

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser, authorised under the Financial Services and Markets Act 2000 (as amended) ("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 sold or otherwise transferred all of your Shares in Witan Pacific Investment Trust plc (the "Company") you should pass this document (but not any Form of Proxy or Tender Form) as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, the distribution of this document and any of the accompanying documents in jurisdictions other than the United Kingdom, including the Restricted Jurisdictions, may be restricted by law and therefore persons into whose possession this document or any of the accompanying documents come should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. The Tender Offer is not being sent into the Restricted Jurisdictions.

J.P. Morgan Securities plc, which conducts its UK investment banking activities as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), is authorised by the PRA and regulated in the United Kingdom by the PRA and FCA, and is acting exclusively for the Company and no-one else in relation to the Tender Offer or the matters referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of J.P. Morgan Cazenove nor for providing advice in relation to the Tender Offer or the matters referred to in this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities which J.P. Morgan Cazenove may have under FSMA or the regulatory regime established thereunder. The Tender Offer is being made in the United States by J.P. Morgan Securities LLC, acting as nominee for J.P. Morgan Cazenove, and no one else.

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## **WITAN PACIFIC INVESTMENT TRUST PLC**

*(Incorporated in England and Wales with registered number 00091798)*

*(An investment company within the meaning of section 833 of the Companies Act 2006)*

### **Recommended proposals for the appointment of a new investment manager, adoption of a new investment policy, Tender Offer of up to 40 per cent. of the issued share capital of the Company and Notice of General Meeting**

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Notice of a general meeting of the Company to be held at 14 Queen Anne's Gate, London SW1H 9AA on 16 September 2020 at 12 noon is set out at the end of this document. Shareholders are encouraged to return the Form of Proxy accompanying this document for use at the General Meeting. This will ensure that your votes are registered. Given the risks posed by the spread of COVID 19 and in accordance with the provisions of the Company's articles of association, the Corporate Insolvency and Governance Act 2020 and Government guidance, the Directors will impose entry restrictions on attendance at the General Meeting in order to ensure the health, wellbeing and safety of the Company's shareholders and officers as well as compliance with the venue's security requirements. To be valid, the Form of Proxy must be completed, signed and returned in accordance with the instructions printed thereon to be received by the Registrars, Computershare Investor Services PLC as soon as possible and, in any event, by no later than 12 noon on 14 September 2020.

The Tender Offer is not being made to Restricted Shareholders. In particular, the Tender Offer is not being made, directly or indirectly, in or into Australia, Canada, Japan, New Zealand or the Republic of South Africa and the Tender Offer cannot be accepted by any such use, means, instrumentality or facility from within Australia, Canada, Japan, New Zealand or the Republic of South Africa.

Also enclosed with this document is a Tender Form for use by Shareholders who hold their Shares in certificated form in connection with the Tender Offer. To be effective, Tender Forms must be returned to the Receiving Agent, Computershare Investor Services PLC by not later than 1.00 p.m. on 24 September 2020. Shareholders who hold their Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Shares tendered.

Shareholders who hold Shares in uncertificated form (that is, in CREST) should not return a Tender Form but should transmit the appropriate transfer to escrow in CREST as described in Part 4 of this document as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 24 September 2020.

**The Tender Offer will only be available to Shareholders whose names appeared on the Register as at 6.00 p.m. on 24 July 2020 in respect of Shares held by them as at that date.**

**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. THE DIRECTORS WILL NOT BE TENDERING ANY OF THEIR SHARES IN THE TENDER OFFER.**

**Your attention is drawn to the section headed "Action to be Taken" on page 4 of this document.**

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## NOTICE FOR US SHAREHOLDERS

The Tender Offer relates to securities in a non-US company which is registered in England and Wales with a listing on the London Stock Exchange, and is subject to the disclosure requirements, rules and practices applicable to companies listed in the UK, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with the laws of England and Wales and the rules of the London Stock Exchange, and US Shareholders should read this entire document, including Part 6. The financial information relating to the Company included elsewhere in this document has been prepared in accordance with IFRS as adopted in the European Union and has not been prepared in accordance with generally accepted accounting principles in the United States; thus it may not be comparable to financial information relating to US companies. The Tender Offer is being made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the US Exchange Act, subject to the exemptions provided by Rule 14d-1 under the US Exchange Act and otherwise in accordance with the requirements of the Listing Rules. Accordingly, the Tender Offer will be subject to disclosure and other procedural requirements that are different from those applicable under US domestic tender offer procedures. US Shareholders should note that the Company is not listed on a US securities exchange, subject to the periodic reporting requirements of the US Exchange Act or required to, and does not, file any reports with the SEC thereunder.

It may be difficult for US Shareholders to enforce certain rights and claims arising in connection with the Tender Offer under US federal securities laws since the Company is located outside the United States and its officers and directors reside outside the United States. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment.

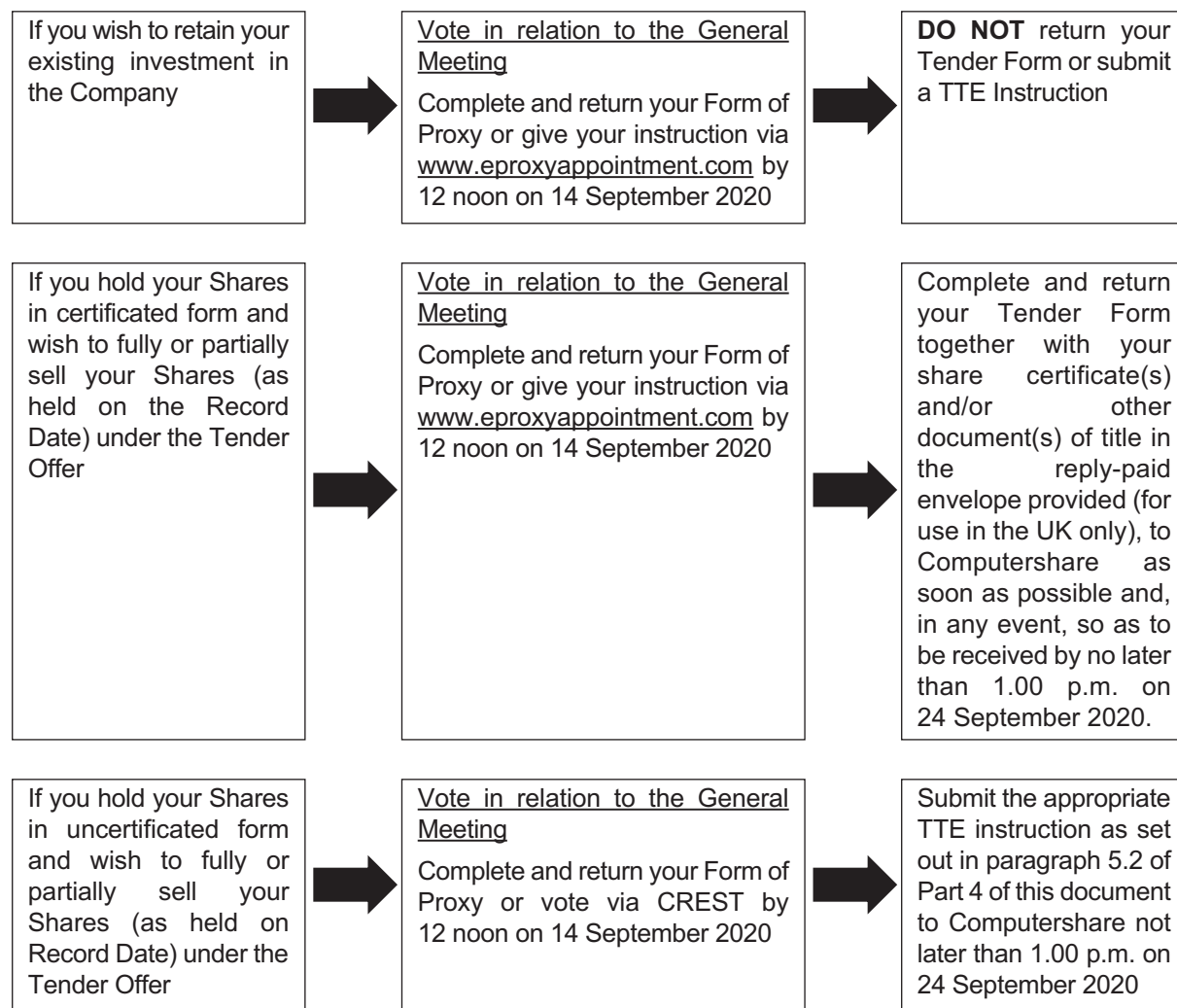
To the extent permitted by applicable law and in accordance with normal UK practice, the Company, J.P. Morgan Cazenove or any of their affiliates, may make certain purchases of, or arrangements to purchase, Shares outside the United States during the period in which the Tender Offer remains open for acceptance, including sales and purchases of Shares effected by J.P. Morgan Cazenove acting as market maker in the Shares. These purchases, or other arrangements, may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In order to be excepted from the requirements of Rule 14e-5 under the US Exchange Act by virtue of relief granted by the SEC Rule 14e-5(b)(12) thereunder, such purchases, or arrangements to purchase, must comply with applicable English law and regulation, including the listing rules of the Financial Conduct Authority, and the relevant provisions of the US Exchange Act. Any information about such purchases will be disclosed as required in the UK and the United States and, if required, will be reported via the Regulatory Information Service of the London Stock Exchange and available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com). To the extent that such information is made public in the United Kingdom, this information will also be publically available to Shareholders in the United States.

The receipt of cash pursuant to the Tender Offer by a Shareholder who is a US Holder (as defined in Part 6) will be a taxable transaction for US federal income tax purposes. In addition, as described in Section B of Part 6 of this document, holders may be subject to US backup withholding and information reporting on payments with respect to the Tender Offer made (or deemed made) within the United States. Part 6 of this document further sets forth certain US federal income tax consequences of the Tender Offer under current US law. However, each Shareholder should consult and seek individual advice from an appropriate professional adviser.

**Neither the SEC nor any US state securities commission has approved or disapproved of this transaction or passed upon the merits of fairness of such transaction or passed upon the adequacy of the information contained in this document. Any representation to the contrary is a criminal offence.**

## ACTION TO BE TAKEN BY SHAREHOLDERS

Only Shareholders whose names appeared on the Register as at 6.00 p.m. on 24 July 2020 are able to participate in the Tender Offer in respect of the Shares held by them as at that date. Whether Shareholders participate, and the extent to which Shareholders participate in the Tender Offer is a matter for each Shareholder to decide, and will be influenced by their own individual financial, investment and tax circumstances. Shareholders should seek advice from their own independent financial adviser. You should read the whole of this document which contains the terms of the Tender Offer, not just this section, when deciding what action to take.



**IF YOU DO NOT WISH TO TENDER ANY OF YOUR SHARES DO NOT COMPLETE AND RETURN A TENDER FORM OR SUBMIT A TTE INSTRUCTION.**

If you have any queries in relation to your shareholding(s) in the Company, please call the Shareholder Helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except public holidays in England and Wales) on +44 370 707 1410. Network providers' costs may vary. Calls to the Shareholder Helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline can provide information only regarding the completion of Forms of Proxy and/or completion of Tender Forms but cannot provide you with financial, tax, investment or legal advice.

## EXPECTED TIMETABLE

2020

Record Date and time for the Tender Offer	6.00 p.m. on 24 July
Publication of this document and Tender Offer opens	24 August
Latest time and date for receipt of Forms of Proxy from Shareholders	12 noon on 14 September
General Meeting	12 noon on 16 September
Results of General Meeting announced	16 September
Latest time and date for receipt of Tender Forms and submission of TTE Instructions from Shareholders	1.00 p.m. on 24 September
Calculation Date	close of business on 28 September
Results of Tender Offer elections and Tender Price announced	1 October
CREST Settlement Date: payments through CREST made and CREST accounts settled	2 October
Balancing share certificates and cheques despatched to certificated Shareholders	Week commencing 5 October

### Notes

1. References to times in this document are to London time.
2. The dates set out in the expected timetable may be adjusted by J.P. Morgan Cazenove, with the consent of the Company, in which event details of the new dates will be notified to Shareholders by an announcement made by the Company through a Regulatory Information Service.

## PART 1

### LETTER FROM THE CHAIRMAN

## WITAN PACIFIC INVESTMENT TRUST PLC

*(Incorporated in England and Wales with registered number 00091798)  
(An investment company within the meaning of section 833 of the Companies Act 2006)*

*Directors:*

Susan Platts-Martin (*Chair*)  
Dermot McMeekin  
Chris Ralph  
Andrew Robson

*Registered office:*

Beaufort House  
51 New North Road  
Exeter  
EX4 4EP

24 August 2020

Dear Shareholder

### Introduction

On 22 July 2020, the Board announced that, after an extensive review of the Company's management arrangements, it had entered into an investment management agreement to appoint Baillie Gifford & Co Limited ("**Baillie Gifford**") as the Company's new investment manager, company secretary and administrator.

The purpose of this document is to set out the background to and reasons for the Board's proposals, being to:

- (i) change the Company's investment policy to invest predominantly in shares of, or depositary receipts representing the shares of, Chinese companies;
- (ii) appoint Baillie Gifford as the Company's new AIFM, company secretary and administrator;
- (iii) change the name of the Company; and
- (iv) allow Shareholders to realise their investment in the Company, in part or potentially in whole, pursuant to the Tender Offer,

and to explain why the Board recommends you vote in favour of the requisite resolutions to be proposed at the General Meeting. This document also contains the terms and conditions of the Tender Offer, together with details of how Shareholders can tender Shares for purchase, if they wish to do so.

**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 will not be tendering any of their Shares in the Tender Offer.**

### Benefits of the Proposals

The Board believes that the Proposals will have the following benefits for Shareholders.

