

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO THE RECONSTRUCTION AND MEMBERS' VOLUNTARY WINDING-UP OF HENDERSON EUROPEAN TRUST PLC ON WHICH YOU ARE BEING ASKED TO VOTE AND IN RELATION TO WHICH SHAREHOLDERS (SAVE FOR EXCLUDED SHAREHOLDERS) HAVE THE RIGHT TO MAKE AN ELECTION. If you are in any doubt about the action to be taken, you are recommended to immediately seek your own personal financial advice from an appropriately qualified independent adviser under the Financial Services and Markets Act 2000 (as amended) 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.

If you have sold or otherwise transferred all of your Shares in Henderson European Trust plc (the "**Company**" or "**HET**"), you should pass this document (but not the accompanying personalised Forms of Proxy or Form of Election), 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, neither this document nor the accompanying documents should be forwarded outside of the United Kingdom, the Channel Islands or the Isle of Man. Shareholders who are resident in, or citizens of, territories outside of the United Kingdom, the Channel Islands or the Isle of Man should read the paragraph headed "Excluded Shareholders" in paragraph 4 of Part 2 of this document.

The New FEV Shares are not and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), and the New FEV Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of U.S. persons as defined in Regulation S under the US Securities Act ("**US Persons**") except pursuant to an exemption from the registration requirements of the US Securities Act. Additionally, FEV is not, and does not intend to be, registered as an investment company under the US Investment Company Act of 1940, as amended (the "**US Investment Company Act**"), and FEV Shareholders are not, and will not be, entitled to the benefits of the US Investment Company Act. No issuance, offer, purchase, sale or transfer of New FEV Shares may be made except in a manner which would not require FEV to register under the US Investment Company Act. There has been and will be no public offer of the New FEV Shares in the United States.

The New FEV Shares are being offered or sold only: (i) outside the United States in "offshore transactions" to non-US Persons pursuant to Regulation S under the US Securities Act; and (ii) to persons that are both "qualified institutional buyers", or "**QIBs**", as defined in Rule 144A under the US Securities Act, and "qualified purchasers" as defined in the US Investment Company Act ("**Qualified Purchasers**"), pursuant to an exemption from the registration requirements of the US Securities Act, and that, in the case of (ii), have executed the US Investor Representation Letter, which can be requested from the Receiving Agent, and have returned the completed US Investor Representation Letter to FEV in accordance with the instructions printed thereon.

The definitions used in this document are set out in Part 7 of this document.

HENDERSON EUROPEAN TRUST PLC

(Incorporated in England and Wales with registered number 00427958 and registered as an investment company under section 833 of the Companies Act 2006)

Recommended proposals for the members' voluntary winding-up of the Company and combination with Fidelity European Trust PLC

and

Notices of General Meetings

This document should be read in conjunction with the FEV Prospectus relating to Fidelity European Trust PLC ("**FEV**") which has been prepared in accordance with the Prospectus Regulation Rules, approved by the Financial Conduct Authority in accordance with section 84 of the Financial Services and Markets Act 2000, and made available to the public in accordance with the Prospectus Regulation Rules. In relation to FEV this document is not a prospectus and does not constitute an offer of any securities for sale or subscription. Investors should not subscribe for any New FEV Shares referred to in this document except on the basis of information provided in the FEV Prospectus. The FEV Prospectus is available on FEV's website www.fidelity.co.uk/Europe.

The Proposals described in this document are conditional, among other things, on Shareholder approval. Notices of the First General Meeting, to be held at 10.00 a.m. on 9 September 2025, and the Second General Meeting, to be held at 9.00 a.m. on 26 September 2025, in each case at 45 Gresham Street, London EC2V 7BF, are set out at the end of this document.

All Shareholders are encouraged to vote in favour of the Resolutions to be proposed at the General Meetings and, if their Shares are not held directly, to arrange for their nominee to vote on their behalf. Forms of Proxy for use in conjunction with the General Meetings are enclosed. To be valid for use at the General Meetings, the Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to the

registrar, Equiniti Limited (the “**Registrar**”) at Aspect House, Spencer Road, Lancing, BN99 6DA as soon as possible, but in any event so as to be received no later than 48 hours (excluding non-working days) before the time of the relevant meeting. Alternatively, you may appoint a proxy or proxies electronically by visiting www.shareview.co.uk and following the instructions. Proxies submitted via www.shareview.co.uk must be transmitted so as to be received by the Registrar no later than 48 hours (excluding non-working days) before the time of the relevant meeting.

Shareholders who hold their Shares in uncertificated form (i.e., in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notices of the General Meetings set out at the end of this document). Proxies submitted via CREST for the General Meetings must be transmitted so as to be received by the Registrar as soon as possible and, in any event, no later than 48 hours (excluding non-working days) before the time of the relevant meeting.

Shareholders who hold Shares in certificated form will also find enclosed with this document a Form of Election for use in connection with the Proposals. To be valid, Forms of Election must be completed and returned to Equiniti Limited at Aspect House, Spencer Road, Lancing, BN99 6DA, so as to arrive as soon as possible and, in any event, not later than 1.00 p.m. on 9 September 2025. Shareholders who hold their Shares in uncertificated form will not receive a Form of Election and should elect in accordance with the instructions contained in the section of this document titled “*Shares held in uncertificated form (that is, in CREST)*”, which can be found in Part 2 of this document.

Deutsche Bank AG is a stock corporation (Aktiengesellschaft) incorporated under the laws of the Federal Republic of Germany with its principal office in Frankfurt am Main. It is registered with the local district court (Amtsgericht) in Frankfurt am Main under No HRB 30000 and licensed to carry on banking business and to provide financial services. The London branch of Deutsche Bank AG is registered as a branch office in the register of companies for England and Wales at Companies House (branch registration number BR000005) with its registered branch office address and principal place of business at 21, Moorfields, London EC2Y 9DB. Deutsche Bank AG is subject to supervision by the European Central Bank (ECB), Sonnemannstrasse 22, 60314 Frankfurt am Main, Germany, and the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht or BaFin), Graurheindorfer Strasse 108, 53117 Bonn and Marie-Curie-Strasse 24-28, 60439 Frankfurt am Main, Germany. With respect to activities undertaken in the United Kingdom, Deutsche Bank AG is authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of Deutsche Bank AG’s authorisation and regulation by the Prudential Regulation Authority are available from Deutsche Bank AG on request.

Deutsche Bank AG, London Branch, which is trading for these purposes as Deutsche Numis (“**Deutsche Numis**”) is acting for the Company and no other person in connection with the Proposals (whether or not a recipient of this document) and will not be responsible to any person other than the Company for providing the protections offered to clients of Deutsche Numis nor for providing advice in relation to any matter referred to herein. Neither Deutsche Numis nor any of its affiliates (nor any of their respective directors, officers, employees or agents), owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Numis in connection with this document, any statement contained herein or otherwise.

NOTICE TO US SHAREHOLDERS

The Scheme is being implemented subject to United Kingdom disclosure requirements, which are different from certain United States disclosure requirements. In addition, this document has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this document contain information concerning the Scheme required by UK disclosure requirements which may be material and may not have been summarised elsewhere in the document. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.

US Shareholders should note that the New FEV Shares are not, and will not be listed on a US securities exchange and FEV is not subject to the periodic reporting requirements of the United States Securities and Exchange Act of 1934, as amended (the “**US Exchange Act**”), and is not required to, and does not, file any reports with the SEC. The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act.

The Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since FEV is located in a foreign country, all of its officers and directors (including the

Prospective Directors) are residents of jurisdictions outside the United States and the majority of its officers and directors (including the Prospective Directors) are citizens of jurisdictions outside the United States. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement.

Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

Neither the United States Securities and Exchange Commission (the "**SEC**") nor any securities supervisory authority of any state or other jurisdiction in the United States has approved or disapproved the Scheme or reviewed it for its fairness, nor have the contents of this document or any other documentation relating to the Scheme been reviewed for accuracy, completeness or fairness by the SEC or any securities supervisory authority in the United States. Any representation to the contrary is a criminal offence in the United States.

US Shareholders should fill out the US Investor Representation Letter, which can be requested from the Receiving Agent.

21 August 2025

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SUMMARY OF ACTION TO BE TAKEN BY SHAREHOLDERS

Full details of the actions to be taken by Shareholders are set out in the section headed “*Action to be taken by Shareholders*” in Part 1 of this document.

You should read the whole of this document before deciding what action to take.

To Vote on the Proposals

To vote on the Proposals



Complete and return the **PINK Form of Proxy** for the First General Meeting so as to be received as soon as possible, but in any event **no later than 10.00 a.m. on 5 September 2025.**

and

Complete and return the **BLUE Form of Proxy** for the Second General Meeting so as to be received as soon as possible, but in any event **no later than 9.00 a.m. on 24 September 2025.**

or

Alternatively, you may appoint a proxy or proxies electronically by submitting via www.shareview.co.uk. Proxies submitted via www.shareview.co.uk must be transmitted so as to be received by the Registrar no later than 48 hours (excluding non-working days) before the time of the relevant General Meeting.

or

Shareholders who hold their Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual. Proxies submitted via CREST for the General Meetings must be transmitted so as to be received by the Registrar no later than 48 hours (excluding non-working days) before the time of the relevant General Meeting.

or

Institutional investors may appoint their proxy electronically via the Proxymity platform at www.proxymity.io.

or

Shareholders who hold their Shares through an investment platform or other nominee service such as a wealth manager should contact their investment platform provider (or other nominee service) to appoint a proxy.

To Make an Election

Shareholders who hold their Shares in certificated form will find enclosed with this document a Form of Election which is for use by Shareholders who wish to elect for the Cash Option in respect of some or all of their holding of Shares. Please note Excluded Shareholders will not receive a Form of Election. All Elections will be irrevocable without the consent of the Directors. The attention of Excluded Shareholders is drawn to the section headed “*Excluded Shareholders*” in Part 2 of this document.

To elect for the Rollover Option in respect of all of your Shares



No Form of Election should be completed or TTE Instruction submitted. However, Shareholders should nevertheless vote on the Proposals, as set out above.

To elect for the Cash Option in respect of some or all of your Shares (subject to scaling back in accordance with the Scheme)



If you hold your Shares in certificated form (that is, not in CREST):

you MUST complete the accompanying **WHITE Form of Election** in accordance with the instructions contained therein so as to be received as soon as possible, but in any event **no later than 1.00 p.m. on 9 September 2025.**

or

If you hold your Shares in uncertificated form (that is, in CREST):

you MUST send a **TTE Instruction** in respect of any Shares for which you wish to make an Election for the Cash Option **no later than 1.00 p.m. on 9 September 2025.**

If you have any questions relating to the completion and return of your Forms of Proxy and/or the Form of Election, please contact Equiniti Limited's Shareholder Helpline between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on +44 (0)371 384 2050. 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/or the Form of Election and cannot provide you with financial, tax, investment or legal advice.

Only Shareholders who hold Shares as at 6.00 p.m. on 9 September 2025 are able to elect for the Cash Option in respect of those Shares. The extent to which a Shareholder elects for the Cash Option 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 their own independent financial adviser.

Excluded Shareholders

Overseas Shareholders will not be entitled to receive New FEV Shares under the Scheme unless they have provided evidence, to the satisfaction of FEV that they are permitted to hold New FEV Shares under any relevant securities laws or regulations of the relevant jurisdiction and that FEV will not be subject to any additional regulatory requirements to which it would not otherwise be subject but for such issue.

If an Overseas Shareholder cannot provide such evidence, such Overseas Shareholder will be an Excluded Shareholder for the purposes of the Scheme and be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed Elections will be subject to scaling back in accordance with paragraph 2.3 of Part 2 of this document. To the extent that an Overseas Shareholder is due to receive New FEV Shares under the Scheme (i.e., to the extent that the Overseas Shareholder's deemed election for the Cash Option is scaled back), then

such New FEV Shares will be issued instead to the Liquidators as nominees for the relevant Overseas Shareholder and will be sold by the Liquidators in the market and the net proceeds paid to the relevant Overseas Shareholder in accordance with paragraph 15 of Part 3 of this document.

Sanctions Restricted Persons will not be entitled to receive New FEV Shares under the Scheme. Sanctions Restricted Persons will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed Elections will be subject to scaling back in accordance with paragraph 2.3 of Part 2 of this document. To the extent that a Sanctions Restricted Person is due to receive New FEV Shares under the Scheme (i.e., to the extent that the Sanctions Restricted Person's deemed election for the Cash Option is scaled back), then such New FEV Shares will be issued instead to the Liquidators as nominees for the relevant Sanctions Restricted Person and will be sold by the Liquidators in the market and the net proceeds paid to the relevant Sanctions Restricted Person at the sole and absolute discretion of the Liquidators and subject to applicable laws and regulations.

US Shareholders

Any US Shareholder receiving this document and wishing to receive New FEV Shares is requested to execute the US Investor Representation Letter, which can be requested from the Receiving Agent, and return it to FEV in accordance with the instructions printed thereon.

If a US Shareholder does not execute and return a US Investor Representation Letter such US Shareholder will be deemed to be an Excluded Shareholder for the purposes of the Scheme and, to the extent that such US Shareholder is due to receive New FEV Shares under the Scheme (i.e., to the extent that the US Shareholder's deemed election for the Cash Option is scaled back), then such New FEV Shares will instead be issued to the Liquidators as nominees for the relevant US Shareholder and sold by the Liquidators in the market, with the net proceeds paid to the relevant Shareholder in accordance with paragraph 15 of Part 3 of this document.

IF YOU ARE NOT AN EXCLUDED SHAREHOLDER OR A US SHAREHOLDER AND YOU WISH TO RECEIVE NEW FEV SHARES IN RESPECT OF YOUR ENTIRE HOLDING OF SHARES IN THE COMPANY, YOU DO NOT NEED TO TAKE ANY ACTION AND DO NOT NEED TO COMPLETE THE FORM OF ELECTION OR SEND A TTE INSTRUCTION. HOWEVER, SHAREHOLDERS SHOULD NEVERTHELESS VOTE ON THE PROPOSALS, AS SET OUT ABOVE.

EXPECTED TIMETABLE

	2025
Ex dividend date for the HET Pre-Liquidation Interim Dividend	4 September
Record date for the HET Pre-Liquidation Interim Dividend	5 September
Latest time and date for receipt of proxy appointments in respect of the First General Meeting	10.00 a.m. on 5 September
First General Meeting	10.00 a.m. on 9 September
Latest time and date for receipt of Forms of Election and TTE Instructions regarding Elections for the Cash Option	1.00 p.m. on 9 September
Record date for entitlements under the Scheme	6.00 p.m. on 9 September
Shares disabled in CREST for settlement	6.00 p.m. 9 September
Trading in Shares suspended	7.30 a.m. on 10 September
FEV General Meeting	10.00 a.m. on 15 September
HET Pre-Liquidation Interim Dividend paid to Shareholders	19 September
Calculation Date	close of business on 19 September
Latest time and date for receipt of proxy appointments in respect of the Second General Meeting	9.00 a.m. on 24 September
Reclassification of the Shares	8.00 a.m. on 25 September
Suspension of listing of Reclassified Shares	7.30 a.m. on 26 September
Second General Meeting	9.00 a.m. on 26 September
Effective Date for implementation of the Scheme	26 September
Announcement of the results of Elections, the Rollover Pool FAV per Share, the Cash Pool FAV per Share and the FEV FAV per FEV Share	26 September
CREST accounts credited with, and dealings commence in, New FEV Shares	8.00 a.m. on 29 September
Cheques and electronic payments despatched to Shareholders who elect or are deemed to elect for the Cash Option and CREST accounts credited with cash	week commencing 29 September
Certificates despatched in respect of New FEV Shares	within 14 calendar days of the Effective Date
Cancellation of listing of Reclassified Shares	as soon as practicable after the Effective Date

Note: All references to time in this document are to UK time. Each of the times and dates in the above expected timetable (other than in relation to the General Meetings) may be extended or brought forward. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service.

Part 1

LETTER FROM THE CHAIR

Henderson European Trust plc

(Incorporated in England and Wales with registered number 00427958 and registered as an investment company under section 833 of the Companies Act 2006)

Directors:

Victoria (Vicky) Hastings (Chair)
Marco Maria Bianconi
Melanie Blake
Stephen King
Rutger Koopmans

Registered Office:
201 Bishopsgate
London
EC2M 3AE

21 August 2025

Dear Shareholder

Recommended proposals for the members' voluntary winding-up of the Company and combination with Fidelity European Trust PLC

1 Introduction and background

On 19 June 2025, the Board announced that, following a comprehensive review of the potential options available for the Company's future following the resignation of both co-portfolio managers from Janus Henderson Investors ("JHI" or the "**Investment Manager**") on 31 January 2025, it had agreed heads of terms with Fidelity European Trust PLC ("FEV") in respect of the proposed combination of the two companies with FEV (the "**Proposals**").

Given the material impact to the Company of the co-portfolio managers' resignations, the Board, via its broker and financial adviser, Deutsche Numis, solicited views from a significant proportion of the Company's Shareholders which clearly called for a thorough review of the options available to the Company. To aid the Board with this review, the Board engaged Deutsche Numis to provide advice and manage a formal process along with WTW, the investment consultant, to provide analysis, perspective and opinion on the investment component.

An initial cohort of around 15 potential high-level proposals were reviewed. As part of this process, the Board commenced a comprehensive RFP (request for proposal) and pitch process, inviting a range of detailed responses from approximately 10 investment firms and trusts, including from: (i) the Company's incumbent manager, JHI; (ii) existing investment companies looking to consolidate; and (iii) other investment management firms proposing to manage the Company.

The Board was encouraged by the number and strength of the responses received. Over a three-month process, each was assessed by the Board based on a range of relevant factors including but not limited to: investment philosophy and process, alignment with the existing investment mandate, named fund manager resources and capacity, strategic positioning and relevance to future investors, as well as advantages derived from scale for existing investors. Five of the firms with the most compelling proposals were invited to discuss their proposals in detail with the entire Board, following which considerable further consideration was given to which proposal the Board believed would deliver the best outcome for Shareholders over the long-term.

The Board's decision was ultimately strategic in nature and considered the fast-evolving environment for investment companies. As a consequence of conducting a thorough and comprehensive review process, the Board is confident that the combination with FEV (the "**Combined Entity**") provides a highly compelling, and optimal long-term option for Shareholders. The expected benefits to Shareholders include both a well-resourced, 'best-in-class' investment team and scale benefits – in terms of enhanced liquidity and forecasted lower ongoing costs ratio – as well as reduced volatility of the FEV Share price relative to NAV as a result of the enhanced new discount management policy. The Proposals are expected to be marginally NAV enhancing for Shareholders receiving the Rollover Option due to the 12-month management fee waiver offered by Fidelity on transferring assets as well as the Cash Uplift generated by the option for a cash exit alternative of up to 33.3 per cent. of the

Shares in issue (excluding treasury Shares) at a 1.75 per cent. discount to the Residual Formula Asset Value attributable to those Shares in respect of which valid Elections or deemed Elections have been made for the Cash Option (following any required scaling back in accordance with the Scheme).

The Combined Entity will be managed by Fidelity's award-winning co-portfolio managers, Sam Morse and Marcel Stötzel, whose systematic approach to managing investments benefits from the support and resources of the FEV Manager's extensive equity research platform. Both the Company and FEV have aimed to deliver long-term growth in capital and income through investment in a portfolio of high-quality, predominately large-cap European equities. Furthermore, the Proposals would provide continuity of investment style for rolling Shareholders.

The Board has been pleased with the positive market reaction to the Proposals following the Company's announcement on 19 June 2025, during which time, the Company's discount has narrowed from 8.1 per cent. on 18 June 2025 to 3.7 per cent. on 18 August 2025. In addition, the Board is pleased to report that agreement has been reached with the HET Noteholder regarding the novation of the HET Loan Notes to FEV (as further detailed below).

The Proposals follow the creation of Henderson European Trust in July 2024, when Henderson European Focus Trust plc and Henderson EuroTrust plc merged to combine their strengths, resulting in a larger entity better suited to the prevailing environment in the investment trust sector. This merger allowed the Company to better compete in a market undergoing a wave of consolidation as trusts seek scale to increase liquidity and marketability, while reducing costs.

The combination of the Company and FEV will be effected by way of a scheme of reconstruction and members' voluntary winding-up of the Company under section 110 of the Insolvency Act 1986 (the "**Scheme**"), resulting in the voluntary liquidation of the Company and the associated transfer of part of the Company's cash, assets and undertaking to FEV in exchange for the issue of New FEV Shares to Shareholders who elect or who are deemed to have elected to roll over their investment into FEV. The Proposals are conditional upon, amongst other things, the approval of Shareholders at the General Meetings and the approval by FEV Shareholders of the issue of the New FEV Shares.

Fidelity has undertaken to make a material contribution to the costs of the Proposals by means of a waiver of the management fees which would otherwise be payable (pursuant to the FEV Management Agreements) by the Combined Entity in respect of the net assets to be transferred from HET to FEV pursuant to the Proposals for the 12-month period immediately following the Effective Date (the "**Fidelity Cost Contribution**"). It is expected that the portion of the Company's direct transaction costs to be borne by rolling HET Shareholders will be substantially offset by the portion of the Fidelity Cost Contribution credited to the Rollover Pool FAV.

