Receiving Agent as the escrow agent until completion or lapse of the Tender Offer. If the Tender Offer becomes unconditional by 5.00 p.m. on 20 December 2021, or such later time and date as the Company and finnCap may agree, the Receiving Agent will transfer the successfully tendered Shares to itself as the agent of finnCap, returning any Shares not successfully tendered to you.

You are recommended to refer to the CREST manual published by Euroclear for further information on the CREST procedures outlined below. This can be downloaded off the Internet on the Euroclear website at www.euroclear.co.uk.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE Instruction relating to your Shares to settle prior to 1.00 p.m.

on 17 December 2021. You are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

3.4 **Electronic Tenders**

To tender Shares in uncertificated form you should send (or, if you are a CREST Sponsored Member, procure that your CREST Sponsor sends) a TTE Instruction to Euroclear in relation to such Shares.

The TTE Instruction must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- 3.4.1 the number of Shares in respect of which you wish to tender and be transferred to the relevant escrow account;
- 3.4.2 your member account ID;
- 3.4.3 your Participant ID;
- 3.4.4 the Participant ID of the Receiving Agent, in its capacity as a CREST receiving agent, which is RA10;
- 3.4.5 the member account ID of the Receiving Agent in its capacity as escrow agent, which is BASIC (to tender your Individual Basic Entitlement only) or SPECIFIC (to tender an exact number of Shares above or below your Individual Basic Entitlement);
- 3.4.6 the corporate action ISIN in respect of the Shares, which is GB00BYRH4982;
- 3.4.7 the intended settlement date. This should be as soon as possible and, in any event, no later than 1.00 p.m. on 17 December 2021;
- 3.4.8 the contact name and telephone number inserted in the shared note field;
- 3.4.9 the corporate action number for the Tender Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- 3.4.10 input with a standard delivery instruction priority of 80.

The Company and/or finnCap will make an appropriate announcement if any of the details contained in this paragraph 3.4 relating to settlement in CREST are materially altered.

Shares tendered to the "**BASIC**" member account will be treated as an Individual Basic Entitlement tender only, and any Shares tendered above a Shareholder's Individual Basic Entitlement, once determined, will be returned, and will not be considered as excess tenders. Excess tenders will only be considered in respect of submissions to the "**SPECIFIC**" member account.

3.5 **Deposits of Shares into, and withdrawals of Shares from, CREST**

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form or vice versa during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 17 December 2021.

3.6 **Validity of tenders**

3.6.1 *Tender Forms*

finnCap reserves the right to treat as valid only Tender Forms which are received entirely in order by 1.00 p.m. on 17 December 2021 and which are accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof in respect of the entire number of Shares tendered.

An appropriate announcement will be made if any of the details contained in this paragraph 3.6.1 are altered.

3.6.2 *Validity of Electronic Tenders*

A Tender Form which is received in respect of Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Shareholders holding Shares in uncertificated form who wish to tender such shares should note that a TTE Instruction will be a valid tender as at 17 December 2021 only if it has settled on or before 1.00 p.m. on that date.

An appropriate announcement will be made if any of the details contained in this paragraph 3.6.2 are altered.

3.6.3 *General*

Notwithstanding the completion of a valid Tender Form or settlement of a TTE Instruction, as applicable, the Tender Offer may lapse in accordance with the conditions set out above.

The decision of finnCap as to which Shares have been validly tendered shall be conclusive and binding on all Shareholders.

If you are in any doubt as to how to complete the Tender Form or as to the procedure for making an Electronic Tender please contact the Receiving Agent or the Shareholder Helpline. You are reminded that, if you are a CREST Sponsored Member, you should contact your CREST Sponsor before taking any action.

Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.

4. Effect of Tender

4.1 *Tender Forms*

Each Shareholder by whom or, as applicable, on whose behalf, a Tender Form is executed and lodged, including a Tender Form which is treated by finnCap as valid, irrevocably undertakes, represents, warrants and agrees to and with finnCap (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 4.1.1 the execution of the Tender Form shall constitute an offer to finnCap to sell to it such number of certificated Shares as are: (i) equal to such Shareholder's Individual Basic Entitlement by placing an "X" in Box 3 of the Tender Form; (ii) equal to any other amount inserted in Box 3 of the Tender Form; or (iii) deemed by finnCap to be tendered, in each case on and subject to the terms and conditions set out or referred to in this document and the Tender Form and that, at 1.00 p.m. on 17 December 2021, such tender shall be irrevocable. In the event that Box 3 is left blank but the Tender Form is valid in all other respects, finnCap will deem the Shareholder to have tendered such Shareholder's Individual Basic Entitlement;
- 4.1.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by finnCap, finnCap will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 4.1.3 such execution and lodgement, shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of finnCap as such Shareholder's attorney and/or agent ("Attorney"), and an irrevocable instruction to the Attorney to:
 - (a) complete and execute any and all instruments of transfer and/or other documents or forms and take any and all actions which are necessary or, in such Attorney's absolute discretion deemed necessary, in relation to the Shares referred to in paragraph 4.1.1 above, in favour of finnCap or its nominee(s) or such other person(s) as finnCap may direct; and

- (b) deliver such instrument(s) of transfer and/or other documents or forms at the discretion of the Attorney, together with the share certificates and/or other documents of title relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such Attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in finnCap or its nominee(s) or such other person(s) as finnCap may direct such Shares;
- 4.1.4 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by finnCap and/or the Receiving Agent or any of their respective directors or officers or any person nominated by finnCap or the Receiving Agent or any of their respective directors or officers in the proper exercise of their respective powers and/or authorities hereunder;
- 4.1.5 such Shareholder holding Shares in certificated form will deliver to the Receiving Agent his share certificate(s) and/or other document(s) of title in respect of the Shares referred to in paragraph 4.1.1 above, or an indemnity acceptable to finnCap in lieu thereof, or will procure the delivery of such document(s) to the Receiving Agent as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 17 December 2021;
- 4.1.6 the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 4.1.7 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by finnCap to be desirable, in each case in order to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 4.1.8 such Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in finnCap or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase by finnCap of the Shares tendered by him under the Tender Offer;
- 4.1.9 such Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction;
- 4.1.10 that neither this document nor the Tender Form has been mailed or otherwise sent in, into or from a Restricted Jurisdiction and such Shareholder is accepting the Tender Offer from outside a Restricted Jurisdiction;
- 4.1.11 its offer to sell Shares to finnCap and any acceptance thereof will not be unlawful under the laws of any jurisdiction;
- 4.1.12 the despatch of a cheque to a Shareholder as referred to in paragraph 5.1 of this Part 5 headed "Settlement", will discharge fully any obligation of finnCap to pay such Shareholder the consideration to which he is entitled under the Tender Offer;
- 4.1.13 on execution a Tender Form takes effect as a deed;
- 4.1.14 the execution of a Tender Form constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form;
- 4.1.15 the execution of the Tender Form constitutes a warranty by such Shareholder that the information given by or on behalf of the Shareholder in the Tender Form will be true in all respects at the time the Company purchases the Shares referred to in paragraph 4.1.1 above as if it had been given afresh at such time and shall not be extinguished by such purchase; and

- 4.1.16 if the appointment of attorney and/or agent provision under paragraph 4.1.3 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of finnCap the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable finnCap to secure the full benefits of paragraph 4.1.3 above.

Each Shareholder to which this paragraph 4.1 applies hereby consents to the assignment by finnCap of all such benefit as finnCap may have in any covenants, representations and warranties in respect of the Shares which are successfully tendered under the Tender Offer.

A reference in this paragraph 4.1 to a Shareholder includes a reference to the person or persons executing a Tender Form and in the event of more than one person executing a Tender Form, the provisions of this paragraph 4.1 will apply to them jointly and severally.

