

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser, authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom. All Shareholders are strongly advised to consult their professional advisers regarding their own tax position.

If you have sold or otherwise transferred all of your Shares in Dunedin Enterprise Investment Trust plc (the "Company") you should pass this document (but not any Form of Proxy or Tender Form) as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, the distribution of this document and any of the accompanying documents in jurisdictions other than the United Kingdom, including the Restricted Jurisdictions, may be restricted by law and therefore persons into whose possession this document or any of the accompanying documents come should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. The Tender Offer is not being made in the Restricted Jurisdictions.

Nplus1 Singer Advisory LLP ("**N+1 Singer**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and is not advising any other person or treating any other person as its client in relation to the Tender Offer or the matters referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of N+1 Singer nor for providing advice in relation to the Tender Offer or the matters referred to in this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities which N+1 Singer may have under FSMA or the regulatory regime established thereunder.

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# **DUNEDIN ENTERPRISE INVESTMENT TRUST PLC**

*(Incorporated in Scotland with registered number SC052844)*

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

## **Proposed return of up to £10 million to Shareholders by way of a Tender Offer and Notice of General Meeting**

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Notice of a general meeting of the Company to be held at the offices of Dunedin LLP, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EN on 4 November 2020 at 12 noon is set out at the end of this document.

**Given the current situation in relation to the COVID-19 pandemic and, in particular, Government guidelines in relation to public gatherings, the Board is concerned for the safety and wellbeing of Shareholders. Therefore the Board has resolved that, in accordance with the Articles, Shareholders will not be permitted to attend the General Meeting on health and safety grounds. Shareholders who wish to vote on the Resolutions should submit a Form of Proxy in advance of the General Meeting.**

To be valid, the Form of Proxy must be completed, signed and returned in accordance with the instructions printed thereon to be received by the Registrars, Equiniti Limited as soon as possible and, in any event, by no later than 12 noon on 2 November 2020.

Interactive Investor will be writing separately to Interactive Investor Savings Product Investors with regards to the action that they will need to take if they wish to tender Shares held through the Interactive Savings Product Range in the Tender Offer.

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

Also enclosed with this document is a Tender Form for use by Shareholders who hold their Shares in certificated form in connection with the Tender Offer. To be effective, Tender Forms must be returned to the Receiving Agent, Equiniti Limited by not later than 1.00 p.m. on 6 November 2020. Shareholders who hold their Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Shares tendered.

Shareholders who hold Shares in uncertificated form (that is, in CREST) should not return a Tender Form but should transmit the appropriate transfer to escrow in CREST as described in Part 3 of this document as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 6 November 2020.

**The Tender Offer will only be available to Shareholders whose names appear on the Register as at 6.00 p.m. on 15 October 2020 in respect of Shares held by them as at that date.**

**IF YOU DO NOT WISH TO SELL ANY OF YOUR SHARES IN THE TENDER OFFER, DO NOT COMPLETE AND RETURN THE TENDER FORM OR SUBMIT A TTE INSTRUCTION. THE DIRECTORS INTEND TO TENDER THEIR BASIC ENTITLEMENT IN THE TENDER OFFER.**