- *Experienced investment manager with long term track record:* Baillie Gifford has a strong track record investing in China over multiple decades.
- *China's growth story:* China's middle class is now the largest in the world and its economy and domestic stock market are the world's second largest
- *China's investment story:* as at June 2019 China accounted for 18 per cent. of global market cap in MSCI investable indices yet only accounted for 2.5 per cent. allocation in global portfolios.
- *Partial cash exit:* the Proposals will allow those Shareholders who do not wish to remain invested in the Company to realise part, and potentially all, of their investment in the Company at a price close to NAV per Share.

In addition, the Tender Offer is expected to provide a modest uplift to NAV per Share for continuing Shareholders should it be fully subscribed.

## **Background**

The Company has achieved significant absolute appreciation in its Net Asset Value and dividend pay out over recent years. As previously announced, however, the Board is concerned that, in common with many other actively managed funds, the Company has experienced some underperformance relative to its benchmark more recently.

On 11 February 2019 the Board announced that, if the Company were not to deliver NAV total return outperformance of its benchmark over the period from 31 January 2019 to 31 January 2021, the Board would put forward proposals to include a full cash exit at close to NAV for all Shareholders.

The Board is cognisant that the current market backdrop for its strategy is challenging and that, coupled with the Company's underperformance of its benchmark to date, outperformance of its benchmark for the remaining period to 31 January 2021 will be difficult. The Board has therefore decided to bring forward a set of proposals that it believes will be attractive to Shareholders.

## **Change of investment objective and policy**

The Company's current investment objective is to provide Shareholders with capital and income growth from a diversified portfolio of investments in the Asia Pacific region designed to outperform the MSCI AC Asia Pacific Index in sterling terms.

The Board and Baillie Gifford believe that China is central to the future of the Asia Pacific region and there is an exciting opportunity to re-position the Company, focusing it solely on what they believe to be one of the most important markets of the coming decades. Today there are only two investment trusts focused on China whilst there are eight that focus on the Asia Pacific region. The Board and Baillie Gifford believe the opportunity is compelling: China's economic success of the past 40 years is unsurpassed; its middle class already the largest in the world, and its economy and domestic stock market the world's second largest.

China's growing competitiveness is being noticed. Baillie Gifford believes that technology is at the heart of US-China tensions and that China has proven its ability to deliver world leading companies through investment, innovation and support. Baillie Gifford also believes that dominance of old economy sectors such as construction and manufacturing is shifting to a lead in many new economy areas, such as ecommerce, online payments, renewable energy and healthcare.

The Board and Baillie Gifford believe that the desire to invest directly into China will continue to grow. As at June 2019, China accounted for 18 per cent. of global market cap in MSCI investable indices, 19 per cent. of global purchasing power by GDP and 31 per cent. of all global listed stocks in MSCI investable indices, yet only accounted for a 2.5 per cent. allocation in global portfolios.

In order to capitalise on this opportunity, the Board is proposing that the investment objective and policy be revised so that the Company will aim to produce long term capital growth by investing predominantly in shares of, or depositary receipts representing the shares of, Chinese companies. The portfolio will consist of a diversified portfolio of 40 to 80 securities and up to 20 per cent. of the total assets of the Company may be invested in unlisted securities. The Company will also be able to employ gearing, which typically would not exceed 20 per cent. of gross asset value at the time of drawdown.

The Company's existing investment objective and policy and the New Investment Policy are set out in full in Part 2 of this document.

The Listing Rules require any proposed material changes to the Company's published investment policy to be submitted to the FCA for prior approval; the FCA has approved the New Investment Policy. The Listing Rules also require Ordinary Shareholder approval prior to any material changes being made to the Company's published investment policy; this approval will be sought at the General Meeting. Any future material changes to the New Investment Policy will also require the prior approval of Ordinary Shareholders.



## Change of investment management arrangements

### *Baillie Gifford's appointment*

Earlier this year, the Board undertook a thorough review of its investment management arrangements. A strong selection of candidates submitted an array of alternative options and, after a competitive process and multiple stages of assessments, the Board resolved to appoint Baillie Gifford as the Company's investment manager, company secretary and administrator. The appointment of Baillie Gifford is conditional upon Shareholders voting in favour of the New Investment Policy resolution and change of name resolution at the General Meeting. The Bank of New York Mellon (International) Limited will be appointed as depositary to the Company on the appointment of Baillie Gifford.

The Company's investments are currently managed by four investment managers, overseen by Witan Investment Services Limited ("**Witan**"), the Company's executive manager. Witan has fully supported, and assisted in, the process and indicated its willingness to cease its executive role at a time to be mutually agreed with the Board. Witan is pleased with the outcome of the process and wishes the Company well for the future.

Baillie Gifford is an independent fund manager with approximately £262 billion under management as at 30 June 2020 and is the largest manager of UK listed investment trusts and companies by assets, managing 10 investment trusts and one other investment company.

Baillie Gifford will be paid an annual management fee of (i) 0.75 per cent. of the first £50 million of Net Asset Value; plus (ii) 0.65 per cent. of Net Asset Value between £50 million and £250 million; plus (iii) 0.55 per cent. of Net Asset Value in excess of £250 million. Baillie Gifford has agreed to waive its investment management fee for the first six months following its appointment as a contribution to the costs that the Company will bear in respect of the Proposals. The management fee payable by the Company under the new investment management arrangements (which includes company secretarial and administration services) will be lower than the management and administration fee arrangements that are currently in place.

Baillie Gifford has agreed to make a significant marketing contribution to the re-launch of the Company and will also fund all investor marketing activity undertaken on behalf of the Company during the first year of its management. As a result, the Company will not make any contribution to the costs of marketing the Company until 2022 at the earliest.

### *Advantages of the proposed change of management arrangements*

The Board believes that the change in investment manager and the related adoption of the New Investment Policy will provide the following benefits to investors.

- *Access to Baillie Gifford's China capability:* Baillie Gifford has a strong team with substantial funds invested in China, having invested in the region for multiple decades.
- *Strong track record:* Baillie Gifford's China strategy has a thirteen year history and the Baillie Gifford China Fund has achieved top quartile performance over 1, 3, 5, 10 years and since inception.
- *A differentiated product:* The 'best ideas' portfolio will consist of 40-80 listed and unlisted Chinese growth stocks from across the market capitalisation spectrum. This will be a differentiated product, characterised by Baillie Gifford's long term time horizon, focus on identifying companies with strong growth potential, and experience investing in attractive unlisted equities.
- *Long term view:* Baillie Gifford adopts a long term view with a typical investment horizon of five years and beyond, with turnover of its China portfolios typically 20 per cent. per annum.
- *Scale:* Baillie Gifford is the largest manager of listed investment funds in the UK and currently manages 11 such funds with combined assets of approximately £20.4 billion as at 30 June 2020.

It is the Board's view that the change in investment manager and the adoption of the proposed strategy provide the scope for improved future long term performance and should enhance the appeal of the Company. With the support of Baillie Gifford, the Company will aim to attract new investors and, over time, seek to grow.



The Board intends, should the New Investment Policy be approved by Shareholders at the General Meeting, to undertake a recruitment process to appoint an additional non-executive director to the Board to complement and add to the Board's existing China experience.

#### *Baillie Gifford's China capability*

Baillie Gifford has a strong track record investing in China having invested in the region over multiple decades. Baillie Gifford had over £44.6 billion invested in both Chinese listed and unlisted companies via its global, regional and unlisted strategies as at 30 June 2020.

Baillie Gifford's China strategy has a thirteen year history and the Baillie Gifford China Fund has achieved top quartile performance over 1, 3, 5, 10 years and since inception. It has outperformed its index<sup>(1)</sup> and the peer group<sup>(2)</sup> by 6.8 per cent. and 7.2 per cent. per annum respectively over the past 5 years.

Baillie Gifford's China equity strategy is managed by its emerging markets team, with research input from Baillie Gifford's Shanghai office. Baillie Gifford's emerging markets team comprises six investment managers and two analysts. Baillie Gifford's Shanghai research platform, comprising three investment researchers, provides an 'on-the-ground' presence, further enabling Baillie Gifford to identify the next generation of exceptional companies. Additionally, the majority of Baillie Gifford's 115 investors research Chinese companies as part of their own remit, and Baillie Gifford has built relationships with company founders, industry specialists and independent research providers.

Sophie Earnshaw and Roderick Snell will manage the portfolio on a day-to-day basis. Sophie Earnshaw is an investment manager in Baillie Gifford's emerging markets equity team and has been co-manager of the Baillie Gifford China Fund since 2014 and is also a decision maker on the China A Share Fund. Roderick Snell is also an investment manager in Baillie Gifford's emerging markets equity team and has managed the Baillie Gifford Pacific Fund since 2010 and been deputy manager of Pacific Horizon Investment Trust since September 2013.

#### *Baillie Gifford's approach*

Baillie Gifford's China equity strategy combines the expertise of its emerging markets and Shanghai teams. Baillie Gifford invests in Chinese companies regardless of their place of listing to give its clients the widest possible China opportunity set. This gives Baillie Gifford the ability to align a broader perspective and global insight with an on-the-ground network and relationships.

Baillie Gifford invests in Chinese companies that it believes have the most substantial long term growth prospects, regardless of their size, domicile, listing or weight in any given index. Baillie Gifford looks for businesses that enjoy sustainable competitive advantages and which Baillie Gifford believes will grow their earnings significantly faster than the market average.

Baillie Gifford's approach to investing in unlisted companies has evolved naturally from its long history of investing in fast growing public companies. As in the public markets, Baillie Gifford is looking for exceptional private companies that can grow significantly over its long-term investment horizon. As these companies choose to remain private for longer, they are growing to substantial scale, with well-developed business models, just like the fast-growing public companies in which Baillie Gifford has invested for decades. As such, Baillie Gifford's analysis of these companies' market opportunity, competitive advantages, management and culture, capital allocation, and long-term return prospects is very similar to its public equity investing. Indeed, several of Baillie Gifford's private investments have gone on to become widely held holdings across Baillie Gifford's public equity strategies, including Alibaba and Meituan Dianping.

One of the key differences between Baillie Gifford's public company and private company investment processes lies in the sourcing of investment opportunities. Baillie Gifford's access to private investment opportunities comes from its reputation as a long term supportive shareholder of public and private companies, and its network of relationships with earlier stage investors and investee companies.

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<sup>(1)</sup> MSCI Golden Dragon Index to 2 May 2019, MSCI All China Index to 27 November 2019 and the MSCI China All Share Index thereafter

<sup>(2)</sup> IA China/Greater China Sector

Baillie Gifford's approach results in a committed portfolio which will often look very different to its benchmark. In the pursuit of superior performance over the long term, Baillie Gifford is happy to accept volatility around an index in the short term.

### **Change of name**

The Board are proposing to change the name of the Company to the "Baillie Gifford China Growth Trust plc" following the General Meeting, as it is the Board's opinion that the Company will benefit from Baillie Gifford's brand, including in attracting potential new investors. The change of name is subject to Shareholder approval at the General Meeting.

### **Tender Offer**

#### *Reasons for the Tender Offer*

As detailed above, the Board has previously stated that it would put forward proposals to include a full cash exit at close to Net Asset Value for all Shareholders, should the Company not deliver Net Asset Value total return outperformance of its benchmark over the period from 31 January 2019 to 31 January 2021.

Given the attractiveness of the proposition from Baillie Gifford, the Board has resolved to bring forward a set of proposals, enabling Shareholders who wish to do so to retain their investment in the Company whilst offering those Shareholders who wish to realise their investment, either in part or potentially in whole, a chance to do so.

The decision to proceed with the Tender Offer was taken following discussions about the future of the Company which the Board held with major Shareholders and J.P. Morgan Cazenove, corporate broker to the Company. The Board believes that many Shareholders will wish to continue with their investment in the Company, but in order to take into account its commitment outlined above, the Board proposes that those Shareholders wishing to realise part or potentially all of their investment in the Company will have a chance to do so at the Tender Price through the Tender Offer for up to 40 per cent. of the Shares in issue as at the Record Date. Shareholders tendering in excess of 40 per cent. of their shareholding may be able to realise those Shares through the Tender Offer to the extent that other Shareholders do not tender any of their Shares or tender less than their Basic Entitlement. The Tender Offer requires the passing of a special resolution at the General Meeting to authorise the purchase by the Company of its Shares, which resolution is also conditional on the passing of (i) the change of name resolution; and (ii) the adoption of the New Investment Policy resolution at the General Meeting.

The Board is satisfied that, following the Tender Offer and assuming the Tender Offer is fully subscribed, the Company will remain an attractive size with sufficient liquidity. The Board believes that this proposal is in the interests of all Shareholders.

Given the nature of the Proposals, the Board does not intend to put any further proposals to Shareholders, including any proposals based upon the performance of the Company in the period to 31 January 2021, should all of the resolutions be passed at the General Meeting. However, in the event that Baillie Gifford is appointed as AIFM to the Company following the passing of (i) the change of name resolution; and (ii) the adoption of the New Investment Policy resolution, but the Tender Offer resolution is not passed, then the Board will discuss proposals with Shareholders that may offer Shareholders a future exit opportunity.

#### *Details of the Tender Offer*

The Tender Offer will enable those Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) who wish to sell some or all of their Shares to elect to do so, subject to the overall limits of the Tender Offer. Shareholders who successfully tender Shares will receive the Tender Price per Share, being a one per cent. discount to the NAV per Share as at the Calculation Date. 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 NAV whilst providing for an uplift to NAV per Share for continuing Shareholders should the Tender Offer be fully subscribed.

Under the terms of the Tender Offer, which is being made by J.P. Morgan Cazenove, Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) will be entitled to tender up to their Basic Entitlement, being 40 per cent. of the Shares they hold as at the Record Date. Shareholders

may also tender additional Shares, but any such excess tenders above the Basic Entitlement will only be satisfied, on a *pro rata* basis, to the extent that other Shareholders tender less than their aggregate Basic Entitlement.