4.2 **Warranties in respect of Electronic Tenders**

Each Shareholder by whom, or on whose behalf, a TTE Instruction which is treated by finnCap as valid is made irrevocably undertakes, represents, warrants and agrees to and with finnCap (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- 4.2.1 the input of the TTE Instruction shall constitute an offer to sell to finnCap such number of Shares as are specified in the TTE Instruction, subject to a maximum number which equals such Shareholder's Individual Basic Entitlement, or deemed by finnCap to be tendered, in each case, on and subject to the terms and conditions set out or referred to in this document and the TTE Instruction and that, at 1.00 p.m. on 17 December 2021, such tender shall be irrevocable;
- 4.2.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which the Tender Offer is accepted (together with all rights attaching thereto) and when the same are purchased by finnCap, finnCap will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 4.2.3 the input of the TTE Instruction, will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of finnCap as such Shareholder's agent ("Agent"), and an irrevocable instruction and authority to the Agent to complete and execute all or any instruments of transfer and/or other documents or input any instructions into Euroclear at the Agent's discretion in relation to the Shares referred to in paragraph 4.2.1 above in favour of finnCap or such other person or persons as finnCap may direct and to deliver any documents or input any instructions into Euroclear relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such Agent be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in finnCap or its nominee(s) or such other person(s) as finnCap may direct, such Shares;
- 4.2.4 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by finnCap and/or the Receiving Agent or any of their respective directors or officers or any person nominated by finnCap or the Receiving Agent or any of their respective directors or officers in the proper exercise of their respective powers and/or authorities hereunder;
- 4.2.5 if, for any reason, any Shares in respect of which a TTE Instruction has been made are, prior to 1.00 p.m. on 17 December 2021, converted into certificated form, the Electronic Tender in respect of such Shares shall cease to be valid and the Shareholder will need to comply with the procedures for tendering Shares in certificated form as set out in this Part 5 in respect of the Shares so converted, if he wishes to make a valid tender of such Shares pursuant to the Tender Offer;
- 4.2.6 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by finnCap to be desirable, in each case in order to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;

- 4.2.7 such Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents, complied with all applicable formalities, that the invitation under the Tender Offer may be made to him under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in finnCap or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase by finnCap of the Shares tendered by him under the Tender Offer;
- 4.2.8 its offer to sell Shares to finnCap and any acceptance thereof will not be unlawful under the laws of any jurisdiction;
- 4.2.9 such Shareholder has not received or sent copies or originals of this document or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction at the time of the input of and settlement of the relevant TTE Instruction;
- 4.2.10 that the TTE Instruction has not been sent from a Restricted Jurisdiction and such Shareholder is accepting the Tender Offer from outside a Restricted Jurisdiction;
- 4.2.11 the creation of a payment obligation in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 5.2 of this Part 5 headed "Settlement" will discharge fully any obligation of finnCap to pay to such Shareholder the consideration to which he is entitled under the Tender Offer;
- 4.2.12 the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer; and
- 4.2.13 if the appointment of agent provision under paragraph 4.2.3 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of finnCap the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable finnCap to secure the full benefits of paragraph 4.2.3 above.

Each Shareholder to which this paragraph 4.2 applies hereby consents to the assignment by finnCap of all such benefit as finnCap may have in any covenants, representations and warranties in respect of the Shares which are successfully tendered under the Tender Offer.

5. Settlement

Settlement of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by finnCap will be made by the despatch of cheques or CREST messages as follows:

5.1 Shares in certificated form

Where an accepted tender relates to Shares held in certificated form, cheques for the consideration due will be despatched by the Receiving Agent (on behalf of finnCap) by or on 5 January 2022 by first class post to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in section 1, 5A or 5B on page 3 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the registered address of the first named Shareholder. All payments will be made in Pounds Sterling by cheque, drawn on a branch of a UK clearing bank. Share certificates related to any remaining certificated holding of Shares will be despatched to the registered address of the tendering Shareholder by 5 January 2022 by first class post.

5.2 Shares in uncertificated form (that is in CREST)

Where an accepted tender relates to Shares held by Shareholders in uncertificated form, the consideration due will be paid by or on 5 January 2022 through CREST by the Receiving Agent (on behalf of finnCap) procuring the creation of a payment obligation in favour of the payment banks of tendering Shareholders in accordance with the CREST payment arrangements.

6. Overseas Shareholders

- 6.1 Overseas Shareholders should inform themselves about and observe any applicable or legal regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.
- 6.2 The making of the Tender Offer in, or to persons who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom or to custodians, nominees or trustees for citizens, residents or nationals of other countries may be prohibited or affected by the laws of the relevant jurisdiction. Shareholders who are not citizens or nationals of, or resident in, the United Kingdom, or who are custodians, nominees or trustees for citizens, residents or nationals of countries outside the United Kingdom, should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to take up the Tender Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any Overseas Shareholder will be responsible for any such transfer or other taxes or other requisite payments by whomsoever payable and the Company, the Receiving Agent and finnCap and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder on an after-tax basis for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Form in any territory outside the United Kingdom.
- 6.3 In particular, the Tender Offer is not being made directly or indirectly in, into or from or by use of the mail or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction.
- 6.4 Accordingly, copies of this document, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into, or from a Restricted Jurisdiction, including to Shareholders with registered addresses in a Restricted Jurisdiction, or to persons who are custodians, nominees or trustees holding Shares for persons in a Restricted Jurisdiction.
- 6.5 Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, and doing so will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Tender Offer. Envelopes containing a Tender Form should not be postmarked in or otherwise despatched from a Restricted Jurisdiction and all accepting Shareholders must provide addresses outside a Restricted Jurisdiction for the remittance of cash or return of Tender Forms and share certificates.
- 6.6 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and email) of interstate or foreign commerce of, or any facility of a national securities exchange of, a Restricted Jurisdiction in connection with such forwarding, such persons should:
 - 6.6.1 inform the recipient of such fact;
 - 6.6.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - 6.6.3 draw the attention of the recipient to this section of this document.
- 6.7 The provisions of this paragraph 6 and/or any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by finnCap in its absolute discretion, but only if finnCap is satisfied that such waiver, variation or

modification will not constitute or give rise to a breach of applicable securities or other law. Subject to this, the provisions of this paragraph 6 headed "Overseas Shareholders" supersede any terms of the Tender Offer inconsistent therewith.

- 6.8 References to a Shareholder shall include references to the persons executing a Tender Form and in the event of more than one person executing Tender Forms, the provisions of this paragraph 6 shall apply to them jointly and severally.

7. Calculation and announcement of the Tender Price

- 7.1 The Tender Price will be announced on 13 December 2021 and shall represent a 2.0 per cent. discount to the Adjusted Post Tax NAV per Share as at close of business on 9 December 2021, expressed in pence Sterling to one decimal place with 0.05 pence being rounded upwards.
- 7.2 Except as otherwise stated, all assets and liabilities will be taken into account in accordance with the Company's normal accounting policies.

8. General

The delivery of this document shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof, or that there has been no change in the information set forth herein or in the affairs of the Company since the date hereof. No dealer, salesperson or other person is authorised to give any information or to make any representations with respect to the Tender Offer other than such information or representations contained herein and, if given or made, such information or representations must not be relied upon as having been authorised by the Company.

PART 6

QUESTIONS AND ANSWERS ON THE TENDER OFFER

1. Introduction

This Part 6 explains the Tender Offer primarily with respect to Shares. To help you understand what is involved in the Tender Offer with respect to Shares, this Part includes a summary and some questions and answers. You should read the whole of this document and not rely solely on the summary information in this Part 6. Part 5 of this document sets out the detailed terms and the conditions of the Tender Offer with respect to Shares. A list of defined terms is set out at the end of this document.

In the event of any inconsistency between the contents of this Part 6 and the terms and the conditions set out in Part 5 of this document, the terms and the conditions set out in Part 5 of this document shall prevail.

2. You and the Tender Offer

Why am I receiving this document?

The Board has arranged for the Qualifying Shareholders to be provided with the opportunity to sell some of their Shares under the Tender Offer.

What other documents should I have received?

Qualifying Shareholders who hold their Shares in certificated form should receive:

- this document;
- the Form of Proxy;
- a Tender Form; and
- a prepaid envelope to return the Tender Form (for use in the UK).

Qualifying Shareholders who hold their Shares in uncertificated form (i.e. in CREST) should only receive this document and the Form of Proxy.

If you have not received any of the documents listed please call the Shareholder Helpline on 0371 664 0321 (from inside the UK) and +44 (0) 371 664 0321 (from outside the UK). The Shareholder Helpline is available from 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Please note that Link Group cannot provide any financial, legal or tax advice and calls to these numbers may be monitored or recorded for security and training purposes. Calls to the Shareholder Helpline are charged at the standard geographic rate and will vary by provider. Calls from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones.

Why is the Company returning money to its Shareholders?

Please refer to paragraphs 1 and 2 of Part 1 of this document for the reasons why the Company is returning money to its Shareholders.

Why has the Company chosen a Tender Offer as a way of returning money to Shareholders?

The Board considered the various options for returning cash to Shareholders and determined that the Tender Offer (in conjunction with the B Share Scheme) would be the most appropriate means of making an initial immediate return of cash to Shareholders. In particular, the Tender Offer:

- provides Qualifying Shareholders with the choice of whether or not they wish to sell all or part of their respective Individual Basic Entitlements; and
- enables those Qualifying Shareholders who do not wish to receive capital at this time to maintain their full investment in the Company.

Who is eligible to participate in the Tender Offer with respect to Shares?

Both private and institutional Qualifying Shareholders are eligible to participate in the Tender Offer with respect to Shares.

Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information set out in paragraph 6 of Part 5 of this document.

Will all the Shares I tender be purchased?