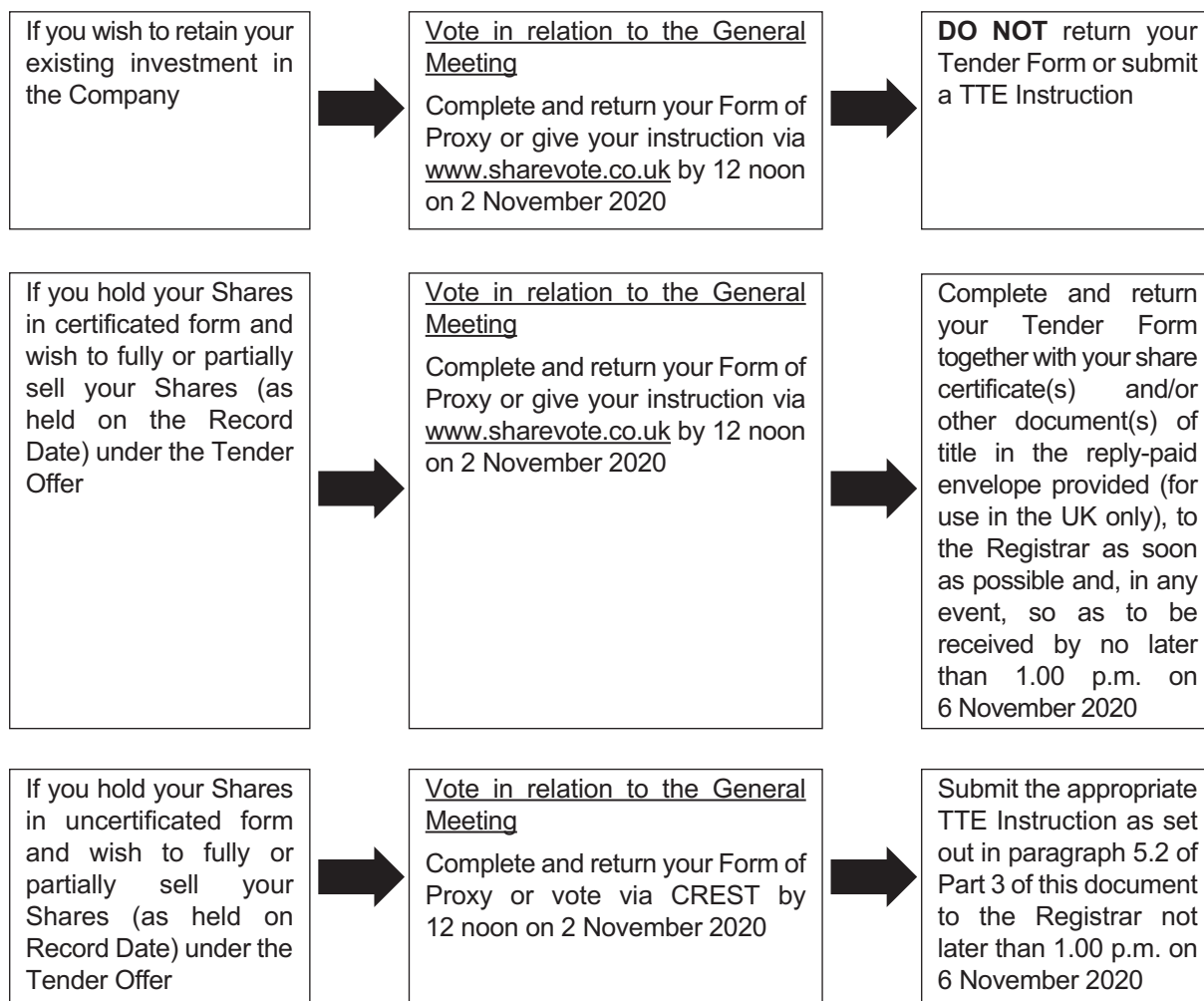
**Your attention is drawn to the section headed "Action to be Taken" on page 3 of this document.**

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## ACTION TO BE TAKEN BY SHAREHOLDERS

Only Shareholders whose names appear on the Register as at 6.00 p.m. on 15 October 2020 are able to participate in the Tender Offer in respect of the Shares held by them as at that date. Whether and if to the extent to which Shareholders participate in the Tender Offer is a matter for each Shareholder to decide, and will be influenced by their own individual financial, investment and tax circumstances. Shareholders should seek advice from their own independent financial adviser. You should read the whole of this document which contains the terms of the Tender Offer, not just this section, when deciding what action to take.



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

If you have any queries in relation to your shareholding(s) in the Company, please call the Shareholder helpline between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)333 207 6388. Network providers' costs may vary. Calls to the Shareholder Helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder helpline can provide information only regarding the completion of Forms of Proxy and/or completion of Tender Forms but cannot provide you with financial, tax, investment or legal advice.

## EXPECTED TIMETABLE

2020

|                                                                                                                                                     |                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Publication of this document and Tender Offer opens                                                                                                 | 12 October                  |
| Record Date and time for the Tender Offer                                                                                                           | 6.00 p.m. on 15 October     |
| NAV per Share as at 30 September 2020, Tender Price and Basic Entitlement percentage announced                                                      | 2 November                  |
| Latest time and date for receipt of Forms of Proxy from Shareholders                                                                                | 12 noon on 2 November       |
| General Meeting                                                                                                                                     | 12 noon on 4 November       |
| Results of General Meeting announced                                                                                                                | 4 November                  |
| Latest time and date for receipt of Tender Forms and submission of TTE Instructions from Shareholders                                               | 1.00 p.m. on 6 November     |
| Results of Tender Offer elections announced                                                                                                         | 10 November                 |
| CREST accounts credited for revised uncertificated shareholdings of Shares (or, in the case of unsuccessful tenders, for entire holdings of Shares) | By 12 November              |
| CREST Settlement Date: payments through CREST made and CREST accounts settled                                                                       | 12 November                 |
| Balancing share certificates and cheques despatched to certificated Shareholders                                                                    | Week commencing 16 November |

### Notes

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

## PART 1

### LETTER FROM THE CHAIRMAN

#### DUNEDIN ENTERPRISE INVESTMENT TRUST PLC

*(Incorporated in Scotland with registered number SC052844)*

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

*Directors:*

Duncan Budge (*Chairman*)

Brian Finlayson

Angela Lane

*Registered office:*

Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EN

12 October 2020

Dear Shareholders and Interactive Investor Savings Product Investors

**Proposed return of up to £10 million to Shareholders by way of a Tender Offer**

**Introduction**

Following the change to the Company's investment policy in May 2016 to allow the Investment Manager to conduct a managed wind-down of the Company and in accordance with the Company's distribution policy, the Board is proposing to return up to £10 million to Shareholders pursuant to the Tender Offer. This represents a return of approximately 13 per cent. of the Company's Net Asset Value as at 30 June 2020.