The Fidelity Cost Contribution will be calculated using the fee rate thresholds and marginal fee rates of the Revised Fee Arrangements (as defined in the paragraph below). For the purposes of the Scheme, the value of the Fidelity Cost Contribution (as at the Calculation Date) will first be credited to the FEV FAV against any and all FEV transaction costs (and FEV Proposed Novation Costs) up to a maximum of £1.25 million (inclusive of VAT) (the "**FEV Fidelity Contribution**"). The remaining balance of the Fidelity Cost Contribution will be credited to the Rollover Pool FAV for the benefit of Shareholders rolling over into FEV (the "**HET Fidelity Contribution**").

In addition, Fidelity has agreed that, with effect from Admission, the annual management fee payable by the Combined Entity will be reduced (the "**Revised Fee Arrangements**") (as detailed in Part 5 of this document). The Revised Fee Arrangements are expected to result in an ongoing charges ratio ("**OCR**") for the Combined Entity of 0.68 per cent. as compared with the Company's current OCR of 0.70 per cent.¹

The purpose of this document is to explain the Proposals and their rationale and expected benefits, the actions required to be taken in order for them to be

¹ Based on a combination of HET and FEV as at 18 August 2025 (with net assets of approximately £664.3 million and £1.68 billion respectively), current cost estimates and assuming: (i) there are no dissenting HET Shareholders; and (ii) 33.3 per cent. of HET Shares are validly elected for the Cash Option (such that the Cash Option is fully subscribed). Figures exclude any impact of HET portfolio realisation costs in connection with the Scheme, amongst other things. All figures are illustrative only, using currently available information and estimates, and are subject to change.

implemented and to convene the General Meetings to seek the required Shareholder approvals.

2 The Options

Eligible Shareholders, may elect, in whole or in part, and in accordance with their personal investment requirements, for either or both of the following options:

- (a) New FEV Shares (the “**Rollover Option**”); and/or
- (b) cash (the “**Cash Option**”).

Eligible Shareholders that make no Election (or no valid Election) will be deemed to have elected for New FEV Shares in respect of their entire holding of Shares.

The maximum number of Shares that can be elected (or deemed to have been elected) for the Cash Option is limited to 33.3 per cent. of the total number of Shares in issue (excluding Shares held in treasury) as at the Calculation Date (the “**Maximum Cash Option Shares**”). Shareholders are entitled to elect for the Cash Option in respect of more than 33.3 per cent. of their individual holdings of Shares (the “**Basic Entitlement**”, such excess amount being an “**Excess Application**”). However, should total Elections (and deemed Elections) for the Cash Option exceed the Maximum Cash Option Shares, Excess Applications for the Cash Option will be scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata*, by reference to the number of Shares elected under such Excess Applications, among all Shareholders who have made Excess Applications such that the aggregate number of Shares elected (or deemed to have been elected) for the Cash Option will be no more than the Maximum Cash Option Shares.

The Cash Option will be offered at a discount of 1.75 per cent. to the Residual Formula Asset Value attributable to those Shares in respect of which valid Elections or deemed Elections have been made for the Cash Option (following any required scaling back in accordance with the Scheme) (the “**Cash Option Discount**”). Each Shareholder who elects, or is deemed to elect, for the Cash Option will receive an amount in cash equal to their *pro rata* share of the realisation proceeds of the Cash Pool created pursuant to the Scheme to reflect the number of Shares held by such Shareholder that have been elected, or are deemed to have been elected, for the Cash Option. The aggregate value arising from the application of the Cash Option Discount (the “**Cash Uplift**”) will be credited to the Rollover Pool for the benefit of Shareholders rolling over into FEV.

The value of the Rollover Pool shall be equal to the Residual Formula Asset Value multiplied by the proportion of Reclassified Shares with “A” rights relative to the total number of Reclassified Shares (i) plus an amount equal to the value of the HET Fidelity Contribution; (ii) plus an amount equal to the Cash Uplift; and (iii) less an amount equal to the HET Proposed Novation Costs.

For the avoidance of doubt, the Proposed Novation Value (as defined below), will not affect the calculation of the Residual Formula Asset Value (and therefore will not be taken into account when calculating the Cash Pool FAV and/or the Rollover Pool FAV) as the value of any assets notionally attributed to the Rollover Pool for these purposes shall be equal to (and offset by) the value of the liability to be assumed by FEV pursuant to the Proposed Novation. Further details on the Proposed Novation are set out in paragraph 5 of this Part 1.

The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by their investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before making any Election, read carefully all the information in this document and in the FEV Prospectus. The FEV Prospectus should be read alongside, but does not form part of, this document.

3 Benefits of the Proposals

The Directors believe that the Proposals will have the following benefits for Shareholders:

- **access to a market-leading European investment product:** as the flagship UK closed-ended vehicle for investment in Europe, the Combined Entity is expected to benefit from an enhanced profile and marketability;
- **unparalleled scale:** the Combined Entity is expected to have net assets in excess of £2.1 billion², further enhancing FEV's position as the largest European-focused investment trust. Shareholders are expected to benefit from economies of scale through improved economics, enhanced resources available to promote the Combined Entity to new as well as existing investors and through increased secondary market trading liquidity;
- **experienced and award-winning portfolio managers with strong long-term investment performance:** the Combined Entity will be managed by Fidelity's award-winning co-portfolio managers, Sam Morse and Marcel Stötzel, whose systematic approach to managing investments benefits from the support and resources of the FEV Manager's extensive equity research platform (132 global equity research analysts, 34 of which cover Europe directly). FEV has provided annualised NAV total returns of 10.8 per cent. over the 10 years to 18 August 2025;
- **continuity of investment style and approach:** both the Company and FEV have aimed to deliver long-term growth in both capital and income through investment in a portfolio of high-quality, predominantly large-cap, European equities. Furthermore, FEV's investment style would provide continuity for Shareholders in that its portfolio managers focus on finding attractively valued companies, with good prospects for cash generation and dividend growth over the longer term, with positioning driven by opportunities at the individual stock level rather than macro developments;
- **strong discount record:** as at close of business on 18 August 2025, FEV traded on the narrowest discount in the AIC Europe Sector at 2.5 per cent. and had the narrowest 1-year average discount at 5.7 per cent. Alongside the attractive long-term prospects for the Combined Entity, the Combined Entity's liquidity, and narrow discount, should also provide Shareholders with greater opportunities to realise their investment through the market should they wish to do so. Further, FEV will introduce an enhanced discount management policy, such that the Combined Entity will seek to maintain any discount to net asset value in mid-single digits through buybacks in normal market conditions;
- **significant contribution to costs from Fidelity:** Fidelity has undertaken to make a material contribution towards the costs of the Proposals, equivalent to a waiver of 12 months of management fees that would otherwise be payable in respect of the net assets that roll over from HET (with an expected value of c. £2.4 million based on current transaction assumptions and full take-up of the Cash Option). This contribution would first be applied to meet FEV's transaction costs in implementing the Proposals and the FEV Proposed Novation Costs (capped at £1.25 million including VAT), with the balance, which is expected to cover substantially all of the direct costs of the Proposals to be borne by HET Shareholders receiving the Rollover Option, being credited to the Rollover Pool FAV; and
- **material Cash Option available:** Shareholders will have the option to elect for the Cash Option as part of the Proposals which is capped at 33.3 per cent. of the issued share capital of the Company (excluding treasury shares). This sizeable Cash Option allows Shareholders a choice between continuing their investment in a well-regarded investment trust in the European equities sector or receiving cash in respect of their investment at a 1.75 per cent. discount to the Residual Formula Asset Value.

4 Summary information on FEV and the Combined Entity

FEV is a closed-ended investment company incorporated in England and Wales on 16 August 1991. It is an investment company as defined by section 833 of the Companies Act and

² Based on the net assets of each of HET and FEV as at 18 August 2025 and assuming full take-up of the Cash Option by HET Shareholders.

operates as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

Following implementation of the Proposals, the Combined Entity will be managed in accordance with FEV's existing investment objective and policy by the FEV Manager, with Sam Morse and Marcel Stötzel, continuing as FEV's portfolio managers.

In connection with the Proposals, the FEV Board has agreed to enhance its discount management policy such that FEV will seek to maintain any discount to NAV in mid-single digits in normal market conditions by undertaking share buybacks where considered appropriate by the FEV Board.

No amendments are proposed to be made to FEV's investment objective or investment policy (as set out in Part 5 of this document) in connection with the Scheme.

It is proposed that Vicky Hastings and Rutger Koopmans (the "**Prospective Directors**") will join the FEV Board upon the Scheme becoming effective. The Board of the Combined Entity will therefore comprise seven directors made up of the five existing FEV Directors and the Prospective Directors. The appointment of the Prospective Directors ensures representation on FEV's Board for Shareholders (which includes the former shareholders of Henderson EuroTrust plc which combined with the Company in 2024).

Neither the Board (other than the Prospective Directors, in each case in their capacity as a prospective director of FEV) nor the Company takes any responsibility for the contents of the FEV Prospectus. The FEV Board takes no responsibility for the content of this document.

5 Debt

The Company currently gears through, among other things, its privately placed: (i) €25,000,000 1.53 per cent. unsecured Series A Senior Notes due 31 January 2047; and (ii) €10,000,000 1.66 per cent. unsecured Series B Senior Notes due 31 January 2052 (together, the "**HET Loan Notes**").

The boards of both HET and FEV agreed that there were significant advantages to the novation of the HET Loan Notes from HET to FEV so that the Combined Entity could continue to have the benefit of the HET Loan Notes' coupon levels which are substantially below prevailing borrowing rates.

Consequently, representatives of both HET and FEV, together with their respective advisers, entered into commercial discussions with the HET Noteholder, following which, the Board is pleased to report that agreement has been reached and the HET Loan Notes are expected to be novated to FEV in accordance with the Proposed Novation Documents.

The Company, FEV and the HET Noteholder have entered into a deed of novation, amendment and restatement of the HET Note Purchase Agreement (the "**Deed of Novation, Amendment and Restatement**") approving, among other matters, the novation of the HET Loan Notes to FEV and the substitution of FEV in place of the Company in its capacity as issuer and sole debtor of the HET Loan Notes with effect from the Effective Date (the "**Proposed Novation**"). For the avoidance of doubt, other than a work fee proposed to be paid by FEV and the Company to the HET Noteholder in connection with the Proposed Novation, there will be no repayment charge or premium payable to the HET Noteholder as a result of the Proposed Novation.

The HET Loan Notes will be valued at par for the purposes of the Scheme (and for the purposes of calculating FEV's net assets thereafter). Pursuant to the Transfer Agreement, in consideration for the assumption by FEV of the obligations under the HET Loan Notes, HET will transfer additional assets (as part of the Rollover Pool) with an aggregate value equal to the outstanding par value of the HET Loan Notes (as at the Calculation Date) together with (i) any interest accrued thereon up to and including the Calculation Date; and (ii) an amount equal to any further interest expected to be accrued thereon in the period between the Calculation Date and the Effective Date (the "**Proposed Novation Value**").

Pursuant to the Proposed Novation Documents, the Proposed Novation is conditional on the provision of customary completion deliverables. It is expected that these conditions will be satisfied in advance of the Calculation Date and that the Proposed Novation will therefore take

effect from the Effective Date. In the event that any condition has not been satisfied as at the Calculation Date (other than any condition relating to the Scheme becoming effective, and other ancillary conditions precedent under the Proposed Novation Documents), the Proposed Novation will not occur. In such circumstances, the Company shall repay the HET Loan Notes (together with any interest accrued thereon up to the date of repayment) and the Proposed Novation Value shall be deemed to be £nil for the purposes of the Scheme. In the event that the HET Loan Notes are repaid, it is not currently expected that there will be any early repayment charges payable to the HET Noteholder.

The costs associated with the Proposed Novation being: (i) the legal and advisory fees incurred by each of the Company and FEV in connection with documenting the Proposed Novation; and (ii) any fees payable to the HET Noteholder, including the proposed work fee and any legal and advisory fees of the HET Noteholder (the “**Proposed Novation Costs**”) will be split between the Company and FEV in proportion to the expected interests of their respective shareholders in the Combined Entity.

For the avoidance of doubt, the Proposed Novation is not a condition of the Scheme (such that the Scheme can still proceed even if the Proposed Novation does not). However, neither the Proposed Novation nor the repayment of the HET Loan Notes will proceed if the Scheme does not become effective.

In addition, in advance of the Calculation Date, the Company shall repay any amount drawn against the HET Overdraft Facility and shall cancel the HET Overdraft Facility on or prior to the Effective Date. The costs of repayment and cancellation of the HET Overdraft Facility (which are expected to be negligible) will be borne by the Company.

6 Conditions of the Proposals

Implementation of the Proposals is subject to a number of conditions, including:

- (a) the passing of the Resolutions at the General Meetings, or any adjournments of those meetings, and such Resolutions becoming unconditional in all respects;
- (b) the passing of the FEV Allotment Resolution at the FEV General Meeting, or any adjournment thereof, and the FEV Allotment Resolution becoming unconditional in all respects;
- (c) the approval of the Financial Conduct Authority to amend the listing of the Shares to reflect their reclassification as shares with “A” rights (in respect of which the holders are deemed to have elected for the Rollover Option) and shares with “B” rights (in respect of which the holders have validly elected, or have been deemed to have elected, for the Cash Option) for the purposes of implementing the Scheme;
- (d) the Financial Conduct Authority and the London Stock Exchange having acknowledged to FEV or its agents (and such acknowledgement not having been withdrawn) the applications for the Admission of the New FEV Shares to the closed-ended investment funds category of the Official List and to trading on the Main Market, subject only to allotment; and
- (e) the Directors and the FEV Directors resolving to proceed with the Scheme.

If any condition is not satisfied on or before 31 December 2025 (or such later date as may be agreed by both the Company and FEV), the Proposals will not become effective, the Company will not proceed with the winding-up and instead will continue in existence. In these circumstances, the Directors will reassess the options available to the Company at that time.

7 Scheme mechanics and entitlements under the Scheme

Under the Scheme, each Shareholder on the Register on the Record Date may elect, or may be deemed to have elected, to receive:

- (a) such number of New FEV Shares on the basis of the ratio of the Rollover Pool FAV per Share to the FEV FAV per FEV Share multiplied by the number of Reclassified Shares with “A” rights held by them; and/or

- (b) an amount of cash equal to the realisation value of the Cash Pool divided by the total number of Reclassified Shares with “B” rights and multiplied by the number of Reclassified Shares with “B” rights held by them.

As noted above, the Cash Option is limited to 33.3 per cent. of the total number of Shares in issue (excluding Shares held in treasury) as at the Calculation Date and will be offered at a discount of 1.75 per cent. to the Residual Formula Asset Value attributable to those Shares in respect of which valid Elections or deemed Elections have been made for the Cash Option (following any required scaling back in accordance with the Scheme). Shareholders are entitled to elect for the Cash Option in respect of more than 33.3 per cent. of their individual holdings of Shares (the “**Basic Entitlement**”, such excess amount being an “**Excess Application**”). However, should total Elections (and deemed Elections) for the Cash Option exceed the Maximum Cash Option Shares, Excess Applications for the Cash Option will be scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata*, by reference to the number of Shares elected under such Excess Applications, among all Shareholders who have made Excess Applications such that the aggregate number of Shares elected (or deemed to have been elected) for the Cash Option will be no more than the Maximum Cash Option Shares.

Each Shareholder who elects, or is deemed to elect, for the Cash Option will receive an amount in cash equal to their *pro rata* share of the realisation proceeds of the Cash Pool. The Cash Uplift will be applied for the benefit of Shareholders rolling over into FEV.

New FEV Shares will be issued to Eligible Shareholders as the default option under the Scheme.

In order to effect the Scheme and in accordance with valid Elections (including deemed Elections) made, the Company will be required to reclassify its Share capital into Shares with “A” rights and Shares with “B” rights. Reclassified Shares with “A” rights will entitle the holders thereof to be issued with New FEV Shares and Reclassified Shares with “B” rights will entitle the holders thereof to cash under the Cash Option, in accordance with the detailed terms of the Scheme as set out in Part 3 of this document.

On or prior to the Calculation Date, the Company’s portfolio will be realigned and/or realised in a cost-effective manner to ensure that the Company has sufficient cash to fund the Liquidation Pool and the Cash Pool and to ensure that the Company’s portfolio consists of assets suitable for transfer to FEV, taking into account FEV’s investment policy. The Board, in consultation with the proposed Liquidators shall then divide the Company’s assets into three separate and distinct pools (the Liquidation Pool, the Cash Pool and the Rollover Pool). After allocating cash and other assets to the Liquidation Pool to meet all known and unknown liabilities of the Company and other contingencies, including the costs of the Proposals agreed to be borne by the Company, the HET Proposed Novation Costs (assuming that the HET Loan Notes are novated to FEV), any HET Loan Note Repayment Costs (only in the event that the HET Loan Notes are instead repaid), the Liquidators’ Retention and the entitlements of any Dissenting Shareholders, there shall be appropriated to the Cash Pool and the Rollover Pool the remaining assets of the Company (which, in respect of the Rollover Pool shall, assuming that the HET Loan Notes are novated to FEV, include assets with an aggregate value equal to the Proposed Novation Value) in the manner described in paragraph 3 of Part 3 of this document.

For illustrative purposes only, had the Calculation Date been close of business on the Latest Practicable Date and assuming: (i) no Shareholders validly exercise their right to dissent from participation in the Scheme; (ii) the maximum number of Shares is elected for the Cash Option; and (iii) the HET Pre-Liquidation Interim Dividend (of 3.4 pence per Share) and the anticipated FEV Interim Dividend (expected to be not less than 3.6 pence per FEV Share) have both been paid:

- the Rollover Pool FAV per Share would have been 212.130202 pence; and
- the Cash Pool FAV per Share would have been 206.118032 pence,*

in each case receivable in addition to the HET Pre-Liquidation Interim Dividend of 3.4 pence per HET Share.

The Rollover Pool FAV per Share and the Cash Pool FAV per Share may be compared with the Share price and cum-income NAV per Share as at the Latest Practicable Date which were 207.0 pence and 214.9 pence, respectively.

For illustrative purposes only, had the Calculation Date been close of business on the Latest Practicable Date and on the basis of the assumptions set out above, the FEV FAV per FEV Share would have been 412.0 pence, which may be compared with the FEV Share price and cum-income NAV per FEV Share as at the Latest Practicable Date which were 403.0 pence and 415.5 pence, respectively.

On the basis of the above, the Rollover Option would have produced a conversion ratio of 0.514901 and, in aggregate, 106,159,798 New FEV Shares would have been issued to Shareholders who elected for the Rollover Option under the Scheme.

*The illustrative Rollover Pool FAV per Share and the illustrative Cash Pool FAV per Share have been adjusted to reflect the deduction of assets representing withholding tax expected to be recoverable by the Company, estimated at approximately £3.9 million as at 18 August 2025.

The above figures are for illustrative purposes only and do not represent forecasts. The Rollover Pool FAV per Share, the FEV FAV per FEV Share and the Cash Pool FAV per Share may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments. For further details of the Scheme, please refer to Part 3 of this document.

8 Costs

Each of the Company and FEV will bear their own costs in relation to the Proposals. It is expected that the HET Fidelity Contribution will substantially offset the portion of the Company's direct transaction costs which would otherwise be borne by Shareholders receiving the Rollover Option.

The Company's transaction costs are not expected to exceed £1.3 million. The estimate of the Company's transaction costs includes the HET Proposed Novation Costs (being the portion of the Proposed Novation Costs to be borne by HET). The anticipated costs of realigning and/or realising the Company's portfolio to ensure it is suitable for transfer to FEV and the Liquidators' Retention to cover unknown liabilities (estimated at £100,000) are excluded.

In addition, and as described in paragraph 5 above, in the event that the HET Loan Notes are not novated to FEV, but the Scheme becomes effective, the HET Loan Notes will be repaid. In such event, the Company is not expected to incur any additional costs but shall bear certain professional and legal fees incurred in connection with the commercial discussions relating to the Proposed Novation (which are included in the above estimate).

To the extent that some or all of the Liquidators' Retention remains when the Liquidators decide to close the liquidation, this will be returned to Shareholders that were on the Register at the Record Date (unless such amount payable to any Shareholder is less than £5.00, in which case it shall not be paid to the Shareholder but instead shall be paid by the Liquidators to the Nominated Charity).

Fidelity has undertaken to make a material contribution to the costs of the Proposals by means of a waiver of the management fees which would otherwise be payable (pursuant to the FEV Management Agreements) by the Combined Entity in respect of the net assets to be transferred from HET to FEV pursuant to the Proposals for the 12-month period immediately following the Effective Date (the "**Fidelity Cost Contribution**"). The Fidelity Cost Contribution will be calculated using the fee rate thresholds and marginal fee rates of the Revised Fee Arrangements (as detailed in Part 5 of this document). For the purposes of the Scheme, the value of the Fidelity Cost Contribution (as at the Calculation Date) will first be credited to the FEV FAV against any and all FEV transaction costs (which includes the Admission Fees and Acquisition Costs) and the FEV Proposed Novation Costs up to a maximum of £1.25 million (inclusive of VAT) (the "**FEV Fidelity Contribution**"). It is anticipated that the maximum amount of the FEV Fidelity Contribution available to FEV will be used to pay substantially all of its transaction costs and partially cover the FEV Proposed Novation Costs. The remaining balance

of the Fidelity Cost Contribution will be credited to the Rollover Pool for the benefit of Shareholders receiving the Rollover Option (the **"HET Fidelity Contribution"**).