If the Tender Offer Resolution is passed and all of the other Tender Conditions are satisfied, then all Shares validly tendered will be accepted and purchased at the Tender Price.

Is it possible that some or all of the Shares I tender may not be purchased?

If the Tender Offer Resolution is not passed or any of the Tender Conditions are not satisfied or waived (as applicable), no Shares will be purchased by the Company under this Tender Offer.

What is the maximum number of Shares I can tender?

If you are a Qualifying Shareholder you can tender all of your Individual Basic Entitlement which is held by you as at the Tender Offer Record Date (unless the Tender Offer is extended). Qualifying Shareholders may also tender Shares in excess of their Individual Basic Entitlement where other Shareholders tender less than their Individual Basic Entitlement and subject to the scaling back of tenders, as set out in paragraph 2.4 of Part 5 of this document.

Can I tender some, but not all, of my Individual Basic Entitlement?

Yes, whether you hold your Shares in CREST or in certificated form. If you hold your Shares in certificated form, there is a space on the Tender Form for you to state how many Shares you wish to tender.

Can I tender some of my shares at one price and some at another?

No. The Tender Offer is being made at the Tender Price.

Do I have to tender my Shares?

No. You are not obliged to tender any of your Shares. If you choose not to tender any Shares, you will not receive any money under the Tender Offer. Your holding of Shares will then be unaffected, save for the fact that, assuming successful completion of the Tender Offer and subsequent repurchase of Shares by the Company, you will end up owning a greater percentage of the Company's issued share capital after the Tender Offer and the subsequent repurchase of Shares by the Company, than you did before, as there will be fewer Shares in issue after completion of the Tender Offer and subsequent repurchase of Shares by the Company. The same may apply if you tender Shares unsuccessfully.

The fact that you have not participated in the Tender Offer will not stop you from participating in any Future Tender Offers announced by the Company, should the Future Tender Offer Resolutions be passed and the Board exercises its discretion to do so. However, Shareholders should be aware that the price which may be paid for a Share pursuant to the Future Tender Offer Resolutions, if utilised, is expected to be lower than the Tender Price. In addition, the Board also reserves the right not to effect any Future Tender Offer pursuant to the Future Tender Offer Resolutions if it determines at any time that it would be in the interests of Shareholders as a whole to do so.

You may vote in the General Meeting to pass the Tender Offer Resolution, even if you do not wish to tender any Shares.

Can I tender my Shares by guaranteed delivery?

No. Shares may not be tendered in the Tender Offer by guaranteed delivery.

What will I receive?

What you receive will depend on the action that you take. If you decide to participate and your Shares are successfully tendered in the Tender Offer, you will sell your Shares and will receive cash proceeds for them. If you decide to keep your Shares, you will not receive any money under the Tender Offer, but assuming successful completion of the Tender Offer and the associated repurchase of Shares by the Company, you will end up owning a greater percentage of the issued ordinary share capital of the Company after the Tender Offer than you did before, as explained above.

What do I need to do now?

Whether you propose to attend the General Meeting or not, please complete the Form of Proxy and return it to Link Group or submit your proxies electronically at www.signalshares.com as soon as possible and, in any event, so as to be received by no later than 2.00 p.m. on 13 December 2021. Completing and returning a Form of Proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so. If you hold Shares in uncertificated form, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to ID RA10 so that it is received no later than 2.00 p.m. on 13 December 2021.

If you hold your Shares in certificated form and you wish to tender some or all of your Shares, you should complete the Tender Form in accordance with the instructions printed on it and in Part IV of this document and return it by post in the accompanying reply-paid envelope (for use in the UK only) or by hand to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, together with your share certificate(s) in respect of the Shares tendered.

If you hold your Shares in uncertificated form and you wish to tender some or all of your Shares, you should send a TTE Instruction and follow the procedures set out in Part 5 of this document in respect of tendering uncertificated Shares.

Completed Tender Forms and/or TTE Instructions (as appropriate) must be received by Link Group by no later than 1.00 p.m. on 17 December 2021 after which time Tender Forms and/or TTE Instructions (as appropriate) will be rejected (unless the Tender Offer is extended).

What is the deadline for returning my Tender Form?

The Tender Offer with respect to Shares will close at 1.00 p.m. on 17 December 2021 and no tenders received after that time will be accepted unless otherwise approved by finnCap (with the consent of the Company).

What should I do if I have lost my share certificate and wish to participate in the Tender Offer?

You should complete the Tender Form and send it, together with a letter of explanation to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL in accordance with the instructions in the Tender Form. You should then phone the Shareholder Helpline or write to the Receiving Agent asking for a letter of indemnity to be sent to you, which you should then complete in accordance with the instructions given and send back to the Receiving Agent immediately.

If my Shares are held by my broker or other nominee, will that person tender my Shares on my behalf?

Only if you provide instructions to your broker or other nominee to do so. You should follow the directions provided by your broker or other nominee regarding how to instruct your broker or other nominee to tender your Shares. Without your specific instructions, your Shares will not be tendered for purchase under the Tender Offer.

Can I withdraw my tender?

You can withdraw or amend your tender of Shares up until 1.00 p.m. on 17 December 2021 (unless the Tender Offer is extended).

When do I receive my cash?

Under the expected timetable of events as set out at the beginning of this document, it is anticipated that, for holders of Shares in certificated form, a cheque would be despatched to you for the proceeds of any sale by 5 January 2022. CREST account holders would have their CREST accounts credited on 5 January 2022.

How will I receive the cash if I successfully tender any Shares?

You will receive the cash in Pounds Sterling.

Do I have to pay any costs and expenses?

If you successfully tender your Shares, you will receive the Tender Price per Share being a 2.0 per cent. discount to the Adjusted Post Tax NAV per Share at close of business on 9 December 2021. The Tender Price has been set at this level to allow Shareholders who wish to realise a portion of their holding of Shares to do so at a price close to the Adjusted Post Tax NAV whilst providing for a modest uplift to the Adjusted Post Tax NAV per Share for continuing Shareholders. The 2.0 per cent. discount reflects your *pro rata* proportion of the costs and expenses of the Tender Offer.

If you own your Shares through a bank, broker, dealer, trust company or other nominee and such nominee tenders your Shares on your behalf, such nominee may charge you a fee for doing so. You should consult with your bank, broker, dealer, trust company or other nominee to determine whether any charges will apply.

What is the tax treatment for Shareholders?

For information on certain UK taxation consequences of the Tender Offer please see Part 8 of this document. This information is for guidance only and does not constitute tax advice. If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction other than the UK, you should consult an independent professional adviser.

What happens if I sell my Shares after receiving this document?

If you sell or have sold or otherwise transferred all of your Shares, please forward this document (but not the accompanying personalised Tender Form) at once to the purchaser or transferee or the agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee (but not if such purchaser, transferee or agent is resident in a Restricted Jurisdiction). If you have sold part of your holding of Shares, please retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected as to the actions you should take.

What happens if I hold my Shares in an ISA?

You should contact your plan manager. We expect that you will be written to separately by your plan manager about the implications of the Tender Offer on your ISA holding.

What if I am resident outside the UK?

Shareholders resident outside the UK, or who are nationals or citizens of jurisdictions other than the UK, should read the additional information set out in paragraph 6 of Part 5 of this document.

Is there a general meeting of Shareholders to approve the repurchase of Shares associated with the Tender Offer and do I need to attend?

The General Meeting of the Company will be held at 2.00 p.m. on 15 December 2021 to consider the Tender Offer Resolution, as explained further in the Notice of Requisitioned General Meeting at the end of this document. If you have completed and returned the Form of Proxy enclosed with this document to Link Group, submitted this proxy form electronically at www.signalshares.com or appointed a proxy by completing and transmitting a CREST Proxy Instruction to ID RA10, each so as to be received by no later than 2.00 p.m. on 13 December 2021, you do not need to attend the General Meeting to have your vote counted.

What if I have any more questions?

If you have read this document and still have questions, we have set up a Shareholder Helpline on telephone number 0371 664 0321 (from the UK) or +44 (0) 371 664 0321 (from outside the UK). The Shareholder Helpline is open from 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Please note that calls to these numbers may be monitored or recorded for security and training purposes. Calls to the Shareholder Helpline are charged at the standard geographic rate and will vary by provider. Calls from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones.

Please note that for legal reasons the Shareholder Helpline will not provide advice on the merits of the Tender Offer or Tender Offer Resolution or give any legal, financial, investment or taxation advice. For financial, investment or taxation advice, you should consult your own financial, investment or taxation adviser.

3. The Tender Offer

Can Shareholders decide not to proceed with the Tender Offer?

The Tender Offer is conditional upon the passing of the Tender Offer Resolution at the General Meeting (as detailed in the Notice of Requisitioned General Meeting at the end of this document). If Shareholders do not vote to pass this resolution, then the Tender Offer will not proceed.