Subject to the satisfaction of the conditions relating to the Tender Offer, J.P. Morgan Cazenove will purchase, as principal, Shares validly tendered under the Tender Offer at the Tender Price. Following completion of those purchases, it will then sell all the relevant Shares back to the Company pursuant to the Repurchase Agreement at the Tender Price by way of an on-market transaction on the main market of the London Stock Exchange. The Shares which the Company acquire from J.P. Morgan Cazenove will be cancelled or held in treasury. The repurchase of Shares by the Company under the Repurchase Agreement will be funded from the Company's distributable reserves.

The Tender Offer is subject to the conditions set out in paragraph 3 of Part 4 of this document. The Tender Offer may also be terminated in certain circumstances as set out in paragraph 9 of Part 4 of this document. Shareholders' attention is drawn to the letter from J.P. Morgan Cazenove set out in Part 3 of this document, which, together with the Tender Form in the case of Shares held in certificated form, sets out the principal terms and conditions of the Tender Offer, and to Part 5 of this document which contains a summary of certain risks associated with the Tender Offer. Details of how Shareholders will be able to tender Shares can be found in paragraph 5 of Part 4 of this document.

**Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.**

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should immediately consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA.

The Company's authority to repurchase its own Shares, which was granted at the last annual general meeting of the Company held on 30 June 2020, in respect of up to 14.99 per cent. of the Company's issued share capital as at the date of that meeting, will remain in force and be unaffected by the Tender Offer.

The Board may, subject to normal market conditions, seek to limit the discount to Net Asset Value at which the Shares trade through the prudent use of this authority to repurchase Shares in the market. Any buy back of Shares will be at the absolute discretion of the Board and in accordance with the Company's authority. It should be noted that this is a mechanism primarily to limit discount volatility and there is no guarantee that such limitation will be achieved or that any Shares will be bought back. Due to US regulatory requirements, the Board does not intend to undertake any Share buy backs between publication of this document and the close of the Tender Offer at 1.00 p.m. on 24 September 2020.

**This letter is not a recommendation for Shareholders to tender their Shares under the Tender Offer.** Whether or not Shareholders tender their Shares will depend on, amongst other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice. No Director will be tendering any of his/her Shares under the Tender Offer.

#### *Estimated expenses*

The fixed costs relating to the Tender Offer are expected to be approximately £269,000 including VAT. The foregoing figure does not include portfolio realisation costs or stamp duty. All costs in relation to the Tender Offer will be borne by all Shareholders. Shareholders should note that, if the Board and J.P. Morgan Cazenove reasonably consider the fixed costs of the Tender Offer to be excessive relative to the number of Shares tendered, the Tender Offer may be revoked.

#### *Overseas Shareholders and Restricted Shareholders*

The making of the Tender Offer to persons outside the United Kingdom, the United States, the Channel Islands or the Isle of Man may be prohibited or affected by the laws of the relevant overseas jurisdictions. Shareholders with registered or mailing addresses outside the United Kingdom, the United States, the Channel Islands or the Isle of Man or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom, the United States, the Channel Islands and the Isle of Man should read carefully paragraph 11 of Part 4 of this document.

The Tender Offer is not being made to Shareholders who are resident in, or citizens of, Restricted Jurisdictions. Restricted Shareholders are being excluded from the Tender Offer in order to avoid offending applicable local laws relating to the implementation of the Tender Offer. Accordingly, copies of the Tender Form are not being and must not be mailed or otherwise distributed in or into Restricted Jurisdictions.

It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such holders to participate in the Tender Offer.

#### *Taxation*

The attention of Shareholders is drawn to Part 6 of this document which sets out a general guide to certain aspects of current UK taxation law and HMRC published practice. This information is a general guide and is not exhaustive. Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the UK should consult an appropriate professional adviser.

#### **Dividends**

The Company's current investment objective provides Shareholders with both capital and income growth. The New Investment Policy will aim to produce long term capital growth only.

The Proposals, if approved by Shareholders, will result in returns from the portfolio being generated from capital growth as opposed to income. The current level of dividend will therefore not be covered by the future investment income. However, in view of the Company's sizeable revenue reserves, the Board intends to continue to pay out dividends at the prevailing level of 7.15 pence per Share per annum in respect of the current financial year and the next financial year to 31 January 2022, should Shareholders approve the Proposals. This is intended to mitigate the impact on Shareholder income as a result of the Proposals in the short term.

#### **General Meeting**

The Proposals are subject to Shareholder approval. A notice convening the General Meeting which is to be held at 14 Queen Anne's Gate, London SW1H 9AA on 16 September 2020 at 12 noon is set out at the end of this document. At this meeting an ordinary resolution will be proposed in respect of the New Investment Policy and special resolutions will be proposed to approve the change of name of the Company and the Tender Offer on the terms set out in this document and to give the Company authority to make market purchases pursuant to the Tender Offer. Should any of the resolutions fail to be passed, the Tender Offer will not proceed.

In order to be passed, the ordinary resolution to approve the New Investment Policy will require the approval of Shareholders representing at least 50 per cent. of the votes cast at the meeting and the special resolutions to approve the change of name and the Tender Offer will require the approval of Shareholders representing at least 75 per cent. of the votes cast at the General Meeting. The Company's articles of association provide that at the General Meeting each Shareholder present in person or by proxy or who (being a corporation) is present by a representative shall, on a show of hands, have one vote and on a poll, shall have one vote for each Share of which he/she is a holder.

The quorum for the General Meeting shall be three persons entitled to attend and to vote, each being a Shareholder or a proxy of a Shareholder or a duly authorised representative of a corporation which is a Shareholder.

Given the risks posed by the spread of COVID 19 and in accordance with the provisions of the Company's articles of association, the Corporate Insolvency and Governance Act 2020 and Government guidance, the Directors will impose entry restrictions on attendance at the General Meeting in order to ensure the health, wellbeing and safety of the Company's shareholders and officers as well as compliance with the venue's security requirements. It should be noted that, in the light of these current circumstances, it is anticipated that only the Directors and a representative of Witan will be present in person to ensure that the quorum requirement under the Company's articles of association is met. However, Shareholders may and are strongly encouraged to participate in the business of the General Meeting by exercising their votes in advance of the General Meeting by completing and returning the Form of Proxy.

## **Action to be taken**

### *General Meeting*

Whether or not you wish to tender your Shares under the Tender Offer, you are requested to complete and return the accompanying Form of Proxy in accordance with the instructions printed thereon so as to be received by the Registrars as soon as possible but in any event by no later than 12 noon on 14 September 2020. The completion and return of the Form of Proxy will ensure your vote is registered despite you being precluded from attending the General Meeting and voting in person.

### *Tender Offer*

Only Shareholders whose names appeared on the Register as at 6.00 p.m. on 24 July 2020 are able to participate in the Tender Offer in respect of the Shares held as at that date.

Shareholders should refer to the section of this document entitled "Action to be taken by Shareholders" contained on page 4 for further information on the options available. Shareholders who hold their Shares in certificated form should note that they should return their share certificate(s) and/or other document(s) of title in respect of the Shares tendered with their Tender Form. 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 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 extent to which Shareholders participate in the Tender Offer is a matter for 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.**

## **Recommendation**

The Board considers that the Proposals as set out in this document and the resolutions to be proposed at the General Meeting are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of all of the resolutions to be proposed at the General Meeting.

The Board intends to vote in favour, or procure votes in favour, of all of the resolutions at the General Meeting in respect of the Directors' own beneficial holdings of Shares, which in aggregate amount to 52,953 Shares (representing approximately 0.087 per cent, of the issued Share capital (excluding Shares held in treasury) of the Company as at the date of this document).

**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.**

**The Directors will not be tendering any of their Shares in the Tender Offer.**

Yours faithfully,

**Susan Platts-Martin**

*Chair*



## PART 2

### PROPOSED NEW INVESTMENT POLICY

The full text of the Company's current investment objective and policy and proposed new investment objective and policy are set out below

#### Current Investment Objective

To provide shareholders with capital and income growth from a diversified portfolio of investments in the Asia Pacific region designed to outperform the MSCI AC Asia Pacific Index in sterling terms.

#### Proposed Investment Objective

To produce long term capital growth by investing predominantly in shares of, or depositary receipts representing the shares of, Chinese companies.

#### Current Investment Policy

The investment policy includes investments in a wide range of regional markets, including the main Southeast Asian and North Asian markets as well as Japan, India and Australia.

#### Proposed Investment Policy

The Company invests predominantly in shares of, or depositary receipts representing the shares of, Chinese companies. Chinese companies are companies that have their headquarters in China or that the investment manager deems to have a significant part of their operations in China. They may be listed, quoted, or traded on any market, or unlisted. The Company will be actively managed and may invest in companies of any size and in any sector.

The range of investment opportunities for the portfolio managers is not limited to the constituents of the benchmark or benchmark weightings. This means that Witan Pacific's portfolio is likely to differ from the benchmark.

The portfolio will comprise between 40 and 80 listed and unlisted securities. No individual stock will represent a greater weight in the portfolio than (i) 20 per cent.; or (ii) its weight in the MSCI China All Shares Index (in sterling) plus 7.5 per cent., whichever is lower as measured at the time of investment. The maximum amount which may be invested in unlisted securities shall not exceed 20 per cent. of the gross asset value of the Company, measured at the time of initial investment.

Witan Pacific invests primarily in equities: in normal circumstances the Board expects the portfolio's equity exposure to be a minimum of 90% of net assets. Therefore, the overall performance of regional equity and currency markets and the operating performance of specific companies selected by the managers is likely to have the most significant impact on the performance of the Company's net asset value.

The Company will at all times be invested in several sectors. While there are no specific limits placed on exposure to any one sector, the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

The Company intends to employ gearing in the normal course of events. The Company may in aggregate borrow amounts equalling up to 25 per cent. of gross asset value, although the Board expects that borrowings will typically not exceed 20 per cent. of gross asset value, in both cases calculated at the time of drawdown.

With prior approval of the Board, the Company may use derivatives for the purposes of efficient portfolio management in order to reduce, transfer or eliminate investment risk in the Company's portfolio. Derivative instruments in which the Company may invest may



include foreign exchange forwards, exchange-listed and over-the-counter options, futures, options on futures, swaps and similar instruments. The Company does not intend to enter into derivative or hedging transactions to mitigate against general currency or interest rate risk.

While it is intended that the Company will be fully invested in normal market conditions, the Company may hold cash on deposit or invest on a temporary basis in a range of cash equivalent instruments. There is no restriction on the amount of cash or cash equivalent instruments that the Company may hold.

The Company may invest no more than 10 per cent., in aggregate, of gross asset value at the time of acquisition in other listed closed-ended investment funds, but this restriction will not apply to investments in such funds which themselves have stated investment policies to invest no more than 15 per cent. of their gross asset value in other closed-ended investment funds.

## PART 3

### LETTER FROM J.P. MORGAN CAZENOVE

25 Bank Street  
Canary Wharf  
London  
E14 5JP

24 August 2020

Dear Shareholders

#### **Tender offer for up to 40 per cent. of the issued share capital of the Company**

As explained in the letter from your Chair in Part 1 of this document, Shareholders (other than Restricted Shareholders and certain Overseas Shareholders as explained in paragraph 11 of Part 4 of this document) are being given the opportunity to sell some or all of their Shares in the Tender Offer, subject to the scaling back of tenders in excess of the Basic Entitlement. The purpose of this letter is to set out the principal terms and conditions of the Tender Offer.

J.P. Morgan Cazenove hereby invites Shareholders on the Register on the Record Date (other than Restricted Shareholders and certain Overseas Shareholders) who wish to tender, to sell Shares for cash at the Tender Price. Each Shareholder will be entitled to have accepted in the Tender Offer valid tenders to J.P. Morgan Cazenove up to their Basic Entitlement. In addition, Shareholders may tender Shares for sale in excess of their Basic Entitlement but such excess tenders will only be satisfied to the extent that other Shareholders have not tendered all or any part of their Basic Entitlement, as the case may be. Tenders in excess of the Basic Entitlement will be satisfied *pro rata* in proportion to the aggregate excess over the Basic Entitlement validly tendered by Shareholders, rounded down to the nearest whole number of Shares.

The tendered Shares will be repurchased by the Company pursuant to the Repurchase Agreement (details of which are set out in paragraph 4 of Part 7 of this document).

The Tender Offer is being made on the terms and subject to the conditions set out in Part 4 of this document and (in the case of Shares held in certificated form) the Tender Form, the terms of which will be deemed to be incorporated into this document and form part of the Tender Offer.

J.P. Morgan Cazenove, is authorised by the PRA and regulated by the PRA and FCA in the UK, and is acting exclusively for the Company and no-one else in connection with the Tender Offer and the contents of this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of J.P. Morgan Cazenove or for providing advice in relation to the Tender Offer and the contents of this document or any matter referred to herein. Nothing in this paragraph shall serve to exclude or limit any responsibilities which J.P. Morgan Cazenove may have under FSMA or the regulatory regime established thereunder.

#### **Procedure for tendering Shares**

##### *Certificated Shares: Tender Form*

Certificated Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) who wish to tender Shares should complete the Tender Form, enclosed with this document, in accordance with the instructions set out therein and return the completed Tender Form in the enclosed reply-paid envelope for use in the UK only or using their own envelope to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or if delivering by hand (during normal business hours) to the Receiving Agent at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to arrive as soon as possible and, in any event, by no later than 1.00 p.m. on 24 September 2020. Such Shareholders who hold their Shares in certificated form should also return the share certificate(s) and/or other document(s) of title in respect of the Shares tendered with their Tender Form.