As noted in the interim results published in September 2020 by the Company, in recent years the Board has returned capital to Shareholders by way of a B share scheme; however, the Company now has insufficient capital reserves to issue B shares for new consideration. The Tender Offer is therefore replacing the B share scheme as the preferred route to make capital distributions to Shareholders and to allow the Investment Manager to continue its managed wind-down of the Company. The consideration for the purchase of Shares under the Tender Offer will be satisfied from the Company's existing realised capital reserves.

The purpose of this document is to provide you with the terms and conditions of the Tender Offer, explain the mechanics by which Shareholders and Interactive Investor Savings Product Investors may tender some or all of their Shares and explain why the Board recommends that you vote in favour of the requisite resolution to be proposed at the General Meeting.

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

**Details of the Tender Offer**

The Tender Offer will enable those Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) who wish to sell some or all of their Shares to elect to do so, subject to the overall limits of the Tender Offer. Shareholders who successfully tender Shares will receive the Tender Price per Share, being a 2.1 per cent. discount to the NAV per Share as at 30 September 2020. The Tender Price has been set at this level to allow Shareholders who wish to realise a portion of their holding of Shares to do so at what the Board expect will be a premium to the market price per Share without any dilution to the NAV per Share for continuing Shareholders, should the Tender Offer be fully subscribed.

Under the terms of the Tender Offer, which is being made by N+1 Singer, Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) will be entitled to tender up to their Basic Entitlement, rounded down to the nearest whole Share. Shareholders may also tender additional Shares, but any such excess tenders above the Basic Entitlement will only be satisfied, on a *pro rata* basis, to the extent that other Shareholders tender less than their aggregate Basic Entitlement.

The Tender Price and the Basic Entitlement will be announced on 2 November 2020, alongside the Company's NAV per Share as at 30 September 2020. The Basic Entitlement will be calculated by dividing £10 million by the Tender Price to give the maximum number of Shares that will be purchased under the Tender Offer. The Basic Entitlement will equal the percentage of the issued Share capital that the aggregate number of Shares to be purchased under the Tender Offer represents.

Subject to the satisfaction of the conditions relating to the Tender Offer, N+1 Singer will purchase, as principal, Shares validly tendered under the Tender Offer at the Tender Price. Following completion of those purchases, it will then sell all the relevant Shares back to the Company pursuant to the Repurchase Agreement at the Tender Price by way of an on-market transaction on the main market of the London Stock Exchange. The Shares which the Company acquires from N+1 Singer will be cancelled. The repurchase of Shares by the Company under the Repurchase Agreement will be funded from the Company's distributable reserves.

The Tender Offer is subject to the terms and conditions set out in paragraph 3 of Part 3 of this document. The Tender Offer may also be terminated in certain circumstances as set out in paragraph 9 of Part 3 of this document. Shareholders' attention is drawn to the letter from N+1 Singer set out in Part 2 of this document, which, together with the Tender Form in the case of Shares held in certificated form, sets out the principal terms and conditions of the Tender Offer, and to Part 4 of this document which contains a summary of certain risks associated with the Tender Offer. Details of how Shareholders will be able to tender Shares can be found in paragraph 5 of Part 3 of this document.

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

**This letter is not a recommendation for Shareholders to tender their Shares under the Tender Offer.** Whether or not Shareholders tender their Shares will depend on, amongst other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice. The Directors intend to tender their Basic Entitlement under the Tender Offer.

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

#### **Existing Share buy back authority**

The Company's authority to repurchase its own Shares, which was granted at the last annual general meeting of the Company held on 6 May 2020, in respect of up to 14.99 per cent. of the Company's issued share capital as at the date of that meeting, will remain in force and be unaffected by the Tender Offer.

#### **Estimated expenses**

The fixed costs relating to the Tender Offer are expected to be approximately £160,000 including VAT. The foregoing figure does not include stamp duty, assuming the Tender Offer is taken up in full the Company estimates that the costs of stamp duty will be approximately £50,000. All costs in relation to the Tender Offer will be borne by the Company. It is expected that, on the basis that the Tender Offer is taken up in full, the costs of the Tender Offer should not result in a dilution to the NAV per Share.

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

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdictions. Shareholders with registered or mailing addresses outside the United Kingdom who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom should read carefully paragraph 11 of Part 3 of this document.

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

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

#### **Taxation**

The attention of Shareholders is drawn to Part 5 of this document which sets out a general guide to certain aspects of current UK taxation law and HMRC published practice. This information is a general guide and is not exhaustive. Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the UK should consult an appropriate professional adviser.