9 Dividends

The Board has today announced a pre-liquidation interim dividend of 3.4 pence per Share in respect of the financial period anticipated to end on 25 September 2025 which, subject to the Resolutions to be proposed at the First General Meeting being passed and the FEV Allotment Resolution to be proposed at the FEV General Meeting being passed, will be paid to Shareholders on the Register as at 5 September 2025 (the **"HET Pre-Liquidation Interim Dividend"**). The Shares are expected to go ex-dividend on 4 September 2025. The expected payment date for the HET Pre-Liquidation Interim Dividend is 19 September 2025.

FEV expects to pay an interim dividend in respect of its financial year ending 31 December 2025 of not less than 3.6 pence per FEV Share (the **"FEV Interim Dividend"**). It is expected that the FEV Interim Dividend (including the dividend timetable) will be announced in early September 2025. Shareholders receiving New FEV Shares under the Scheme are not, in respect of those New FEV Shares, expected to be entitled to the FEV Interim Dividend. HET Shareholders will rank fully for all dividends declared by FEV on or after the date of Admission.

10 Risk factors

Shareholders are strongly urged to read carefully the risk factors contained in Part 4 of this document which set out the material risks known to the Directors at the date of this document in relation to the Proposals. **Shareholders are also strongly urged to read the section containing risk factors in the FEV Prospectus.**

11 Taxation

Shareholders are advised to read carefully the section headed *"UK Taxation"* in paragraph 6 of Part 2 of this document which sets out a general guide to certain aspects of current UK tax law and HMRC published practice.

Please note that nothing in this document constitutes or should be relied upon as tax advice. Shareholders are strongly advised to consult their own professional advisers as to their tax position.

12 General Meetings

The implementation of the Proposals will require two general meetings of the Company. The notices convening the First General Meeting (to be held at 10.00 a.m. on 9 September 2025) and the Second General Meeting (to be held at 9.00 a.m. on 26 September 2025) are set out at the end of this document.

The Resolutions to be proposed at the General Meetings, on which all Shareholders may vote, are as follows:

12.1 First General Meeting

The Resolutions to be considered at the First General Meeting (which will be proposed as special resolutions) will, if passed, approve the terms of the Scheme and associated amendments to the Articles set out in Part 3 of this document, authorise the Liquidators to enter into and give effect to the Transfer Agreement with FEV, purchase the interests of any dissentients to the Scheme and authorise the Liquidators to apply to cancel the listing of the Shares with effect from such date as the Liquidators may determine.

Each Resolution to be proposed at the First General Meeting will require at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour in order for it to be passed. The Scheme will not become effective unless and until, *inter alia*, the Resolution to be proposed at the Second General Meeting has also been passed.

12.2 Second General Meeting

At the Second General Meeting, a special resolution will be proposed which, if passed, will place the Company into liquidation, appoint the Liquidators and agree the basis of their remuneration, instruct the Company Secretary to pass the Company's books and records to the Liquidators and provide the Liquidators with appropriate powers to carry into effect the amendments to the Articles made at the First General Meeting. The Resolution to be proposed at the Second General Meeting is conditional upon the passing of the Resolutions at the First General Meeting, the FEV Allotment Resolution being passed at the FEV General Meeting, the FCA agreeing to amend the listing of the Shares to reflect their reclassification as Reclassified Shares for the purpose of implementing the Scheme, the approval of the FCA and the London Stock Exchange of the Admission of the New FEV Shares to the Official List and to trading on the Main Market of the LSE respectively, and the Directors and the FEV Directors resolving to proceed with the Scheme.

The Resolution to be proposed at the Second General Meeting will require at least 75 per cent. of the votes cast in respect of it, whether in person or by proxy, to be voted in favour in order for it to be passed.

13 Action to be taken by Shareholders

Before taking any action, Shareholders are recommended to read the further information set out in this document and in the FEV Prospectus.

13.1 Elections

The default option under the Scheme is to receive New FEV Shares meaning that Eligible Shareholders who do not make a valid Election for the Cash Option in respect of all of their Shares, or whose Elections (or deemed Elections) for the Cash Option are scaled back in accordance with the Scheme, will be deemed to have elected for New FEV Shares in respect of such holding. If you wish to receive New FEV Shares in respect of all of your Shares, there is no need to complete and return a Form of Election (which you will receive if you hold your Shares in certificated form) or to submit a TTE Instruction (if you hold your Shares in uncertificated form).

If you wish to receive cash in respect of all or part of your holding of Shares, you must either complete and return a Form of Election or submit a TTE Instruction (depending on how your Shares are held) in respect of the number of Shares for which you wish to receive cash. You will be deemed to have elected to receive New FEV Shares in respect of the remainder of your holding.

Further details of the action to be taken by Shareholders in respect of their Elections are set out in the section of Part 2 of this document titled "*Elections*".

13.2 Voting on the Proposals

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

Shareholders are requested to complete and return proxy appointments to the Registrar by one of the following means:

- (a) by completing and returning the PINK Form of Proxy for use in relation to the First General Meeting and the BLUE Form of Proxy for use in relation to the Second General Meeting, in accordance with the instructions printed thereon and returning to the Registrar by post or by courier; or
- (b) by logging on to www.shareview.co.uk and following the instructions; or
- (c) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the respective notices of the General Meeting; or
- (d) in the case of institutional investors, electronically via the Proximity platform at www.proximity.io; or

- (e) in the case of Shareholders who hold their Shares through an investment platform or other nominee service, by contacting their investment platform provider (or nominee service).

In each case, proxy appointments must be received by the Registrar as soon as possible and, in any event, no later than 10.00 a.m. on 5 September 2025 in respect of the First General Meeting and no later than 9.00 a.m. on 24 September 2025 in respect of the Second General Meeting.

Completion and return of proxy appointments will not prevent you from attending and voting in person at the General Meetings should you wish to do so.

If any of the Resolutions to be proposed at the General Meetings are not passed, the Proposals will not proceed and the Company will not be wound up. In these circumstances, the Board will reassess the options available to the Company at that time.

13.3 Excluded Shareholders

The attention of Excluded Shareholders is drawn to the paragraph titled “*Excluded Shareholders*” in Part 2 of this document.

Overseas Shareholders will not be able to access the FEV Prospectus and will not be entitled to receive new FEV Shares under the Scheme unless they have satisfied the FEV Directors that they are entitled to receive and hold New FEV Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or FEV with any overseas laws, regulations, filing requirements or the equivalent. If an Overseas Shareholder cannot provide such evidence, such Overseas Shareholder will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed Elections will be subject to scaling back in accordance with paragraph 2.3 of Part 2 of this document.

Overseas Shareholders who wish to participate in the Scheme should contact the Receiving Agent, Equiniti Limited by no later than 1.00 p.m. on 9 September 2025 if they are able to demonstrate to the satisfaction of the FEV Directors that they can be issued New FEV Shares without breaching any relevant securities laws or regulations and that FEV will not be subject to any additional regulatory requirements to which it would not otherwise be subject but for such issue.

Sanctions Restricted Persons will not be able to access the FEV Prospectus and will not be entitled to receive New FEV Shares under the Scheme. Sanctions Restricted Persons will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed Elections will be subject to scaling back in accordance with paragraph 2.3 of Part 2 of this document.

To the extent that an Excluded Shareholder is entitled to and would otherwise receive New FEV Shares under the Scheme, (i.e., to the extent that the Excluded Shareholder’s deemed election for the Cash option is scaled back), then such New FEV Shares will be issued to the Liquidators as nominees for the relevant Excluded Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Excluded Shareholder and the value of the Shares held by the relevant Excluded Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid: (i) to the relevant Overseas Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

Subject to certain exceptions described herein, no action has been taken or will be taken in any jurisdiction other than the United Kingdom, the Channel Islands or the Isle of Man where action is required to be taken to permit the distribution of this document and/or the FEV Prospectus. Accordingly, such documents may not be used for the purpose of, and do not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which

such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

13.4 US Shareholders

Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute the US Investor Representation Letter, which can be requested from the Receiving Agent, and return it to FEV in accordance with the instructions printed thereon.

If a US Shareholder does not execute and return a US Investor Representation Letter, the FEV Board reserves the right, at its absolute discretion, to require any New FEV Shares to which such Ineligible US Shareholder is entitled and which such Ineligible US Shareholder would otherwise receive under the Scheme (i.e., to the extent that such Ineligible US Shareholder's deemed election for the Cash Option is scaled back), to be issued to the Liquidators as nominees for the relevant Ineligible US Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder and the value of the Shares held by the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool.

US Persons are encouraged to seek their own advice should they have any questions regarding the completion of the US Investor Representation Letter. US Shareholders should see the 'Notice to US Shareholders' set out on page 2 of this document.

Non-US Shareholders are deemed to represent to the Company and FEV that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

14 Recommendation

The Board, which has been advised by Deutsche Numis, considers the Proposals and the Resolutions to be proposed at the General Meetings to be in the best interests of Shareholders as a whole. In providing its advice, Deutsche Numis has taken into account the commercial assessment of the Board.

Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions, as the Directors intend to do in respect of their own beneficial holdings of Shares, which total 139,366 Shares (representing 0.05 per cent. of the Company's total voting rights) as at the Latest Practicable Date. None of the Directors intends to elect for the Cash Option in respect of any of their Shares.

The Board cannot, and does not, give any advice or recommendation to Shareholders as to whether, or as to what extent, they should elect for any of the options under the Proposals. The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by their individual investment objectives and by their personal, financial and tax circumstances. Accordingly, Shareholders should, before deciding what action to take, read carefully all the information in this document and in the FEV Prospectus.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should seek their own personal financial advice from an appropriately qualified independent financial adviser.

Yours sincerely

Vicky Hastings
Chair

Part 2

FURTHER DETAILS OF THE PROPOSALS

1 Implementation of the Scheme

Subject to the passing of the Resolutions (and satisfaction of the other conditions of the Scheme, full details of which are set out in paragraph 14 of Part 3 of this document), the Company will be placed into members' voluntary liquidation and the Scheme will take effect from the Effective Date.

On the Calculation Date, or as soon as practicable thereafter, the Board shall appropriate to the Liquidation Pool such of the cash and other assets of the Company estimated by the Liquidators in consultation with the Board to be sufficient to meet the current and future, actual and contingent liabilities of the Company, including (save to the extent that the same have already been paid or deducted in calculating the total assets of HET) the costs of the Proposals agreed to be borne by the Company (plus any HET Loan Note Repayment Costs in the event that the HET Loan Notes are repaid), the Liquidators' Retention and the entitlements of any Dissenting Shareholders, less an amount equal to the Proposed Novation Value. Further details of the Liquidation Pool are set out in paragraph 3.2 of Part 3 of this document.

The balance of the cash, undertaking and other assets of the Company will be allocated to the Rollover Pool and the Cash Pool (including, in respect of the Rollover Pool, assets equal to the Proposed Novation Value), each of which will (excluding assets equal to the Proposed Novation Value) represent the respective entitlements of Shareholders to either New FEV Shares or cash in accordance with the Elections made, or deemed to have been made, under the Scheme.

On the Effective Date, the cash, undertaking and other assets of the Company comprising the Rollover Pool (which shall include assets with an aggregate value equal to the Proposed Novation Value) shall be transferred to FEV. In consideration for the transfer of the Rollover Pool to FEV under the Transfer Agreement, FEV shall: (i) allot the relevant numbers of New FEV Shares to the Liquidators who will renounce the New FEV Shares in favour of the Shareholders who elect or are deemed to have elected for the Rollover Option (save that New FEV Shares issued in favour of Excluded Shareholders (including Ineligible US Shareholders) shall be held by the Liquidators as the nominees for the relevant Excluded Shareholders (and Ineligible US Shareholders)); and (ii) assuming the HET Loan Notes are novated to FEV pursuant to the Proposed Novation, be substituted for the Company as the issuer of the HET Loan Notes and assume the obligations of the Company under the HET Loan Notes.

To the extent that any part of the Liquidation Pool, including the Liquidators' Retention, is not subsequently required to discharge the Company's liabilities, it will be distributed in cash to the Shareholders shown on the Register at the Record Date, at the conclusion of the liquidation. If, however, any such amount payable to any Shareholder is less than £5.00, it shall not be paid to the Shareholder but shall instead be paid by the Liquidators to the Nominated Charity.

2 Elections

2.1 Shares held in uncertificated form (that is, in CREST)

A Shareholder holding Shares in uncertificated form who wishes to make an Election for the Cash Option in respect of all or part of their holding of Shares, should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares for which they wish to make an Election for the Cash Option, specifying Equiniti in its 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 TTE Instruction is received no later than 1.00 p.m. on 9 September 2025.

If you hold Shares in CREST but under different member account IDs, you should submit a separate TTE Instruction in respect of each member account ID.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID

and the member account ID under which your Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to your Shares.

To make an Election in respect of the Cash Option you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain the following details:

- (a) the ISIN number for the Shares. This is GB00BLSNGB01;
- (b) the number of Shares in relation to the relevant Election;
- (c) your member account ID;
- (d) your participant ID;
- (e) the participant ID of the escrow agent, Equiniti Limited, in its capacity as a CREST receiving agent. This is: 6RA52;
- (f) the member account ID of the escrow agent, Equiniti Limited. This is: HETCASH;
- (g) the Corporate Action Number for the Scheme. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- (h) the intended settlement date for the transfer to escrow. This should be as soon as possible after receipt of your Election and, in any event, no later than 1.00 p.m. on 9 September 2025;
- (i) the standard delivery instruction with Priority 80; and
- (j) the contact name and telephone number inserted in the shared note field.

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 Equiniti Limited as your escrow agent until completion or lapsing of the Scheme.

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 9 September 2025. 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.

2.2 Shares held in certificated form

Shareholders who hold their Shares in certificated form (i.e. not in CREST) who wish to make an Election for the Cash Option in respect of all of their holding of Shares should complete and sign the enclosed personalised Form of Election, and insert "ALL" in Box 2 or, if they wish to elect for the Cash Option in respect of less than all of their holding of Shares insert, in Box 2, the total number of Shares they wish to elect for the Cash Option, and return the Form of Election using the relevant enclosed reply-paid envelope (for use within the UK only) to the Receiving Agent by post to Equiniti Limited at Aspect House, Spencer Road, Lancing BN99 6DA as soon as possible but, in any event, so as to be received not later than 1.00 p.m. on 9 September 2025. Forms of Election, once submitted, will be irrevocable without the consent of the Directors.

2.3 Scaling back of Elections for the Cash Option

The maximum number of Shares that can be elected (or deemed to have been elected) for the Cash Option is limited to 33.3 per cent. of the total number of Shares in issue (excluding Shares held in treasury) as at the Calculation Date. Shareholders are entitled to elect for the Cash Option in respect of more than 33.3 per cent. of their individual holdings of Shares (the "**Basic Entitlement**", such excess amount being an "**Excess Application**"). However, if aggregate Elections (including deemed Elections) are made for the Cash Option which exceed

33.3 per cent. of the total issued Shares (excluding Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata*, by reference to the number of Shares elected under such Excess Applications, among all Shareholders who have made such Excess Applications, such that the aggregate number of Shares elected (or deemed to have been elected) for the Cash Option will be no more than the Maximum Cash Option Shares.

3 Settlement and dealings in New FEV Shares

Applications will be made by FEV to the FCA and the London Stock Exchange for the New FEV Shares to be admitted to the closed-ended investment funds category of the Official List and to trading on the Main Market of the London Stock Exchange, respectively. If the Scheme becomes effective, it is expected that the New FEV Shares will be so admitted and that the first day of dealing will be 29 September 2025.

New FEV Shares will be issued in registered form and may be held in either certificated or uncertificated form.

Shareholders who held their Shares in certificated form at the Record Date and who have elected (or are deemed to have elected) for New FEV Shares will receive their New FEV Shares in certificated form. It is expected that share certificates in respect of such New FEV Shares will be despatched to the Shareholders entitled thereto in the week commencing 29 September 2025.

Shareholders who held their Shares in uncertificated form at the Record Date and who have elected (or are deemed to have elected) for New FEV Shares will receive their New FEV Shares in uncertificated form on 29 September 2025, although FEV reserves the right to issue such securities in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST or of the facilities or system operated by the FEV Registrar in connection with CREST. FEV will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New FEV Shares in uncertificated form.

Fractional entitlements to New FEV Shares issued pursuant to the Scheme will not be issued and entitlements will be rounded down to the nearest whole number. No cash payment shall be made or returned in respect of any fractional entitlements.

Cheques in respect of the cash entitlements due to Shareholders who elect for cash are expected to be despatched to them in the week commencing 29 September 2025. It is expected that Shareholders who hold their Shares in CREST will receive their cash entitlements through CREST in the week commencing 29 September 2025.

Existing certificates in respect of Shares will cease to be of tradable value following suspension of dealings in the Shares.

All documents and remittances despatched to or from Shareholders or their appointed agents in connection with the Proposals will be despatched at Shareholders' own risk.

4 Excluded Shareholders

The issue of New FEV Shares to persons resident in or citizens of jurisdictions outside the United Kingdom, the Channel Islands or the Isle of Man may be affected by the laws of the relevant jurisdiction. Such Shareholders should inform themselves about and observe any legal requirements in the relevant jurisdiction. In particular:

- (a) the New FEV Shares have not been, and will not be, registered under the US Securities Act, or the securities laws of any state or other jurisdiction of the United States, and the New FEV Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, except pursuant to an exemption from the registration requirements of the US Securities Act;
- (b) the New FEV Shares have not been, and will not be, registered under the securities law of any of Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA member state, or their respective territories or possessions. Accordingly, the New

FEV Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA member state, or their respective territories or possessions;

- (c) there has not been and will be no public offer of the New FEV Shares in the United States;
- (d) FEV is not, and does not intend to be, registered under the US Investment Company Act and investors are not, and will not be, entitled to the benefits of the US Investment Company Act; and
- (e) no offer is being made, directly or indirectly, under the Scheme, in or into by the use of mails, or by means of instrumentality (including, without limitation, facsimile, or transmission, telex or telephone) of interstate or foreign commerce, or of any facility in a national securities exchange, of the United States (unless an exemption from such legislation or such laws is available), Australia, Canada, Japan, New Zealand, the Republic of South Africa or any EEA member state, or their respective territories or possessions.

It is the responsibility of Shareholders with registered addresses outside the United Kingdom, the Channel Islands or the Isle of Man to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of New FEV Shares, including the obtaining of any governmental or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

Overseas Shareholders will not be entitled to receive New FEV Shares under the Scheme unless they have provided evidence, to the satisfaction of FEV, that they are permitted to hold New FEV Shares under any relevant securities laws or regulations of the relevant jurisdiction and that FEV will not be subject to any additional regulatory requirements to which it would not otherwise be subject but for such issue. Overseas Shareholders who are unable to provide such advice will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares (subject to any scaling back in accordance with the Scheme).

Overseas Shareholders who wish to participate in the Scheme should contact the Receiving Agent, Equiniti Limited, by no later than 1.00 p.m. on 9 September 2025 if they are able to demonstrate to the satisfaction of the FEV Directors that they can be issued New FEV Shares without breaching any relevant securities laws or regulations and that FEV will not be subject to any additional regulatory requirements to which it would not otherwise be subject but for such issue.

Sanctions Restricted Persons will not be entitled to receive New FEV Shares under the Scheme and will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares (subject to any scaling back in accordance with the Scheme).

To the extent that an Excluded Shareholder would otherwise receive New FEV Shares under the Scheme (i.e., to the extent that the Excluded Shareholder's deemed election for the Cash option is scaled back), such New FEV Shares will be issued to the Liquidators as nominees on behalf of such Excluded Shareholder who will arrange for such shares to be sold promptly by a market maker (without regard to the personal circumstances of the relevant Excluded Shareholder and the value of the Shares held by the relevant Excluded Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid: (i) to the relevant Overseas Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons, at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

Overseas Shareholders will not be able to access the FEV Prospectus unless they have satisfied the FEV Directors that they are entitled to receive and hold New FEV Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or FEV with any overseas laws, regulations, filing requirements or the equivalent. Sanctions Restricted Persons will not be able to access the FEV Prospectus.

Non-US Shareholders are deemed to represent to the Company and FEV that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

US Shareholders

The Scheme is being implemented subject to United Kingdom disclosure requirements, which are different from certain United States disclosure requirements. In addition, this document has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this document contain information concerning the Scheme required by UK disclosure requirements which may be material and may not have been summarised elsewhere in the document. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic procedures and law.

The New FEV Shares are not, and will not be, listed on a US securities exchange and FEV is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the SEC. The Scheme is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act.

The Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since FEV is located in a foreign country, all of its officers and directors (including the Prospective Directors) are residents of jurisdictions outside the United States and the majority of its officers and directors (including the Prospective Directors) are citizens of jurisdictions outside the United States. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement. Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document and who wishes to receive New FEV Shares pursuant to the Scheme is, if eligible, requested to execute the US Investor Representation Letter, which can be requested from the Receiving Agent, and return it to FEV in accordance with the instructions printed thereon. If a US Shareholder does not execute and return a US Investor Representation Letter, the FEV Board reserves the right, at its absolute discretion, to require any New FEV Shares to which such Ineligible US Shareholder is entitled and which such Ineligible US Shareholder would otherwise receive under the Scheme (i.e., to the extent that such Ineligible US Shareholder's deemed election for the Cash Option is scaled back), to be issued to the Liquidators as nominees for the relevant Ineligible US Shareholder. Such New FEV Shares will be sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder and the value of the Shares held by the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool.

5 Dissenting Shareholders

Provided that a Shareholder does not vote in favour of the Resolutions to be proposed at the First General Meeting, such Shareholder may, within seven days of the passing of the Resolutions at the First General Meeting, express their dissent to the proposed Liquidators in writing at the registered office of the Company and require the Liquidators, once appointed, to purchase their interest in the Company. The Liquidators will retain an amount of cash, securities and other assets of the Company in the Liquidation Pool which the Liquidators believe is sufficient to purchase the Shares of the Dissenting Shareholders at the realisation

value, this being an estimate of the amount a Shareholder would receive per Share in an ordinary winding-up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders after repayment of the liabilities of the Company. The purchase price per Share to be paid by the Liquidators is expected to be below the latest unaudited cum-income Net Asset Value per Share. The Liquidators are not expected to purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and any outstanding tax obligations of the Company have been dealt with, which may occur more than 12 months following the date on which the Company enters liquidation.

6 UK Taxation

The following comments do not constitute tax advice. They are intended only as a general guide based on UK law and HMRC's published practice as at the date of this document. Both law and practice may change at any time (possibly with retrospective effect).

The information set out below relates to UK taxation applicable only to the Company and its Shareholders who are, and have at all relevant times been, resident only in the UK for tax purposes and who are the absolute beneficial owners of their Shares and hold their Shares as an investment. Certain categories of Shareholders may be subject to special tax rules, including dealers in securities, collective investment schemes, insurance companies and persons who are treated as having acquired their Shares by reason of any office or employment. The position of such Shareholders is not addressed in these comments. Nor is the position of any Shareholders who are involved in arrangements to avoid tax or obtain a tax advantage.

All Shareholders, including those who may be subject to taxation in a jurisdiction outside the United Kingdom, are strongly advised to consult their own professional advisers as to their tax position.

6.1 The Company

The Company has obtained approval from HMRC as satisfying the conditions for approval as an investment trust under section 1158 of the Corporation Tax Act 2010 and Chapter 1 of Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011.

The Proposals should not prejudice the ability of the Company to retain its investment trust status in respect of the current accounting period, which will be treated as ending when the Liquidators are appointed. Furthermore, it is anticipated that, provided certain conditions are met (including that HMRC are and remain satisfied that the winding-up has not been unreasonably prolonged), the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement. Provided this is the case, the transfer of the Company's assets held within the Rollover Pool and the realisation of the Company's assets held within the Cash Pool and the Liquidation Pool under the Scheme should therefore not give rise to a liability to UK taxation of chargeable gains for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK taxation on its chargeable gains (net of any allowable losses) in that period.

6.2 Shareholders

6.2.1 Reclassified Shares

For the purposes of UK taxation of chargeable gains, a Shareholder should not be treated as having disposed of their Shares on the reclassification of the Shares into Shares with "A" rights and Shares with "B" rights (as relevant). Instead, the Shareholder should be treated as having acquired the Reclassified Shares at the same time and for the same aggregate base cost as their original holding of Shares.

Where a Shareholder's Shares are reclassified into both Shares with "A" rights and Shares with "B" rights, the Shareholder's base cost in their original holding of Shares should be apportioned by reference to the respective market values of the Shares with

“A” rights and Shares with “B” rights received, as at the time the Reclassified Shares are first listed.

6.2.2 Cash Option

Shareholders who receive cash pursuant to the Cash Option should be treated as having made a disposal of their Shares with “B” rights and may be subject to UK taxation of chargeable gains depending on the holder’s particular circumstances.

6.2.3 Rollover Option

The Company has been advised that the exchange of Shares with “A” rights for New FEV Shares pursuant to the Rollover Option should constitute a scheme of reconstruction for the purposes of UK taxation of chargeable gains, and that such exchange should not constitute a disposal of the Shares with “A” rights for the purposes of UK taxation of chargeable gains. Instead, the New FEV Shares issued pursuant to the Rollover Option should be treated as replacing the Shares with “A” rights for which they were exchanged and should be treated as having been acquired at the same time and for the same base cost as those Shares with “A” rights are treated as having been acquired.

Any subsequent disposal of the New FEV Shares may result in the holder of those New FEV Shares realising a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains, depending on the holder’s particular circumstances.

6.2.4 Liquidation Pool surplus

As provided for in paragraph 9 of Part 3 of this document, if there is any remaining balance in the Liquidation Pool after the discharge of the Company’s liabilities, Shareholders may receive a cash distribution.

The receipt of any such payment by a Shareholder will generally be treated as consideration for a disposal of their Shares. This is subject to an exception for certain “small” capital distributions which, if applicable, may instead allow the Shareholder to treat the base cost attributable to their relevant Shares as reduced by the amount of the small capital distribution (to the extent it does not exceed the base cost).

6.2.5 HMRC clearance

An application has been made to HMRC under Section 138 of the Taxation of Chargeable Gains Act 1992 for clearance to the effect that HMRC is satisfied that the exchange of Shares with “A” rights for New FEV Shares is for *bona fide* commercial purposes and does not form part of any scheme or arrangements whose main purpose, or one of whose main purposes, is the avoidance of UK capital gains tax or corporation tax, and accordingly that the chargeable gains treatment set out above should not be prevented from applying for such reasons. This clearance has been received from HMRC.

Clearances have also been applied for from HMRC under Section 701 of the Income Tax Act 2007 and Section 748 of the Corporation Tax Act 2010 to the effect that HMRC should not serve a counteraction notice under the relevant anti-avoidance provisions in respect of the Scheme. These clearances have been received from HMRC.

6.2.6 Dissenting Shareholders

On the Liquidators purchasing the Shares of a Dissenting Shareholder, the purchase price paid for their Shares will not exceed that which the Dissenting Shareholder would receive on a straightforward winding-up of the Company. A Dissenting Shareholder who receives such a cash payment will be treated as disposing of the relevant Shares and may, depending on that Shareholder’s particular circumstances, realise a chargeable gain for the purposes of UK taxation of chargeable gains.

6.2.7 ISAs and SIPPs

New FEV Shares should be eligible for inclusion in an ISA or SIPP. Accordingly, where Shares currently held within an ISA or SIPP are exchanged for New FEV Shares pursuant to the Rollover Option, those New FEV Shares can generally be retained within the ISA or SIPP, subject to the specific terms applicable to the ISA or SIPP. Similarly,

where cash is received pursuant to the Cash Option in respect of Shares held within an ISA or SIPP, that cash may also generally be retained within the ISA or SIPP. Shareholders who hold Shares through an ISA should consult their ISA manager or the trustees of their SIPP, as appropriate.

6.2.8 UK stamp duty and UK SDRT

It is not expected that any UK stamp duty or SDRT will be payable by the Company or the Shareholders in relation to the liquidation of the Company or on the receipt by Shareholders of New FEV Shares under the Rollover Option. UK stamp duty and SDRT may be incurred by the Company in relation to the realignment of the Company's investment portfolio prior to the Effective Date and by FEV in relation to the transfer of certain assets within the Rollover Pool, in addition to other non-UK transfer taxes that may be payable. Non-UK transfer taxes may also be payable by the Company on the transfer of the cash, undertaking and other assets comprising the Rollover Pool to FEV.

7 General

All documents and remittances despatched to or from Shareholders or their appointed agents in connection with the Proposals will be despatched at Shareholders' own risk.

Part 3

THE SCHEME

1 Definitions and interpretation

- 1.1 Words and expressions defined in Part 7 of this document have the same meanings when used in this Part 3 (The Scheme).
- 1.2 Save as otherwise provided in this Part 3, any Shares held by persons who validly exercise their rights under section 111(2) of the Insolvency Act 1986 shall be disregarded for the purposes of this Part 3 and shall be treated as if those Shares were not in issue.

2 Elections and entitlements under the Scheme

- 2.1 The maximum number of Shares that can be elected for the Cash Option is 33.3 per cent. of the total number of Shares in issue (excluding Shares held in treasury) as at the Calculation Date (the “**Maximum Cash Option Shares**”). Shareholders are entitled to elect for the Cash Option in respect of more than 33.3 per cent. of their individual holdings of Shares (the “**Basic Entitlement**”, with such excess amount being an “**Excess Application**”). However, in the event that aggregate Elections are made for the Cash Option which exceed 33.3 per cent. of the issued Shares (excluding Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election in excess of their Basic Entitlement will have their Excess Applications scaled back in a manner which is, as near as practicable, *pari passu* and *pro rata* among all Shareholders who have made such Excess Applications such that the aggregate number of Shares elected (or deemed to have been elected) for the Cash Option will be no more than the Maximum Cash Option Shares. Shareholders will be deemed to have made an Election for the Rollover Option in respect of any Shares held by them in respect of which their Excess Applications are scaled back.
- 2.2 Subject to the first Resolution contained in the notice of the First General Meeting being passed and becoming unconditional:
 - 2.2.1 the Shares in respect of which the holders are deemed to have made (including as a result of scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 3), valid Elections for the Rollover Option will be reclassified as Shares with “A” rights; and
 - 2.2.2 the Shares in respect of which the holders have made, or are deemed to have made (after scaling back any Excess Applications in accordance with paragraph 2.1 of this Part 3), valid Elections for the Cash Option will be reclassified as Shares with “B” rights.
- 2.3 The rights of the Shares following the passing of the Resolutions contained in the Notice of First General Meeting will be the rights as set out in Article 5A, which is to be inserted in the Articles pursuant to the first Resolution contained in the notice of the First General Meeting and references to “Shareholders” will be construed accordingly.
- 2.4 In advance of the Calculation Date, the Company (or its agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by the Company in accordance with the Scheme and the Elections made or deemed to have been made thereunder so that, as far as practicable, the Company will hold (in addition to assets destined to become the Cash Pool and Liquidation Pool) cash and investments suitable for transfer to FEV under the Transfer Agreement (including assets with an aggregate value equal to the Proposed Novation Value).
- 2.5 Holders of Reclassified Shares with “A” rights will receive such number of New FEV Shares as is calculated pursuant to paragraph 8.1 of this Part 3.
- 2.6 Holders of Reclassified Shares with “B” rights will receive the *pro rata* portion of the net realisation proceeds of the Cash Pool to which they are entitled in accordance with paragraph 7 of this Part 3.

3 Apportionment of the Company’s total assets

- 3.1 Subject to the Resolutions contained in the notice of the First General Meeting being passed at such meeting, on the Calculation Date or as soon as practicable thereafter, the Directors, in

consultation with the proposed Liquidators, shall calculate the aggregate value of the total assets of the Company, the Residual Formula Asset Value, the Rollover Pool FAV, the Rollover Pool FAV per Share, the Cash Pool FAV and the Cash Pool FAV per Share in accordance with paragraph 4 below.

- 3.2 On the Calculation Date, or as soon as practicable thereafter, the Directors in consultation with the proposed Liquidators, shall procure the finalising of the division of the Company's undertaking, cash and other assets into three separate and distinct pools, namely the Liquidation Pool, the Cash Pool and the Rollover Pool, as follows and in the following order:

3.2.1 first, there shall be appropriated to the Liquidation Pool (i) the right to receive any and all interest and assets representing withholding tax expected to be recoverable by the Company (estimated at approximately £3.9 million as at 18 August 2025); and (ii) cash and other assets of the Company which the Liquidators may call in, realise and convert into cash as they consider necessary, of a value calculated in accordance with paragraph 4.1 of this Part 3 and estimated by the proposed Liquidators to be sufficient to meet the current and future, actual and contingent liabilities of the Company, including, without prejudice to the generality of the foregoing and save to the extent that the same have already been paid or already deducted in calculating the total assets of the Company:

- (a) the costs and expenses incurred and to be incurred by the Company and the proposed Liquidators in formulating, preparing and implementing the Proposals and the Scheme and in preparing this document and all associated documents in each case as not otherwise paid prior to the liquidation (including the HET Proposed Novation Costs);
- (b) the costs and expenses incurred and to be incurred by the Company and the Liquidators in preparing and implementing the Transfer Agreement;
- (c) the costs of purchasing (or making provision for the purchase of) the interests of Shareholders who have validly exercised their rights to dissent from the Scheme under section 111(2) of the Insolvency Act 1986;
- (d) any unclaimed dividends of the Company (so far as not previously paid) and any declared but unpaid dividends of the Company;
- (e) the costs and expenses of liquidating the Company, including the fees and expenses of the Liquidators and the Receiving Agent;
- (f) any outstanding debt on the Company's balance sheet as at the Calculation Date (including any interest accrued thereon up to and including the Calculation Date and any further interest expected to be accrued thereon prior to the Effective Date) and the costs and expenses associated with the repayment of any such borrowings (including any costs associated with the repayment of the HET Overdraft Facility) less an amount equal to the Proposed Novation Value;
- (g) any unquoted assets in the portfolio of the Company;
- (h) any tax liabilities of the Company;
- (i) a provision for possible non-receipt of any receivables or contingent assets as at the Calculation Date, where such receivables or contingent assets have been transferred to the Liquidation Pool, including recoveries or refunds of withholding or other taxes; and
- (j) an amount considered by the proposed Liquidators to be appropriate to provide for any unascertained, unknown or contingent liabilities of the Company (such amount not expected to exceed £100,000 in aggregate),

in each case including any VAT in respect thereof, but excluding, for the avoidance of doubt, the value of the liability in respect of the Proposed Novation (being equal to the Proposed Novation Value); and

- 3.2.2 second, there shall be appropriated to the Cash Pool and the Rollover Pool all the undertaking, cash and other assets of the Company remaining after the appropriation referred to in paragraph 3.2.1 above, on the following basis:
- (a) there shall first be appropriated to the Cash Pool such proportion of the cash and other assets as shall equal the Cash Pool FAV as detailed in paragraph 3.4 of this Part 3; and
 - (b) there shall be appropriated to the Rollover Pool the balance of the undertaking, cash and other assets of the Company as at the Calculation Date which the Company, in consultation with the Liquidators and FEV, shall determine as being suitable for the purpose taking due account of FEV's investment objective and policy (including, assets with an aggregate value equal to the Proposed Novation Value).
- 3.3 The Residual Formula Asset Value shall be equal to the gross assets of the Company as at the Calculation Date (calculated in accordance with the Company's normal accounting policies) less (i) the value of the cash and other assets appropriated to the Liquidation Pool in accordance with paragraph 3.2.1 of this Part 3; and (ii) the Proposed Novation Value.
- 3.4 The Cash Pool FAV shall be equal to the Residual Formula Asset Value multiplied by the proportion of Reclassified Shares with "B" rights relative to the total number of Reclassified Shares, less: (i) the Cash Option Discount (expressed in GBP); and (ii) any further costs of any realisations required to fund the Cash Pool (the "**Cash Pool Realisation Costs**"). The Cash Pool FAV per Share shall be equal to the Cash Pool FAV divided by the total number of Reclassified Shares with "B" rights (expressed in pence) and calculated to six decimal places with 0.0000005 rounded down.
- 3.5 The Rollover Pool FAV shall be equal to the Residual Formula Asset Value multiplied by the proportion of Reclassified Shares with "A" rights relative to the total number of Reclassified Shares (i) plus an amount equal to the value of the HET Fidelity Contribution; (ii) plus an amount equal to the Cash Uplift; (iii) less an amount equal to the HET Proposed Novation Costs. The Rollover Pool FAV per Share shall be equal to the Rollover Pool FAV divided by the total number of Reclassified Shares with "A" rights (expressed in pence) and calculated to six decimal places with 0.0000005 rounded down.
- 3.6 Interest, income and other rights or benefits accruing in respect of any of the undertaking, cash or other assets comprised in any of the Liquidation Pool, the Cash Pool or the Rollover Pool shall form part of that pool, provided that any income, dividend, distribution, interest or other right or benefit on any investment marked "ex" the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Calculation Date shall be deemed to form part of the Liquidation Pool.

4 Calculations of value

- 4.1 Except as otherwise provided in the Scheme, for the purposes of calculating the value of the Company's assets and liabilities at any time and date at which the calculation of value is required by the Scheme, the assets and liabilities of the Company shall be valued on the following basis:
- 4.1.1 investments which are listed, quoted or traded on any recognised stock exchange will be valued by reference to the bid price on the principal stock exchange where the relevant investment is listed, quoted or traded at the Relevant Time and according to the prices shown by the relevant exchange's method of publication of prices for such investments or, in the absence of such recognised method by the latest price available prior to the Relevant Time. If the relevant exchange is not open for business at the Relevant Time, the investments will be valued as at the latest day prior to the relevant date on which the relevant stock exchange was open for business;
 - 4.1.2 unlisted investments or unquoted investments shall be valued at their fair value as determined by the Directors;
 - 4.1.3 cash and deposits with, or balances at, a bank together with all bills receivable, money market instruments and other debt securities not included in paragraphs 4.1.1 or 4.1.2

above and held by the Company as at the Relevant Time will be valued at par (together with interest accrued up to the Calculation Date);

- 4.1.4 any sums owing from debtors (including any dividends due but not paid and any accrual of interest on debt-related securities to the extent not already taken into account under paragraphs 4.1.1 or 4.1.2 above) as at the Relevant Time shall be valued at their actual amount less such provision for diminution of value (including provisions for bad or doubtful debts or discount to reflect the time value of money) as may be determined by the Directors;
- 4.1.5 assets denominated in currencies other than sterling will be converted into sterling at the closing mid-point rate of exchange of sterling and such other currencies prevailing as at the Relevant Time as may be determined by the Directors; and
- 4.1.6 liabilities shall be valued in accordance with the Company's normal accounting policies. For the avoidance of doubt, the HET Overdraft Facility and the HET Loan Notes (including for the purposes of calculating as applicable, the Proposed Novation Value and/or the HET Loan Note Repayment Costs) shall be valued at par value.

In this paragraph 4.1, the "Relevant Time" means the time and date at which any calculation of value is required by the Scheme to be made. The Directors shall consult with the Liquidators in making determinations pursuant to this paragraph 4.1.

- 4.2 Notwithstanding the foregoing, the Directors or a duly authorised committee thereof, may, in their absolute discretion (but in consultation with the Liquidators), permit an alternative method of valuation to be used if, acting in good faith, they consider that such valuation better reflects the fair value of any asset or security.
- 4.3 None of the Company, the Directors, the Investment Manager, FEV, the FEV Directors, the FEV Manager, the FEV Investment Manager nor the Liquidators shall be under any liability by reason of the fact that a price reasonably believed to be the appropriate market price of any listed investment or any valuation reasonably believed to be appropriate may subsequently be found not to have been the appropriate market price or valuation, except in the case of fraud or bad faith.

5 Provision of information by the Liquidators

- 5.1 On the Calculation Date, or as soon as practicable thereafter, the Company shall procure that there shall be delivered to FEV (or its nominee) particulars of the undertaking, cash and other assets comprising the Rollover Pool.
- 5.2 On the Effective Date, the Liquidators shall procure that there shall be delivered to FEV (or its nominee) particulars of the undertaking, cash and other assets comprising the Rollover Pool in accordance with the terms of the Transfer Agreement and a list, certified by the Registrar, of the names and addresses of each holder of Reclassified Shares with "A" rights and the number of Reclassified Shares with "A" rights held by each of them.

6 Transfer of assets and liabilities

- 6.1 On the Effective Date, or as soon as practicable thereafter, the Liquidators (in their personal capacity and on behalf of the Company) shall enter into and implement the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto), whereby the Liquidators shall procure the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool (including assets with an aggregate value equal to the Proposed Novation Value) to FEV (or its nominee), in consideration for: (i) the allotment of New FEV Shares to the Liquidators, such allotments to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 8 below; and (ii) assuming that the Proposed Novation becomes effective, the substitution of FEV in place of the Company as issuer of the HET Loan Notes and the assumption by FEV of the obligations under the HET Loan Notes.
- 6.2 The Transfer Agreement provides that the assets to be transferred to FEV shall be transferred with such rights and title as the Company may have in respect of the same or any part thereof subject to and with the benefit of all and any rights, restrictions, obligations, conditions and agreements affecting the same or any part thereof, including the right to all income, dividends,

distributions, interest and other rights and benefits attaching thereto or accruing therefrom but excluding any income, dividend, distribution, interest or other right or benefit on any investment marked “ex” the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Calculation Date (which shall be deemed to form part of the Liquidation Pool). The Transfer Agreement further provides that the Company, acting through the Liquidators, insofar as they are reasonably able to do so by law or otherwise, shall comply with all reasonable requests made by FEV (or its nominee) in respect of the cash, undertaking and other assets of the Company to be acquired and shall, in particular, account to FEV for all income, dividends, distributions, interest and other rights and benefits in respect of such cash, undertaking and other assets, received after the Effective Date.