#### *Uncertificated Shares: CREST arrangements*

Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) holding Shares in uncertificated form who wish to tender Shares for purchase in the Tender Offer should submit the appropriate TTE Instruction in CREST as set out in paragraph 5.2 of Part 4 of this document so as to be received as soon as possible and, in any event by no later than 1.00 p.m. on 24 September 2020.

**Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.**

Full details of the procedure for tendering Shares are set out in Part 4 of this document, and in the case of Shares held in certificated form, on the Tender Form.

#### **Validity of Tender Forms or TTE Instructions**

Tender Forms or TTE Instructions which are received by the Receiving Agent after 1.00 p.m. on 24 September 2020 or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and returned to relevant Shareholders or their appointed agents, together with any accompanying share certificate(s) and/or other document(s) of title.

J.P. Morgan Cazenove reserves the right to treat as valid Tender Forms or TTE Instructions which are not entirely in order and which are not accompanied (in the case of Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof and shall be entitled (in its sole discretion) to accept late Tender Forms or TTE Instructions.

#### **Restricted Shareholders and Overseas Shareholders**

The Tender Offer is not available to Shareholders with registered or mailing addresses in any Restricted Jurisdiction, or who are citizens or nationals of, or resident in, a Restricted Jurisdiction and such Shareholders should read carefully paragraph 11 of Part 4 of this document.

Overseas Shareholders (not being Restricted Shareholders) who wish to accept the Tender Offer should also read paragraph 11 of Part 4 of this document and satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

#### **Conditions**

The Tender Offer is conditional on the terms specified in paragraph 3 of Part 4 of this document.

#### **Termination of Tender Offer**

The Tender Offer may be terminated in the circumstances described in paragraph 9 of Part 4 of this document.

#### **Settlement**

Subject to the Tender Offer becoming unconditional and the acquisition of the Shares pursuant to the Tender Offer by J.P. Morgan Cazenove, payment of the Tender Price due to Shareholders whose tenders under the Tender Offer have been accepted will be made (i) by a Sterling cheque, to be despatched in the week commencing 5 October 2020 or (ii) by a CREST payment, to be made on 2 October 2020, as appropriate.

#### **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.

Under Rule 9 of the Takeover Code, any person or group of persons deemed to be acting in concert who acquires an interest in shares which carry 30 per cent. or more of the voting rights of a company to which the Takeover Code applies is normally required by the Takeover Panel to make a general offer to shareholders of that company to acquire their shares. Rule 9 of the Takeover Code also provides that any person or group of persons deemed to be acting in concert who is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights will be unable, without the Takeover Panel's

consent, to acquire, either individually or together, any further voting rights in that company without being required to make a general offer to shareholders of that company to acquire their shares. An offer under Rule 9 of the Takeover Code must be in cash and at the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares in the company during the 12 months prior to the announcement of the offer.

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 Baillie Gifford 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.

Under the Tender Offer, J.P. Morgan Cazenove will purchase, as principal, voting shares in the Company which could result in J.P. Morgan Cazenove coming to have an interest in such Shares carrying 30 per cent. or more of the voting rights of the Company. J.P. Morgan Cazenove has unconditionally undertaken under the Repurchase Agreement that, promptly following such purchase, it will sell all those Shares, acquired pursuant to the Tender Offer, to the Company for cancellation or to hold in treasury and the Company has unconditionally undertaken to buy all such Shares. J.P. Morgan Cazenove has undertaken that so far as it is interested in the tendered Shares that it will not exercise any rights attached to those Shares. Accordingly, a waiver has been obtained from the Takeover Panel in respect of the application of Rule 9 of the Takeover Code to the purchase by J.P. Morgan Cazenove of the Shares under the Tender Offer.

#### **Further information**

Your attention is drawn to the information contained in the rest of this document, including, in particular, the terms and conditions of the Tender Offer in Part 4 of this document.

Yours faithfully,

**J.P. Morgan Cazenove**

## PART 4

### TERMS AND CONDITIONS OF THE TENDER OFFER

#### 1. The Tender Offer

- 1.1 All Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) whose names appeared on the Register at 6.00 p.m. on the Record Date may tender the Shares held by them as at that date for purchase by J.P. Morgan Cazenove 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 (which together constitute the Tender Offer). Shareholders are not obliged to tender any Shares.
- 1.2 The Tender Offer is made at the Tender Price which will be calculated by the Company as at the Calculation Date in accordance with paragraph 4 of this Part 4. The calculations approved by the Board will be conclusive and binding on all Shareholders.
- 1.3 The consideration for each tendered Share acquired by J.P. Morgan Cazenove pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in paragraph 6 below. J.P. Morgan Cazenove 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 J.P. Morgan Cazenove all the tendered Shares pursuant to the terms of the Repurchase Agreement.
- 1.4 Upon the Tender Offer becoming unconditional and unless the Tender Offer has been terminated or has lapsed in accordance with the provisions of paragraphs 3.2 and 9 below, J.P. Morgan Cazenove will accept the tenders of Shareholders validly made in accordance with this Part 4.
- 1.5 Unless terminated in accordance with the provisions of this Part 4, the Tender Offer will close for Shareholders at 1.00 p.m. on 24 September 2020. A Tender Form and/or TTE Instruction once submitted shall be irrevocable. Any tendered Shares will be placed in escrow and will not be able to be traded unless and until the Tender Offer is terminated or lapses in accordance with these terms and conditions.

#### 2. Basic Entitlement

- 2.1 Each Shareholder (other than a Restricted Shareholder and certain Overseas Shareholders) whose name appeared on the Register at 6.00 p.m. on the Record Date will be entitled to sell to J.P. Morgan Cazenove up to their Basic Entitlement, being such number of Shares rounded down to the nearest whole number, as represents 40 per cent. of such Shareholder's holding of Shares as at the Record Date.
- 2.2 Shareholders will also be entitled to sell more Shares than their Basic Entitlement, but only to the extent to which other Shareholders tender less than their aggregate Basic Entitlement. In these circumstances, excess tenders will be satisfied, subject to the overall 40 per cent. 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 Basic Entitlement (rounded down to the nearest whole number of Shares)
- 2.3 The Basic Entitlement will apply to each registered Shareholder. Registered Shareholders who hold Shares for multiple beneficial owners may decide the allocation between such beneficial owners at their own discretion.
- 2.4 The maximum number of Shares J.P. Morgan Cazenove will be obliged to purchase pursuant to the Tender Offer and which the Company will purchase pursuant to the Repurchase Agreement is 24,357,561 Shares (being equal to 40 per cent. of the Company's issued share capital (excluding Shares held in treasury) as at the Record Date).

### **3. Conditions**

#### **3.1 The Tender Offer is conditional on the following Conditions being satisfied:**

- 3.1.1 the passing as a special resolution, by no later than 31 December 2020, of the resolution to be proposed at the General Meeting authorising the Company to make market purchases of Shares purchased by J.P. Morgan Cazenove pursuant to the Tender Offer and such resolution becoming unconditional and remaining in full force and effect;
  - 3.1.2 J.P. Morgan Cazenove 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;
  - 3.1.3 J.P. Morgan Cazenove 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;
  - 3.1.4 the Company and J.P. Morgan Cazenove not having agreed to terminate the Tender Offer for any reason at their sole discretion;
  - 3.1.5 J.P. Morgan Cazenove being satisfied, acting in good faith, that at all times up to and 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; and
  - 3.1.6 the Tender Offer not having been terminated in accordance with paragraph 9 below prior to the fulfilment of the other Conditions.
- 3.2 J.P. Morgan Cazenove will not purchase (or enter into any commitment or contract to purchase) any Shares pursuant to the Tender Offer unless the Conditions have been satisfied in full or waived. The Conditions, other than those contained in paragraphs 3.1.2 and 3.1.5 above, may not be waived by J.P. Morgan Cazenove. If the Conditions are not satisfied prior to the close of business on 31 December 2020, the Tender Offer, if not then completed, will lapse.

### **4. Calculation of the Tender Price**

The Tender Price will be calculated as follows:

- 4.1 The Company will calculate its NAV as at the close of business on the Calculation Date which, for the purposes of the Tender Offer, shall mean the value of all the assets (including current year financial revenue items) less all other liabilities of the Company. Such NAV shall be calculated taking account of the costs and expenses which are attributable to the Tender Offer. To the extent that any such costs and expenses have not already been paid for or accrued, the amount thereof shall be deducted from the NAV on the Calculation Date. For this purpose, the following bases of valuation shall be adopted:
- 4.1.1 the value of those investments of the Company which are listed, quoted or traded on a stock exchange shall be calculated by reference to the bid quotations or prices or the last trade prices recorded, as the case may be, as at the close of business on the Calculation Date, provided that if no price is available then the relevant investment shall be deemed to come within paragraph 4.1.2 below and not this paragraph 4.1.1;
  - 4.1.2 the value of all other investments of the Company shall be calculated as being their fair values (calculated in accordance with the normal accounting policies of the Company) as at the close of business on the Calculation Date as determined by the Board;
  - 4.1.3 any value otherwise than in pounds Sterling shall be converted at the rate (whether official or otherwise) which the Board deems appropriate in the circumstances, having regard to any relevant conversion costs;
  - 4.1.4 an amount which reflects all other liabilities and obligations of the Company whatsoever (including a fair provision for any contingent liabilities (if any)) or losses as at the Calculation Date shall be calculated, as determined by the Board; and



- 4.1.5 notwithstanding the foregoing, the Board may in its absolute discretion permit an alternative method of valuation to be used if it considers that such valuation better reflects the fair value of any asset or liability.

No party shall have any liability by reason of the fact that a price reasonably believed to be the appropriate price for any quoted or unquoted investment may be found subsequently not to be such.

- 4.2 The resulting NAV calculated in accordance with paragraph 4.1 above, will then be divided by the total number of Shares in issue or deemed to be in issue on the Calculation Date (excluding Shares held in treasury) and expressed in pence Sterling to four decimal places with 0.00005 pence being rounded downwards.
- 4.3 The Tender Price will be the amount equivalent to 99 per cent. of the NAV per Share, calculated on the basis of paragraphs 4.1 and 4.2 above, and expressed in pence Sterling to four decimal places with 0.00005 pence being rounded downwards, as at close of business on the Calculation Date.
- 4.4 Except as otherwise stated, all assets and liabilities will be taken into account in accordance with the Company's normal accounting policies.

## **5. Procedure for tendering Shares**

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

#### **5.1.1 Completion of Tender Forms**

If you hold Shares in certificated form, you should complete separate Tender Forms for Shares held under different designations. Additional Tender Forms will be available from Computershare, telephone number +44 370 707 1410, between the hours of 8.30 a.m. and 5.30 p.m. Monday to Friday (except public holidays in England and Wales). Network providers' costs may vary. Calls to the Shareholder Helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline can only provide information regarding the completion of Forms of Proxy and Tender Forms and cannot provide you with advice on the merits of the Tender Offer nor give financial, tax, investment or legal advice.

#### **5.1.2 Return of Tender Forms**

The completed and signed Tender Form should be sent either by post, using the reply-paid envelope (for use in the UK only) enclosed or by using your own envelope to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, so as to arrive by no later than 1.00 p.m. on 24 September 2020. Subject to paragraph 10.5 below, no Tender Forms received after this time will be accepted. No acknowledgement of receipt of documents will be given. Any Tender Form received in an envelope postmarked from a Restricted Jurisdiction or otherwise appearing to J.P. Morgan Cazenove or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid tender. Further provisions relating to Restricted Shareholders are contained in paragraph 11 of this Part 4.

The completed and signed Tender Form should be accompanied 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), the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by the Receiving Agent by no later than 1.00 p.m. on 24 September 2020 together with any share certificate(s) and/or other document(s) of title you may have available, accompanied by a letter stating that the (remaining) share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 24 September 2020.

The Receiving Agent, acting as your agent, will effect such procedures as are required to transfer your Shares to J.P. Morgan Cazenove under the Tender Offer.

If you have lost your share certificate(s) and/or other document(s) of title, you should either call the Registrars using the telephone numbers provided in paragraph 5.1.1 above or write to the Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, for a letter of indemnity in respect of the lost share certificate(s) and/or any other document(s) of title which, when completed in accordance with the instructions given, should be returned to Computershare at the address referred to in paragraph 5.1.2 so as to be received by no later than 1.00 p.m. on 24 September 2020.

## **5.2 Shares held in uncertificated form (that is, in CREST)**

### **5.2.1 Completion of TTE Instruction**

If the Shares which you wish to tender are held in uncertificated form, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares which you wish to tender in the Tender Offer to an escrow balance, specifying the Registrars in their capacity as a CREST receiving agent under its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the transfer to escrow settles by no later than 1.00 p.m. on 24 September 2020.

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 submit the TTE Instruction to Euroclear in relation to the Shares which you wish to tender.

You should submit (or, if you are a CREST sponsored member, procure that your CREST Sponsor submits) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- the ISIN number for the Shares, this is GB0003656021;
- the number of Shares to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the escrow agent, Computershare Investor Services PLC, in its capacity as a CREST receiving agent, this is 3RA16;
- the member account ID of the escrow agent, Computershare Investor Services PLC, this is WITTEN01;
- the Corporate Action Number for the Tender Offer that is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow and this should be as soon as possible and in any event by no later than 1.00 p.m. on 24 September 2020; and
- input with standard delivery instruction priority of 80.

After settlement of the TTE Instruction, you will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Registrars as your escrow agent until completion, termination or lapse of the Tender Offer. If the Tender Offer becomes unconditional, the Receiving Agent will transfer the Shares which are accepted for purchase by J.P. Morgan Cazenove to itself as your agent for onward sale to J.P. Morgan Cazenove. You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

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 24 September 2020. In connection with this, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

#### **5.2.2 *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 from certificated to uncertificated form, 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 such 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 certificate(s) and/or other document(s) of title or transfer to an escrow balance as described above) prior to 1.00 p.m. on 24 September 2020.