## **Future realisations**

In line with the Company's investment policy, the Investment Manager will continue to conduct an orderly realisation of the Company's assets in a manner that seeks to achieve a balance between maximising the value of the Company's investments and progressively returning cash to Shareholders. The quantum and timing of any return of capital to Shareholders following receipt by the Company of the net proceeds of realisations of investments will be dependent on the Company's liabilities (including any outstanding bank borrowings), its uncalled fund commitments and general working capital requirements. In particular, the net cash proceeds from realisations of investments, after settlement of and provision for liabilities of the Company, will normally be applied towards the repayment of any outstanding bank borrowings prior to returning capital to Shareholders.

As detailed in the interim results announcement made by the Company on 21 September 2020, a refinancing that is subject to regulatory approval was completed at Hawksford, a leading provider of corporate, private client and fund services. The regulatory approval is required in Jersey and Singapore and is expected to take approximately six months. Such refinancing is expected to generate approximately £6.9 million in proceeds for the Company, consisting of capital of £6.3 million and income of £0.6 million. The Company will retain a 5 per cent. interest in Hawksford.

The Investment Manager anticipates that there will be further realisations of certain of the Company's investments within the near term; however, there can be no certainty as to the precise timing or quantum of any such return.

## **General Meeting**

The Tender Offer is subject to Shareholder approval. A notice convening the General Meeting which is to be held at the offices of Dunedin LLP, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EN on 4 November 2020 at 12 noon is set out at the end of this document. At this meeting a special resolution will be proposed to approve the Tender Offer on the terms set out in this document and to give the Company authority to make market purchases pursuant to the Tender Offer. Should the resolution fail to be passed, the Tender Offer will not proceed.

The Board has chosen to seek authority to purchase a maximum of 3,000,000 Shares, representing approximately 14.5 per cent. of the issued Share capital as at the date of this document. The maximum number of Shares to be purchased under the Tender Offer will not be known until the Tender Price has been calculated. The Board has therefore chosen this figure to ensure that there is sufficient capacity under the authority to return the full £10 million to Shareholders.

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

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

## **Action to be taken**

The Board continues to monitor the ongoing COVID-19 restrictions. As at the date of this document there are still significant restrictions on attendance at public gatherings and the UK Government advice is to stay at home as much as possible and limit contact with other people. In the light of these circumstances and in accordance with the Articles, the Board, having taken advice from its advisers, have reluctantly resolved that Shareholders will not be permitted to attend the General Meeting on health and safety grounds. The Board and the Investment Manager will ensure that a quorum of two Shareholders are present at the General Meeting to allow it to take place and for the proxy votes to be exercised.



### *General Meeting*

Whether or not you wish to tender your Shares under the Tender Offer, you are requested to complete and return the accompanying Form of Proxy in accordance with the instructions printed thereon so as to be received by the Registrars as soon as possible but in any event by no later than 12 noon on 2 November 2020. The completion and return of the Form of Proxy will ensure your vote is registered despite you being precluded from attending the General Meeting and voting in person.

### *Tender Offer*

Only Shareholders whose names appear on the Register on the Record Date, being 6.00 p.m. on 15 October 2020, are able to participate in the Tender Offer in respect of the Shares held as at that time.

Shareholders should refer to the section of this document entitled “Procedures for tendering Shares” contained in paragraph 5 of Part 3 of this document for further information on the options available. Shareholders who hold their Shares in certificated form should note that they should return their share certificate(s) and/or other document(s) of title in respect of the Shares tendered with their Tender Form. A Tender Form submitted without the related share certificate or other document(s) of title representing the amount of Shares to be tendered will be treated as invalid.

Interactive Investor will be writing to Interactive Investor Savings Product Investors to explain the action they will need to take if they wish to tender some or all of the Shares held by them through the Interactive Investor Savings Product Range.

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

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

### **Recommendation**

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

The Board intends to vote in favour, or procure votes in favour, of all of the resolutions at the General Meeting in respect of the Directors’ own beneficial holdings of Shares, which in aggregate amount to 207,308 Shares (representing approximately 1.00 per cent, of the issued Share capital (excluding Shares held in treasury) of the Company as at the date of this document).

**The Board makes no recommendation to Shareholders or Interactive Investor Savings Product Investors as to whether or not they should tender all or any of their Shares in the Tender Offer. Whether or not Shareholders decide to tender their Shares will depend, amongst other factors, on their view of the Company’s prospects and their own individual circumstances, including their own tax position.**

**The Directors intend to tender their Basic Entitlement in the Tender Offer.**

Yours faithfully,

**Duncan Budge**  
*Chairman*



## PART 2

### LETTER FROM N+1 SINGER

One Bartholomew Lane  
London  
EC2N 2AX

12 October 2020

Dear Shareholders

#### **Proposed return of up to £10 million to Shareholders by way of a Tender Offer**

As explained in the letter from your Chairman in Part 1 of this document, Shareholders (other than Restricted Shareholders and certain Overseas Shareholders as explained in paragraph 11 of Part 3 of this document) are being given the opportunity to sell some or all of their Shares in the Tender Offer, subject to the scaling back of tenders in excess of the Basic Entitlement. The purpose of this letter is to set out the principal terms and conditions of the Tender Offer.