Can the Company decide not to proceed with the Tender Offer?

The Tender Offer is conditional upon the satisfaction of the Tender Conditions set out in paragraph 2.1 of Part 5 of this document. Should the Tender Conditions not be satisfied or waived by finnCap or the Company, as the case may be, then the Tender Offer will not proceed.

What will happen to the Shares that are successfully tendered?

The Tender Offer is being made by finnCap acting as principal. finnCap and the Company have entered into the Repurchase Agreement pursuant to which the Company shall purchase from finnCap the Shares purchased by finnCap under the Tender Offer at an amount equal to the Tender Price.

It is the Company's intention to cancel the Shares that are successfully tendered to finnCap and subsequently purchased by the Company pursuant to the Repurchase Agreement.

PART 7

RISK FACTORS

Shareholders should read this document carefully and in its entirety and, if you are in any doubt about the contents of this document or the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if you are in a territory outside the United Kingdom, from an appropriately authorised independent financial adviser.

The following factors are not exhaustive and do not purport to be a complete explanation of all risks and significant considerations relating to the Proposals and the Company. Accordingly, additional risks and uncertainties not presently known to the Board may also have an adverse effect on the Proposals and/or the Company's business, financial condition or results or prospects.

Risks related to the Managed Wind-Down

- (a) In a Managed Wind-Down, the value of the Company's investment portfolio will be reduced as investments are realised and concentrated in fewer holdings, and the mix of investment exposure will be affected accordingly.
- (b) Some of the Company's investments were made with an expectation of creating value for Shareholders over a longer time period than that envisaged for the Managed Wind-Down. Hence Shareholder value may not be maximised as a result of the Managed Wind-Down process.
- (c) The Company might experience increased volatility in its Net Asset Value and/or its Share price as a result of the reduction in its investment portfolio.
- (d) The Company's investments may not be realised at their carrying value, particularly as certain of its investments are unlisted and/or otherwise illiquid.
- (e) Taxes and other costs associated with the realisation of the Company's investments together with the usual operating costs of the Company will reduce the cash available for distribution to Shareholders.
- (f) The maintenance of the Company as an ongoing investing company on AIM will entail administrative, legal and admission costs, which will decrease the amount ultimately distributed to Shareholders. Although the Board intends to maintain the Company's admission to AIM for as long as the Directors believe it to be practicable during the Managed Wind-Down period, the Directors may seek to delist its Shares from trading on AIM if it concludes that the Company is no longer appropriate for AIM, which would materially reduce market liquidity in the Shares.
- (g) It should also be noted that there may be other matters or factors which affect the availability, amount or timing of receipt of the proceeds of realisation of some or all of the Company's investments. In particular, ongoing returns of value to Shareholders will decrease the size of the Company's investments, thereby increasing the impact of fixed costs incurred by the Company on the remaining investments. In determining the size of any distributions, the Directors will take into account the Company's ongoing running costs, and the eventual liquidation costs of the Company. However, should these costs be greater than expected or should cash receipts for the realisations of investments be less than expected, this will reduce the amount available for Shareholders in future distributions.
- (h) The tax treatment of disposals and the ability to offset realised gains against brought forward capital losses may change and the Company could incur a tax liability, reducing the cash available to Shareholders.

Risks related to the B Share Scheme and any Returns of Capital pursuant to the B Share Scheme

- (a) Shareholders should be aware of the following risks associated with the B Share Scheme and any Returns of Capital pursuant to the B Share Scheme.

- (b) There is no guarantee that the B Share Scheme or any return of capital pursuant to the B Share Scheme will take place. The B Share Scheme is conditional on, among other things, the approval of Shareholders and will not proceed if the B Share Resolutions are not passed. The approval of Resolution 6 requires at least 75 per cent. of the votes cast (whether in person or by proxy) to be in favour. The approval of Resolutions 4 and 5 require more than 50 per cent. of the votes cast (whether in person or by proxy) to be in favour. It is possible that Shareholders may not approve the B Share Resolutions. If the B Share Resolutions are not passed there will be no returns of capital under the B Share Scheme.
- (c) The amount of cash that the Company will be able to return to Shareholders in the future will depend on the performance of the Company's remaining investments and the proceeds eventually realised from them.
- (d) Even if the B Share Resolutions are passed, the Board may determine, at its absolute discretion, not to make any Return of Capital pursuant to the B Share Scheme.
- (e) The Board have been advised that based on the facts, the B Share Scheme should result in UK tax resident Shareholders receiving their cash proceeds on redemption of the B Shares as capital and not dividend income for tax purposes. However, there is no guarantee that this position will be accepted and not challenged by HMRC and should Shareholders fail to receive the capital treatment described in this document they will be subject to income tax on the cash proceeds on redemption of the B Shares at the applicable dividend income tax rate. For further information, see the "Taxation of Dividends" section in Part 8.

Risks related to the proposed Tender Offer, Future Tender Offers and any Returns of Capital pursuant to the Tender Offer or any Future Tender Offers

- (a) The Tender Offer is conditional and may be terminated or withdrawn. There is no guarantee that the Tender Offer will take place. The Tender Offer is conditional on, among other things, the approval of Shareholders and will not proceed if any of the Tender Conditions are not satisfied or waived by finnCap or the Company (as the case may be) or if it is withdrawn by the Company at any point prior to the announcement of the results of the Tender Offer. The approval of the Tender Offer Resolution requires at least 75 per cent. of the votes cast (whether in person or by proxy) to be in favour. It is possible that Shareholders may not approve the Tender Offer. If the Tender Offer does not occur, the Board would consider all options available in relation to the return of cash on its balance sheet to Shareholders and, following such consideration, may present alternative proposals to Shareholders.
- (b) If the Tender Offer does not proceed for any reason, the Company would bear the fixed costs in relation to the Tender Offer.
- (c) If the Tender Offer is not taken up in full or to a significant extent, the Company will have surplus uninvested cash which will depress investment returns to Shareholders.
- (d) Shareholders tendering Shares for sale under the Tender Offer will receive the Tender Price per Share, which may be less than the price at which they bought their Shares or the price or value at which they might ultimately realise their Shares should they continue to hold them.
- (e) Tender Forms and TTE Instructions, once submitted, are irrevocable. Shareholders should note that all Shares tendered will be held in escrow by the Registrars and may not be switched, sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer. The price of the Shares and the Company's Net Asset Value may rise or fall following submission of a Tender Form and/or TTE Instruction. If the Tender Offer lapses or is terminated in accordance with the terms and conditions set out in this document, all tendered Shares will be returned to the relevant Shareholders.
- (f) If any Shares permitted to be tendered pursuant to the Tender Offer are tendered, the issued share capital of the Company will be reduced as a result of the Tender Offer (and associated repurchase) and the Company will be smaller. As a result, the ongoing fixed costs of the Company will be spread over fewer Shares.

- (g) The lower number of Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Shares, which could, accordingly, adversely affect a Shareholder's ability to sell their Shares in the market.
- (h) Any change in the Company's tax status, or in taxation legislation or in the interpretation or application of taxation legislation, could affect the value of investments held by the Company, the Company's ability to achieve its investment objective, the ability of the Company to provide returns to Shareholders and/or alter the post-tax returns of Shareholders. Shareholders should refer to the information contained in Part 8 of this document in relation to any tax consequences relating to the Tender Offer.
- (i) The Tender Offer should not be taken as an indication as to the likely timing or quantum of any future return of capital to Shareholders or that such returns of capital are likely. Future tender offers may not take place. Subject to circumstances prevailing following completion of the Tender Offer (including the level of take up of the Tender Offer), the Board intends to effect any further capital returns to Shareholders pursuant to the Managed Wind-Down by means of further tender offers or by utilising any existing share buy-back authority obtained at its annual general meeting. Accordingly, the Board is also proposing the Future Tender Offer Resolutions which will give the Company authority to effect any further tender offers following completion of the Tender Offer without further action being required by Shareholders until a replacement authority is sought at the Company's next annual general meeting. There can be no certainty that there will be any subsequent tender offers pursuant to the Future Tender Offer Resolutions, whether due to a decision by the Board that it is no longer in the best interest of Shareholders as a whole, changes of circumstances following the date of this document, a failure to obtain Shareholder approval of the Future Tender Offer Resolutions, or any other reason. It is not expected that any Future Tender Offers pursuant to the Future Tender Offer Resolutions will be at a price equal to, or higher, than the Tender Price, as the maximum price is linked to the Adjusted Post Tax NAV of a Share at the relevant time. If the Company does not effect any further tender offers pursuant to the Future Tender Offer Resolutions, those Shareholders who decide not to tender any of their Shares under the Tender Offer will not participate in the proposed return of up to a maximum amount of approximately £14.6 million by the Company.