### **5.3 *Validity of Tender Forms and TTE Instructions***

Notwithstanding the powers in paragraph 10 below, J.P. Morgan Cazenove reserves the right to treat as valid only Tender Forms and TTE Instructions which are received entirely in order by 1.00 p.m. on 24 September 2020, which are accompanied (in the case of Shares held in certificated form) 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. The Record Date for the Tender Offer is 6.00 p.m. on 24 July 2020.

Notwithstanding the completion of a valid Tender Form or TTE Instruction, the Tender Offer may be suspended, terminate or lapse in accordance with the terms and conditions set out in this Part 4.

The decision of J.P. Morgan Cazenove as to which Shares have been validly tendered shall be conclusive and binding on the Shareholders who participate in the Tender Offer.

If you are in any doubt as to how to complete the Tender Form or how to submit a TTE Instruction or as to the procedures for tendering Shares, please call the Receiving Agent on +44 370 707 1410 between 8.30 a.m. and 5.30 p.m. Monday to Friday (except public holidays in England and Wales). Please note that Computershare cannot provide any financial, tax, investment or legal advice and calls may be recorded and monitored for security and training purposes. You are reminded that, if you are a CREST sponsored member, you should contact your CREST Sponsor before taking any action.

## **6. *Announcement of the Tender Price, results of the Tender and Settlement***

- 6.1 Unless terminated in accordance with the provisions of this Part 4, the Tender Offer will close for Shareholders at 1.00 p.m. on 24 September 2020. Subject to the Conditions being satisfied, it is expected that on 1 October 2020 the Company will make a public announcement of the total number of Shares tendered and, if applicable, either the extent to which tenders will be scaled back, or the number of tendered Shares in excess of the Basic Entitlement which will be purchased by J.P. Morgan Cazenove from Shareholders who have tendered Shares in excess of their Basic Entitlement.
- 6.2 Delivery of cash to Shareholders for the Shares to be purchased pursuant to the Tender Offer will be made by the Receiving Agent. The Receiving Agent will act as agent for tendering Shareholders for the purpose of receiving the cash and transmitting such cash to tendering Shareholders. Under no circumstances will interest be paid on the cash to be paid by the Company, J.P. Morgan Cazenove or the Receiving Agent regardless of any delay in making such payment.
- 6.3 If any tendered Shares are not purchased because of an invalid tender, the termination of the Tender Offer or otherwise, relevant share certificate(s) and/or other document(s) of title, if any, will

be returned or sent as promptly as practicable, without expense to, but at the risk of, the relevant tendering Shareholder, or in the case 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 came.

- 6.4 Settlement of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by J.P. Morgan Cazenove is expected to be made as follows:

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

Where an accepted tender relates to Shares held in certificated form, cheques for the consideration due will be despatched at the Shareholder's own risk by the Receiving Agent by first class post to the person or agent whose name and address is set out in Box 5 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder shown in Box 1 of the Tender Form or, in the case of joint holders, the address of the Shareholder first named in the Register. All cash payments will be made in Sterling by cheque drawn on a branch of a UK clearing bank.

6.4.2 *Shares held in uncertificated form (that is, in CREST)*

Where an accepted tender relates to Shares held in uncertificated form, the consideration due will be paid by means of CREST by the Receiving Agent (on behalf of J.P. Morgan Cazenove) procuring the creation of a CREST payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.

6.4.3 *Timing of settlement*

The payment of any consideration to Shareholders for Shares tendered in the Tender Offer will be made only after the relevant TTE Instruction has settled or (as the case may be) timely receipt by the Receiving Agent of the share certificate(s) and/or other requisite document(s) of title evidencing such Shares and any other documents required under the Tender Offer.

- 6.5 If only part of a holding of Shares is sold pursuant to the Tender Offer or if, because of scaling back, any tendered Shares in excess of a Shareholder's Basic Entitlement are not purchased pursuant to the terms of the Tender Offer, then:

6.5.1 where the Shares are held in certificated form, the relevant Shareholder will be entitled to receive a certificate in respect of the balance of the remaining Shares; or

6.5.2 where the Shares are held in uncertificated form (that is, in CREST) the unsold Shares will be transferred by the Receiving Agent by means of a TFE Instruction to the original available balance from which those Shares came.

## **7. Tender Form and TTE Instruction**

Each Shareholder by whom, or on whose behalf, a Tender Form or TTE Instruction (as applicable) is executed or submitted, irrevocably undertakes, represents, warrants and agrees to and with J.P. Morgan Cazenove (for itself and for the benefit of the Company, as the case may be and so as to bind himself, herself or itself, and his, her or its respective personal representatives, heirs, successors and assigns) that:

- 7.1 the execution of the Tender Form or the submission of a TTE Instruction shall constitute an offer to sell to J.P. Morgan Cazenove such Shareholder's Basic Entitlement or, if relevant, the number of Shares inserted in Box 2B of the Tender Form or submitted in the TTE Instruction (as applicable), on and subject to the terms and conditions set out or referred to in this document and, once a Tender Form and/or TTE Instruction is submitted, such offer shall be irrevocable;
- 7.2 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 J.P. Morgan Cazenove, J.P. Morgan Cazenove 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

on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;

- 7.3 the execution of the Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of J.P. Morgan Cazenove as such Shareholder's attorney and/or agent ("**attorney**"), and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Shares referred to in paragraph 7.1 above in favour of J.P. Morgan Cazenove or such other person or persons as J.P. Morgan Cazenove may direct and to deliver such instrument(s) of transfer and/or other document(s) at the discretion of the attorney, together with the share certificate(s) and/or other document(s) 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 such Shares in J.P. Morgan Cazenove or its nominee(s) or such other person(s) as J.P. Morgan Cazenove may direct;
- 7.4 the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of the Receiving Agent as such Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent, to transfer to itself and then to transfer to J.P. Morgan Cazenove by means of CREST (or to such person or persons as J.P. Morgan Cazenove may direct) all of the Relevant Shares (as defined below) accepted under the Tender Offer or where there are Shares which have not been successfully tendered under the Tender Offer, to transfer the Relevant Shares to the original available balances from which those Shares came. For the purposes of this paragraph 7.4, "Relevant Shares" means Shares held in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this Part 4;
- 7.5 each Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by J.P. Morgan Cazenove or the Receiving Agent (in the case of Shares tendered through CREST) or any of their respective directors or officers or any person nominated by J.P. Morgan Cazenove or the Receiving Agent (in the case of Shares tendered through CREST) in the proper exercise of its or his or her powers and/or authorities hereunder;
- 7.6 if such Shareholder holds Shares in certificated form, he, she or it will deliver to the Receiving Agent his, her or its share certificate(s) and/or other document(s) of title in respect of the Shares, or an indemnity acceptable to J.P. Morgan Cazenove in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 24 September 2020;
- 7.7 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by J.P. Morgan Cazenove to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 7.8 such Shareholder, if an Overseas Shareholder, (a) is not in any Restricted Jurisdiction or in any territory in which it is unlawful to make or accept the Tender Offer or to use the Tender Form in any manner in which such person has used or will use it, (b) has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident or located and (c) the invitation under the Tender Offer may lawfully be made to and accepted by him, her or it under the laws of the relevant jurisdiction;
- 7.9 such Shareholder has not received or sent copies or originals of the Tender Form to 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, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Jurisdiction, that the Tender Form has not been mailed or otherwise sent in, into or from any Restricted Jurisdiction (or the TTE Instruction has not been sent from a Restricted Jurisdiction in the case of Shares held in uncertificated form (that is, in CREST)) and that such Shareholder is not accepting the Tender Offer from any Restricted Jurisdiction;



- 7.10 in the case of Shares held in certificated form, the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 7.11 in the case of Shares held in certificated form, the despatch of a cheque in respect of the Tender Price to a Shareholder at his, her or its respective registered addresses or such other address as is specified in the Tender Form will constitute a complete discharge by J.P. Morgan Cazenove of its obligations to make such payment to such Shareholders;
- 7.12 in the case of Shares held in uncertificated form (that is, in CREST) the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 6.4.2 above will, to the extent of the obligations so created, discharge fully any obligation of J.P. Morgan Cazenove to pay to such Shareholder the cash consideration to which he, she or it is entitled in the Tender Offer;
- 7.13 on execution, the Tender Form takes effect as a deed;
- 7.14 the execution of the Tender Form or the submission of a TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the English courts in relation to all matters arising out of or in connection with the Tender Offer;
- 7.15 in the case of Shares held in uncertificated form (that is, in CREST), if, for any reason any Shares in respect of which a TTE Instruction has been submitted are, prior to 1.00 p.m. on 24 September 2020, converted into certificated form, the tender(s) through CREST in respect of such Shares shall cease to be valid;
- 7.16 if the appointment of the attorney and/or agent under paragraph 7.3 above shall be unenforceable or invalid or shall not operate so as to afford to J.P. Morgan Cazenove 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 J.P. Morgan Cazenove to secure the full benefits of paragraph 7.3 above; and
- 7.17 in the case of Shares held in uncertificated form (that is in CREST), such Shareholder shall not take any action which would prevent the Company or the Registrars from cancelling the Shares to which the TTE Instructions relate.

A reference in this paragraph 7 to a Shareholder who holds Shares in certificated form includes a reference to the person or persons executing the Tender Form and, in the event of more than one person executing the Tender Form, the provisions of this paragraph will apply to them jointly and to each of them.

## **8. Additional provisions**

- 8.1 Shareholders (other than a Restricted Shareholder and certain Overseas Shareholders) will be entitled to have accepted in the Tender Offer valid tenders to J.P. Morgan Cazenove up to his, her or its Basic Entitlement. In addition, Shareholders may tender Shares in excess of their Basic Entitlement where other Shareholders tender less than their Basic Entitlement and subject to the scaling back of tenders, as set out in paragraph 2 above. If in J.P. Morgan Cazenove's determination (in its absolute discretion) Box 2B 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 amount of Shares as is equal to their respective Basic Entitlement.
- 8.2 Shares acquired by J.P. Morgan Cazenove in the Tender Offer and by the Company from J.P. Morgan Cazenove pursuant to the Repurchase Agreement will be market purchases in accordance with the rules of the FCA and the London Stock Exchange.
- 8.3 Shares sold by Shareholders pursuant to the Tender Offer will be acquired 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 on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date.



- 8.4 Each Shareholder who tenders or procures the tender of Shares will thereby be deemed to have agreed that, in consideration of J.P. Morgan Cazenove agreeing to process his, her or its tender, such Shareholder will not revoke his, her or its tender or withdraw his, her or its Shares. Shareholders should note that once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.
- 8.5 Any omission to despatch this document or the Tender Form or any notice required to be despatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 8.6 No acknowledgement of receipt of any Tender Form, TTE Instruction and/or other document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Shareholders (or their designated agents) will be delivered by or sent to or from such Shareholders (or their designated agents) at their own risk.
- 8.7 All powers of attorney and authorities on the terms conferred by or referred to in this Part 4 or in the Tender Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.
- 8.8 Subject to paragraphs 10 and 12 below, all tenders in relation to certificated holders must be made on the Tender Form, fully completed in accordance with the instructions set out thereon which constitute part of the terms and conditions of the Tender Offer and, for uncertificated holders, a TTE Instruction must be submitted in accordance with the instructions provided in paragraph 5.2.1 above. A Tender Form or TTE Instruction will only be valid when the procedures contained in the terms and conditions of the Tender Offer and in the Tender Form (as applicable) are complied with. The Tender Offer will be governed by and construed in accordance with English law. Delivery or posting of a Tender Form or the transmission of a TTE Instruction in CREST, as applicable, will constitute submission to the jurisdiction of the English courts in respect of all matters arising out of or in connection with the Tender Offer (including the Tender Form or the transmission of a TTE Instruction in CREST).
- 8.9 If the Tender Offer does not become unconditional, is terminated or lapses, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the Tender Offer terminating or lapsing, to the person or agent whose name and address is set out in Box 5 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder shown in Box 1 of the Tender Form or, in the case of joint holders, the address of the Shareholder first named in the Register. In the case of Shares held in uncertificated form, Computershare in its capacity as the escrow agent will, within 14 Business Days of the Tender Offer terminating or lapsing, give instructions to Euroclear to transfer all Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TFE Instruction to the original available balances from which those Shares came. In any of these circumstances, Tender Forms and TTE Instructions will cease to have any effect.
- 8.10 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form shall constitute part of the terms of the Tender Offer. The definitions set out in this document apply to the terms and conditions of the Tender Offer, including the Tender Form.
- 8.11 Subject to paragraph 11 below, the Tender Offer is open to those Shareholders whose names appeared on the Register at 6.00 p.m. on the Record Date. The Tender Offer will close at 1.00 p.m. on 24 September 2020. Subject to paragraph 10.5 below, no Tender Form, share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after that time will be accepted.
- 8.12 All documents and remittances despatched to or from Shareholders or their appointed agents in connection with the Tender Offer will be despatched at the Shareholder's own risk and no acknowledgement will be issued in respect of receipt of Forms of Proxy or Tender Forms.
- 8.13 Further copies of this document and copies of the Tender Form may be obtained on request from the Receiving Agent at the addresses set out in the Tender Form.