N+1 Singer hereby invites Shareholders on the Register on the Record Date (other than Restricted Shareholders and certain Overseas Shareholders) who wish to tender, to sell Shares for cash at the Tender Price. Each Shareholder will be entitled to have accepted in the Tender Offer valid tenders to N+1 Singer up to their Basic Entitlement. In addition, Shareholders may tender Shares for sale in excess of their Basic Entitlement but such excess tenders will only be satisfied to the extent to which other Shareholders have not tendered all or any part of their Basic Entitlement, as the case may be. Tenders in excess of the Basic Entitlement will be satisfied *pro rata* in proportion to the aggregate excess over the Basic Entitlement validly tendered by Shareholders, rounded down to the nearest whole number of Shares.

The tendered Shares will be repurchased by the Company pursuant to the Repurchase Agreement (details of which are set out in paragraph 4 of Part 6 of this document).

The Tender Offer is being made on the terms and subject to the conditions set out in Part 3 of this document and the Tender Form (in the case of Shares held in certificated form), the terms of which will be deemed to be incorporated into this document and form part of the Tender Offer.

N+1 Singer, which is authorised and regulated by the FCA in the UK, is acting exclusively for the Company and no-one else in connection with the Tender Offer and the contents of this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of N+1 Singer or for providing advice in relation to the Tender Offer and the contents of this document or any matter referred to herein. Nothing in this paragraph shall serve to exclude or limit any responsibilities which N+1 Singer may have under FSMA or the regulatory regime established thereunder.

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

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

Certificated Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) who wish to tender Shares should complete the Tender Form, enclosed with this document, in accordance with the instructions set out therein and return the completed Tender Form by post in the enclosed reply-paid envelope for use in the UK only or using their own envelope to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive as soon as possible and, in any event, by no later than 1.00 p.m. on 6 November 2020. Such Shareholders who hold their Shares in certificated form should also return the share certificate(s) and/or other document(s) of title in respect of the Shares tendered with their Tender Form.

##### *Uncertificated Shares: CREST arrangements*

Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) holding Shares in uncertificated form who wish to tender Shares for purchase in the Tender Offer should submit the appropriate TTE Instruction in CREST as set out in paragraph 5.2.1 of Part 3 of this document so as to be received as soon as possible and, in any event by no later than 1.00 p.m. on 6 November 2020.

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

Full details of the procedure for tendering Shares are set out in Part 3 of this document, and in the case of Shares held in certificated form, on the Tender Form.

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

Tender Forms or TTE Instructions which are received by the Receiving Agent after 1.00 p.m. on 6 November 2020 or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and returned to relevant Shareholders or their appointed agents, together with any accompanying share certificate(s) and/or other document(s) of title.

N+1 Singer reserves the right to treat as valid Tender Forms or TTE Instructions which are not entirely in order and which are not accompanied (in the case of Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof and shall be entitled (in its sole discretion) to accept late Tender Forms or TTE Instructions.

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

The Tender Offer is not available to Shareholders with registered or mailing addresses in any Restricted Jurisdiction, or who are citizens or nationals of, or resident in, a Restricted Jurisdiction and such Shareholders should read carefully paragraph 11 of Part 3 of this document.

Overseas Shareholders (not being Restricted Shareholders) who wish to accept the Tender Offer should also read paragraph 11 of Part 3 of this document and satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

#### **Conditions**

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

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

The Tender Offer may be terminated in the circumstances described in paragraph 9 of Part 3 of this document.

#### **Settlement**

Subject to the Tender Offer becoming unconditional and the acquisition of the Shares pursuant to the Tender Offer by N+1 Singer, payment of the Tender Price due to Shareholders whose tenders under the Tender Offer have been accepted will be made (i) by a Sterling cheque, to be despatched in the week commencing 16 November 2020 or (ii) by a CREST payment, to be made on 12 November 2020, as appropriate. CREST accounts will be credited by 12 November 2020 in respect of uncertificated Shares that have been unsuccessful in the Tender Offer.

#### **Takeover Code**

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

Under Rule 9 of the Takeover Code, any person or group of persons deemed to be acting in concert who acquires an interest in shares which carry 30 per cent. or more of the voting rights of a company to which the Takeover Code applies is normally required by the Takeover Panel to make a general offer to shareholders of that company to acquire their shares. Rule 9 of the Takeover Code also provides that any person or group of persons deemed to be acting in concert who is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights will be unable, without the Takeover Panel's consent, to acquire, either individually or together, any further voting rights in that company without being required to make a general offer to shareholders of that company to acquire their shares. An offer under Rule 9 of the Takeover Code must be in cash and at the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares in the company during the 12 months prior to the announcement of the offer.