7 Distribution of the Cash Pool

Cash entitlements payable to the holders of Reclassified Shares with “B” rights shall be distributed by the Liquidators, through the Receiving Agent and pursuant to the Scheme, in cash to each such holder who has elected or is deemed to have elected for the Cash Option in proportion to their respective holding of Reclassified Shares with “B” rights (being an amount equal to the realisation value of the Cash Pool divided by the total number of Reclassified Shares with “B” rights and multiplied by the number of Reclassified Shares with “B” rights held by the relevant Shareholder, rounded down to the nearest penny).

8 Issue of New FEV Shares

- 8.1 In consideration for the transfer of the Rollover Pool to FEV in accordance with paragraph 6 above, the New FEV Shares shall be issued to holders of Shares with “A” rights on the basis described in this paragraph 8 (in addition to the assumption by FEV of the obligations under the HET Loan Notes assuming that the Proposed Novation becomes effective). The number of New FEV Shares to which each holder of Reclassified Shares with “A” rights is entitled shall be determined in accordance with the following formula (rounded down to the nearest whole number of New FEV Shares):

$$\text{Number of New FEV Shares} = \frac{A}{B} \times C$$

where:

- A is the Rollover Pool FAV per Share (as at the Calculation Date);
- B is the FEV FAV per FEV Share (as at the Calculation Date); and
- C is the aggregate number of Reclassified Shares with “A” rights held by the relevant Shareholder.

- 8.2 No value shall be attributable to Shares held in treasury by the Company. Fractions of New FEV Shares will not be issued under the Scheme and entitlements to such New FEV Shares will be rounded down to the nearest whole number. Any assets representing a fraction of the entitlements of holders of Reclassified Shares with “A” rights and whose holding of New FEV Shares is rounded down shall be retained by FEV and represent an accretion to its assets.
- 8.3 The New FEV Shares to be issued pursuant to paragraph 8.1 will be allotted, credited as fully paid, to the Liquidators as soon as practicable after the delivery to FEV (or its nominee) of the particulars and the list referred to in paragraph 5.2 above, whereupon the Liquidators will renounce the allotments of New FEV Shares in favour of the Shareholders entitled to them under the Scheme. On such renunciation, FEV will issue the New FEV Shares to the Shareholders entitled thereto. FEV shall:
- 8.3.1 in the case of the New FEV Shares issued in certificated form, arrange for the despatch of certificates for such shares issued under the Scheme to the Shareholders entitled thereto at their respective addresses in the Register (and, in the case of joint holders, to the address of the first-named) or to such other person and address as may be specified by such persons in writing, in each case at the risk of the persons entitled thereto; and
 - 8.3.2 in the case of the New FEV Shares issued in uncertificated form, procure that Euroclear is instructed on the Business Day following the Effective Date (or as soon as

practicable thereafter) to credit the appropriate stock accounts in CREST of the Shareholders entitled thereto with their respective entitlements to New FEV Shares issued under the Scheme.

- 8.4 FEV shall be entitled to assume that all information delivered to it in accordance with paragraph 8.3 above is correct and to utilise the same in procuring registration in the FEV register of members of the holders of the New FEV Shares issued under the Scheme.

9 Application of Liquidation Pool

On or following the Effective Date, the Liquidation Pool shall be applied by the Company (acting through the Liquidators) in discharging the liabilities of the Company. The remaining balance of the Liquidation Pool, if any, shall be distributed in cash by the Liquidators pursuant to the Scheme, to all Shareholders (in each case being those Shareholders on the Register as at the Record Date, save that any Dissenting Shareholders will not be entitled to any distribution) in proportion to the respective holdings of Shares on the Record Date) provided that if any such amount payable to any Shareholder is less than £5.00, it shall not be paid to the relevant Shareholder but instead shall be paid by the Liquidators to the Nominated Charity. The Liquidators will also be entitled to make interim payments to Shareholders on the Register on the Record Date in proportion to their holdings of Shares. The Liquidators shall only make such distribution if there is sufficient cash available and if the Liquidators are of the view that it is cost effective to make an interim distribution. For these purposes, any Shares held by Dissenting Shareholders and any Shares held in treasury will be ignored.

10 Forms of Election

- 10.1 For the purposes of the Forms of Election (and TTE Instructions, as applicable), the provisions of which form part of the Scheme (and subject and without prejudice to the provisions of paragraph 15 of this Part 3):

10.1.1 if, on any Form of Election(s) (and/or TTE Instruction(s), as applicable), the total of a Shareholder's Election(s) is/are greater than their actual holding as at the Record Date, each Election made by such Shareholder on a Form of Election (and/or TTE Instruction(s), as applicable) shall be decreased, *pro rata* where more than one Election is made, so that the total of such Election(s) shall equal their total holding and, in any such case, such decreased Election(s) shall be deemed to be the Election(s) made by such Shareholder on the Form of Election(s) (and/or TTE Instruction(s), as applicable) for all purposes of this Scheme;

10.1.2 if, on any Form of Election(s) (and/or TTE Instruction(s), as applicable), the total of a Shareholder's Election(s) is less than their actual holding as at the Record Date, then for the balance of such Shareholder's Shares, that Shareholder will be deemed to have elected for the Rollover Option;

10.1.3 an Eligible Shareholder who makes no Election by the due date, or in respect of whom no Form of Election (or TTE Instruction, as applicable) has been duly and validly completed in accordance with the instructions therein, shall be deemed to have made an Election for the Rollover Option in respect of all of the Shares held by them for all purposes of the Scheme;

10.1.4 by signing and delivering a Form of Election and in consideration of the Company agreeing to process the Form of Election, a Shareholder agrees that the Election made on the Form of Election will be irrevocable (other than with the consent of the Directors) and, by such signature and delivery (or submission of a TTE Instruction, as applicable), such Shareholder represents and warrants that their Election is valid and binding and is made in accordance with all applicable legal requirements (including the requirements of any applicable jurisdiction outside the UK); and

10.1.5 any questions as to the extent (if any) to which Elections will be met and as to the validity of any Form of Election (and/or TTE Instruction, as applicable) shall be at the discretion of the Directors, whose determination shall be final.

11 Modifications

The provisions of the Scheme will have effect subject to such non-material modifications or additions as the Directors and the parties to the Transfer Agreement may from time to time approve in writing.

12 Reliance on information

The Company, the Directors, the Liquidators, the Investment Manager, FEV, the FEV Directors, the FEV Manager and the FEV Investment Manager shall each be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them (as the case may be) in connection with the Scheme and the Transfer Agreement, including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, the Directors (or any of them), the Investment Manager, FEV, the FEV Directors (or any of them) the FEV Manager, the FEV Investment Manager or the Registrar, auditors, bankers, custodians or other professional advisers, and no such person shall be liable or responsible for any loss suffered as a result thereof by the Company, any Shareholder, FEV or any FEV Shareholder.

13 Liquidators' liability

Nothing in the Scheme or in any document executed under or in connection with the Scheme will impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties and this will, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme, the Transfer Agreement or any act which the Liquidators do or omit to do at the request of FEV.

14 Conditions

14.1 The Scheme is conditional upon:

14.1.1 the passing of the Resolutions at the General Meetings, or any adjournment of those meetings, and such Resolutions becoming unconditional in all respects;

14.1.2 the passing of the FEV Allotment Resolution at the FEV General Meeting, or any adjournment thereof, and the FEV Allotment Resolution becoming unconditional in all respects;

14.1.3 the approval of the Financial Conduct Authority to amend the listing of the Shares to reflect their reclassification as shares with "A" rights (in respect of which the holders are deemed to have elected for the Rollover Option) and shares with "B" rights (in respect of which the holders have validly elected, or are deemed to have elected, for the Cash Option) for the purposes of implementing the Scheme;

14.1.4 the Financial Conduct Authority and the London Stock Exchange having acknowledged to FEV or its agents (and such acknowledgement not having been withdrawn) the applications for the Admission of the New FEV Shares to the closed-ended investment funds category of the Official List and to trading on the Main Market, subject only to allotment; and

14.1.5 the Directors and the FEV Directors resolving to proceed with the Scheme.

14.2 In the event that any of the conditions in paragraph 14.1.1 (other than in relation to the Resolution to be proposed at the Second General Meeting) or paragraphs 14.1.2 to 14.1.5 (inclusive) fail to be satisfied, the Second General Meeting will be adjourned indefinitely and the Scheme will lapse.

14.3 Subject to paragraphs 14.1 and 14.5, the Scheme will become effective on the date on which the Resolution for the winding-up of the Company to be proposed at the Second General Meeting (or any adjournment thereof) is passed.

14.4 If it becomes effective, the Scheme will, subject to the rights of any Shareholders who have validly exercised their rights under section 111(2) of the Insolvency Act 1986, be binding on all Shareholders and on all persons claiming through or under them.

- 14.5 Unless the conditions set out in paragraph 14.1 have been satisfied on or before 31 December 2025 (or such later date as may be agreed by both the Company and FEV), the Scheme shall not become effective.
- 14.6 An application will be made to the Financial Conduct Authority for the listing of the Reclassified Shares to be suspended, subject to paragraph 14.1.1 (other than in relation to the Resolution to be proposed at the Second General Meeting) and paragraphs 14.1.2 and 14.1.5 above, at 7.30 a.m. on 26 September 2025. It is intended that, subject to paragraph 14.1, such listing will be cancelled with effect from or as soon as possible after the Effective Date, or such other date as the Liquidators will determine.

15 Excluded Shareholders

- 15.1 Overseas Shareholders will be deemed to be Excluded Shareholders and will therefore not be entitled to receive New FEV Shares under the Scheme unless they have provided evidence to the Receiving Agent, which is to the satisfaction of FEV by no later than 1.00 p.m. on 9 September 2025 that they are permitted to be issued and hold New FEV Shares without breaching (or causing FEV to breach) the securities laws or regulations of any relevant jurisdiction and that FEV will not be subject to any additional regulatory requirements to which it would not otherwise be subject but for such issue.
- 15.2 Sanctions Restricted Persons will also be deemed to be Excluded Shareholders and will not be entitled to receive New FEV Shares under the Scheme.
- 15.3 Excluded Shareholders will not be entitled to receive New FEV Shares under the Scheme and will be deemed to have elected for the Cash Option in respect of 100 per cent. of their holding of Shares. Such deemed elections will be subject to any scaling back in accordance with paragraph 2.1 of this Part 3.
- 15.4 To the extent that an Excluded Shareholder would otherwise receive New FEV Shares under the Scheme (i.e., to the extent that the Excluded Shareholder's deemed election for the Cash Option is scaled back), such New FEV Shares will be issued to the Liquidators as nominees on behalf of such Excluded Shareholder who will arrange for such New FEV Shares to be sold promptly by a market maker (which shall be done without regard to the personal circumstances of the relevant Excluded Shareholder and the value of the Shares held by the relevant Excluded Shareholder). The net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid: (i) in respect of any Overseas Shareholder (including any Ineligible US Shareholder) who is not a Sanctions Restricted Person, to the relevant Overseas Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; or (ii) in respect of a Sanctions Restricted Person, at the sole and absolute discretion of the Liquidators, subject to all applicable laws and regulations.
- 15.5 Any US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document who wishes to elect for New FEV Shares pursuant to the Scheme must, if eligible, execute a US Investor Representation Letter, which can be requested from the Receiving Agent, and return it to FEV in accordance with the instructions printed thereon.
- 15.6 If a US Shareholder does not execute and return a valid US Investor Representation Letter to FEV in accordance with the instructions printed thereon, such US Shareholder will be deemed to be an Excluded Shareholder for the purposes of the Scheme.
- 15.7 The Company and FEV reserve the right, in their respective absolute discretion, to investigate in relation to any US Shareholder, whether the representations and warranties given by such US Shareholder in the US Investor Representation Letter are correct.
- 15.8 Unless otherwise expressly agreed with the Company, any Shareholder who makes an Election will be deemed to make the representations, warranties, undertakings, agreements and acknowledgements set out in the Form of Election, including that they are either: (i) located outside the United States and not a US Person (and are not acting for the account or benefit of a US Person); or (ii) a QIB and a Qualified Purchaser.

15.9 The provisions of this Scheme relating to Overseas Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by the mutual agreement of the Directors and the FEV Directors.

16 General

16.1 Any instructions for the payment of dividends on Shares and other instructions in force on the Effective Date and lodged with the Company and/or the Registrar shall, unless and until revoked by notice in writing to the Registrar, continue to apply in respect of distributions or allocations of, or the other application of, monies under the Scheme or in respect of the issue of New FEV Shares under the Scheme.

16.2 If, within seven days after the passing of the Resolutions proposed at the First General Meeting (or any adjournment thereof), Shareholders validly exercise their rights under section 111(2) of the Insolvency Act 1986 in respect of more than 5 per cent. in nominal value of the issued Shares, the Directors (or a duly authorised committee thereof) may, but will not be obliged to, resolve not to proceed with the Scheme. Any such resolution by the Directors (or a duly authorised committee thereof) will only be effective if passed prior to the passing of the Resolution for winding-up the Company to be proposed at the Second General Meeting (or any adjournment thereof).

16.3 Shares which are held in treasury by the Company shall not have any entitlements under the Scheme.

16.4 The Scheme shall be governed by, and construed in accordance with, the laws of England.

Part 4

RISK FACTORS

The risks referred to below are the material risks known to the Directors at the date of this document which the Directors believe Shareholders should consider prior to deciding how to cast their votes on the Resolutions and before making any Election. Any investment in FEV (pursuant to the Scheme or otherwise) will be governed by the FEV Prospectus and the FEV Articles. Shareholders are strongly urged to read the FEV Prospectus and, in particular, the section containing the risk factors contained therein. Shareholders in any doubt as to the contents of this document or as to what action to take, should consult an appropriately qualified independent adviser without delay.

The Scheme

Implementation of the Proposals is conditional, among other things, upon the Resolutions being passed at the General Meetings and the passing of the FEV Allotment Resolution at the FEV General Meeting. In the event that any condition of the Proposals is not met, the Proposals will not be implemented. The Directors may then consider alternative options for the future of the Company, which may result in additional costs being incurred.

If the Company resolves not to proceed to implement the Scheme on the terms described in this document (including if Shareholders do not approve any Resolution required to implement the Scheme), then each of the Company and FEV will bear its own costs in connection with the Proposals. In the event that the Proposed Novation does not become effective (but the Scheme proceeds), each party will bear its own costs in respect of the Proposed Novation.

In advance of the Calculation Date, the Directors intend that the Company (or its agents) will have, to the extent practicable, realised and/or realigned the Company's portfolio to ensure that: (i) the Company has sufficient cash to meet the amounts expected to be due under the Cash Option; and (ii) the Company's portfolio is made up of assets suitable for transfer to FEV, in accordance with FEV's investment objective and policy, as well as cash, cash equivalents and other assets agreed on or prior to the Calculation Date between the Company and FEV as being suitable for transfer to FEV. If the Scheme fails to proceed, a portion of the Company's portfolio may therefore be held as assets which may need to be reinvested or realigned. As a result, the Company may incur additional reinvestment or realignment costs if the Scheme does not proceed and such costs will be borne by the Company.

Shareholders' illustrative entitlements set out in Part 1 of this document should not be regarded as forecasts. The Rollover Pool FAV per Share and the FEV FAV per FEV Share are fixed at the Calculation Date and therefore the market value of New FEV Shares issued may not be equal to the value of the assets in the Rollover Pool (less the assets equal to the Proposed Novation Value) as at the Effective Date. Also, the discount to net asset value at which FEV Shares trade may widen relative to the discount to net asset value at which the Shares trade. If this occurs after the Calculation Date but before the Effective Date, then the market value of the New FEV Shares to which Shareholders are entitled under the Scheme may be less than the market value of the relevant Shares as at the Calculation Date.

Equity stock markets could be volatile over the near term and during the period of the realisation of certain assets in the Company's portfolio, which could result in the Company's portfolio performing differently from others in its peer group. Over this period there may be less liquidity in stock markets which could adversely affect the performance of the Company during the realisation process and when realising investments to fund the Cash Option.

If a Shareholder wishes to elect for more than their Basic Entitlement and total Elections for the Cash Option made by all Shareholders are greater than 33.3 per cent. of the total issued Shares (excluding Shares held in treasury) as at the Calculation Date, then such Shareholder's Election will be scaled back resulting in such Shareholder receiving New FEV Shares instead of cash in respect of part of their holding of Shares (or, in the case of an Excluded Shareholder, the entitlement to such New FEV Shares will be dealt with in accordance with paragraph 15 of Part 3 of this document).

In order to reclassify the Shares to reflect entitlements under the Scheme, it will be necessary to suspend trading in the Shares at 7.30 a.m. on 10 September 2025. Trading in the Reclassified Shares will commence at 8.00 a.m. on 25 September 2025. Accordingly, Shareholders should be aware that they will be unable to trade their Shares on the London Stock Exchange during this period.

Dissenting Shareholders

The Liquidators will offer to purchase the holdings of any Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Share in an ordinary winding-up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders and after repayment of the liabilities of the Company. The purchase price per Share to be paid by the Liquidators is expected to be below the latest unaudited cum-income Net Asset Value per Share. The Liquidators are not expected to purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and any outstanding tax obligations of the Company have been dealt with, which may occur more than 12 months following the date on which the Company enters liquidation.

Risks associated with the Combined Entity

Any investment in New FEV Shares issued by the Combined Entity will be governed by the FEV Prospectus and the FEV Articles. Shareholders should read the full text of the FEV Prospectus (which is available at www.fidelity.co.uk/Europe), including the section containing risk factors.

An investment in the Combined Entity will involve exposure to those risks normally associated with investment in shares. Shares in the Combined Entity are designed to be held over the long-term and may not be suitable as short-term investments. The value of an investment in the Combined Entity and the income derived from it, if any, may go down as well as up. There can be no guarantee that any appreciation in the value of the Combined Entity's investments will occur, and investors may not get back the full value of their investment. There can be no guarantee that the investment objective of the Combined Entity will be achieved or that it will provide the returns sought.

The past performance of FEV and of the FEV Manager and the FEV Investment Manager is not a guide to future performance of the Combined Entity. An investment in the Combined Entity is suitable only for investors who are capable of evaluating the risks of such an investment and who have sufficient resources to bear any loss which might result from such an investment (which may be equal to the whole amount invested).

The performance of the Combined Entity will be substantially dependent on the performance of the securities held within its portfolio.

The Combined Entity may use gearing to seek to enhance investment returns. The use of borrowings may increase the volatility of the NAV and may reduce returns when asset values fall.

The Combined Entity will have a board of non-executive directors and no employees. The Combined Entity will therefore be dependent on the skills and experience of the FEV Investment Manager to manage its investments. If the FEV Investment Manager ceases to act as the Combined Entity's investment manager or if key personnel cease to remain with the FEV Investment Manager or be involved in the management of the Combined Entity's portfolio, there is no assurance that suitable replacements will be found. If this occurs there may be an adverse effect on the performance of the Combined Entity's portfolio and the value of the FEV Shares.

FEV is a closed-ended vehicle. Accordingly, Shareholders will have no right to have their New FEV Shares repurchased at any time. Shareholders wishing to realise their investment in the Combined Entity will therefore generally be required to dispose of their New FEV Shares in the market. Although the New FEV Shares will be listed on the Official List and admitted to trading on the Main Market, there can be no guarantee that a liquid market in the FEV Shares will exist or be maintained. Accordingly, Shareholders may be unable to realise their New FEV Shares at the quoted market price (or at the prevailing NAV per New FEV Share).

The price of shares in an investment trust is determined by the interaction of supply and demand for such shares in the market as well as the NAV per share. The share price can therefore fluctuate

and may represent a discount or premium to the NAV per FEV Share. This discount or premium is itself variable as conditions for supply and demand for New FEV Shares change. This can mean that the FEV Share price can fall when the NAV per share rises, or *vice versa*.

Part 5

FURTHER INFORMATION ON FEV

Any investment in FEV will be governed by the FEV Prospectus which is available at www.fidelity.co.uk/Europe. Accordingly, Shareholders are required to read the FEV Prospectus and in particular the risk factors contained therein. Neither the Board (other than the Prospective Directors, in each case in their capacity as a prospective director of FEV) nor the Company takes any responsibility for the contents of the FEV Prospectus.

1 Introduction and history

FEV is a closed-ended investment company incorporated on 16 August 1991 in England and Wales with registered number 02638812 and registered as an investment company under section 833 of the Act. FEV carries on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010, as amended.

As at the Latest Practicable Date, FEV had 405,214,246 ordinary shares in issue (excluding treasury shares), a market capitalisation of approximately £1.63 billion, a Net Asset Value of approximately £1.68 billion and a Net Asset Value per FEV Share of 415.50 pence.

Applications will be made to the London Stock Exchange for the New FEV Shares to be issued pursuant to the Scheme to be admitted to the closed-ended investment funds category of the Official List of the Financial Conduct Authority and to trading on the Main Market.

2 Managerial arrangements

FIL Investment Services (UK) Limited has been appointed as FEV's alternative investment fund manager (the "**FEV Manager**"). The FEV Manager has delegated portfolio management services to FIL Investments International (the "**FEV Investment Manager**"). Both the FEV Manager and the FEV Investment Manager are indirectly wholly owned subsidiaries of Fidelity International.