## **9. Termination of the Tender Offer**

- 9.1 If at any time prior to J.P. Morgan Cazenove effecting the purchase as principal of the successfully tendered Shares pursuant to the Repurchase Agreement, (i) the Company (acting through the Board) notifies J.P. Morgan Cazenove in writing that in the Board's reasonable opinion the Tender Offer would no longer be in the interests of the Company and/or Shareholders; or (ii) in J.P. Morgan Cazenove's and/or the Company's absolute determination as a result of any change in national or international financial, economic, political or market conditions, the costs of the Tender Offer (including without limitation the costs of the realisation of assets to fund the Tender Offer) have become prohibitive; or (iii) in J.P. Morgan Cazenove's and/or the Company's absolute determination the completion of the repurchase of Shares tendered pursuant to the Tender Offer could have unexpected adverse fiscal or other consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed, J.P. Morgan Cazenove and/or the Company shall be entitled to terminate the Tender Offer at their complete discretion.
- 9.2 If the Tender Offer is terminated, the Company will make an announcement through a Regulatory Information Service that such is the case and the Tender Offer shall cease and determine absolutely, without any liability on the part of the Company or J.P. Morgan Cazenove.

## **10. Miscellaneous**

- 10.1 Any changes to the terms, or any extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof by no later than 1.00 p.m. on the Business Day following the date of such changes. In this case, the definitions, times and dates mentioned throughout this document shall be deemed to be adjusted accordingly. Such an announcement will be released to a Regulatory Information Service. References to the making of an announcement by the Company includes the release of an announcement on behalf of the Company by J.P. Morgan Cazenove to the press and delivery of, or telephone or facsimile or other electronic transmission of, such announcement to a Regulatory Information Service.
- 10.2 Shares purchased pursuant to the Tender Offer will, following the completion of the Tender Offer, be acquired from J.P. Morgan Cazenove by the Company on the London Stock Exchange pursuant to the Repurchase Agreement and such Shares will subsequently be cancelled or held in treasury.
- 10.3 The expenses of the Tender Offer (including stamp duty) together with the applicable VAT will be borne by all Shareholders and will be reflected in the Tender Price.
- 10.4 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by J.P. Morgan Cazenove or the Company. Under no circumstances should the delivery of this document or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this document.
- 10.5 J.P. Morgan Cazenove reserves the absolute right to inspect (either itself or through its agents or through the Receiving Agent) all Tender Forms and TTE Instructions and may consider void and reject any tender that does not in J.P. Morgan Cazenove's sole judgement meet the requirements of the Tender Offer. J.P. Morgan Cazenove also reserves the absolute right to waive any defect or irregularity in the tender of any Shares, including any Tender Form (in whole or in part) which is not entirely in order or which is not accompanied by (in the case of Shares held in uncertificated form) the relevant TTE Instruction or (in the case of Shares held in certificated form), the related share certificate(s) and/or other document(s) of title or an indemnity acceptable to J.P. Morgan Cazenove in lieu thereof. However, in that event, the consideration payable under the Tender Offer for successfully tendered Shares held in certificated form will only be despatched when the relevant Tender Form is entirely in order and the relevant share certificate) and/or other document(s) of title or indemnities satisfactory to J.P. Morgan Cazenove has/have been received. None of J.P. Morgan Cazenove, the Company, the Registrars or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

10.6 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to the Tender Offer.

## **11. Restricted Shareholders and Overseas Shareholders**

11.1 The provisions of this paragraph 11 and any other terms of the Tender Offer relating to Restricted Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by J.P. Morgan Cazenove in consultation with the Company but only if J.P. Morgan Cazenove and the Company are satisfied that such a waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other laws.

11.2 Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Overseas Shareholder wishing to tender Shares to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection herewith, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Overseas Shareholders will be responsible for the payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and J.P. Morgan Cazenove and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder 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 Forms in any territory outside the United Kingdom.

11.3 The Tender Offer is not being made to Restricted Shareholders. Restricted Shareholders are being excluded from the Tender Offer in order to avoid breaching applicable local laws relating to the implementation of the Tender Offer. Accordingly, copies of the Tender Form are not being and must not be mailed or otherwise distributed into a Restricted Jurisdiction, including to Shareholders with registered addresses in Restricted Jurisdictions, or to persons whom the Company or J.P. Morgan Cazenove knows to be custodians, nominees or trustees holding Shares for persons in Restricted Jurisdictions. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute or send them in or into a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, as so doing 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 Tender Forms should not be postmarked from a Restricted Jurisdiction or otherwise despatched to a Restricted Jurisdiction and accepting Shareholders must not provide Restricted Jurisdiction addresses for the remittance of cash or return of Tender Forms.

11.4 A Shareholder will be deemed not to have made a valid tender if:

11.4.1 such Shareholder is unable to make the representations and warranties set out in paragraphs 7.8 and 7.9 of this Part 4; or

11.4.2 such Shareholder inserts in Box 5 of the Tender Form the name and address of a person or agent in a Restricted Jurisdiction to whom he, she or it wishes the consideration to which such Shareholder is entitled in the Tender Offer to be sent; or

11.4.3 the Tender Form received from him, her or it is in an envelope postmarked in, or which otherwise appears to J.P. Morgan Cazenove or its agents to have been sent from, a Restricted Jurisdiction. J.P. Morgan Cazenove reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in paragraphs 7.8 and 7.9 of this Part 4 given by any Shareholder are correct and, if such investigation is undertaken and as a result J.P. Morgan Cazenove determines (for any reason) that such representations and warranties are not correct, such acceptance shall not be valid.

11.5 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 offering documents in or into a Restricted Jurisdiction or uses the mails of, or any means

or instrumentality (including, without limitation, facsimile transmission, telex, internet and telephone) of interstate or foreign commerce of, or any facility of a national securities exchange in, a Restricted Jurisdiction in connection with such forwarding, such person should:

- 11.5.1 inform the recipient of such fact;
  - 11.5.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
  - 11.5.3 draw the attention of the recipient to this paragraph 11.
- 11.6 If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.
- 11.7 The provisions of this paragraph 11 supersede any terms of the Tender Offer inconsistent herewith.
- 11.8 **Overseas Shareholders (who are not Restricted Shareholders) should inform themselves about and observe any applicable legal or regulatory requirements. The comments set out in this document are intended as a general guide only and Shareholders who are in any doubt about their position should consult their professional adviser in the relevant territory.**

## **12. Modifications**

- 12.1 The terms of the Tender Offer shall have effect subject to such non-material modifications or additions as the Company and J.P. Morgan Cazenove may from time to time approve in writing. The times and dates referred to in this document may be amended by agreement between the Company and J.P. Morgan Cazenove and any such amendment shall be publicly announced as promptly as practicable by way of an RIS.

## PART 5

### RISKS ASSOCIATED WITH THE PROPOSALS

Shareholders should consider carefully all of the information set out in this document including, in particular, the risks associated with the Proposals described below, as well as their own personal circumstances, prior to making any decision.

The Company's business, financial condition or operations could be materially and adversely affected by the occurrence of any of the risks described below. In such circumstances, the market price of the Shares could decline and investors could lose all or part of their investment. In particular, Shareholders should note that the past performance of the Shares should not be used as a guide to their future performance.

Additional risks and uncertainties which were not known to the Board at the date of this document or that the Board considers at the date of this document to be immaterial (based on the assumption that the resolution is passed at the General Meeting and the Tender Offer is implemented) may also materially and adversely affect the Company's business, financial condition or results or prospects.

Shareholders should be aware of the following considerations relating to the Proposals:

- Implementation of the Tender Offer is conditional, *inter alia* upon the passing as a special resolution, by no later than 31 December 2020, of the resolution to be proposed at the General Meeting authorising the Company to make market purchases of Shares purchased by J.P. Morgan Cazenove pursuant to the Tender Offer. In the event that the resolution is not passed or does not become unconditional, the Tender Offer will not proceed and the Company would have to bear the abortive costs of having proposed the Tender Offer.
- In order to pay the consideration to which Shareholders are entitled pursuant to valid tenders of Shares accepted by J.P. Morgan Cazenove (and which the Company will then be obliged to repurchase from J.P. Morgan Cazenove), the Company may use a significant amount of its available cash and other liquid funds. Ultimate realisation of the market value of an asset depends to a great extent on economic and other conditions beyond the control of the Company and therefore, to the extent that the Company is required to sell any of its portfolio holdings to fund the Tender Offer, the price obtained for such sale may be lower than the current market value of the investment in question.
- If the Tender Offer does not proceed for any reason, the Company would bear the fixed costs in relation to the Tender Offer.
- 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.
- 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.
- Shareholders should note that if the Board and J.P. Morgan Cazenove reasonably consider the fixed costs of the Tender Offer to be excessive relative to the number of Shares tendered, the Tender Offer may not proceed.
- 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 funds used to repurchase the Shares acquired by J.P. Morgan Cazenove pursuant to the Tender Offer will no longer be available for application in the ordinary course of the Company's business or to meet contingencies, and the ongoing fixed costs of the Company will be spread over fewer Shares.

- 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.
- There can be no guarantee that the New Investment Policy of the Company will be achieved or that any appreciation of the Company's assets will occur. The Company's past investment performance is not a reliable indicator of its future investment performance.
- Changes in economic conditions (including, for example, changes in interest rates, rates of inflation, industry and trade conditions and competition), political, diplomatic, social and demographic events and trends, tax laws and other factors such as the COVID-19 pandemic could substantially and adversely affect the value of the Company's portfolio and the Company's investment performance, Share price and prospects.
- As a consequence of the portfolio realignment pursuant to the Proposals, Shareholders may have reduced levels of market exposure during the transition period due to the time required to realise the Company's existing investments and the time needed to make investments in accordance with the New Investment Policy.
- Investing in an emerging market such as China subjects the Company to a higher level of market risk than investment in a more developed market. This is due, among other things, to the existence of greater market volatility, lower trading volumes, the risk of political and economic instability (such as the ongoing geo-political tensions between China and the US) legal and regulatory risks, risks relating to accounting practices, disclosure and settlement, a greater risk of market shut down, standards of corporate governance and more governmental limitations on foreign investment than are typically found in developed markets. In addition, by investing in a portfolio of predominantly Chinese companies in accordance with the New Investment Policy, the Company's geographic exposure will be reduced when compared with the existing pan Asia investment policy which will increase the geographic risk exposure of the portfolio.
- The Company may make investments in unlisted companies. These assets may be more difficult to value and to buy or sell and as such changes in their prices may be greater. If the Company is unable to realise its unlisted investments, it could result in significant losses for the Company which would impact the returns to Shareholders.
- 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 6 of this document in relation to any tax consequences relating to the Tender Offer.

The foregoing 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.



## PART 6

### TAXATION

#### A. UK Taxation

**The following comments are intended only as a general guide to certain aspects of current UK taxation law and HMRC published practice, and do not constitute tax advice. They are of a general nature and apply only to Shareholders who are resident in the UK (except where otherwise indicated) and who hold their Shares as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities or Shareholders who have acquired their Shares by virtue of an office or employment.**

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 UK capital gains tax (or, in the case of a corporate Shareholder, UK corporation tax on chargeable gains) in respect of any gain arising on such sale.

Individual Shareholders may have gains reduced by the annual exemption which is £12,300 for 2020/2021 or allowable losses, whereas corporate Shareholders subject to UK corporation tax may have their gains reduced by indexation allowance but this allowance will not create or increase an allowable loss. Under measures enacted in Finance Act 2018, indexation allowance (which applied solely to corporate bodies and not individuals from 6 April 2008) was frozen as at 31 December 2017 and no longer accrues past this date. Therefore, for chargeable assets disposed of on or after 1 January 2018 by corporate bodies, indexation allowance will only be calculated up to 31 December 2017. If an asset has been acquired after 31 December 2017, indexation allowance will no longer be available.

The current rates of UK capital gains tax applicable on the sale of Shares is 10 per cent, for individual Shareholders who are chargeable to UK income tax at the basic rate, and 20 per cent. for individual Shareholders taxable at rates other than the basic rate. Corporate Shareholders may be subject to UK corporation tax at the current rate of 19 per cent.

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 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 under tax anti-avoidance legislation.

**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.**

An application has not been made to HMRC for clearance under section 748 of CTA 2010 or section 701 of ITA 2007 given that the anti-avoidance provisions contained in Part 15 of CTA 2010 or Part 13 of ITA 2007 should not apply to the Tender Offer. Part 15 of CTA 2010 and Part 13 of ITA 2007 permit HMRC to counteract tax advantages arising from certain transactions in securities by, for example, treating some or all of the proceeds of capital disposals as distributions of income. However, these sections do not apply where it can be shown, in the case of any corporation tax advantage, that the transactions in question were entered into for genuine commercial reasons and did not involve as one of their main objects the obtaining of any corporation tax advantage and, in the case of any income tax advantage, that the transactions in question did not involve the receipt of consideration in connection with a distribution by, or assets of, a close company (as set out in section 685 of ITA 2007) or did not involve, as one of their main purposes, the obtaining of any income tax advantage.

Stamp duty or stamp duty reserve tax at the rate of 0.5 per cent. of the Tender Price (in the case of stamp duty only, rounded up to the nearest £5 and only due if the transaction is over £1,000) will be payable by the Company on Shares repurchased by it pursuant to 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.**

## **B. US Taxation**

The following discussion is a summary of certain US federal income tax consequences of the acceptance of the Tender Offer by a US Holder. This discussion applies only to US Holders (as defined below) who hold Shares and participate in the Tender Offer in accordance with the procedures described herein and only to US Holders who hold Shares as capital assets for US federal income tax purposes (generally, property held for investment). This discussion is based on the Code, US Treasury regulations (including temporary and proposed regulations) promulgated thereunder ("**Regulations**"), administrative guidance by the Internal Revenue Service (the "**IRS**"), judicial decisions, all as currently in effect as of the date hereof and all of which are subject to change (possibly with retroactive effect).

No opinion of counsel or ruling from the IRS has been or will be sought with respect to any of the US federal income tax considerations discussed below, and no assurance can be given that the IRS will not take a position contrary to the discussion below or that any such contrary position would not be sustained by a court.