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

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

**Further information**

Your attention is drawn to the information contained in the rest of this document, including, in particular, the terms and conditions of the Tender Offer in Part 3 of this document.

Yours faithfully,

**N+1 Singer**

## PART 3

### TERMS AND CONDITIONS OF THE TENDER OFFER

#### 1. The Tender Offer

- 1.1 All Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) whose names appear on the Register at 6.00 p.m. on the Record Date may tender the Shares held by them as at that date for purchase by N+1 Singer on the terms and subject to the conditions set out in this document and the Tender Form (in the case of Shares held in certificated form), which together constitute the Tender Offer. Shareholders are not obliged to tender any Shares.
- 1.2 The Tender Offer is made at the Tender Price which will be calculated by the Company in accordance with paragraph 4 of this Part 3. The calculations approved by the Board will be conclusive and binding on all Shareholders.
- 1.3 The consideration for each tendered Share acquired by N+1 Singer pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in paragraph 6 below. N+1 Singer will not be liable to pay the Tender Price to tendering Shareholders unless and until the Company has paid the amount necessary for it to purchase from N+1 Singer all the tendered Shares pursuant to the terms of the Repurchase Agreement.
- 1.4 Upon the Tender Offer becoming unconditional and unless the Tender Offer has been terminated or has lapsed in accordance with the provisions of paragraph 9 below, N+1 Singer will accept the tenders of Shareholders validly made in accordance with this Part 3.
- 1.5 Unless terminated in accordance with the provisions of this Part 3, the Tender Offer will close for Shareholders at 1.00 p.m. on 6 November 2020. A Tender Form and/or TTE Instruction once submitted shall be irrevocable. Any tendered Shares will be placed in escrow and will not be able to be traded unless and until the Tender Offer is terminated or lapses in accordance with these terms and conditions.

#### 2. Basic Entitlement

- 2.1 Each Shareholder (other than a Restricted Shareholder and certain Overseas Shareholders) whose name appear on the Register at 6.00 p.m. on the Record Date will be entitled to sell to N+1 Singer up to their Basic Entitlement.
- 2.2 The Basic Entitlement will be calculated by dividing £10 million by the Tender Price to give the aggregate number of Shares that will be purchased under the Tender Offer. The Basic Entitlement will equal the percentage of the issued Share capital that the aggregate number of Shares that will be purchased under the Tender Offer represents. The Basic Entitlement and the maximum aggregate number of Shares that can be repurchased pursuant to the Tender Offer will be announced on 2 November 2020 alongside the Tender Price and the Company's NAV per Share as at 30 September 2020.
- 2.3 Shareholders will also be entitled to sell more Shares than their Basic Entitlement up to the total number of Shares held by each Shareholder on the Record Date, but only to the extent to which other Shareholders tender less than their aggregate Basic Entitlement. In these circumstances, excess tenders will be satisfied, subject to the overall limit on the number of Shares which may be purchased by the Company pursuant to the Tender Offer *pro rata* and in proportion to the aggregate number of Shares validly tendered by Shareholders in excess of their Basic Entitlement (rounded down to the nearest whole number of Shares)
- 2.4 The Basic Entitlement will apply to each registered Shareholder. Registered Shareholders who hold Shares for multiple beneficial owners may decide the allocation between such beneficial owners at their own discretion.
- 2.5 The maximum number of Shares N+1 Singer will be obliged to purchase pursuant to the Tender Offer and which the Company will purchase pursuant to the Repurchase Agreement is 3,000,000 Shares (being equal to approximately 14.5 per cent. of the Company's issued share capital (excluding Shares held in treasury) as at the date of this document).

### **3. Conditions**

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

- 3.1.1 the passing as a special resolution, by no later than 10 November 2020, of the resolution to be proposed at the General Meeting authorising the Company to make market purchases of Shares purchased by N+1 Singer pursuant to the Tender Offer and such resolution remaining in full force and effect;
  - 3.1.2 N+1 Singer being satisfied that the Company has procured payment of an amount equal to the Tender Price multiplied by the number of Shares successfully tendered into a designated bank account in accordance with the Repurchase Agreement;
  - 3.1.3 N+1 Singer being satisfied that the Company has sufficient distributable profits (as defined in section 830 of the Companies Act) to effect the purchase of all Shares successfully tendered pursuant to the Repurchase Agreement;
  - 3.1.4 the Company and N+1 Singer not having agreed to terminate the Tender Offer for any reason at their sole discretion;
  - 3.1.5 N+1 Singer being satisfied, acting in good faith, that at all times up to and immediately prior to the announcement of the results of the Tender Offer, the Company has complied with its obligations, and is not in breach of any of the representations and warranties given by it, under the Repurchase Agreement; and
  - 3.1.6 the Tender Offer not having been terminated in accordance with paragraph 9 of this Part 3 prior to the fulfilment of the other Conditions.
- 3.2 N+1 Singer will not purchase (or enter into any commitment or contract to purchase) any Shares pursuant to the Tender Offer unless the Conditions have been satisfied in full or waived. The Conditions, other than those contained in paragraphs 3.1.2 and 3.1.5 above, may not be waived by N+1 Singer. If the Conditions are not satisfied prior to the close of business on 30 November 2020, the Tender Offer, if not then completed, will lapse.