The FEV Manager

The FEV Manager is a limited liability company, incorporated and registered in England and Wales on 2 May 1986 with registered number 02016555. The registered office of the FEV Manager is Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP. The LEI of the FEV Manager is 213800TWO2EHFEWNF438. The FEV Manager is authorised and regulated by the FCA to conduct certain restricted activities in relation to collective investment schemes. The FEV Manager is registered under the UK AIFMD Laws as a full scope authorised UK alternative investment fund manager and has acted as FEV's alternative investment fund manager since the EU AIFM Directive came into force in 2014.

Under the terms of the FEV Management Agreement, the FEV Manager has been appointed by FEV with ultimate responsibility for investment management and risk management in accordance with FEV's investment objective and policy, and subject to the overall supervision of the FEV Directors. The FEV Manager also has overall responsibility for the provision of general accounting, administrative, secretarial and marketing services to the Company.

The FEV Management Agreement is terminable:

- by either party on six months' prior written notice;
- by FEV on not less than 60 days' prior written notice if the FEV Manager ceases to be an associate of Fidelity International;
- by FEV immediately by notice in writing if, among other things: (i) the FEV Manager commits a material breach of its obligations under the FEV Management Agreement and, where such breach is capable of remedy, fails to remedy such breach within 30 days of being requested to do so; (ii) the FEV Manager goes into liquidation (otherwise than a voluntary and solvent liquidation for the purposes of reconstruction or amalgamation) or an administrator or similar officer has been appointed in respect of the FEV Manager or all or substantially all of the undertaking and assets of the FEV

Manager; and/or (iii) the FEV Manager ceases to be authorised by the FCA to carry out its duties under the FEV Management Agreement; and

- the FEV Manager immediately by notice in writing if, among other things: (i) FEV commits a material breach of its obligations under the FEV Management Agreement and, where such breach is capable of remedy, fails to remedy such breach within 30 days of being requested to do so; and/or (ii) FEV goes into liquidation (otherwise than a voluntary and solvent liquidation for the purposes of reconstruction or amalgamation) or an administrator or similar officer has been appointed in respect of FEV or all or substantially all of the undertaking and assets of FEV.

The FEV Management Agreement contains customary indemnities given by FEV in favour of the FEV Manager.

The FEV Management Agreement is governed by the laws of England and Wales and the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the FEV Management Agreement.

The FEV Investment Manager

Pursuant to the FEV Investment Management Agreement, the FEV Manager, with the consent of FEV, has delegated the day-to-day management of FEV's portfolio to FIL Investments International. The FEV Investment Manager is a private unlimited company incorporated in England and Wales with registered number 01448245 and has its registered office at Beech Gate, Millfield Lane, Lower Kingswood, Tadworth KT20 6RP.

The FEV Investment Manager manages FEV's portfolio in accordance with FEV's investment objective and policy, and subject to the overall supervision of the FEV Directors and the overall policy decisions and directions made or given by the FEV Directors from time to time.

The FEV Investment Management Agreement is terminable by:

- any of the parties to it on six months' prior written notice;
- by FEV on not less than 60 days' prior written notice if the FEV Investment Manager ceases to be an associate of Fidelity International;
- by FEV immediately by notice in writing if, among other things: (i) the FEV Manager or the FEV Investment Manager commits a material breach of its obligations under the FEV Investment Management Agreement and, where such breach is capable of remedy, fails to remedy such breach within 30 days of being requested to do so; (ii) the FEV Manager or the FEV Investment Manager goes into liquidation (otherwise than a voluntary and solvent liquidation for the purposes of reconstruction or amalgamation) or an administrator or similar officer has been appointed in respect of the FEV Manager or the Investment Manager or all or substantially all of the undertaking and assets of the FEV Manager or the FEV Investment Manager (as applicable); and/or (iii) if the FEV Manager (or an associate of the FEV Manager) ceases to be FEV's alternative investment fund manager; and
- the FEV Manager and/or the FEV Investment Manager immediately by notice in writing if, among other things: (i) FEV commits a material breach of its obligations under the FEV Investment Management Agreement and, where such breach is capable of remedy, fails to remedy such breach within 30 days of being requested to do so; and/or (ii) FEV goes into liquidation (otherwise than a voluntary and solvent liquidation for the purposes of reconstruction or amalgamation) or an administrator or similar officer has been appointed in respect of FEV or all or substantially all of the undertaking and assets of FEV.

The FEV Investment Management Agreement contains customary indemnities given by FEV in favour of the FEV Investment Manager.

The FEV Investment Management Agreement is governed by the laws of England and Wales and the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the FEV Investment Management Agreement.

The FEV Portfolio Managers

FEV's Portfolio Managers are Sam Morse and Marcel Stötzel. They are supported by Fidelity International's extensive equity research platform (comprising 132 global equity research analysts, 34 of which cover Europe directly).

Sam Morse was appointed as FEV's Portfolio Manager on 1 January 2011, having managed the Fidelity European Fund since December 2009. He first joined Fidelity International as a research analyst and covered a range of sectors before becoming an equity income fund manager. He also worked as Head of Equities at Municipal & General Securities Company Limited.

Marcel Stötzel was appointed as FEV's co-Portfolio Manager on 1 September 2020. He first joined Fidelity International's equities team as an MBA Intern covering US technology before being hired full time to cover European software and IT services and thereafter, European aerospace, defence and airlines. After a highly rated period in research, he was named FEV's Co-Portfolio Manager, and the Fidelity European Fund, nearly five years ago.

Fees

Under the FEV Management Agreement and the FEV Investment Management Agreement, the total annual management fee payable to the FEV Manager and the FEV Investment Manager by FEV is 0.85 per cent. of net assets up to and including £400 million and 0.65 per cent. of net assets in excess of £400 million (the **"FEV Annual Management Fee"**). The FEV Annual Management Fee is apportioned between the FEV Manager and the FEV Investment Manager, with the FEV Manager's entitlement being equal to 0.05 per cent. per annum of FEV's net assets (or such other apportionment as may be agreed between the FEV Manager, the FEV Investment Manager and FEV from time to time) and the FEV Investment Manager being entitled to the remaining balance of the FEV Annual Management Fee. The FEV Annual Management Fee (including the FEV Investment Manager's entitlement) is calculated and charged daily and payable monthly in arrears. The FEV Manager also provides FEV with marketing services. For the avoidance of doubt, the costs of these services are included in the FEV Annual Management Fee payable by FEV to the FEV Manager under the FEV Management Agreement.

Fidelity has also agreed that, subject to implementation of the Scheme and with effect from Admission, the Annual Management Fee payable by FEV will be reduced to: 0.70 per cent. of net assets up to and including £400 million; 0.65 per cent. of net assets in excess of £400 million up to and including £1.4 billion; and 0.55 per cent. of net assets in excess of £1.4 billion (the **"Revised Fee Arrangements"**). This is currently expected to result in a blended annual management fee rate for the Combined Entity of 0.63 per cent. of net assets on completion of the Proposals (assuming, among other things, that the Cash Option is fully subscribed).

In satisfaction of the services rendered by the FEV Manager and the FEV Investment Manager pursuant to the FEV Management Agreement and the FEV Investment Management Agreement, respectively, for the year ended 31 December 2024, FEV paid an aggregate FEV Annual Management Fee of £11,512,000.

The FEV Investment Manager also provides FEV with marketing services under the FEV Investment Management Agreement. The total amount paid by the Company for these additional marketing expenses during the financial year ended 31 December 2024 was £221,000.

The FEV Manager will continue to be appointed as alternative investment fund manager to the Combined Entity and FEV's portfolio will continue to be managed by the FEV Investment Manager with Sam Morse and Marcel Stötzel continuing as the FEV Portfolio Managers.

3 Performance track record

FEV's performance relative to its benchmark index (being the FTSE World Europe ex. UK Index (in Sterling terms), the **"FEV Benchmark Index"**) over the one, three, five and ten years, and since the commencement of Sam Morse's tenure as co-portfolio manager on 1 January 2011, each to 18 August 2025 is set out below. FEV has also delivered a share price total

return of 6,435.5 per cent. and a NAV total return of 6,397.9 per cent. respectively, since its launch in November 1991 (to 18 August 2025) compared to the FEV Benchmark Index which delivered a total return of 1,836.8 per cent. over the same period.

From 31 December 2024 to 18 August 2025, FEV's NAV total return per FEV Share was 10.1 per cent.* which can be compared against the FEV Benchmark Index's total return which rose by 17.7 per cent. over the same period. The FEV Share price over the same period rose by 14.5 per cent. to 403.0 pence, resulting in a FEV Share price total return of 16.1 per cent., and ended the period trading at a discount of 3.0 per cent. to the unaudited NAV per FEV Share as at 18 August 2025.

The FEV Board monitors the performance of the FEV portfolio continuously and closely with the FEV Investment Manager in order to understand the drivers behind relative performance (both underperformance and outperformance) and actions being taken by the FEV Investment Manager in light of that.

3.1 FEV's performance track record (all as at 18 August 2025):

	Since 1 January 2011 (being the commencement of Sam Morse's tenure as FEV's portfolio manager)				
	1 year	3 years	5 years	10 years	
	(%)	(%)	(%)	(%)	(%)
	(annualised)	(annualised)	(annualised)	(annualised)	(annualised)
NAV total return per FEV Share	2.9	10.2	10.2	10.8	10.3
FEV Share price total return	4.4	12.9	11.3	11.2	11.7
FEV Benchmark Index total return	13.2	13.0	10.8	9.8	8.7

Market indices are sourced from RIMES and other data is sourced from third-party providers such as Morningstar. Data to 18 August 2025. NAV total returns calculated with debt valued at par value. Total return calculations assume reinvested income. Past performance is not a reliable indicator of future results. Figures rounded to one decimal place.

4 Investment objective and policy

Following implementation of the Proposals, the Combined Entity will be managed, in accordance with FEV's existing investment objective and policy, by the FEV Manager with Sam Morse and Marcel Stötzel, continuing as FEV's portfolio managers (the "**FEV Portfolio Managers**"). No amendments are proposed to be made to FEV's investment objective or investment policy, as set out below, in connection with the Scheme.

Investment objective

To achieve long-term growth in both capital and income by predominantly investing in equities (and their related securities) of continental European companies.

Investment policy

FEV invests predominantly in continental European companies with a view to achieving long-term growth in both capital and income for shareholders. FEV's portfolio is selected by the FEV Investment Manager on the basis of its assessment of the fundamental value available in individual situations and with a typical focus on larger companies which show prospects for sustainable long-term dividend growth. Whilst FEV's overall exposure to individual countries and industry sectors is monitored, the portfolio is not restricted in terms of size, industry, or geographical split, although certain investment restrictions apply in an attempt to diversify risk.

Investment restrictions

- a minimum of 80 per cent. of gross assets will be invested in companies from countries which are included in the FEV Benchmark Index; and
- a maximum of:

* Based on an audited NAV per FEV Share of 382.44 pence as at 31 December 2024 and an unaudited NAV per FEV Share of 415.50 as at 18 August 2025.

- 20 per cent. of FEV's gross assets may be invested in stocks of European countries* which are not included in the FEV Benchmark Index. This will include investing in UK companies, defined as companies in the FTSE All-Share Index; and
- 5 per cent. of FEV's gross assets may be invested in stocks of non-European countries* where those stocks have some exposure to, or connection with, Europe. Any investments in this category will count towards the 20 per cent. maximum limit set out immediately above.

**European country for the purposes of this paragraph means a country included within the FTSE All-World Europe Index and non-European is to be construed accordingly.*

- a maximum of 10 per cent. of FEV's gross assets may be invested in the aggregate of:
 - securities not listed on a recognised stock exchange; and
 - holdings in which the interest of FEV amounts to 20 per cent. or more of the equity capital of any listed company;
- FEV will not invest more than 10 per cent. of its gross assets in any one quoted company at the time of acquisition;
- a maximum of 5 per cent. of FEV's gross assets may be held in unquoted securities in aggregate at any one time;
- the maximum amount of cash or cash equivalents held by FEV will be 25 per cent. of FEV's total net assets, but this limit will not include any cash or cash equivalent paid as collateral for unrealised losses on derivatives. In practice the cash position will normally be much lower;
- the FEV Board reserves the right to lend stock and/or other assets of up to 10 per cent. of FEV's total net assets;
- the FEV Board reserves the right to hedge FEV's portfolio by way of currency; and
- a maximum of 10 per cent. of FEV's gross assets may be invested in the securities of other investment companies (including listed investment trusts).

Derivative instruments

FEV may utilise derivative instruments, including index-linked notes, futures, contracts for difference ("**CFDs**" or "**Contracts for Difference**"), covered call options, put options and other equity-related derivative instruments on a limited basis as a tool to meet its investment objective and principally in the following ways:

- as an alternative form of gearing to bank loans. FEV can enter into long CFDs to achieve an equivalent effect to buying an asset financed by bank borrowing but often at lower financing cost;
- to hedge equity market risks where suitable protection can be purchased to limit the downside of a falling market at a reasonable cost;
- to enhance the investment returns by taking short exposures on stocks that the FEV Investment Manager considers to be overvalued; and
- to enhance returns through writing covered call options and writing put options.

The FEV Board has created strict policies and exposure limits and sub-limits to manage FEV's use of derivative instruments. These limits and their impacts are monitored by the FEV Investment Manager on a daily basis and reported regularly to the FEV Board. The limits are:

- the aggregate exposure of FEV to equities, including as a result of borrowing and the use of derivatives, but excluding hedging, will not exceed 130 per cent. of total net assets (a gearing level of 30 per cent.) at the time at which any derivative contract is entered into or a security acquired;
- the aggregate exposure of FEV under short derivatives, excluding hedges and covered call options, will not exceed 10 per cent. of total net assets at the time at which any derivative contract is entered into; and

- the aggregate exposure of FEV under covered call options, being the notional exposure of the calls, will not exceed 20 per cent. of total net assets at the time at which any derivative is entered into. The notional exposure of covered call options is: the number of contracts written x the notional contract size x the market value of the underlying share price.

The majority of FEV's exposure to equities will be through direct investment, not through derivatives. In addition, the limits on exposure to individual companies and groups will be calculated on the basis that FEV has acquired the securities to which any derivative is providing exposure.

Changes to investment objective and policy

No material change will be made to FEV's investment objective and policy without prior approval by ordinary resolution of the Shareholders and the approval of the FCA.

For the avoidance of doubt, FEV's investment objective and policy will not change as a result of the Proposals.

5 Investment strategy

FEV operates as an investment company that aims to achieve long-term growth in both capital and income by predominantly investing in equities (and their related securities) of continental European companies.

FEV's investment philosophy can be broken down into three principles:

- Bottom-up: stock selection with a focus on companies with prospects for producing dividends and dividend growth;
- Long-term: a long-term view improves performance and reduces costs; and
- Cautious: focus on managing downside risk creates a strong foundation for long-term outperformance.

Accordingly, the FEV Portfolio Managers search for and select investee companies by focusing on four key areas: (i) positive fundamentals, which includes structural growth, disciplined use of capital and proven business models; (ii) cash generation, which is often a good indicator of future dividend growth; (iii) strong balance sheets, which ensure that the ability to grow dividends is not jeopardised; and (iv) attractive valuations, providing good quality stocks at a reasonable price.

At the next stage, the FEV Portfolio Managers will meet with a company to build conviction on the four key areas noted above. Over and above this assessment of the four key areas, the FEV Portfolio Managers will then also apply their 'three good reasons to buy a company' test which must include two fundamental reasons combined with one valuation argument.

If a company remains attractive after this final stage, the FEV Investment Manager will look to initiate a position. Similarly, if the investment thesis changes on an existing holding of FEV, the FEV Portfolio Managers will apply the same analysis culminating in an assessment of the initial 'three good reasons' for buying the company. If any of the 'three good reasons' (or the FEV Portfolio Managers' conviction in the investee company's cash generation or balance sheet) has changed then the position is reviewed accordingly.

The FEV portfolio will generally have a low turnover with a typical holding period of three to five years.

The FEV Portfolio Managers are not restricted in terms of the FEV portfolio's split by investee company size, industry or country exposure. The FEV Portfolio Managers do not have a bias to any particular company size, sector or country and instead target outperformance through stock selection.

Gearing is used to leverage FEV's portfolio in order to enhance returns. The FEV Board and the FEV Investment Manager believe that the judicious use of gearing can be accretive to long-term capital returns for FEV Shareholders, the rationale being that over the longer-term carefully monitored levels of gearing will enhance returns from a rising market. The ability to use gearing is a key advantage of the investment trust structure.

FEV predominantly invests in equities but may also invest into other transferable securities, investment companies, money market instruments, cash and deposits. The FEV Board has created strict policies and exposure limits and sub-limits to manage derivatives, as detailed in the FEV Prospectus. These limits and their impacts are monitored by the FEV Manager and the FEV Investment Manager on a daily basis and reported regularly to the FEV Board.

6 Dividend policy

FEV seeks to deliver a progressive dividend in normal circumstances, paid twice per annum in order to smooth dividend payments for the reporting year. Unlike open-ended funds such as OEICs, investment trusts can hold back some of the income they receive in positive years, thereby building up revenue reserves that can then be used to supplement dividends during challenging times.

In addition, FEV conducts its business so as to satisfy the conditions to retain approval as an investment trust under section 1158 of the Corporation Tax Act. In accordance with regulation 19 of the UK Investment Trust (Approved Company) (Tax) Regulations 2011, as amended, the Company does not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period and seeks to ensure that it distributes at least the minimum amount required to maintain investment trust status. The FEV Board may resolve to pay dividends on the Shares from time to time in order to comply with these requirements.

In general, FEV pays one interim dividend and one final dividend in respect of each financial year (usually paid in May and October, respectively, each year). FEV paid, in aggregate, dividends of 9.1 pence per FEV Share in respect of the financial year ended 31 December 2024. FEV expects to pay an interim dividend in respect of its financial year ending 31 December 2025 of not less than 3.6 pence per FEV Share (the **"FEV Interim Dividend"**). It is expected that the FEV Interim Dividend (including the dividend timetable) will be announced in early September 2025. Shareholders receiving New FEV Shares under the Scheme are not, in respect of those New FEV Shares, expected to be entitled to the FEV Interim Dividend.

7 Gearing policy

FEV's normal policy is to be geared, in the belief that long-term investment returns will exceed the costs of gearing. The effect of gearing is to magnify the consequence of market movements on FEV's portfolio. If the value of FEV's portfolio rises, the NAV will be positively impacted (but if it falls, the NAV will be adversely impacted).

FEV gears through the use of derivative instruments, primarily through the use of low-cost CFDs and index futures, to seek to enhance investment returns by increasing exposure to securities selected by the FEV Investment Manager. FEV can also obtain gearing through the use of borrowings and, as set out in paragraph 5 of Part 1 of this document, the HET Loan Notes are proposed to be novated to FEV in connection with the Proposals.

The FEV Board monitors the level of gearing and the use of derivative instruments carefully and has defined a risk control framework for this purpose against which FEV's gearing is reviewed at each FEV Board meeting. The FEV Board is responsible for the magnitude of FEV's gearing whilst the FEV Investment Manager decides gearing on a day-to-day basis within a range set by the FEV Board.

As noted above, the aggregate exposure of FEV to equities, including as a result of borrowing and the use of derivatives, but excluding hedging, will not exceed 130 per cent. of total net assets (a gearing level of 30 per cent.) at the time at which any derivative contract is entered into or a security acquired.

FEV has no borrowings in place as at the date of this document. However, should the Proposed Novation of the HET Loan Notes proceed, FEV will have the following unsecured borrowings in place following implementation of the Scheme:

Facility	Amount	Term
1.53% Series A Senior Notes	€25 million	22 years
1.66% Series B Senior Notes	€10 million	27 years

It is expected that FEV's gearing policy and (subject to the Proposed Novation of the HET Loan Notes) gearing strategy, as described above, will remain unchanged following completion of the Proposals.

As at 18 August 2025, FEV's Net Gearing was 10.2 per cent. Assuming the Scheme is implemented, and regardless of whether the Proposed Novation becomes effective, FEV's Net Gearing immediately following completion of the Scheme is expected to be lower than its current level (given, in particular, the materially higher value of the Rollover Pool relative to the par value of the HET Loan Notes). However, in accordance with FEV's existing gearing policy, the FEV Investment Manager intends to use further CFDs shortly thereafter to increase FEV's Net Gearing to a similar level to that currently employed by FEV.

8 ESG policy

Fidelity consider sustainability risks, which refer to an environmental (E), social (S) or governance (G) (collectively, "**ESG**") event, or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Fidelity's approach to sustainability risk integration seeks to identify and assess the ESG risks at an individual issuer level. Sustainability risks which may be considered by Fidelity's investment teams include, but are not limited to:

- environmental risks: the ability of companies to mitigate and adapt to climate change and the potential for higher carbon prices, exposure to increasing water scarcity and potential for higher water prices, waste management challenges, and impact on global and local ecosystems;
- social risks: product safety, supply chain management and labour standards, health and safety and human rights, employee welfare, data & privacy concerns and increasing technological regulation; and
- governance risks: board composition and effectiveness, management incentives, management quality and alignment of management with shareholders.

The FEV Portfolio Managers and Fidelity's analysts supplement the study of financial results of potential investments with additional qualitative and quantitative non-financial analysis including sustainability risks and will factor them into investment decision making and risk monitoring to the extent they represent potential or actual material risks and/or opportunities to maximise long-term risk-adjusted returns.