This discussion does not describe all of the US federal income tax considerations that may be applicable to US Holders in light of their particular circumstances or US Holders subject to special treatment under US federal income tax law, such as:

- banks, insurance companies and other financial institutions;
- entities treated as partnerships for US federal income tax purposes, S corporations or other pass-through entities;
- tax-exempt organizations, including "individual retirement accounts" or "Roth IRAs";
- real estate investment trusts;
- regulated investment companies;
- dealers or traders in securities;
- certain former citizens or residents of the United States;
- persons holding Shares as part of a hedge, straddle, conversion or other integrated transaction;
- persons holding Shares in connection with a trade or business conducted outside of the United States;
- tax consequences attributable to persons required to accelerate the recognition of any item of gross income with respect to the Shares as a result of such income being recognized on an applicable financial statement;
- persons that have a functional currency other than the US dollar; and
- persons that actually or by attribution own 10 per cent. or more of our equity (by vote or value).

In addition, this discussion does not address any US state or local or non-U.S. (including without limitation, UK) tax considerations or any US federal estate, gift, alternative minimum tax or Medicare contribution tax considerations. US Holders should consult their own tax advisors concerning the US federal income tax considerations to them in light of their particular situation as well as any considerations arising under the laws of any other taxing jurisdiction.

For purposes of this discussion, a "**US Holder**" is a beneficial owner of the Shares that is for US federal income tax purposes:

- an individual who is a citizen or resident of the United States;

- a corporation (or other entity treated as a corporation for U. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to US federal income taxation regardless of its source; or
- a trust if (i) a United States court can exercise primary supervision over the trust's administration and one or more United States persons (within the meaning of Section 7701(a)(30) of the Code) are authorized to control all substantial decisions of the trust or (ii) the trust has validly elected to be treated as a United States person for all US federal income tax purposes.

If a partnership (or other entity or arrangement treated as a partnership for US federal income tax purposes) holds the Shares, the US federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Partners in a partnership holding Shares should consult their own tax advisors regarding the tax considerations generally applicable to them of the acceptance of the Tender Offer.

If you are not a US Holder, this discussion does not apply to you.

**THE SUMMARY OF US FEDERAL INCOME TAX CONSEQUENCES SET FORTH BELOW IS FOR GENERAL INFORMATION ONLY. ALL SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACCEPTING THE TENDER OFFER, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.**

#### **Passive Foreign Investment Company**

The Company believes that it was a passive foreign investment company (“**PFIC**”) for its fiscal year ended 31 January 2020 and will continue to be a PFIC in the future.

In general, the Company will be a PFIC with respect to a US Holder if for any taxable year in which such US Holder held Shares:

- at least 75% of our gross income for the taxable year is “passive income”; or
- at least 50% of the value, determined on the basis of a quarterly average, of our assets is attributable to assets that produce or are held for the production of “passive income”.

Passive income generally includes dividends, interest, royalties, rents (other than certain rents and royalties derived in the active conduct of a trade or business), annuities and gains from assets that produce passive income. If a foreign corporation owns at least 25% by value of the stock of another corporation, the foreign corporation is treated for purposes of the PFIC tests as owning its proportionate share of the assets of the other corporation, and as receiving directly its proportionate share of the other corporation's income.

If the Company is treated as a PFIC, and a US Holder did not make one of the mitigating elections, as described below, such US Holder will be subject to special rules with respect to:

- any gain realised on the sale or other disposition of Shares; and
- any excess distribution received from the Company (generally, any distributions to a US Holder during a single taxable year that are greater than 125% of the average annual distributions received by such US Holder in respect of the Shares during the three preceding taxable years or, if shorter, the US Holder's holding period for the Shares).

Under these rules:

- the gain or excess distribution will be allocated ratably over a US Holder's holding period for the Shares;
- the amount allocated to the taxable year in which a US Holder realized the gain or excess distribution will be taxed as ordinary income;

- the amount allocated to each prior year, with certain exceptions, will be taxed at the highest tax rate in effect for that year; and
- the interest charge generally applicable to underpayments of tax will be imposed in respect of the tax attributable to each such year.

Special rules apply for calculating the amount of the foreign tax credit with respect to excess distributions by a PFIC.

If the Shares are treated as stock of a PFIC, a US Holder may be eligible to make a mark-to-market election if the Shares are treated as “marketable stock.” PFIC stock is treated as “marketable stock” if it is regularly traded on a qualified exchange or other market. Stock is generally “regularly traded” if the stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter for any calendar year. A foreign securities exchange is a “qualified exchange or other market” if it is regulated or supervised by a governmental authority of the country in which the market is located and if it has the following characteristics: (i) the exchange has trading volume, listing, financial disclosure, surveillance, and other requirements that are designed to prevent fraudulent and manipulative acts and practices, that are designed to remove impediments to and perfect the mechanism of a free and open, fair and orderly, market, and that are designed to protect investors; (ii) the laws of the country in which the exchange is located and the rules of the exchange ensure that the requirements listed in item (i) are actually enforced; and (iii) the rules of the exchange effectively promote active trading of listed stocks. The Shares are admitted to trading on the London Stock Exchange, which should constitute a “qualified exchange” under applicable Regulations.

If a US Holder is eligible for and makes a mark-to-market election, the US Holder will not be subject to the PFIC rules described above. Instead, in general, such US Holder will include as ordinary income each year the excess, if any, of the fair market value of its Shares at the end of the taxable year over its adjusted basis in such Shares. These amounts of ordinary income will not be eligible for the favourable tax rates applicable to qualified dividend income or long-term capital gains. Such US Holder will also be allowed to take an ordinary loss in respect of the excess, if any, of the adjusted basis of its Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). The US Holder’s basis in its Shares will be adjusted to reflect any such income or loss amounts. For purposes of this rule, if a US Holder makes a new mark-to-market election, with respect to its Shares, such US Holder will be treated as having a new holding period in such Shares beginning on the first day of the first taxable year beginning after the last taxable year for which the mark-to-market election applies.

As an alternative to a mark-to-market election, the adverse tax consequences described above may also be mitigated by the timely making of a “QEF election” with respect to Shares for the first tax year in which a US Holder’s holding period for its Shares begins. However, US Holders may make a QEF election with respect to their Shares only if the Company agrees to furnish its shareholders annually with certain tax information. The Company does not intend to provide such annual information. Therefore, the Company does not anticipate that US Holders will be able to make a QEF Election with respect to their Shares.

In addition, notwithstanding any election you make with regard to the Shares, dividends that a US Holder receives from the Company will not constitute qualified dividend income if the Company is a PFIC either in the taxable year of the distribution or the preceding taxable year. Moreover, Shares will be treated as stock in a PFIC if the Company was a PFIC at any time during a US Holder’s holding period in its Shares, even if the Company is not currently a PFIC. Dividends that a US Holder receives that do not constitute qualified dividend income are not eligible for taxation at the preferential rate applicable to qualified dividend income. Instead, such US Holder must include the gross amount of any such dividend paid by the Company out of its accumulated earnings and profits (as determined for US federal income tax purposes) in such US Holder’s gross income, and it will be subject to tax at rates applicable to ordinary income.

Assuming the Company is a PFIC, the general tax treatment for US Holders described in this section would apply to indirect distributions and gains deemed to be realized by US Holders in respect of any of the Company’s subsidiaries that also may be determined to be PFICs.

Generally, a US Holder must file an IRS Form 8621 for any year in which the Company is a PFIC with respect to such US Holder and such US Holder either:

- recognizes gain on a direct or indirect disposition of its Shares;
- receives certain direct or direct or indirect distributions from us; or
- makes the “QEF election” with regard to your Shares that is reportable on the IRS Form 8621.

US Holders are urged to consult their own tax advisors concerning the filing of IRS Form 8621.

**The remainder of this discussion assumes, except as otherwise noted, that the Company is a PFIC and that the QEF election is not available. US Holders should consult their own tax advisers as to whether the Shares qualify for the mark-to-market election, the potential application of the PFIC rules to them with respect to any lower-tier PFICs that the Company may own and the obligation to file IRS Form 8621. The applicability and consequences of the PFIC rules are very complex and, in some respects, unclear. US Holders are strongly advised to consult their own tax advisers regarding the application of the PFIC rules to the Tender Offer.**

### **US Holders whose Shares are purchased in the Tender Offer**

The Tender of Shares and receipt of cash by US Holders pursuant to the Tender Offer will be treated for US federal income tax purposes as a redemption of the tendered Shares by the Company.

A redemption of shares is treated for US federal income tax purposes as either: (i) a “sale or exchange” of such shares; or (ii) a distribution by the Company in respect of Shares held by such holder.

#### *Sale or exchange treatment*

In general, the tender and purchase of the Shares should be treated as a sale or exchange of the Shares by a US Holder if the receipt of cash:

- is “not essentially equivalent to a dividend” with respect to the US Holder;
  - results in a “complete termination” of the US Holder’s ownership of Shares; or
  - results in a “substantially disproportionate” redemption with respect to the US Holder,
- (collectively, the “**Section 302 tests**”)

In applying the Section 302 Tests described below, a US Holder must take account of Shares that such US Holder constructively owns under detailed attribution rules set forth in the Code, which generally treat the US Holder as owning Shares owned by certain related individuals and entities, and Shares that the US Holder has the right to acquire by exercise of an option, warrant or right of conversion. US Holders should consult their own tax advisors regarding the application of the constructive ownership rules to their particular circumstances.

A sale of Shares pursuant to the Tender Offer will satisfy the “not essentially equivalent to a dividend” test if it results in a “meaningful reduction” of the US Holder’s proportionate interest in the Company. A sale of Shares that actually reduces the percentage of the Company’s outstanding Shares owned, including constructively, by such shareholder would likely be treated as a “meaningful reduction” even if the percentage reduction is relatively minor, provided that the US Holder’s relative interest in Shares of the Company is minimal (e.g., less than 1 per cent.) and the US Holder does not exercise any control over or participate in the management of the Company’s corporate affairs. Any person that has an ownership position that allows some exercise of control over or participation in the management of corporate affairs will not satisfy the meaningful reduction test unless that person’s ability to exercise control over or participate in management of corporate affairs is materially reduced or eliminated.

A sale of Shares pursuant to the Tender Offer generally will result in a “complete termination” if either (i) the US Holder owns none of the Company’s Shares, either actually or constructively, after the Shares are sold pursuant to the Tender Offer, or (ii) the US Holder does not actually own any of the Company’s Shares immediately after the sale of Shares pursuant to the Tender Offer and, with respect to Shares constructively owned, is eligible to waive, and effectively waives, constructive ownership of all such Shares. US Holders wishing to satisfy the “complete termination” test through waiver of attribution should consult their own tax advisors.



A sale of Shares pursuant to the Tender Offer will result in a “substantially disproportionate” redemption with respect to a US Holder if the percentage of the then outstanding Shares actually and constructively owned by such US Holder immediately after the sale is less than 80 per cent. of the percentage of the Shares actually and constructively owned by such US Holder immediately before the sale. If a sale of Shares pursuant to the Tender Offer fails to satisfy the “substantially disproportionate” test, the US Holder may nonetheless satisfy the “not essentially equivalent to a dividend” test.

Substantially contemporaneous dispositions or acquisitions of Shares by a US Holder or a related person that are part of a plan viewed as an integrated transaction with the Tender Offer may be taken into account in determining whether any of the tests described above are satisfied.

In addition, other contemporaneous acquisitions or dispositions of Shares by the US Holder may be taken into account.

Due to the factual nature of the Section 302 tests explained above, US Holders should consult their tax advisers to determine whether the purchase of their Shares under the Tender Offer qualifies for sale or exchange treatment in their particular circumstances.

#### *Distribution treatment*

If a US Holder does not satisfy any of the Section 302 tests explained below, the purchase of a US Holder's Shares under the Tender Offer will not be treated as a sale or exchange. Instead, the entire amount received by a US Holder with respect to the purchase of its Shares under the Tender Offer will be treated as a distribution. If a US Holder has timely made a mark-to-market election, such distribution will be a dividend to the extent of the US Holder's share of the available current and accumulated earnings and profits (within the meaning of the Code) of the Company and, to the extent that the amount of the distribution exceeds the Company's current and accumulated earnings and profits, the excess first will be treated as a tax-free return of capital that will reduce the holder's tax basis in the holder's Shares, and to the extent of any remaining portion in excess of such tax basis, the excess will be taxable as gain from the sale or exchange of such Shares. US Holders should consult their own tax advisers on the character of any such gain. If a US Holder has not timely made a mark-to-market election, under proposed Regulations regarding the treatment of PFICs, a purchase of Shares under the Tender Offer that does not satisfy any of the Section 302 tests and hence is treated as a distribution will be treated in its entirety as a distribution for PFIC purposes (and will be subject to the excess distribution rules) regardless of whether there are any earnings and profits. A dividend received by a corporate US Holder generally will not be eligible for a dividends-received deduction. In addition, a dividend received by a non-corporate US Holder will not qualify for the reduced maximum rate applicable to certain qualified dividends.

To the extent that a purchase of a US Holder's Shares under the Tender Offer is treated as the receipt by the US Holder of a dividend or as a distribution under the PFIC excess distribution rules, the US Holder's remaining adjusted tax basis in the purchased Shares will be added to the basis of any Shares retained by the US Holder. Amounts treated as dividends or distributions under the PFIC excess distribution rules paid pursuant to the Tender Offer in Sterling should be included in a US Holder's income or taken into account under the PFIC excess distribution rules in a US Dollar amount calculated by reference to the exchange rate in effect on the date the amounts are received by such US Holder, regardless of whether the payment is in fact converted into US Dollars. If the amounts treated as dividends or distributions under the PFIC excess distribution rules are converted into US Dollars on the date of receipt, a US Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend income or distributions.

#### **Medicare tax**

A 3.8 per cent. surtax will be imposed on certain net investment income (including ordinary dividends and net gains from redemptions or other taxable dispositions of shares) of US individuals, estates and trusts to the extent that such person's “modified adjusted gross income” (in the case of an individual) or “adjusted gross income” (in the case of an estate or trust) exceed certain threshold amounts. Shareholders should consult their own tax advisors regarding the applicability of the Medicare tax to their sale of Shares pursuant to this Tender Offer.