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

- 4.1 The Tender Price will be calculated on 2 November 2020 and shall be a 2.1 per cent. discount to the NAV per Share (inclusive of undistributed revenue reserves) as at 30 September 2020 expressed in pence Sterling to four decimal places with 0.00005 pence being rounded downwards.
- 4.2 Except as otherwise stated, all assets and liabilities will be taken into account in accordance with the Company's normal accounting policies.
- 4.3 Unless terminated in accordance with the provisions of this Part 3, it is expected that on 2 November 2020 the Company will make a public announcement of the Tender Price.

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

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

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

If you hold Shares in certificated form, you should complete separate Tender Forms for Shares held under different designations. Additional Tender Forms will be available from the Receiving Agent, telephone number +44 (0)333 207 6388, between the hours of 9.00 a.m. and 5.00 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Network providers' costs may vary. Calls to the Shareholder helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder helpline can only provide information regarding the completion of Forms of Proxy and Tender Forms and cannot provide you with advice on the merits of the Tender Offer nor give financial, tax, investment or legal advice.

### 5.1.2 *Return of Tender Forms*

The completed and signed Tender Form should be sent either by post, using the reply-paid envelope (for use in the UK only) enclosed or by using your own envelope to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing West Sussex BN99 6DA, so as to arrive by no later than 1.00 p.m. on 6 November 2020. Subject to paragraph 5.3 below, no Tender Forms received after this time will be accepted. No acknowledgement of receipt of documents will be given. Any Tender Form received in an envelope postmarked from a Restricted Jurisdiction or otherwise appearing to N+1 Singer or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid tender. Further provisions relating to Restricted Shareholders are contained in paragraph 11 of this Part 3.

The completed and signed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If your share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with your stockbroker, bank or other agent), the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by the Receiving Agent by no later than 1.00 p.m. on 6 November 2020 together with any share certificate(s) and/or other document(s) of title you may have available, accompanied by a letter stating that the (remaining) share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 6 November 2020.

The Receiving Agent, acting as your agent, will effect such procedures as are required to transfer your Shares to N+1 Singer under the Tender Offer.

If you have lost your share certificate(s) and/or other document(s) of title, you should either call the Registrar using the telephone numbers provided in paragraph 5.1.1 above or write to the Registrars for a letter of indemnity in respect of the lost share certificate(s) and/or any other document(s) of title which, when completed in accordance with the instructions given, should be returned to the Registrar at the address referred to in paragraph 5.1.2 so as to be received by no later than 1.00 p.m. on 6 November 2020.

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

### 5.2.1 *Completion of TTE Instruction*

If the Shares which you wish to tender are held in uncertificated form, you should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares which you wish to tender in the Tender Offer to an escrow balance, specifying the Registrars in their capacity as a CREST receiving agent under its participant ID (referred to below) as the escrow agent, as soon as possible and, in any event, so that the transfer to escrow settles by no later than 1.00 p.m. on 6 November 2020.

If you are a CREST sponsored member, you should refer to your CREST Sponsor before taking any action. Your CREST Sponsor will be able to confirm details of your participant ID and the member account ID under which your Shares are held. In addition, only your CREST Sponsor will be able to submit the TTE Instruction to Euroclear in relation to the Shares which you wish to tender.

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

- the ISIN number for the Shares, this is GB0005776561;
- the number of Shares to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the escrow agent, Equiniti Limited, in its capacity as a CREST receiving agent, this is 5RA39;



- the member account ID of the escrow agent, Equiniti Limited, this is RA500801;
- the Corporate Action Number for the Tender Offer that is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow and this should be as soon as possible and in any event by no later than 1.00 p.m. on 6 November 2020; and
- input with standard delivery instruction priority of 80.

After settlement of the TTE Instruction, you will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Registrars as your escrow agent until completion, termination or lapse of the Tender Offer. If the Tender Offer becomes unconditional, the Receiving Agent will transfer the Shares which are accepted for purchase by N+1 Singer to itself as your agent for onward sale to N+1 Singer. 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 6 November 2020. In connection with this, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

#### **5.2.2 *Deposits of Shares into, and withdrawals of Shares from, CREST***

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any such Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfer to an escrow balance as described above) prior to 1.00 p.m. on 6 November 2020.