This systematic integration of sustainability risks in investment analysis and decision-making relies on:

- "qualitative assessments", which will be by reference, but not limited, to case studies, environmental, social and governance impacts associated with issuers, product safety documents, customer reviews, company visits or data from proprietary models and local intelligence; and
- "quantitative assessments", which will be by reference to ESG ratings which may be an internal rating assigned by the Investment Manager primarily using Fidelity ESG Ratings (described below) or from external providers, including but not limited to MSCI, relevant data in third-party certificates or labels, assessment reports on carbon footprints, or percentage of economic activities of issuers generated from ESG-relevant activities.

Fidelity ESG Ratings is a proprietary ESG rating system developed by Fidelity's research analysts to assess individual issuers. The ratings score issuers on an A-E scale on sector-specific factors, which include relevant principal adverse impact indicators, and a trajectory

forecast based on an assessment of expected change of an issuer's sustainability characteristics over time. The ratings are based on fundamental bottom-up research and assessment using criteria specific to the industry of each issuer relevant to material ESG issues. Any material differences between Fidelity ESG Ratings and third-party ESG ratings may contribute to analysis and discussion within Fidelity's investment teams as part of the assessment of the investment opportunity and its related sustainability risks. ESG ratings and associated ESG data are maintained on a research platform operated by the FEV Investment Manager. The provision and sourcing of ESG data is reviewed on a regular basis to ensure its continuing suitability, adequacy, and effectiveness for the ongoing assessment of sustainability risks.

The Fidelity ESG Ratings methodology takes into account environmental, social and governance factors. Relevant environmental characteristics include carbon intensity, carbon emissions, energy efficiency, water and waste management and biodiversity. Relevant social characteristics include product safety, supply chains, health and safety and human rights.

FEV's portfolio is constructed in line with Fidelity's sustainable investing principles. While FEV does not have a specific ESG mandate, ESG analysis is integrated into the investment process to form a holistic view of an investee company and its valuation. The FEV Portfolio Managers believe that high standards of corporate responsibility are essential for protecting and enhancing investment returns. They typically select companies that screen well on ESG factors or show improving ESG fundamentals, using declining ESG characteristics as a red flag for further due diligence.

ESG factors are also crucial in assessing sustainable dividend growth, a core part of the FEV Portfolio Managers' investment philosophy. Fidelity's ESG Ratings have sharpened their focus, prompting them to question holdings with poor ESG ratings. Fidelity's sustainable investment team and analysts will continue to engage with investee companies to understand their ESG strategies and actions, maintaining a pragmatic approach. Given this focus on sustainability, FEV scores well on ESG factors on average, and individual investee company exceptions, where they do exist, are scrutinised thoroughly.

9 Discount management policy

The FEV Board believes that investors are best served when the FEV Share price trades close to FEV's Net Asset Value per FEV Share and, therefore, has an active discount management policy. The primary purpose of the FEV Board's discount management policy is to reduce discount volatility. The FEV Board also monitors the liquidity of the Company's shares as the recent lack of natural buyers in the investment trust sector has put added pressure on discount levels generally.

In connection with the Proposals, the FEV Board has decided to enhance its discount management policy such that FEV will seek to maintain any discount at which the FEV Shares trade relative to FEV's Net Asset Value per FEV Share in mid-single digits in normal market conditions by undertaking share buy backs where appropriate.

The timing, price and volume of any buybacks of FEV Shares will be at the absolute discretion of FEV and any such buyback also subject to FEV having sufficient working capital for its requirements and distributable profits available.

All FEV Share repurchases will be conducted in accordance with the Companies Act and the UK Listing Rules applicable to closed-ended investment funds from time to time and will be announced by FEV to the market through an RIS announcement on the same or following day.

FEV Shares purchased by the Company may be cancelled or held in treasury (or a combination of both). Historically, FEV Shares purchased by FEV were held in treasury. The sale of FEV Shares from treasury will be subject to the Companies Act and the provisions relating to rights of pre-emption contained therein to the extent not disapplied.

10 Ongoing expenses

The Proposals will reduce fixed costs proportionately and, along with the revised management fees, produce a competitive OCR for the Combined Entity estimated to be approximately 0.68 per cent. compared with HET's current OCR of 0.70 per cent. and FEV's of 0.76 per cent.³

11 Board of the Combined Entity

The Chair of FEV, Davina Walter, will remain as Chairman of the Combined Entity. The other board members will be, Sir Ivan Rogers, Fleur Meijs, Milyae Park, Paul Yates who are currently directors of FEV, and Vicky Hastings and Rutger Koopmans, currently directors of HET.

12 General

Further details of FEV, the New FEV Shares and the proposals for the Combined Entity are set out in the FEV Prospectus.

³ Based on a combination of HET and FEV as at 18 August 2025 (with net assets of approximately £664.3 million and £1.68 billion respectively), current cost estimates and assuming (i) there are no dissenting HET Shareholders; and (ii) 33.3 per cent. of HET Shares are validly elected for the Cash Option (such that the Cash Option is fully subscribed). Figures exclude any impact of HET portfolio realisation costs in connection with the Scheme and acquisition costs (including any commissions, taxes (including stamp duty or equivalent), transaction charges, and/or market charges) associated with the transfer of assets from HET to FEV. All figures are illustrative only, using currently available information and estimates, and are subject to change.

Part 6

ADDITIONAL INFORMATION

1 Transfer Agreement

Provided that the Scheme is approved by Shareholders and becomes effective, the Company (acting through the Liquidators) will enter into the Transfer Agreement with the Liquidators and FEV pursuant to the Scheme. The Transfer Agreement is, at the date of this document, in a form agreed between the Company, the Liquidators and FEV. The Transfer Agreement provides, among other things, that the cash, undertaking and other assets of the Company comprising the Rollover Pool (which, in the event the HET Loan Notes are novated to FEV pursuant to the Proposed Novation, will also include assets equal to the par value of the HET Loan Notes as at the Calculation Date, together with interest accrued up to and including the Calculation Date thereon and a further amount in respect of the period to the Effective Date) are to be transferred to FEV (or its nominee), in consideration for: (i) the allotment of New FEV Shares to the Liquidators, such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 8 of Part 3 of this document; and (ii) in the event that the Proposed Novation becomes effective, the assumption by FEV of the obligations under the HET Loan Notes.

The Transfer Agreement excludes any liability on the part of the Liquidators for entering into or carrying into effect the Transfer Agreement, save for customary carve-outs relating to, among other things, fraud, negligence and breach of duty.

The Transfer Agreement will be available for inspection as stated in paragraph 4 below.

2 Dissenting Shareholders

The Scheme is a reconstruction to which section 111(2) of the Insolvency Act 1986 applies. Under section 111(2) any Shareholder who does not vote in favour of the Resolutions to approve the Scheme to be proposed at the First General Meeting may, within seven days of the passing of the Resolutions at the First General Meeting, express their dissent in writing to the proposed Liquidators at the registered office of the Company for the attention of the proposed Liquidators. If Dissenting Shareholders validly exercise their rights under section 111 in respect of more than 5 per cent. of, in aggregate, the issued Share capital of the Company, the Directors have discretion under the Scheme to decide that the Scheme should not proceed.

The Liquidators may, at their discretion, abstain from implementing the Scheme or else purchase the interest(s) of the Dissenting Shareholder(s). The purchase price for such Dissenting Shareholders' Shares will not exceed that which the Dissenting Shareholder(s) would receive on a straightforward winding-up of the Company and may only be paid once all liabilities have been settled or provided for to the Liquidators' satisfaction. The purchase price of a Share to be paid by the Liquidators is expected to be below the latest unaudited cumulative Net Asset Value per Share. The Liquidators are not expected to purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and any outstanding tax obligations of the Company have been dealt with, which may occur more than 12 months following the date on which the Company enters liquidation.

3 Miscellaneous

- 3.1 Deutsche Numis has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which it appears.
- 3.2 The Liquidators have given and not withdrawn their written consent to the inclusion of their names and references to them in this document in the form and context in which they appear.
- 3.3 As at the close of business on 18 August 2025, being the latest practicable date prior to the publication of this document, the Company held 58,282,306 Shares in treasury (representing approximately 15.9 per cent. of the issued share capital of the Company).

4 Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and UK public holidays excepted) at the registered office of the Company until the Effective Date:

- (a) the Articles (containing the full terms of the amendments proposed to be made at the First General Meeting);
- (b) the FEV Prospectus;
- (c) the FEV KID;
- (d) the FEV Articles;
- (e) letters of undertaking from the Liquidators, FEV and the Company to enter into the Transfer Agreement;
- (f) the Transfer Agreement, in a form agreed between the Company, the Liquidators and FEV as at the date of this document;
- (g) the letters of consent from Deutsche Numis and the Liquidators referred to in paragraphs 3.1 and 3.2 above; and
- (h) this document.

The Articles of Association of the Company (including the articles of association of the Company containing the full terms of the amendments proposed to be made) will be available at the First General Meeting for at least 15 minutes prior to and during that meeting.

In addition, a copy of this Circular will be available for inspection at the Company's website at www.hendersoneuropeantrust.com and has been submitted to the National Storage Mechanism and is available for inspection at <https://data.fca.org.uk/a/nsm/nationalstoragemechanism>.

21 August 2025

Part 7

DEFINITIONS

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

“A” rights	the rights attaching to Shares in respect of which the holders are deemed to have made valid Elections for the Rollover Option;
“B” rights	the rights attaching to Shares in respect of which the holders have made or are deemed to have made valid Elections for the Cash Option;
“Admission”	the admission of the New FEV Shares to be issued pursuant to the Issue to listing in the closed-ended investment funds category of the Official List and to trading on the Main Market;
“Admission Fees and Acquisition Costs”	an amount equal (as at the Calculation Date) to the expenses anticipated to be payable by FEV in respect of (i) the London Stock Exchange admission fees in respect of the New FEV Shares; and (ii) any acquisition costs (including any commissions, taxes (including stamp duty or equivalent), transaction charges and/or market charges) associated with the transfer of the Rollover Pool from the Company to FEV;
“AIFM”	Janus Henderson Fund Management UK Limited, HET’s alternative investment fund manager;
“Amended and Restated Note Purchase Agreement”	the HET Note Purchase Agreement as novated, amended and restated by the Deed of Novation, Amendment and Restatement;
“Articles” or “Articles of Association”	the articles of association of the Company, as amended from time to time;
“Basic Entitlement”	subject to the Scheme becoming effective in accordance with its terms, the entitlement of each Shareholder to elect for, and have accepted in full an election for, the Cash Option in respect of up to 33.3 per cent. by number of such Shareholder’s holding of Shares as at the Calculation Date, rounded down to the nearest whole Share;
“Board” or “Directors”	the board of directors of the Company;
“Business Day”	a day on which the London Stock Exchange and banks in the UK are normally open for business;
“Calculation Date”	the time and date to be determined by the Directors and the FEV Directors (but expected to be close of business on 19 September 2025), at which the value of the Company’s assets and liabilities will be determined for the purposes of creating the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the Proposed Novation Value, the Residual Formula Asset Value, the Rollover Pool FAV, the Rollover Pool FAV per Share, the Cash Pool FAV, the Cash Pool FAV per Share and the FEV FAV per FEV Share will be calculated for the purposes of the Scheme;
“Cash Option”	the option for Shareholders to elect to receive cash under the terms of the Scheme, as described in this document;
“Cash Option Discount”	the 1.75 per cent. discount to the Residual Formula Asset Value attributable to those Shares in respect of which valid Elections or deemed Elections have been made for the Cash Option (following any required scaling back in accordance with the Scheme);
“Cash Pool”	the pool of HET’s cash and assets attributable to the Reclassified Shares with “B” rights;

“Cash Pool FAV”	the Residual Formula Asset Value multiplied by the proportion of Reclassified Shares with “B” rights relative to the total number of Reclassified Shares, less (i) the Cash Option Discount (expressed in GBP); and (ii) any further Cash Pool Realisation Costs;
“Cash Pool FAV per Share”	an amount equal to the Cash Pool FAV divided by the total number of Reclassified Shares with “B” rights (expressed in pence) and calculated to six decimal places with 0.0000005 rounded down;
“Cash Pool Realisation Costs”	the costs of any realisations required to fund the Cash Pool;
“Cash Uplift”	the aggregate value arising from the application of the Cash Option Discount (expressed in GBP), being 1.75 per cent. of the proportion of the Residual Formula Asset Value allocated to the Cash Pool;
“certificated” or “in certificated Form”	a share that is not in uncertificated form;
“Combined Entity”	the enlarged FEV following completion of the Proposals;
“Companies Act”	the Companies Act 2006, as amended from time to time;
“Company” or “HET”	Henderson European Trust plc, a public limited company incorporated in England and Wales with registered number 00427958 and having its registered office at 201 Bishopsgate London EC2M 3AE;
“Company Secretary”	Janus Henderson Secretarial Services UK Limited;
“CREST”	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
“CREST Manual”	the compendium of documents entitled “CREST Manual” issued by Euroclear from time to time;
“Deed of Amendment, Novation and Restatement”	the deed of novation, amendment and restatement relating to the HET Note Purchase Agreement entered into between, HET, FEV and the HET Noteholder on 20 August 2025;
“Deutsche Numis”	Deutsche Bank AG, London Branch (trading for these purposes as Deutsche Numis);
“Dissenting Shareholder”	a Shareholder who has validly dissented from the Scheme pursuant to section 111 (2) of the Insolvency Act 1986;
“EEA”	the European Economic Area;
“Effective Date”	the date on which the Scheme becomes effective, which is expected to be 26 September 2025;
“Election”	the choice made by a Shareholder for the Rollover Option and/or the Cash Option pursuant to the Scheme (including, where the context so permits, a deemed choice for the Rollover Option or the Cash Option) and any reference to “ elect ” or “ election ” shall, except where the context requires otherwise, mean “ elect, or deemed to elect ” or “ election or deemed election ”, respectively;
“Eligible Shareholders”	Shareholders excluding Excluded Shareholders, save where FEV determines otherwise (at its absolute discretion) but including Eligible US Shareholders;
“Eligible US Shareholders”	US Shareholders that have validly completed, executed and returned a valid US Investor Representation Letter to FEV in accordance with the instructions thereon prior to 1.00 p.m. on 9 September 2025;

“Euroclear”	Euroclear UK and International Limited in its capacity as the operator of CREST;
“Excess Application”	that portion of an Election by a Shareholder for the Cash Option that exceeds that Shareholder’s Basic Entitlement;
“Excluded Shareholders”	Shareholders who are: (i) Overseas Shareholders (including Ineligible US Shareholders); and/or (ii) Sanctions Restricted Persons;
“FAV”	formula asset value;
“FEV”	Fidelity European Trust PLC, a public limited company incorporated in England and Wales with registered number 02638812 and having its registered office at Beech Gate, Millfield Lane, Lower Kingswood, Tadworth KT20 6RP;
“FEV Allotment Resolution”	the ordinary resolution to be proposed at the FEV General Meeting granting the FEV Directors the authority to allot and issue New FEV Shares pursuant to the Scheme;
“FEV Annual Management Fee”	the annual management fee payable by FEV to the FEV Manager (and apportioned between the FEV Manager and the FEV Investment Manager) under the FEV Management Agreement and the FEV Investment Management Agreement;
“FEV Articles”	the articles of association of FEV;
“FEV Benchmark Index”	FTSE World Europe ex. UK Index (in Sterling terms);
“FEV Board” or “FEV Directors”	the board of directors of FEV;
“FEV FAV”	the Net Asset Value of FEV, calculated as at the Calculation Date, adjusted by: (i) deducting any costs of the Proposals (and the FEV Proposed Novation Costs) payable by FEV but not accrued in the FEV Net Asset Value as at the Calculation Date (excluding Admission Fees and Acquisition Costs); (ii) deducting any dividends declared by FEV prior to the Calculation Date that have not been paid to FEV Shareholders or accrued in the FEV Net Asset Value as at the Calculation Date (including the FEV Interim Dividend, once announced); and (iii) adding an amount equal to the value of the FEV Fidelity Contribution;
“FEV FAV per FEV Share”	the FEV FAV divided by the number of FEV Shares in issue (excluding treasury shares) at the Calculation Date (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down);
“FEV Fidelity Contribution”	the portion of the Fidelity Cost Contribution, up to a maximum of £1.25 million, that will be applied to meet FEV’s transaction costs (including any Admission Fees and Acquisition Costs) and the FEV Proposed Novation Costs;
“FEV General Meeting”	the general meeting of FEV convened for 10.00 a.m. on 15 September 2025 (or any adjournment thereof) to consider the FEV Allotment Resolution;
“FEV Interim Dividend”	the interim dividend expected to be paid by FEV in respect of its financial year ending 31 December 2025 of not less than 3.6 pence per FEV Share;
“FEV Investment Manager”	FIL Investments International;
“FEV Investment Management Agreement”	the investment management agreement with an effective date of 27 July 2021 between FEV, the FEV Manager and the FEV Investment Manager;

“FEV KID”	the key information document prepared in relation to the FEV Shares;
“FEV Manager”	FIL Investment Services (UK) Limited, FEV’s alternative investment fund manager;
“FEV Management Agreement”	the management agreement with an effective date of 27 July 2021 between FEV and the FEV Manager;
“FEV Management Agreements”	together, the FEV Management Agreement and the FEV Investment Management Agreement;
“FEV Portfolio Managers”	FEV’s portfolio managers, being Sam Morse and Marcel Stötzel;
“FEV Proposed Novation Costs”	the portion of the Proposed Novation Costs to be borne by FEV;
“FEV Prospectus”	the prospectus dated 21 August 2025 relating to the issue and Admission of New FEV Shares pursuant to the Scheme;
“FEV Receiving Agent” or “FEV Registrar”	MUFG Corporate Markets;
“FEV Register”	the register of members of FEV;
“FEV Shareholders”	holders of shares in FEV;
“FEV Shares”	the ordinary shares of 2.5 pence each in the capital of FEV;
“Fidelity”	together, the FEV Manager and the FEV Investment Manager;
“Fidelity Cost Contribution”	the contribution to be made by Fidelity towards to the costs of the Proposals and the Issue, as described and defined in Part 1 of this document;
“Fidelity International”	FIL Limited, a company limited by shares incorporated in Bermuda and having its registered office at Pembroke Hall, 42 Crow Lane, Pembroke, HM 19, Bermuda and its subsidiary group of companies;
“Financial Conduct Authority” or “FCA”	the United Kingdom Financial Conduct Authority or any successor entity or entities;
“First General Meeting”	the general meeting of the Company convened for 10.00 a.m. on 9 September 2025 (or any adjournment thereof) notice of which is set out at the end of this document;
“Form of Election”	the personalised form of election for use by Shareholders holding their Shares in certificated form;
“Form(s) of Proxy”	the personalised form(s) of proxy for use by Shareholders in connection with the General Meetings;
“FSMA”	the Financial Services and Markets Act 2000, as amended;
“General Meeting”	the First General Meeting or the Second General Meeting, as the context may require and “General Meetings” means the First General Meeting and the Second General Meeting;
“HET Fidelity Contribution”	the balance of the Fidelity Cost Contribution remaining after the payment of the FEV Fidelity Contribution, to be allocated to the Rollover Pool and applied against HET’s transaction costs;
“HET Lender”	HSBC Bank plc;
“HET Loan Notes”	together the privately placed (i) €25,000,000 1.53 per cent. unsecured Series A Senior Notes due 31 January 2047; and (ii) the €10,000,000 1.66 per cent. unsecured Series B Senior Notes due 31 January 2052, each issued by Company pursuant to the HET Note Purchase Agreement;

“HET Loan Note Repayment Costs”	the costs associated with the repayment of the HET Loan Notes which shall become payable in the event that the Proposed Novation does not occur (which for the avoidance of doubt, shall include the par value of the HET Loan Notes together with interest accrued thereon up to and including the date of repayment);
“HET Note Purchase Agreement”	the note purchase agreement dated 26 January 2022, pursuant to which HET issued the HET Loan Notes (as amended, restated, supplemented, novated or otherwise modified from time to time);
“HET Noteholder”	the holder of the HET Loan Notes;
“HET Overdraft Facility”	means HET’s £30 million multicurrency overdraft facility made available by the HET Lender;
“HET Pre-Liquidation Interim Dividend”	HET’s pre-liquidation interim dividend in respect of the financial period anticipated to end on 25 September 2025 of 3.4 pence per Share announced on 21 August 2025 and due to be paid on 19 September 2025 to Shareholders on the Register on 5 September 2025;
“HET Proposed Novation Costs”	the portion of the Proposed Novation Costs to be borne by HET;
“Ineligible US Shareholders”	US Shareholders that have not executed and returned a valid US Investor Representation Letter to FEV in accordance with the instructions thereon prior to 1.00 p.m. on 9 September 2025 and are therefore deemed to be Excluded Shareholders for the purposes of the Scheme;
“Investment Manager” or “JHI”	Janus Henderson Investors, the Company’s portfolio manager;
“Issue”	the issue of New FEV Shares to Shareholders who are deemed to have elected for the Rollover Option pursuant to the Scheme;
“Latest Practicable Date”	18 August 2025, being the latest practicable date prior to publication of this document;
“Liquidation Pool”	the pool of cash and other assets of the Company to be retained by the Liquidators to meet all known and unknown liabilities of the Company and other contingencies (less an amount equal to the Proposed Novation Value), as further provided in paragraph 3.2 of Part 3 of this document;
“Liquidators”	the liquidators of the Company being, initially, the persons appointed jointly and severally upon the special resolution to be proposed at the Second General Meeting becoming effective;
“Liquidators’ Retention”	the estimated sum of £100,000, to be retained by the Liquidators to meet any unknown or unascertained liabilities of the Company;
“Listing Rules”	the UK listing rules made by the Financial Conduct Authority under FSMA;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“Main Market”	the main market of the London Stock Exchange;
“Maximum Cash Option Shares”	has the meaning given to it in paragraph 2 of Part 3 of this document;
“NAV” or “Net Asset Value”	the net asset value of the Company or FEV, as the context requires, calculated in accordance with the relevant company’s usual accounting policies;