PART 8

UNITED KINGDOM TAXATION

IN VIEW OF THE NUMBER OF DIFFERENT JURISDICTIONS WHERE TAX LAWS MAY APPLY TO A SHAREHOLDER, THIS DOCUMENT DOES NOT DISCUSS ANY TAX CONSEQUENCES TO SHAREHOLDERS IN RESPECT OF THE PROPOSALS OTHER THAN THE CONSEQUENCES WITH REGARDS TO UNITED KINGDOM TAXATION SET OUT IN THIS PART. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN PROFESSIONAL ADVISORS REGARDING POSSIBLE TAX CONSEQUENCES UNDER THE LAWS OF THE JURISDICTIONS THAT APPLY TO THEM OR TO THE SALE OF THEIR SHARES AND THEIR RECEIPT OF CONSIDERATION THEREFOR. SHAREHOLDERS ARE LIABLE FOR THEIR OWN TAXES AND HAVE NO RECOURSE TO THE COMPANY, FINNCAP OR THE RECEIVING AGENT WITH RESPECT TO TAXES ARISING IN CONNECTION WITH THE PROPOSALS.

United Kingdom taxation

The following comments do not constitute tax advice and are intended only as a guide to current United Kingdom law and HMRC published practice (which are both subject to change at any time, possibly with retrospective effect, and the latter of which may not be binding on HMRC). They relate only to certain limited aspects of the United Kingdom taxation treatment of Shareholders and are intended to apply only to Shareholders who are resident (and, in the case of individual Shareholders, domiciled) solely in the United Kingdom for United Kingdom tax purposes and who are and will be the absolute beneficial owners of their Shares and B Shares and who hold, and will hold, them as investments (and not as securities to be realised in the course of a trade) other than under an ISA or a self-invested personal pension. They may not apply to certain classes of Shareholders, such as dealers in securities, insurance companies, collective investment schemes and Shareholders who are exempt from taxation. The position may be different for future transactions and may alter between the date of this document and the implementation of the Proposals. Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult an appropriate professional adviser.

Taxation in respect of B Shares issued as part of the Initial Return of Capital

Issue of B Shares as part of the Initial Return of Capital

For the purposes of United Kingdom capital gains tax ("CGT") and corporation tax on chargeable gains, the issue of B Shares as part of the Initial Return of Capital should constitute a reorganisation of the share capital of the Company. Accordingly, the B Shares should be treated as the same asset as the Shareholder's holding of existing Shares, and as having been acquired at the same time as the Shareholder's holding of existing Shares was acquired. A Shareholder's combined holding of Shares and B Shares should have the same aggregate base cost as the Shareholder's holding of Shares immediately before the issue of B Shares. The aggregate base cost should be apportioned between B Shares and the Shares held by the Shareholder by reference to the market values of the Shares and the B Shares on the date of redemption of the B Shares. Due to the terms on which the B Shares will be issued and as they are non-transferable, their market value is likely to be equal to their nominal value of £1. The apportionment ratio between B Shares and Shares will be published on the Company's Website at the earliest practicable time following the redemption of the B Shares.

The issue of the B Shares as part of the Initial Return of Capital should not give rise to any liability to United Kingdom income tax or corporation tax in a Shareholder's hands.

Redemption of the B Shares issued as part of the Initial Return of Capital

On redemption of all or any of the B Shares issued as part of the Initial Return of Capital, depending on the Shareholder's circumstances, an individual Shareholder may be subject to CGT and a corporate Shareholder may be subject to corporation tax on chargeable gains, in each case on the amount of any chargeable gain realised. Any gain will be measured by reference to the excess of the redemption price above the Shareholder's tax base cost for the B Shares redeemed. The Shareholder's allowable expenditure in relation to his or her existing Shares should be apportioned between the Shares and the B Shares in the manner described above.

The amount of CGT, if any, payable by an individual Shareholder in relation to the chargeable gain will depend on his or her personal tax position. No tax should be payable on any gain realised on the redemption if the amount of the net chargeable gain, when aggregated with other net chargeable gains realised by the individual Shareholder in the year of assessment in question and allowable losses, does not exceed the annual exemption for UK CGT purposes (£12,300 for the tax year ending 5 April 2021). Broadly, any gains in excess of this amount will be taxed at the individual's relevant UK capital gains tax rate. The gain will be taxable at 10 per cent. if the individual is a UK resident and a basic rate income taxpayer only. If the gain exceeds the unused part of an individual's basic rate band for income tax the gain will be taxed at 10 per cent. to the extent of the unused element and 20 per cent. for the excess. If a UK resident individual is subject to income tax at a rate in excess of the basic rate then the net gain will be taxable at 20 per cent.

The amount of corporation tax on chargeable gains payable by a corporate Shareholder will depend on its circumstances. Subject to any available exemption, relief or allowable losses, a corporate Shareholder should be subject to corporation tax on chargeable gains at the rate of corporation tax applicable to the Shareholder.

Redemptions will be recognised for CGT purposes in the tax year in which they occur.

To the extent that HMRC were to challenge capital treatment, Shareholders would instead be treated as receiving an income distribution on receipt of the redemption payments. The tax implications of this are as set out in the "Taxation of Dividends" section below.

The Finance Act 2015 enacted legislation which, broadly, treats amounts paid on the redemption of shares as income in the hands of an individual Shareholder, rather than a capital gain, where a company gives the shareholder a choice of whether to receive either a distribution or an "alternative receipt" of broadly the same value but which is not charged to income tax. The Company is of the view that this legislation does not apply to the redemption of B Shares issued as part of the Initial Return of Capital on the basis that it does not provide Shareholders with a choice as to the form of any amounts they are entitled to receive. Accordingly, the proceeds received by an individual Shareholder on a redemption of B Shares issued as part of the Initial Return of Capital for an amount equal to their nominal value should not be prevented by virtue of this legislation from being treated as capital for UK tax purposes in the individual Shareholder's hands.

The above commentary refers only to B Shares issued and redeemed as part of the Initial Return of Capital. Any future issue and redemption of B Shares may be subject to different tax treatment and, in particular, the redemption proceeds may be treated for UK tax purposes as an income distribution in the hands of Shareholders.

Taxation of chargeable gains in respect of Tender Offer

A Shareholder who sells Shares in the Tender Offer should be treated, for the purposes of UK taxation, as though the Shareholder has sold them in the normal way to a third party. Accordingly, and subject to the comments in the next paragraph, any such Shareholder who is UK resident for tax purposes may, depending on that Shareholder's particular circumstances, be subject to CGT (or, in the case of a corporate Shareholder, UK corporation tax on chargeable gains) in respect of any gain arising on such sale.

The amount of CGT, if any, payable by an individual Shareholder in relation to the chargeable gain will depend on his or her personal tax position. No tax should be payable on any gain realised on the sale if the amount of the net chargeable gain, when aggregated with other net chargeable gains realised by the individual Shareholder in the year of assessment in question and allowable losses, does not exceed the annual exemption for UK CGT purposes (£12,300 for the tax year ending 5 April 2022). Broadly, any gains in excess of this amount will be taxed at the individual's relevant UK capital gains tax rate. The gain will be taxable at 10 per cent. if the individual is a UK resident and a basic rate income taxpayer only. If the gain exceeds the unused part of an individual's basic rate band for income tax the gain will be taxed at 10 per cent. to the extent of the unused element and 20 per cent. for the excess. If a UK resident individual is subject to income tax at a rate in excess of the basic rate then the net gain will be taxable at 20 per cent.

The amount of corporation tax on chargeable gains payable by a corporate Shareholder will depend on its circumstances. Subject to any available exemption, relief or allowable losses, a corporate Shareholder should be subject to corporation tax on chargeable gains at the rate of corporation tax applicable to the Shareholder.

Shareholders who are not resident in the UK for taxation purposes will not normally be liable to UK taxation on chargeable gains arising from the sale of their Shares in the Tender Offer although they may be subject to taxation in a jurisdiction other than the UK depending on their particular circumstances. Individual Shareholders who are temporarily not resident in the UK for tax purposes may be liable to capital gains tax in respect of the sale upon their return to the UK.

Shareholders who are subject to tax in a jurisdiction other than the UK or who are in any doubt as to the potential tax consequences of selling their Shares are strongly recommended to consult their own professional advisers before making any such sales.

Other Disposals of Shares

On any subsequent disposal (otherwise than by way of redemption) of the whole or part of a Shareholder's holding of Shares, a Shareholder may, depending on his or her circumstances, be subject to CGT or corporation tax on chargeable gains on the amount of any chargeable gain realised.

Taxation of Dividends

The Company is not required to withhold tax at source from dividend payments that it makes.

