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If you have sold or otherwise transferred all of your shares in Worsley Investors Limited, please send this document and Form of Proxy, 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 transmission to the purchaser or transferee.

## NOTICE OF ANNUAL GENERAL MEETING

### WORSLEY INVESTORS LIMITED

*(a closed-ended company incorporated in Guernsey with registration number 43007)*

Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR

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**NOTICE IS HEREBY GIVEN** that the 2020 annual general meeting of Worsley Investors Limited (the "Company") will be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR on Tuesday, 8 December 2020 at 2.00 p.m. (the "AGM") to consider and, if thought fit, pass the following resolutions, of which resolutions 1 to 6 will be proposed as ordinary resolutions and resolutions 7, 8 and 9 as special resolutions.

Shareholders are encouraged to read the explanatory notes included within this notice, which provides additional information on certain non-standard items of business being proposed at the annual general meeting including details regarding COVID-19 restrictions.

#### ORDINARY BUSINESS

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as an ordinary resolution:

1. To receive and consider the audited financial statements, the Directors' report and the Auditors' report for the year ended 30 June 2020.
2. To approve the Director's Remuneration Report for the year ended 30 June 2020.
3. THAT Mr William Scott be re-elected as a Director of the Company.
4. THAT Mr Blake Nixon be re-elected as a Director of the Company.
5. THAT BDO Limited, who have indicated their willingness to continue in office, be re-appointed as Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company.
6. THAT the Directors be authorised to determine the remuneration of the Auditors for their next period of office.

#### SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as a special resolution:

7. THAT the Company be and is hereby generally and unconditionally authorised in accordance with Section 315 of The Companies (Guernsey) Law, 2008 (as amended) (the "Law") (subject to the UK Listing Rules and all other applicable legislation and regulations) to make market acquisitions (as defined in the Law) of its ordinary shares of no par value in the capital of the Company ("Ordinary Shares"), provided that:-
  - a. the maximum number of Ordinary Shares hereby authorised to be purchased is 3,374,092 shares (being 10 per cent. of the Ordinary Shares in issue immediately following the passing of this resolution);

- b. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is 1 pence;
- c. the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be not more than the higher of (i) 5 per cent. above the average market value for the five business days prior to the day the purchase is made and (ii) the higher of the price of the last independent trade and the highest independent bid at the time of the purchase for any number of the Ordinary Shares on the trading venues where the purchase is carried out;
- d. the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company held in 2021 or 18 months from the date of this resolution, whichever is the earlier, unless such authority is varied, revoked or renewed prior to such time;
- e. the Company may make a contract to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make an acquisition of Ordinary Shares pursuant to any such contract; and
- f. any Ordinary Share bought back may be held in treasury in accordance with the Law or be subsequently cancelled by the Company.

8. THAT, in substitution for all existing authorities to disapply pre-emption rights, the Directors be and are hereby authorised to sell from treasury equity securities (within the meaning of the Articles) for cash, as if article 7A(2) of the Articles did not apply to any such sale from treasury, up to an aggregate amount not exceeding 10 per cent. of the Ordinary Shares in issue immediately following the passing of this resolution (being 3,374,092 shares) which may be at the lower of (i) the last published net asset value per Ordinary Share, or (ii) a price below the last published net asset value per Ordinary Share but not less than 30 per cent. above the weighted average price at which the shares were acquired into treasury, provided that any such sale from treasury must be at a price which is not more than 5% below the prevailing mid-market price per Ordinary Share. This authority shall expire at the conclusion of the next annual general meeting of the Company held in 2021 unless such authority is renewed, varied or revoked by the Company, save that the Company may prior to the expiry of such period make any offer or agreement which would or might require such shares to be sold from treasury or rights to be granted after such expiry and the Directors may sell from treasury such shares in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

9. THAT, the Articles of Incorporation of the Company be amended by deleting the existing article 113 in its entirety and substituting such article with the following:

“113 A Director in communication with one or more other Directors so that each Director participating in the communication can hear or read what is said or communicated by each of the others, is deemed to be present at a meeting with the other Directors so participating and, where a quorum is present, such meeting shall be treated as a validly held meeting of the Board and shall be deemed to have been held in the place where the chairman is present.”

BY ORDER OF THE BOARD

**Praxis Fund Services Limited**  
*Company Secretary*

29 October 2020

Sarnia House, Le Truchot  
St Peter Port, Guernsey

## **EXPLANATORY NOTES:**

### **COVID-19 Restrictions**

The Board fully supports the measures being taken to protect public health and safety as a result of the COVID-19 pandemic. In light of the self-isolation requirements in place at the time of writing for anyone travelling to Guernsey, shareholders who are not resident in Guernsey are advised not to travel to Guernsey to attend the Annual General Meeting in person and are therefore encouraged to vote by proxy and to direct any questions to the Company Secretary in advance of the AGM by e-mailing [katrina.rowe@praxisifm.com](mailto:katrina.rowe@praxisifm.com). A transcript of any questions submitted by shareholders and the responses provided at the AGM will be made available on the Company's website, <https://www.worsleyinvestors.com/investor-centre/annual-general-meeting>, following the AGM.