“Net Gearing”	the total of all of FEV’s long exposures, less its short exposures and less its exposures hedging the FEV portfolio in excess of net assets;
“New FEV Shares”	the ordinary shares of 2.5 pence each in the capital of FEV to be issued to Shareholders who are deemed to elect for the Rollover Option pursuant to the Scheme;
“Nominated Charity”	Shelter, National Campaign for Homeless People Limited (charity number: 263710);
“OCR”	ongoing charges ratio;
“Official List”	the official list maintained by the Financial Conduct Authority;
“Overseas Shareholder”	a Shareholder who has a registered address outside of, or who is a resident in, or citizen, resident or national of, any jurisdiction outside the United Kingdom, the Channel Islands or the Isle of Man (including any Ineligible US Shareholder but excluding any Eligible US Shareholder);
“Proposals”	the proposals for the scheme of reconstruction and members’ voluntary liquidation of the Company, as set out in this document;
“Proposed Novation”	the proposed substitution of FEV in place of the Company in its capacity as issuer and sole debtor of the HET Loan Notes;
“Proposed Novation Costs”	(i) the legal and advisory fees incurred by each of the Company and FEV in connection with documenting the Proposed Novation; and (ii) any fees payable to the HET Noteholder, including the proposed work fee and any legal and advisory fees of the HET Noteholder;
“Proposed Novation Documents”	together, (i) the Deed of Novation, Amendment and Restatement; and (ii) the Amended and Restated Note Purchase Agreement;
“Proposed Novation Value”	an amount equal to the outstanding par value of the HET Loan Notes as at the Calculation Date, together with (i) any interest accrued thereon up to and including the Calculation Date and (ii) an amount equal to any further interest expected to be accrued thereon in the period between the Calculation Date and the Effective Date (save that, in the event that any condition of the Proposed Novation Documents has not been satisfied as at the Calculation Date (other than any condition relating to the Scheme becoming effective and other ancillary conditions precedent agreed by HET and FEV (as at the Calculation Date) to be reasonably achievable in advance of the Effective Date), the Proposed Novation Value shall be deemed to be £nil);
“Prospective Directors”	Victoria (Vicky) Hastings and Rutger Koopmans;
“QIB”	a “qualified institutional buyer” as defined in Rule 144A of the US Securities Act;
“Qualified Purchaser”	a “qualified purchaser” as defined in section 2(a)(51)(A) of the US Investment Company Act;
“Receiving Agent”	Equiniti Limited;
“Reclassified Shareholders”	holders of Reclassified Shares;
“Reclassified Shares”	Shares reclassified under the Scheme as Shares with “A” rights or “B” rights;
“Record Date”	6.00 p.m. on 9 September 2025 (or such other date as determined at the sole discretion of the Directors), being the record date for determining Shareholders’ entitlements under the Scheme;

“Register”	the register of members of the Company;
“Registrar”	Equiniti Limited;
“Regulation S”	Regulation S under the US Securities Act;
“Regulatory Information Service”	the regulatory information service provided by the London Stock Exchange;
“Relevant Time”	has the meaning given to it in paragraph 4.1 of Part 3 of this document;
“Residual Formula Asset Value”	an amount equal to the gross assets of the Company as at the Calculation Date (calculated in accordance with the Company’s normal accounting policies) less: (i) the value of the cash and other assets appropriated to the Liquidation Pool in accordance with paragraph 3.2.1 of part 3 of this document; and (ii) the Proposed Novation Value;
“Resolutions”	the special resolutions to be proposed at the General Meetings, or any of them, as the context may require;
“Revised Fee Arrangements”	the revised fee arrangements agreed by Fidelity to be charged to the Combined Entity following Admission, as described and defined in Part 1 and Part 4 of this document;
“Rollover Option”	the option for Shareholders to receive New FEV Shares under the terms of the Scheme, as described in this document;
“Rollover Pool”	the pool of cash, undertaking and other assets (including assets with an aggregate value equal to the Proposed Novation Value) to be established under the Scheme to be transferred from HET to FEV pursuant to the Transfer Agreement;
“Rollover Pool FAV”	an amount equal to the Residual Formula Asst Value multiplied by the proportion of Reclassified Shares with “A” rights relative to the total number of Reclassified Shares, (i) plus an amount equal to the value of the HET Fidelity Contribution; (ii) plus an amount equal to the Cash Uplift; and (iii) less an amount equal to the HET Proposed Novation Costs;
“Rollover Pool FAV per Share”	the Rollover Pool FAV divided by the total number of Reclassified Shares with “A” rights (expressed in pence) and calculated to six decimal places (with 0.0000005 rounded down);
“Sanctions Authority”	each of: <ul style="list-style-type: none"> (a) the United States government; (b) the United Nations; (c) the European Union (or any of its member states); (d) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or (e) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty’s Treasury;
“Sanctions Restricted Person”	each person or entity: <ul style="list-style-type: none"> (a) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority; or

- (b) that is, or is directly or indirectly owned or controlled by a person that is, described, or designated in (a) the current “Specially Designated Nationals and Blocked Persons” list (which as of the date hereof can be found at <https://sanctionslist.ofac.treas.gov/Home/SdnList>); and/or (b) the current “Consolidated list of persons, groups and entities subject to EU financial sanctions” (which as of the date hereof can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>); or (c) the current “Consolidated list of financial sanctions targets in the UK” (which as at the date hereof can be found at <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets>); or
- (c) that is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (a) the current “Sectoral Sanctions Identifications” list (which as of the date hereof can be found at <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the “**SSI List**”); (b) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014 (the “**EU Annexes**”); or (c) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes;

“Scheme”	the proposed scheme of reconstruction and voluntary winding-up of the Company under section 110 of the Insolvency Act 1986, as set out in Part 3 of this document;
“SDRT”	UK stamp duty reserve tax;
“SEC”	the United States Securities and Exchange Commission;
“Second General Meeting”	the general meeting of the Company convened for 9.00 a.m. on 26 September 2025 (or any adjournment thereof), notice of which is set out at the end of this document;
“Shareholders”	holders of Shares;
“Shares”	ordinary shares of 5 pence each in the capital of the Company;
“sterling” or “£” or “Pounds sterling”	Pounds sterling, the lawful currency of the UK;
“TCGA”	the UK Taxation of Chargeable Gains Act 1992;
“Transfer Agreement”	the agreement for the transfer of assets from the Company to FEV pursuant to the Scheme, a summary of which is set out in paragraph 1 of Part 6 of this document;
“TTE Instruction”	transfer to escrow instruction (as described in the CREST Manual);
“uncertificated” or “in uncertificated form”	recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“US Exchange Act”	the US Exchange Act of 1934, as amended;
“US Investment Company Act”	the US Investment Company Act of 1940, as amended;
“US Investor Representation Letter”	the representation letter that must be completed by eligible US Shareholders in order to participate in the Rollover Option

	under the Scheme, which can be requested from the Receiving Agent;
"US Person"	a "U.S. person" as defined in Regulation S under the US Securities Act;
"US Securities Act"	the US Securities Act of 1933, as amended;
"US Shareholder"	a Shareholder who is located in the United States or is a US Person;
"VAT"	UK value added tax; and
"WTW"	Willis Towers Watson.

NOTICE OF FIRST GENERAL MEETING

HENDERSON EUROPEAN TRUST PLC

(Incorporated in England and Wales with registered number 00427958 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of Henderson European Trust plc (the “**Company**”) will be held at 45 Gresham Street, London EC2V 7BF at 10.00 a.m. on 9 September 2025 for the purpose of considering and, if thought fit, passing the following resolutions, both of which will be proposed as special resolutions:

Special Resolutions

1 That:

- 1.1 with effect from the date on which the amendment to the Official List of the Financial Conduct Authority to reflect the reclassification of the ordinary shares of 5 pence each in the capital of the Company (the “**Shares**”) (the “**Amendment**”) becomes effective but subject always to paragraph 1.5 of this Resolution, each of the Shares in issue as at the date of the passing of this Resolution (other than any Shares held by the Company in treasury) shall be reclassified as shares with “A” rights or shares with “B” rights as the case may be (the “**Reclassified Shares**”), in such respective numbers as may be required to give effect to any election validly made (or deemed to have been made) by the holders of the Shares and otherwise in accordance with the terms of the Scheme set out in Part 3 of the circular dated 21 August 2025 to Shareholders of the Company of which this notice forms part (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chair of the meeting;
- 1.2 for the purposes of this Resolution:
 - 1.2.1 to the extent any holder of Shares shall be deemed to have validly elected for, and under the terms of the Scheme will become entitled to receive, New FEV Shares, such Shares shall be reclassified as shares with “A” rights; and
 - 1.2.2 to the extent any holder of Shares shall have validly elected (or shall be deemed to have validly elected) for, and under the terms of the Scheme will become entitled to receive, cash pursuant to the Cash Option, such Shares shall be reclassified as shares with “B” rights;
- 1.3 each of the holders of the shares with the rights set out in paragraph 1.2 above shall have the respective rights set out in the Articles of Association of the Company as amended by this Resolution;
- 1.4 with effect from the date on which the Amendment becomes effective, but subject always to paragraph 1.5 of this Resolution, the Articles of Association of the Company be and are hereby amended by:
 - 1.4.1 the insertion of the following as a new Article 5A to be inserted immediately prior to the existing Article 5:

“5A Reclassified Shares

 - 5A(1) Words and expressions defined in the circular to shareholders of the Company dated 21 August 2025 (the “**Circular**”) shall bear the same meanings in this Article 5A, save where the context requires otherwise.
 - 5A(2) Every reference in these Articles to shares shall be construed as a reference to the ordinary shares of 5 pence each in the capital of the Company which are designated as shares with either “A” rights or “B” rights as set out in Article 5A(3) below. Notwithstanding anything to the contrary in these articles, each class of ordinary shares will have attached to it the respective rights and privileges and be subject to the respective limitations and restrictions set out in Article 5A(3).
 - 5A(3) The rights attaching to the shares with “A” rights and the shares with “B” rights shall be identical to each other, save that in a winding up of the

Company in the circumstances set out in the Circular, the Reclassified Shares shall have the following additional rights, notwithstanding anything to the contrary in these Articles:

- (i) the rights of holders of shares with “A” rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof (or to the Liquidators as nominee on their behalf) of the number of New FEV Shares to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme;
- (ii) the rights of holders of shares with “B” rights in respect of the assets of the Company shall be satisfied by the payment to the holders thereof of the amount of cash to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme; and
- (iii) any cash arising in the Company after the payment of the Cash Pool and the transfer of the Rollover Pool and any surplus remaining in the Liquidation Pool (“**Relevant Cash**”) shall be distributed in accordance with the Scheme.”;

1.4.2 such further amendments to the Articles of Association of the Company as may be required to give effect to this Resolution; and

1.5 if the Scheme does not become unconditional by the end of the Second General Meeting, the amendments to the Articles of Association of the Company effected by paragraph 1.4 of this Resolution shall be further amended such that the insertion of new Article 5A shall cease to have effect as from the close of that meeting (or any adjourned meeting), the reclassification of Shares provided for by this Resolution shall be reversed and each Reclassified Share shall revert to being a Share ranking *pari passu* in all respects; and

1.6 the terms defined in the Circular have the same meanings in this Resolution, save where the context otherwise requires.

2 **That** subject to: (i) the passing of Resolution 1 above at this meeting (or at any adjournment hereof) and it becoming unconditional; (ii) the Scheme becoming unconditional in accordance with its terms on or prior to 31 December 2025 (or such later date as may be agreed by both the Company and Fidelity European Trust plc (“**FEV**”)); and (iii) the passing at a general meeting of the Company convened for 26 September 2025 (or any adjournment thereof) of a resolution for the voluntary winding-up of the Company and the appointment of the Liquidators:

2.1 the Scheme set out in Part 3 of the circular to Shareholders of the Company dated 21 August 2025 of which this notice forms part (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chair of the meeting, be and is hereby approved and the liquidators of the Company when appointed (jointly and severally the “**Liquidators**”) be and hereby are authorised to implement the Scheme and to execute any document and do any thing for the purpose of carrying the Scheme into effect;

2.2 the Liquidators, when appointed, will be and hereby are authorised and directed:

2.2.1 under this special resolution and the Articles of Association of the Company, as amended as provided in Resolution 1 above, and pursuant to section 110 of the Insolvency Act 1986, to enter into and give effect to the Transfer Agreement (in their personal capacity and on behalf of the Company) referred to in the Circular with FEV and in the form of the draft laid before the meeting and signed for the purpose of identification by the Chair of the meeting with such amendments as the parties thereto may from time to time agree;

2.2.2 to request that FEV allot and issue New FEV Shares, credited as fully paid, on the basis described in the Transfer Agreement for distribution among the holders of

Shares entitled thereto in accordance with the Scheme (or to the Liquidators as nominee on their behalf) by way of satisfaction and discharge of their respective interests in as much of the property and assets of the Company as will be transferred to FEV in accordance with the Transfer Agreement and with the Scheme;

- 2.2.3 to procure that the Rollover Pool be vested in FEV (or its nominees) on and subject to the terms of the Transfer Agreement;
 - 2.2.4 to the extent required, to realise for cash the assets comprising the Cash Pool;
 - 2.2.5 to distribute cash among the holders of Shares with “B” rights by way of satisfaction and discharge of their interests in so much of the Company as shall comprise the Cash Pool in accordance with the Scheme;
 - 2.2.6 to convert into cash any assets in the Liquidation Pool and to raise the money to purchase the interest of any member of the Company who validly dissents from this Resolution under section 111(2) of the Insolvency Act 1986 from the Liquidation Pool;
 - 2.2.7 to transfer any surplus in the Liquidation Pool in accordance with the Scheme; and
 - 2.2.8 to apply for the admission of the Shares to the closed-ended investment funds category of the Official List and to trading on the Main Market of the London Stock Exchange to be cancelled with effect from such date as the Liquidators may determine.
- 2.3 the Articles of Association of the Company be and are hereby amended by the insertion of the following as a new Article 145A, to be inserted immediately prior to the existing Article 145:

“145A Transfer or sale under Section 110 of the Insolvency Act 1986

Notwithstanding the provisions of these Articles, upon the winding-up of the Company in connection with the scheme of reconstruction and voluntary winding-up of the Company (the “**Scheme**”) set out in Part 3 of the circular to shareholders of the Company dated 21 August 2025 (the “**Circular**”), the Liquidators of the Company will give effect to the Scheme and will enter into and give effect to the Transfer Agreement with Fidelity European Trust PLC (as duly amended where relevant), a draft of which was tabled at the general meeting of the Company convened for 9 September 2025 by a notice attached to the Circular, in accordance with the provisions of this Article and Article 5A and the holders of Shares will be entitled to receive New FEV Shares and/or cash, in each case in accordance with the terms of the Scheme. Words and expressions defined in the Circular have the same meanings in this Article 145A. save where the context otherwise requires.”; and

- 2.4 the terms defined in the Circular have the same meanings in this Resolution, save where the context otherwise requires.

Registered office:
201 Bishopsgate
London EC2M 3AE

By Order of the Board
Janus Henderson Secretarial Services UK Limited

Corporate Secretary

Dated: 21 August 2025

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

- 1 As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the Form of Proxy. You may not use any electronic address provided either in this notice or any related documents to communicate with the Company for any purpose other than those expressly stated.
- 2 To be valid any Form of Proxy or other instrument appointing a proxy, together with any Power of Attorney or other authority under which it is signed or a certified copy thereof, must be delivered by post (during normal business hours only) to the Registrars, Equiniti Limited at Aspect House, Spencer Road, Lancing, BN99 6DA or electronically by visiting www.shareview.co.uk no later than two days (excluding non-working days) before the time of the General Meeting or any adjourned General Meeting.
- 3 If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by the latest time(s) for receipt of proxy appointments specified in the notice of meeting before the meeting in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them, and they will govern the electronic appointment of your proxy.
- 4 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/or by logging on to the website: www.euroclear.com/CREST. 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.
- 5 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 & International 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 Registrar (ID RA19) no later than two days (excluding non-working days) before the time of the General Meeting or any adjournment of the General 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 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.
- 6 CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & International 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/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 7 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.

- 8 The return of a completed Form of Proxy or other instrument of proxy will not prevent you attending the General Meeting and voting in person if you wish.
- 9 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and section 311 of the Companies Act, the Company specifies that to be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company no later than 6.30 p.m. on the day which is two days (excluding non-working days) prior to the commencement of the General Meeting or any adjourned General Meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
- 10 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a **"Nominated Person"**) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
- 11 The statement of the rights of Shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by Shareholders of the Company.
- 12 Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company's website at www.henderson-europe-trust.com.
- 13 Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act.
- 14 As at 18 August 2025 (being the last practicable day prior to the publication of this notice) the Company's issued share capital consisted of 367,390,497 Shares, carrying one vote each, of which 58,282,306 Shares were held in treasury. Therefore, the total voting rights in the Company as at 18 August 2025 were 309,108,191 votes.
- 15 Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person other than the chair of the General Meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
- 16 A copy of the current articles of association of the Company and the proposed new articles of association of the Company will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) and for at least 15 minutes before and during the General Meeting at 45 Gresham Street, London EC2V 7BF, being the place of the General Meeting. The proposed new articles of association will also be available for inspection on the Company's website from the date of this document.

NOTICE OF SECOND GENERAL MEETING

HENDERSON EUROPEAN TRUST PLC

(Incorporated in England and Wales with registered number 00427958 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of the Henderson European Trust plc (the “**Company**”) will be held at 45 Gresham Street, London EC2V 7B, at 9.00 a.m. on 26 September 2025 for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

Special Resolution

That, subject always to the fulfilment of the conditions (other than the passing of this Resolution) set out in paragraph 14 of the scheme of reconstruction of the Company (the “**Scheme**”) contained in Part 3 of the circular to shareholders of the Company dated 21 August 2025, a copy of which has been laid before this meeting and signed for the purpose of identification by the Chair of this meeting (the “**Circular**”), and with effect from the conclusion of this meeting:

- (a) the Company be and is hereby wound up voluntarily under the provisions of the Insolvency Act 1986 and Gareth Rutt Morris and Jonathan Dunn, each licensed insolvency practitioners of FRP Advisory Trading Limited of Kings Orchard, 1 Queen Street, Bristol, BS2 0HQ, be and they are hereby appointed joint liquidators of the Company (the “**Liquidators**”) for the purposes of such winding-up and distributing the assets of the Company in accordance with the Scheme and any power conferred on them by law, the Articles of Association of the Company or by this Resolution may be exercised by them jointly or by each of them alone;
- (b) the remuneration (plus VAT) of the Liquidators be determined by reference to the time properly spent by them and their staff in attending to matters arising prior to and during the winding-up of the Company (including, without limitation, the implementation of the Scheme and any matters outside the statutory duties of the Liquidators and undertaken at the request of the members or a majority of them) and the Liquidators be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them to give effect to the Scheme;
- (c) the Company's books and records be passed by the Company Secretary to the Liquidators to be held by Liquidators until the expiry of 12 months after the date of dissolution of the Company, when they may be disposed of, save for financial and trading records which will be kept for a minimum of six years following the vacation of the Liquidators from office;
- (d) the Liquidators be empowered and directed to carry into effect the provisions of the Articles of Association of the Company as amended by the Resolutions set out in the notice of the First General Meeting of the Company contained the Circular;
- (e) the Liquidators be and are hereby authorised pursuant to section 165 of the Insolvency Act 1986 to exercise the powers laid down in Part 1 of Schedule 4 to that Act as may be necessary or desirable in their judgment, acting jointly and severally, to give effect to the Scheme and/or to carry out the winding-up of the Company; and
- (f) the terms defined in the Circular have the same meanings in this Resolution, save where the context otherwise requires.

Registered office:
201 Bishopsgate
London EC2M 3AE

By Order of the Board
Janus Henderson Secretarial Services UK Limited

Corporate Secretary

Dated: 21 August 2025

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

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- 2 To be valid any Form of Proxy or other instrument appointing a proxy, together with any Power of Attorney or other authority under which it is signed or a certified copy thereof, must be delivered by post (during normal business hours only) to the Registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, BN99 6DA or electronically by visiting www.shareview.co.uk no later than 6.30 p.m. on the day which is two days (excluding non-working days) before the time of the General Meeting or any adjourned General Meeting.
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- 12 Information regarding the General Meeting, including information required by section 311A of the Companies Act, is available from the Company’s website at www.hendersonseuropeantrust.com.
- 13 Members have the right to ask questions at the meeting in accordance with section 319A of the Companies Act.
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