Individual Shareholders

Shareholders who are individuals and who receive a dividend from the Company will in principle be liable to UK income tax on the amount of that dividend, depending on the amount of dividend income received in total by (and other taxable income of) that Shareholder (whether from the Company or other sources) in the relevant tax year.

Individual Shareholders will not currently be liable to UK income tax in respect of a dividend from the Company if the Shareholder's total dividend income from any source in the relevant tax year does not exceed £2,000. In the case of an individual Shareholder who receives dividends in excess of £2,000 in a tax year, the excess amount of any such dividends will be subject to UK tax at 7.5 per cent. for basic rate and non-taxpayers, 32.5 per cent. for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers.

In practice, given the very short period of time for which the B Shares will be in issue, B Share Dividends are unlikely to become payable.

Company Shareholders

A Shareholder within the charge to UK corporation tax which is a 'small company' (for the purposes of the UK taxation of dividends) will not generally be subject to tax on dividends from the Company.

Other Shareholders within the charge to UK corporation tax will not be subject to tax on dividends from the Company so long as the dividends fall within an exempt class and do not fall within certain specified anti-avoidance provisions and the Shareholder has not elected for the dividends not to be exempt. It is expected that dividends paid by the Company on the B Shares would fall within an exempt class; although, in practice, given the very short period of time for which the B Shares will be in issue, B Share Dividends are unlikely to become payable.

Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No stamp duty or SDRT will be payable by Shareholders on the allotment and issue of any B Shares or the redemption of any B Shares.

The sale of Shares to finnCap pursuant to the Tender Offer will not give rise to any liability to stamp duty or SDRT for the selling Shareholder.

Transactions in Securities

Under the provisions of Chapter 1, Part 13 of the Income Tax Act 2007 (for individual Shareholders), HMRC can in certain circumstances counteract tax advantages arising in relation to a transaction or transactions in securities.

If these provisions were to be applied by HMRC to the proposed B Share Scheme or the Tender Offer, in broad terms, individual Shareholders might be liable to taxation as if they had received an income amount rather than a capital amount. However, these provisions only apply in the case of close company transactions. The Directors do not consider that the Company is currently a close company, and consequently these provisions should not be relevant.

Under the provisions of Part 15 of the Corporation Tax Act 2010 (for corporate Shareholders), HM Revenue & Customs can in certain circumstances counteract corporation tax advantages arising in relation to a transaction or transactions in securities. If these provisions were to be applied by HM Revenue & Customs to the B Share Scheme or the Tender Offer, Shareholders who are subject to corporation tax might be liable to corporation tax as if they had received an income amount rather than a capital amount. Part 15 of the Corporation Tax Act 2010 applies only in certain circumstances and does not apply where it can be shown that the transaction in question was entered into for genuine commercial reasons or in the ordinary course of making or managing investments and did not involve as one of its main objects the obtaining of a corporation tax advantage. Shareholders who are within the charge to corporation tax are advised to take independent advice as to the potential application of the above provisions in light of their own particular motives and circumstances.

No application has been made to HMRC for clearance that HMRC will not seek to apply the transactions in securities rules to the proposed B Share Scheme or the Tender Offer.

If you are in any doubt as to your taxation position you should consult an appropriate professional adviser without delay. The information relating to taxation set out above is a general guide and is not exhaustive. It is based on law and practice currently in force in the UK and is subject to changes therein possibly with retrospective effect.

PART 9

ADDITIONAL INFORMATION

1. Directors' Interests

As at 26 November 2021 (being the latest practicable date prior to the publication of this document), the interests of each Director in the voting rights of the Company were as follows:

	<i>No. of Shares</i>	<i>Percentage of issued share capital</i>
Kenneth Lever (<i>Non-executive Director</i>)	5,830	0.17%
Graham Bird (<i>Non-executive Director</i>)	26,543	0.76%
Simon Pyper (<i>Non-executive Director</i>)	–	–

2. Major Shareholders

As at 26 November 2021 (being the latest practicable date prior to the publication of this document), the Company was aware of the following interests in three per cent. or more of the issued share capital of the Company:

	<i>No. of Shares</i>	<i>Percentage of issued share capital</i>
GHE	812,913	23.4%
Hargreaves Lansdown Asset Management	293,610	8.4%
James Sharp & Co	237,465	6.8%
Unicorn Asset Management	217,528	6.3%
Interactive Investor	209,621	6.0%
Former directors of GHS	172,824	5.0%
Smith & Williamson Investment Management	155,670	4.5%
Investec Wealth & Investment	121,426	3.5%
Windsor & Maidenhead BC (Regional (England))	105,000	3.0%

3. Irrevocable undertaking relating to the Tender Offer

The Company has received an irrevocable undertaking from GHE to:

- accept the Tender Offer in respect of not less than such number of Shares held by GHE so as to ensure that, assuming that the Tender Offer is taken up in full (including by way of excess tender applications) at the Tender Price calculated and announced in accordance with the terms of the Tender Offer, and on the basis of 3,480,884 ordinary shares in issue before the Tender Offer, GHE's interest in the Shares, when aggregated with the interests of Shares of those shareholders in the Company ("**Other CP Members**") who have been deemed by the Panel on Takeovers and Mergers to be acting in concert with GHE for the purposes of the Takeover Code, (such aggregate currently amounting to 24.92 per cent. of the issued ordinary shares of the Company (867,491 ordinary shares), will amount to 29.9 per cent. of the ordinary shares of the Company following the Tender Offer, assuming, purely for the purposes of this calculation, that no Other CP Member accepts the Tender Offer (the "**GHE Tendered Shares**"); and
- vote in favour of all of the Resolutions in respect of 812,913 Shares in which GHE holds an interest (the "**GHE Shares**").

4. Repurchase Agreement

The Company and finnCap entered into a repurchase agreement on 29 November 2021 pursuant to which the Company has agreed, subject to the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms, to purchase from finnCap, on AIM, such number of Shares as

finnCap shall purchase pursuant to the Tender Offer, at an aggregate price equal to the amount paid by finnCap for its purchase of the tendered Shares. The Tender Offer may be terminated if any of the circumstances set out in paragraph 2.29 of Part 5 of this document has arisen or in the event that the Repurchase Agreement is terminated in accordance with its terms.

In acquiring Shares pursuant to valid tenders made under the Tender Offer and in selling such Shares to the Company, finnCap will act as principal.

The Repurchase Agreement contains representations and warranties from the Company in favour of finnCap and incorporates an indemnity in favour of finnCap in respect of any liability which it may suffer in relation to its performance under the Tender Offer.

The Repurchase Agreement, which is stated not to create a relationship of agency between finnCap and the Company, is governed by and construed in accordance with English law.

5. Takeover Code

Shareholders should note the following important information relating to certain provisions of the Takeover Code, which will be relevant to purchases of Shares after the date of this document.

Rule 9 of the Takeover Code applies to any person who acquires an interest in shares which, when taken together with shares in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code. Any such person is required to make a general offer to all shareholders of that company to acquire their shares in cash at not less than the highest price paid by such person, or by any person acting in concert with him, for any interest in shares within the 12 months prior to the offer. Such an offer under Rule 9 of the Takeover Code must also be made where any person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights in the company and such person, or any person acting in concert with him, acquires an interest in any other shares which increase the percentage of shares carrying voting rights in which he is interested.

Under Rule 37.1 of the Takeover Code, when a company purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the Takeover Code. Although a person who is neither a director, nor an investment manager of an investment trust, nor acting (or presumed to be acting) in concert with a director or the investment manager will not normally incur an obligation to make an offer under Rule 9 of the Takeover Code in such circumstances. However, this exception will not normally apply when a shareholder not acting in concert with a director or the investment manager of an investment trust has acquired an interest in shares at a time when he had reason to believe that such a purchase of its own shares by the Company would take place.

Therefore, in respect of the Tender Offer, a Shareholder not acting in concert with the Directors or the Investment Manager may incur an obligation under Rule 9 of the Takeover Code to make a general offer to Shareholders to acquire their Shares if, as a result of the purchase by the Company of its own Shares from other Shareholders, he comes to hold or acquires an interest in 30 per cent. or more of the Shares following the Tender Offer or otherwise and he has purchased Shares or an interest in Shares when he had reason to believe that the Company would purchase its own Shares (under the Tender Offer or otherwise). The Company does not expect that any Shareholder will have an interest in 30 per cent. or more of the Shares as a result of completion of the Tender Offer.

6. Consent

finnCap has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.

7. Documents available for inspection

Copies of this document will be available for inspection on the Company's Website from the date of this document.