### **Resolution 2: Director's Remuneration Report**

Under the Law, Guernsey-registered companies are not required to publish a Directors' Remuneration Report. However, in consideration of best practices in corporate governance the Company has included details of its Directors' remuneration within the Annual Report and Accounts for the year ended 30 June 2020 and an ordinary resolution will be proposed seeking shareholder approval of the Director's Remuneration Report. This is an advisory rather than a binding vote.

### **Resolutions 3 and 4: Re-appointment of Directors**

The Company's Articles of Incorporation prescribe that, at each annual general meeting of the Company, all the Directors who held office at the two preceding annual general meetings and did not retire shall retire from office. The Directors believe that, while regular rotation is in keeping with good governance, the unquestionable benefits of ensuring that there is some continuity mean that it is in the best interests of the Company that not all Directors offer themselves for re-election each year. Accordingly, Mr Scott and Mr Nixon are standing for re-election at the AGM, with Mr Burke not standing for re-election this year.

The Board remains satisfied that the individual contributions of each Director are, and would continue to be, important to the Company's long-term sustainable success. Biographical details for each of the Directors standing for re-election and details of their individual contributions to the operation of the Board during the year are set out below.

William Scott (Chairman), a Guernsey resident, was appointed to the Board of the Company as an independent Director on 28 March 2019. Mr Scott also currently serves as an independent non-executive director of a number of investment companies and funds, of which Axiom European Financial Debt Fund Limited is listed on the Premium Segment of the LSE and RTW Venture Fund Limited is traded on the Specialist Fund Segment of the LSE. He is also a director of The Flight and Partners Recovery Fund Limited and a number of funds sponsored by Man and Aberdeen Standard. From 2003 to 2004, Mr Scott worked as senior vice president with FRM Investment Management Limited, which is now part of Man Group plc. Previously, Mr Scott was a director at Rea Brothers (which became part of the Close Brothers group in 1999) from 1989 to 2002 and assistant investment manager with the London Residuary Body Superannuation Scheme from 1987 to 1989. Mr Scott graduated from the University of Edinburgh in 1982 and is a chartered accountant having qualified with Arthur Young (now Ernst & Young LLP) in 1987. Mr Scott also holds the Securities Institute Diploma and is a chartered fellow of the Chartered Institute for Securities & Investment. He is also a chartered wealth manager.

As Chairman, Mr Scott is responsible for leading the Board of Directors and for ensuring its effectiveness in all aspects of its role including setting the Board's agenda and ensuring the Board has in place effective decision-making processes which are supported by accurate and high-quality information. Mr Scott also acts as Chairman of the Management Engagement Committee which leads the Board's process for assessing the relationship with, and the performance of the Company's key service providers. In addition, Mr Scott was appointed as Chairman of the Risk Committee earlier this year which is a role involving extensive liaison with the Company's Investment Advisor on matters of portfolio risk. Mr Scott brings extensive industry and market experience to the Board and the Board recommends that shareholders vote in favour of Mr Scott's re-election at the AGM.

Blake Nixon was one of the pioneers of activism in the UK and has wide corporate experience in the UK and overseas. Following three years at Jordan Sandman Smythe (now part of Goldman Sachs), a New Zealand stockbroker, Mr Nixon emigrated to Australia, where he spent three years as an investment analyst at Industrial Equity Limited ("IEL"), then Australia's fourth largest listed company. In 1989 he transferred to IEL's UK operation and early in 1990 led the takeover of failing LSE listed financial conglomerate, Guinness Peat Group plc ("GPG"). The group was then relaunched as an investment company, applying an owner orientated approach to listed investee companies. Mr Nixon was UK Executive Director, responsible for GPG's UK operations and corporate function, for the following 20 years, finally retiring as a non-executive director in December 2015. He is a founding partner of Worsley Associates LLP, an activist fund manager, and has served as a non-executive director of a number of other UK listed companies, as well as numerous unlisted companies. He is a British resident and was appointed to the Board on 23 January 2019.

As the founding partner of the Company's Investment Advisor, Mr Nixon takes an active role in the day to day activities of the Company. During the year, Mr Nixon was integral to the extensive preparatory work in connection with the Company's capital raising launched in February 2020 and, post its close on 18 March 2020, the establishment of the initial investment portfolio. In the wake of the COVID-19 pandemic, Mr Nixon coordinated the negotiations for the amendment of the lease in respect of the Company's Curno cinema asset in Italy which was successfully completed and announced in August 2020. Mr Nixon brings a wealth of experience to the Board and, in his role as the key representative of the Investment Advisor, has contributed a significant time commitment to the Company throughout the year. The Board recommends that shareholders vote in favour of Mr Nixon's re-election at the AGM.

#### **Resolution 7: Market acquisitions**

Resolution 7 gives the Company authority to make market acquisitions of the Company's own Ordinary Shares, up to a maximum of 10 per cent. per annum of the Company's Ordinary Shares in issue (as at the time immediately following the passing of the resolution, being 3,374,092 shares) and subject to minimum and maximum purchase prices as set out in parts b. and c. of resolution 7. This authority will only be invoked if, after taking proper advice, the Directors consider that benefits will accrue to shareholders generally.