**Backup withholding and information reporting**

Payments with respect to the Tender Offer paid by a US paying agent or other US intermediary will be reported to the IRS and to the US Holder as may be required under applicable regulations. Backup withholding (at a rate currently equal to 24 per cent.) may apply to these payments if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its US federal income tax returns. Certain US Holders (including, among others, corporations) are not subject to information reporting or backup withholding. If backup withholding applies, the amount withheld is not an additional tax, but may be credited against the US Holder's US federal income tax liability, provided the required information is timely furnished to the IRS. US Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

**The discussion set forth above is included for general information only. US Holders are urged to consult their tax advisers to determine the particular tax consequences to them of the Tender Offer, including the applicability and effect of US state, local and non-US tax laws.**

## PART 7

### ADDITIONAL INFORMATION

#### 1. Directors' Interests

As at 21 August 2020 (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>
Susan Platts-Martin (Chair)	14,694	0.024%
Dermot McMeekin	15,000	0.025%
Chris Ralph	10,259	0.017%
Andrew Robson	13,000	0.021%

#### 2. Major Shareholders

As at 21 August 2020 (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>
Wells Capital Management	10,447,782	17.16%
City of London Investment Management Company Limited	5,193,577	8.53%
Rathbone Nominees	3,373,529	5.54%
CG Asset Management	2,548,270	4.18%

The Board is not aware of any person or persons who, following the Tender Offer, will or could, directly or indirectly, jointly or severally, exercise control over the Company. There are no different voting rights for any Shareholder.

#### 3. No significant change

There has been no significant change in the financial position of the Company since 31 January 2020 (being the last financial period of the Company for which financial information has been published).

#### 4. Repurchase Agreement

The Company and J.P. Morgan Cazenove entered into a repurchase agreement on 24 August 2020 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 J.P. Morgan Cazenove, on the London Stock Exchange, such number of Shares as J.P. Morgan Cazenove shall purchase pursuant to the Tender Offer, at an aggregate price equal to the amount paid by J.P. Morgan Cazenove for its purchase of the tendered Shares. The Tender Offer may be terminated if any of the circumstances set out in paragraph 9.1 of Part 4 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, J.P. Morgan Cazenove will act as principal.

The Repurchase Agreement contains representations and warranties from the Company in favour of J.P. Morgan Cazenove and incorporates an indemnity in favour of J.P. Morgan Cazenove 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 J.P. Morgan Cazenove and the Company, is governed by and construed in accordance with English law.

## **5. Consent**

J.P. Morgan Cazenove, which is authorised by the PRA and regulated in the UK by the PRA and FCA, has given and not withdrawn its written consent to the issue of this document with its letter and with the references to its name in the form and context in which they are included.

## **6. Documents available for inspection**

Copies of this document will be available for inspection on the Company's website or at Beaufort House, 51 New North Road, Exeter EX4 4EP during normal business hours from the date of this document until the completion, lapse or termination of the Tender Offer.

**24 August 2020**

## DEFINITIONS

Unless the context otherwise requires, the following words and expressions have the following meanings in this document:

<b>Baillie Gifford</b>	Baillie Gifford & Co Limited, a company incorporated in Scotland with registered number SC069524
<b>Basic Entitlement</b>	40 per cent. of the Shares registered in that Shareholder's name as at the Record Date, rounded down to the nearest whole number
<b>Board</b>	the board of Directors of the Company or any duly constituted committee thereof
<b>Business Day</b>	any day other than a Saturday, Sunday or public holiday in England and Wales
<b>Calculation Date</b>	close of business on 28 September 2020, the time as at which the Company will calculate the Tender Price for the purposes of the Tender Offer
<b>Closing Date</b>	24 September 2020
<b>Code</b>	United States Internal Revenue Code of 1986, as amended from time to time
<b>Companies Act</b>	the Companies Act 2006, as amended
<b>Company</b>	Witan Pacific Investment Trust plc, a company incorporated in England and Wales with registered number 00091798
<b>Conditions</b>	the conditions of the Tender Offer set out in paragraph 3 of Part 4 of this document
<b>CREST</b>	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
<b>CREST Manual</b>	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>CREST Settlement Date</b>	the date by which the consideration for Shares purchased in the Tender Offer will be settled by a CREST payment, expected to be on 2 October 2020
<b>CREST Sponsor</b>	a CREST participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)
<b>CTA 2010</b>	the Corporation Tax Act 2010, as amended
<b>Directors</b>	the directors of the Company
<b>Euroclear</b>	Euroclear UK & Ireland Limited, the operator of CREST

<b>FCA</b>	the Financial Conduct Authority of the United Kingdom including any replacement or substitute thereof, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
<b>Form of Proxy</b>	the form of proxy for use by Shareholders at the General Meeting, which accompanies this document
<b>FSMA</b>	Financial Services and Markets Act 2000, as amended
<b>General Meeting</b>	the general meeting of the Company, notice of which is set out at the end of this document, at which resolutions will be proposed to approve the Proposals
<b>HMRC</b>	HM Revenue & Customs
<b>ITA 2007</b>	the Income Tax Act 2007, as amended
<b>J.P. Morgan Cazenove</b>	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Net Asset Value or NAV</b>	the net asset value of the Company which shall be the total value of all of the assets of the Company less its liabilities as determined by the Board and calculated in accordance with the Company's accounting policies (for the avoidance of doubt, this includes accumulated revenue reserves and current period revenue and is after the deduction of any borrowings at their fair value)
<b>Net Asset Value per Share or NAV per Share</b>	the Net Asset Value divided by the number of Shares then in issue (excluding treasury shares)
<b>New Investment Policy</b>	the proposed new investment objective and policy of the Company set out in full in Part 2 of this document
<b>Overseas Shareholders</b>	Shareholders who are resident in, or citizens of, territories outside the United Kingdom, the Channel Islands and the isle of Man and not resident in, or citizens of, any of the Restricted Jurisdictions
<b>Portfolio</b>	the investment portfolio of the Company
<b>PRA</b>	the Prudential Regulation Authority
<b>Proposals</b>	the proposals to (i) change the name of the Company; (ii) adopt the New Investment Policy; and (iii) undertake the Tender Offer, details of which are set out in this document
<b>Receiving Agent or Registrars or Computershare</b>	Computershare Investor Services PLC, a company incorporated in England and Wales with registered number 03498808 and having its registered office at The Pavilions, Bridgwater Road, Bristol BS13 8AE
<b>Record Date</b>	6.00 p.m. on 24 July 2020
<b>Register</b>	the register of Shareholders
<b>Regulatory Information Service or RIS</b>	any of the regulatory information services set out in Appendix 3 of the listing rules of the FCA

<b>Repurchase Agreement</b>	the agreement dated 24 August 2020 between the Company and J.P. Morgan Cazenove relating to the repurchase by the Company on the London Stock Exchange of all the Shares purchased by J.P. Morgan Cazenove pursuant to the Tender Offer as summarised in paragraph 4 of Part 7 of this document
<b>Restricted Jurisdiction</b>	any of the following territories: Australia, Canada, Japan, New Zealand and the Republic of South Africa
<b>Restricted Shareholders</b>	Shareholders who are resident in, or citizens of, a Restricted Jurisdiction
<b>SEC</b>	the United States Securities and Exchange Commission
<b>Shareholders</b>	holders of Shares
<b>Shares or Ordinary Shares</b>	ordinary shares of 25 pence each in the capital of the Company
<b>Sterling or £</b>	the lawful currency of the United Kingdom
<b>Takeover Code</b>	the UK City Code on Takeovers and Mergers
<b>Takeover Panel</b>	the Panel on Takeovers and Mergers
<b>Tender Form</b>	the tender form enclosed with this document for use by Shareholders who hold their Shares in certificated form in connection with the Tender Offer
<b>Tender Offer</b>	the invitation by J.P. Morgan Cazenove to each Shareholder (other than Restricted Shareholders and certain Overseas Shareholders) to tender up to their Basic Entitlement of Shares, and the acceptance of such tenders by J.P. Morgan Cazenove 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
<b>Tender Price</b>	the NAV per Share on the Calculation Date, less a one per cent. discount, as calculated in accordance with paragraph 4 of Part 4 of this document
<b>TTE Instruction</b>	a transfer to escrow instruction, as defined by the CREST Manual
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland
<b>United States or US</b>	the United States of America, its territories and possessions, any State of the United States and the District of Columbia
<b>US Dollars</b>	the lawful currency of the United States
<b>US Exchange Act</b>	the United States Securities Exchange Act of 1934, as amended from time to time
<b>US Shareholders</b>	Shareholders who are located in the United States



## NOTICE OF GENERAL MEETING

# WITAN PACIFIC INVESTMENT TRUST PLC

(Incorporated in England and Wales with registered number 00091798)  
(An investment company within the meaning of section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of Witan Pacific Investment Trust plc (the “**Company**”) will be held at 14 Queen Anne’s Gate, London SW1H 9AA on 16 September 2020 at 12 noon to consider and, if thought fit, pass the following resolutions, of which resolution one will be proposed as an ordinary resolution and resolutions two and three will be proposed as special resolutions.

### ORDINARY RESOLUTION

1. That the proposed investment objective and investment policy set out in Part 2 of the circular to shareholders of the Company dated 24 August 2020, a copy of which has been produced to the meeting and signed by the chairman for the purpose of identification, be and are hereby adopted as the investment objective and investment policy of the Company to the exclusion of all previous investment objectives and investment policies of the Company.

### SPECIAL RESOLUTIONS

2. That the change of name of the Company to “Baillie Gifford China Growth Trust plc” be approved and authorised with immediate effect.
3. That, subject to the passing of resolutions one and two in the notice convening the meeting at which this resolution is to be proposed, without prejudice to, and in addition to and not in substitution for, any existing authorities the Company be and is hereby authorised for the purpose of section 701 of the Companies Act 2006 (the “**Companies Act**”) to make market purchases (within the meaning of section 693 of the Companies Act) of its issued ordinary shares of 25 pence each (the “**Shares**”) following completion of the tender offer to all shareholders in the Company made by J.P. Morgan Securities plc on the terms set out in the circular to shareholders of the Company dated 24 August 2020 (the “**Circular**”) provided that:
  - (i) the maximum aggregate number of Shares hereby authorised to be purchased is 24,357,561 Shares;
  - (ii) 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); and
  - (iii) unless previously renewed, revoked or varied the authority hereby conferred shall expire at midnight on 31 December 2020 save that the Company may before such expiry make a contract or contracts to purchase Shares under the authority hereby conferred prior to the expiry of such authority which will or may be completed or executed wholly or partly after such expiry and may make a purchase of Shares in pursuance of any such contract or contracts.

*By order of the Board*

**Link Company Matters Limited**  
*Company Secretary*

Dated: 24 August 2020

*Registered office:*  
Beaufort House  
51 New North Road  
Exeter  
EX4 4EP

#### Notes:

1. Given the risks posed by the spread of COVID 19 and in accordance with the Company's articles of association, the Corporate Insolvency and Governance Act 2020 and Government guidance, the Company is not expecting shareholders to attend the Meeting and will impose entry restrictions on attendance at the Meeting in order to ensure the health, wellbeing and safety of the Company's shareholders and officers as well as compliance with the venue's security requirements. Shareholders are therefore strongly encouraged to register their votes in advance by submitting proxy forms to the Company's Registrar in accordance with the procedure set out in these notes.
2. A member is entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote on their behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share.
3. A form of proxy for use by shareholders is enclosed with this document. To be valid, the form of proxy should be lodged, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority at the address stated thereon, so as to be received by post or (during normal business hours only) by hand at the Registrars of the Company at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or [www.eproxyappointment.com](http://www.eproxyappointment.com) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjourned meeting.
4. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to have the right to attend and vote at the Meeting a member must first have his or her name entered in the Company's register of members by not later than 12 noon on 14 September 2020 (excluding non-working days) prior to the commencement of the Meeting (or, in the event that the Meeting is adjourned, 48 hours (excluding non-working days) before the time of the adjourned Meeting). Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the Meeting referred to above.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the website [www.euroclear.com](http://www.euroclear.com). 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.
6. In order for a proxy appointment or instruction made using the CREST service 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 instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID 3RA50) no later than 12 noon on 14 September 2020 (or in the event the meeting is adjourned no later than 48 hours (excluding non-working days) before the time of the adjourned meeting). 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 Application Host) from which the Company's Registrar 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.
7. 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 message. 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 system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. 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. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("**Nominated Persons**"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes 2, 3 and 5 above does not apply to Nominated Persons. The rights described in these notes can only be exercised by members of the Company.

10. As at close of business on 21 August 2020 (being the latest practicable date prior to publication of this document), the Company's issued share capital comprised 65,944,000 ordinary shares of 25 pence each of which 5,050,096 ordinary shares were held in treasury. Each ordinary share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at close of business on 21 August 2020 was 60,893,904.
11. Any person holding 3 per cent. or more of the total voting rights in the Company who appoints a person other than the Chairman as his/her proxy will need to ensure that both he/she and such third party complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
13. Any member attending the meeting has the right to ask questions in accordance with section 319A of the Act. However, given the risks posed by the spread of COVID 19 and in accordance the provisions in the Company's articles of association and Government guidance, Shareholders are strongly encouraged to submit any questions they have in advance of the General Meeting. You may submit any questions you have been planning to raise at the General Meeting by email to [witanpacificinvestmenttrustplc@linkgroup.co.uk](mailto:witanpacificinvestmenttrustplc@linkgroup.co.uk).
14. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this notice (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
15. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at [www.witanpacific.com](http://www.witanpacific.com).