PART 10

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“Act”	the Companies Act 2006, as amended
“Adjusted Post Tax NAV”	the NAV after appropriate provision for taxation in accordance with generally accepted accounting principles as defined by IFRS
“AIM”	the AIM Market of the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies, as published by the London Stock Exchange from time to time
“Annual General Meeting”	an annual general meeting of the Company
“ARAN Message”	a registrar’s adjustment message (as defined in the CREST manual)
“Augean Proceeds”	the cash proceeds from the completed takeover offer for Augean plc
“B Share Dividend”	the fixed rate dividend to be paid on B Shares in accordance with the rights described in Part 4 of this document
“B Share Scheme”	the proposed mechanism to enable returns of capital through the issue and redemption of B Shares
“B Share Resolutions”	means Resolutions 4, 5 and 6
“B Shares”	unlisted redeemable fixed rate preference shares of £1 each in the capital of the Company carrying the rights and restrictions set out in Part 4 of this document
“Board” or “Directors”	the board of directors of the Company, including any duly constituted committee thereof
“Business Day”	any day (excluding Saturdays, Sundays and public holidays) on which banks are open for normal banking business in the City of London
“Capital Reduction”	the proposed Court approved cancellation of the Company’s capital redemption reserve and any remaining share premium reserve after the B Shares are issued pursuant to the B Share Scheme in respect of the Initial Return of Capital
“CGT”	United Kingdom taxation of capital gains and corporation tax on chargeable gains
“Company” or “GHS”	Gresham House Strategic plc
“Company Secretary”	SGH Company Secretaries Limited
“Company’s Website”	https://greshamhouse.com/strategic-equity/public-equity/gresham-house-strategic-plc
“Court”	the High Court of Justice in England and Wales
“Court Hearing”	the hearing by the Court to confirm the Capital Reduction

“Court Order”	order of the Court confirming the Capital Reduction
“CREST”	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations
“CREST manual”	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof
“CREST Participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
“CREST Proxy Instruction”	the instruction whereby CREST Members send a CREST message appointing a proxy for the General Meeting and instructing the proxy how to vote and containing the information set out in the CREST manual
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
“CREST Sponsor”	a CREST Participant admitted to CREST as a CREST sponsor
“CREST Sponsored Member”	a CREST Member admitted to CREST as a sponsored member
“Current Investment Policy”	the investment policy of the Company as at the date of this document
“Electronic Tender”	the inputting and settlement of a TTE Instruction in accordance with the procedures set out in Part 5 of this document which constitutes or is deemed to constitute a tender of Shares pursuant to and on the terms of the Tender Offer as set out in this document
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Articles”	the current articles of association of the Company as adopted on 22 September 2015
“Existing IMA”	has the meaning given to it in paragraph 3 of Part 1 of this document
“FCA”	the UK Financial Conduct Authority or its successor from time to time
“Form of Proxy”	the personalised form of proxy accompanying this document for use at the General Meeting
“FSMA”	the Financial Services and Markets Act 2000, as amended, including any regulations made pursuant thereto
“Future Tender Offer”	a future invitation by an intermediary to each Shareholder (other than Restricted Shareholders and certain Overseas Shareholders) to tender up to a proportion of their Shares
“Future Tender Offer Resolutions”	the special resolutions numbered 8 and 9 to be proposed at the General Meeting, as set out in the Notice of Requisitioned General Meeting
“General Meeting”	the general meeting of the Company convened for at 2.00 p.m. on 15 December 2021, or any adjournment of that meeting the notice for which is set out at the end of this document

“GHAM”	Gresham House Asset Management Limited, the Company’s former investment manager
“GHE”	Gresham House plc, the Company’s largest Shareholder, representing 23.4 per cent. of the Company’s issued share capital and the parent company of GHAM
“GHE Shares”	has the meaning given to it in paragraph 3 of Part 9 of this document
“GHE Tendered Shares”	has the meaning given to it in paragraph 3 of Part 9 of this document
“Harwood”	Harwood Capital LLP
“Harwood Agreements”	has the meaning given to it in paragraph 3 of Part 1 of this document
“HMRC”	HM Revenue & Customs
“Independent Directors”	the independent directors of the Company at the time of the Strategic Review, being Helen Sinclair, Ken Lever and Charles Berry
“Individual Basic Entitlement”	the number of Shares that each Shareholder will be entitled to sell to finnCap (expressed as a percentage), which will be calculated in accordance with the provisions of paragraph 7 of Part 5 of this document and is expected to be announced on 13 December 2021
“Initial Return of Capital”	has the meaning given to it in paragraph 1 of Part 1 of this document
“Investment Manager”	Harwood, Company’s current investment manager
“ISA”	an individual savings account, a scheme allowing individuals hold cash, shares, and unit trusts free of tax on dividends, interest and capital gains
“Managed Wind-Down”	the proposed wind-down of the Company to effect the full realisation of the Company’s assets and the Returns of Capital to Shareholders as described in this document
“member account ID”	the identification code or number attached to any member account in CREST
“NAV” or “Net Asset Value”	the value of the assets of the Company less its liabilities determined in accordance with the accounting principles adopted by the Company from time to time
“Net Asset Value per Share” or “NAV per Share”	the Net Asset Value divided by the number of Shares then in issue (excluding treasury shares)
“New Articles”	the new articles of association of the Company, which it is proposed are adopted by Shareholders at the General Meeting pursuant to Resolution 6
“New IMA”	has the meaning given to it in paragraph 3 of Part 1 of this document
“New Investment Policy”	the proposed new investment policy of the Company as set out in Part 2 of this document

“Notice of Requisition”	a request to requisition a general meeting of the Company received by the Board from the Requisitionist to propose the discontinuation of the activities, and to liquidate the assets, of the Company by way of a return of capital, as announced by the Company on 15 October 2021
“Notice of Requisitioned General Meeting”	the notice of the General Meeting which is set out in Part 2 of this document
“Other CP Members”	has the meaning given to it in paragraph 3 of Part 9 of this document
“Overseas Shareholders”	Shareholders resident in, or citizens or nationals of, jurisdictions outside the United Kingdom
“Participant ID”	the identification code or membership number used in CREST to identify a particular CREST Member or other CREST Participant
“Proposals”	has the meaning given to it in paragraph 1 of Part 1 of this document
“Qualifying Shareholder”	Shareholders who are entitled to participate in the Tender Offer, being those who are on the Register on the Tender Offer Record Date and excluding those with registered addresses in a Restricted Jurisdiction
“Receiving Agent”	Link Group, at Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
“Record Date”	in respect of any Return of Capital pursuant to the B Share Scheme, the date determined by the Board, at its absolute discretion, being the date on which Shareholders’ entitlements to B Shares under that Return of Capital will be calculated
“Redemption Date”	in respect of any Return of Capital, the date determined by the Board, at its absolute discretion, on which the B Shares allotted under that Return of Capital will be redeemed
“Redemption Price”	in respect of any Return of Capital, the price at which B Shares allotted under that Return of Capital are to be redeemed being £1 for each B Share
“Register”	the register of Shareholders
“Registrar”	Link Group
“Regulatory Information Service” or “RIS”	a regulatory information service approved by the FCA and on the list of regulatory information services maintained by the FCA
“Relationship Agreement”	has the meaning given to it in paragraph 3 of Part 1 of this document
“Repurchase Agreement”	the agreement dated 29 November 2021 between the Company and finnCap relating to the repurchase by the Company on AIM of all the Shares purchased by finnCap pursuant to the Tender Offer as described in paragraph 4 of Part 9 of this document
“Requisitionist”	Rock Nominees Limited (on behalf of GHE)

“Resolutions”	the resolutions to be proposed at the General Meeting as detailed in paragraph 9 of Part 1 of this document and in the Notice of Requisitioned General Meeting
“Restricted Jurisdictions”	each of the United States, Canada, Australia, New Zealand, Japan and South Africa and any other jurisdiction where the mailing of this document into or inside such jurisdiction would constitute a violation of the laws of such
“Restricted Shareholders”	Shareholders who are resident in, or citizens of, a Restricted Jurisdiction including for the avoidance of doubt US persons as defined in Regulation S under the US Securities Act
“Return of Capital”	a return of capital to Shareholders to be effected by the B Share Scheme and/or a tender offer, in each case to be made at such time as determined by the Board, at its absolute discretion
“RIS Announcement”	an announcement to a Regulatory Information Service
“Shareholder Helpline”	the helpline available to Shareholders in connection with the Tender Offer in respect of Shares
“Shareholders”	holders of Shares
“Shares”	ordinary shares of 50 pence each in the capital of the Company
“Side Letter”	has the meaning given to it in paragraph 3 of Part 1 of this document
“Strategic Review”	a strategic review of the strategy of the Company against other strategic options available to the Company to determine the best course of action to provide growth in value for all Shareholders, the completion of which was announced on 11 October 2021
“Subscription Letter”	has the meaning given to it in paragraph 3 of Part 1 of this document
“Takeover Code”	the City Code on Takeovers and Mergers
“Tender Conditions”	shall have the meaning given in paragraph 2.1 of Part 5 of this document
“Tender Form”	the form enclosed with this document for use by Shareholders who hold Shares in certificated form in connection with the Tender Offer
“Tender Offer”	the invitation by finnCap to each Shareholder (other than Restricted Shareholders and certain Overseas Shareholders) to tender up to their Individual Basic Entitlement of Shares, and the acceptance of such tenders by finnCap on the terms and subject to the conditions set out in this document and, in the case of Shares held in certificated form, the Tender Form, or any one or more of such invitation, tender or acceptance as the context requires
“Tender Offer Record Date”	6.00 p.m. on 17 December 2021
“Tender Offer Resolution”	the special resolution numbered 7 to be proposed at the General Meeting, as set out in the Notice of Requisitioned General Meeting