In normal market circumstances the Directors intend to favour *pro rata* capital distributions ahead of Ordinary Share repurchases in the market, however, if the Ordinary Shares have traded at a significant discount to net asset value for a prolonged period the Board will consider the use of income on market repurchases over other uses of capital. If the Board does decide that the Company should repurchase Ordinary Shares, purchases will only be made through the market for cash at prices below the estimated prevailing net asset value per Ordinary Share where the Directors believe such purchases will result in an increase in the net asset value per Ordinary Share.

#### **Resolution 8: Disapplication of pre-emption under the Articles**

Resolution 8 gives the Directors authority to sell shares from treasury without first offering them to existing holders on a *pro rata* basis. The number of shares allotted under this power must be a maximum of 10 per cent of the number of Ordinary Shares in issue immediately following the passing of this resolution (being 3,374,092 shares).

The Directors intend to sell shares out of treasury pursuant to the authority granted by resolution 8 only if the Directors believe that it would be in the best interests of the Company's shareholders as a whole to do so. Shareholder attention is drawn to the fact that this resolution will authorise the sale of shares out of treasury at a price below the prevailing NAV, however, the Directors confirm that no sale of shares out of treasury will be made pursuant to the authority granted by resolution 8 at lower than the last published net asset value per Ordinary Share *unless* the price is not less than 30 per cent. above the weighted average price at which the shares were acquired into treasury, and that any such sale from treasury must be at a price which is not more than below 5% of the prevailing mid-market price per Ordinary Share.

## Resolution 9: Amendment of Articles

Owing to the travel restrictions in place as a result of the COVID-19 pandemic, resolution 9 proposes to amend the Company's Articles of Incorporation to allow for Directors who are physically present in the United Kingdom to participate in meetings of the Directors. Such meetings will only be held if a majority of the Directors present at any such meeting are physically present outside the United Kingdom. The Directors believe that it is in the best interests of the Company as a whole to amend the Articles to allow for the Directors to continue to participate in remote meetings until such restrictions are lifted, at which point the Directors intend to resume participation at meetings in person where practical.

Resolution 9 proposes to amend article 113 by deleting the following language from the end of such article:

**"PROVIDED THAT** no Directors physically present in the United Kingdom at the time of any such meeting may participate in any such meeting"

A copy of the Company's Articles of Incorporation are available on the Company's website at: <https://www.worsleyinvestors.com/investor-centre>

## Proxies

1. A shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not also be a shareholder of the Company.
2. Shareholders will find enclosed a form of proxy for use in connection with the AGM (and any adjournment). The form of proxy should be completed in accordance with the instructions. To be valid, the form of proxy (together with the power of attorney or other authority, if any, under which it is executed or a notarially certified copy of such power or authority) must be deposited at the offices of the Company's registrars, Computershare Investor Services (Guernsey) Limited (the "**Registrar**"), c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, online at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) (you will be asked to enter the Control Number, Shareholder Reference Number (SRN) and PIN shown on your proxy form and agree to certain terms and conditions) or at the email address: [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk) at least 48 hours before the time of the AGM. Where a form of proxy is given by email the power of attorney or other authority, if any, under which it is executed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Registrars at the above address by the appointed time. A space has been included in the form of proxy to allow shareholders to specify the number of shares in respect of which that proxy is appointed. Shareholders who return the form of proxy duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their shares. Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company's Registrar, on their helpline number: 0370 707 4040 from within the UK or on +44 370 707 4040 if calling from outside the UK for additional forms of proxy, or you may photocopy the form of proxy provided with this document indicating on each copy the name of the proxy you wish to appoint and the number of ordinary shares in the Company in respect of which the proxy is appointed. All forms of proxy should be returned together in the same envelope.

In the case of joint holders, any one holder may vote. If more than one holder is present at the AGM, only the vote of the senior will be accepted, seniority being determined in the order in which the names appear on the register of shareholders of the Company.

3. To allow effective constitution of the AGM, if it is apparent to the Chairman that no shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.

## **Corporate representatives**

A corporate shareholder may by resolution of its board or other governing body, authorise such person or persons as it thinks fit to act as its representative at the AGM. Where a person is authorised to represent a corporate shareholder, he may be required to produce a certified copy of the resolution from which he derives his authority.

## **Right to attend and vote**

To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 5.00 p.m. on 2 December 2020 or, in the event of any adjournment, at 5.00 p.m. on the date which is two days before the time of the adjourned meeting. Changes to entries on the register of shareholders after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the AGM. Attendance at the AGM may be affected by the COVID-19 restrictions currently in place (which may change between the date of this notice and the date of the AGM). A summary of the relevant restrictions is set out in the section "COVID-19 Restrictions" above.

## **CREST members**

1. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM (and any adjournments thereof) by utilising the procedures described in the CREST manual (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 providers, who will be able to take the appropriate action on their behalf.
2. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Registrar, by the latest time for receipt of proxy appointments specified in this notice of AGM. 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 issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
3. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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 members is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) 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 limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations 2009.