“Tender Price”	the price at which Shares will be purchased pursuant to the Tender Offer as determined in accordance with the terms and conditions of the Tender Offer and as set out in paragraph 7 of Part 5 of this document
“TFE Instruction”	a transfer from escrow instruction (as defined by the CREST manual)
“TTE Instruction”	a transfer to escrow instruction (as defined by the CREST manual)
“uncertificated form”	recorded on the register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “U.S.”	the United States of America, its territories and possessions, any State of the United States and the District of Columbia
“US Securities Act”	the United States Securities Act of 1933 (as amended)

NOTICE OF GENERAL MEETING

Gresham House Strategic plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 03813450)

(An investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of Gresham House Strategic plc (the “**Company**”) will be held at the offices of finnCap, One Bartholomew Close, London, EC1A 7BL at 2.00 p.m. on 15 December 2021 to consider and, if thought fit, approve the following resolutions, of which Resolutions 1 to 5 will be proposed as ordinary resolutions and Resolutions 6 to 9 will each be proposed as special resolutions:

ORDINARY RESOLUTIONS

1. **THAT**, the Company immediately returns the cash on its balance sheet (including the proceeds arising from the disposal of its interest in Augean plc) to existing Shareholders.
2. **THAT**, the Company shall commence the complete realisation of the Company’s assets to maximise the value of its assets for the benefit of all Shareholders, with such realisation and return of capital to Shareholders to be completed within 24 months of this General Meeting.
3. **THAT**, conditional on the passing of resolution 2, the Company adopt the New Investment Policy, as set out at Part 2 of the circular to the Company’s shareholders dated 29 November 2021 (a copy of which is produced to the meeting and signed for identification purposes by the chairman of the meeting) (“**Circular**”), in substitution for the Current Investment Policy.
4. **THAT**, conditional upon the passing of resolutions 1 and 6, the Directors be generally and unconditionally authorised pursuant to article 146 of the articles of association of the Company to capitalise from time to time a sum or sums not exceeding, at each relevant time, the aggregate amount then standing to the credit of the Company’s share premium account for the purpose of making an issue of unlisted redeemable fixed rate preference shares of £1 each in the capital of the Company carrying the rights and restrictions set out in article 169 of the articles of association of the Company (“**B Shares**”) in accordance with the Companies Act 2006 and the articles of association of the Company and to apply such sum or sums from time to time in paying up in full up to 10,442,652 B Shares which may be allotted from time to time pursuant to the authority given by resolution 5 below.
5. **THAT**, conditional upon resolutions 1, 4 and 6 being approved, pursuant to section 551 of the Companies Act 2006, to exercise all powers of the Company to allot and issue from time to time, credited as fully paid up, B Shares up to an aggregate nominal amount of £10,442,652 to the holders of ordinary shares of £0.50 each in the capital of the Company (“**Shares**”) on a pro rata basis as determined by the Directors from time to time. Unless previously varied, revoked or renewed, this authority shall expire at the conclusion of the Annual General Meeting of the Company in 2022 (save that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require B Shares to be allotted after such expiry and the Directors may allot B Shares in pursuance of such offer or agreement as if the power conferred hereby had not expired).

SPECIAL RESOLUTIONS

6. **THAT**, conditional upon the passing of resolution 1, the draft articles of association produced to the meeting and initialled by the Chairman be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, all existing articles of association of the Company to take effect immediately.
7. **THAT**, conditional upon the passing of resolution 1, the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Shares in connection with a tender offer for Shares on the terms set out or referred to in the Circular (“**Tender Offer**”), provided that:

- (a) the maximum number of Shares that may be purchased under this authority is 1,040,784 Shares;
 - (b) the price which shall be paid for a Share shall be the Tender Price (as defined in the Circular) (which shall be both the maximum and the minimum price for the purposes of section 701 of the Companies Act 2006); and
 - (c) this authority will expire at the conclusion of the next annual general meeting of the Company which is expected to be held by 30 September 2022, save that the Company may before the expiry of such authority make a contract to purchase which will or may be executed wholly or partly after the expiry of such authority and the Company may make a purchase of such shares after such expiry pursuant to such contract.
8. **THAT**, conditional upon the passing of resolution 2, the capital redemption reserve of the Company and any share premium reserve of the Company remaining after the issue of the B Shares pursuant to the B Share Scheme as part of the Initial Return of Capital be cancelled in full.
9. **THAT**, in addition to the authority provided in resolution 7 and conditional upon the passing of resolution 2, the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Shares in connection with future tender offers for Shares on such terms and in such manner as the Directors of the Company may from time to time determine ("**Future Tender Offers**"), provided that:
- (a) the maximum number of Shares that may be purchased under this authority will be 29.9 per cent. of the issued share capital of the Company at the time each relevant tender offer is announced;
 - (b) the price which shall be paid for a Share shall be a tender price (to be set out in a circular to shareholders relating to the relevant Future Tender Offer) (which shall be both the maximum and the minimum price for the purposes of section 701 of the Companies Act 2006); and
 - (c) this authority will expire at the conclusion of the next annual general meeting of the Company which is expected to be held by 30 September 2022, save that the Company may before the expiry of such authority make a contract to purchase which will or may be executed wholly or partly after the expiry of such authority and the Company may make a purchase of such shares after such expiry pursuant to such contract.

Save where the context requires otherwise, the definitions contained in the Circular shall have the same meanings where used in these resolutions.

By order of the Board

SGH Company Secretaries Limited
Company Secretary

Registered Office
6th Floor
60 Gracechurch Street
London
EC3V 0HR

29 November 2021

Notes:

1. The Company specifies that only those Shareholders registered on the register of members of the Company as at 6.00 p.m. on 13 December 2021 (or in the event that the meeting is adjourned, only those Shareholders registered on the register of members of the Company as at 6.00 p.m. on the day which is 48 hours prior to the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the General Meeting in respect of the number of Shares registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. A member entitled to attend and vote at this meeting may appoint one or more persons as his/her proxy to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. If multiple proxies are appointed they must not be appointed in respect of the same Shares. To be effective, the enclosed Form of Proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, should be lodged at the office of the Company's Registrar,

Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL not later than 48 hours before the time of the meeting.

The appointment of a proxy will not prevent a member from attending the meeting and voting in person if he/she so wishes. A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every share of which he/she is the holder.

The termination of the authority of a person to act as proxy must be notified to the Company in writing. In the case of joint holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote or votes of the other joint holder or holders, and seniority shall be determined by the order in which the names of the holders stand in the register.

Any question relevant to the business of the General Meeting may be asked at the meeting by anyone permitted to speak at the meeting. You may alternatively submit your question in advance by letter addressed to the Company Secretary at the registered office or by email to shaun.zulafqar@shma.co.uk.

3. A person to whom this notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
4. The statements of the rights of members in relation to the appointment of proxies in Note 2 above do not apply to a Nominated Person. The rights described in that Note can only be exercised by registered members of the Company.
5. As at 26 November 2021 (being the last business day prior to the publication of this notice) the Company's issued share capital amounted to 3,480,884 Shares carrying one vote each and the total number of voting rights was 3,480,884.
6. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
7. In accordance with Section 319A of the Act, the Company must cause any question relating to the business being dealt with at the meeting put by a member attending the meeting to be answered. No such answer need be given if:
 - (a) to do so would:
 - (i) interfere unduly with the preparation for the meeting, or
 - (ii) involve the disclosure of confidential information;
 - (b) the answer has already been given on a website in the form of an answer to a question; or
 - (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this meeting by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, in order to be valid, must be transmitted so as to be received by the Company's agent ID RA10 by the latest time for receipt of proxy appointments specified in Note 2 above.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. Defined terms in this Notice of Requisitioned General Meeting and the Resolutions have the same meanings as given to them in the circular published by the Company dated 29 November 2021 save where the context requires otherwise.
10. A copy of the notice of this meeting is available on the Company's website: <https://greshamhouse.com/strategic-equity/public-equity/gresham-house-strategic-plc>