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

Notwithstanding the powers in paragraph 7 below, N+1 Singer reserves the right to treat as valid only Tender Forms and TTE Instructions which are received entirely in order by 1.00 p.m. on 6 November 2020, which are accompanied (in the case of Shares held in certificated form) by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof in respect of the entire number of Shares tendered. The Record Date for the Tender Offer is 6.00 p.m. on 15 October 2020.

Notwithstanding the completion of a valid Tender Form or TTE Instruction, the Tender Offer may be suspended, terminate or lapse in accordance with the terms and conditions set out in this Part 3.

The decision of N+1 Singer as to which Shares have been validly tendered shall be conclusive and binding on the Shareholders who participate in the Tender Offer.

If you are in any doubt as to how to complete the Tender Form or how to submit a TTE Instruction or as to the procedures for tendering Shares, please call the Receiving Agent on +44 (0)333 207 6388 between 9.00 a.m. and 5.00 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Please note that the Receiving Agent cannot provide any financial, tax, investment or legal advice and calls may be recorded and monitored for security and training purposes. You are reminded that, if you are a CREST sponsored member, you should contact your CREST Sponsor before taking any action.

## **6. Results of the Tender and Settlement**

- 6.1 Unless terminated in accordance with the provisions of this Part 3, the Tender Offer will close for Shareholders at 1.00 p.m. on 6 November 2020. Subject to the Conditions being satisfied, it is expected that on 10 November 2020 the Company will make a public announcement of the total number of Shares tendered and, if applicable, either the extent to which tenders will be scaled back, or the number of tendered Shares in excess of the Basic Entitlement which will be purchased by N+1 Singer from Shareholders who have tendered Shares in excess of their Basic Entitlement.
- 6.2 Delivery of cash to Shareholders for the Shares to be purchased pursuant to the Tender Offer will be made by the Receiving Agent. The Receiving Agent will act as agent for tendering Shareholders for the purpose of receiving the cash and transmitting such cash to tendering Shareholders. Under no circumstances will interest be paid on the cash to be paid by the Company, N+1 Singer or the Receiving Agent regardless of any delay in making such payment.
- 6.3 If any tendered Shares are not purchased because of an invalid tender, the termination of the Tender Offer or otherwise, relevant share certificate(s) and/or other document(s) of title, if any, will be returned or sent as promptly as practicable, without expense to, but at the risk of, the relevant tendering Shareholder, or in the case of Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all Shares held in escrow balances by TTE Instruction to the original available balances to which those Shares came.
- 6.4 Settlement of the consideration to which any Shareholder is entitled pursuant to valid tenders accepted by N+1 Singer is expected to be made as follows:
- 6.4.1 *Shares held in certificated form (that is, not in CREST)*  
Where an accepted tender relates to Shares held in certificated form, cheques for the consideration due will be despatched at the Shareholder's own risk by the Receiving Agent by first class post to the person or agent whose name and address is set out in Box 1 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder shown in Box 3 of the Tender Form or, in the case of joint holders, the address of the Shareholder first named in the Register. All cash payments will be made in Sterling by cheque drawn on a branch of a UK clearing bank.
- 6.4.2 *Shares held in uncertificated form (that is, in CREST)*  
Where an accepted tender relates to Shares held in uncertificated form, the consideration due will be paid by means of CREST by the Receiving Agent (on behalf of N+1 Singer) procuring the creation of a CREST payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.
- 6.4.3 *Timing of settlement*  
The payment of any consideration to Shareholders for Shares tendered in the Tender Offer will be made only after the relevant TTE Instruction has settled or (as the case may be) timely receipt by the Receiving Agent of the share certificate(s) and/or other requisite document(s) of title evidencing such Shares and any other documents required under the Tender Offer.
- 6.5 If only part of a holding of Shares is sold pursuant to the Tender Offer or if, because of scaling back, any tendered Shares in excess of a Shareholder's Basic Entitlement are not purchased pursuant to the terms of the Tender Offer, then:
- 6.5.1 where the Shares are held in certificated form, the relevant Shareholder will be entitled to receive a certificate in respect of the balance of the remaining Shares; or
- 6.5.2 where the Shares are held in uncertificated form (that is, in CREST) the unsold Shares will be transferred by the Receiving Agent by means of a TTE Instruction to the original available balance from which those Shares came.

## 7. Tender Form and TTE Instruction

Each Shareholder by whom, or on whose behalf, a Tender Form or TTE Instruction (as applicable) is executed or submitted, irrevocably undertakes, represents, warrants and agrees to and with N+1 Singer (for itself and for the benefit of the Company, as the case may be and so as to bind himself, herself or itself, and his, her or its respective personal representatives, heirs, successors and assigns) that:

- 7.1 the execution of the Tender Form or the submission of a TTE Instruction shall constitute an offer to sell to N+1 Singer such Shareholder's Basic Entitlement or, if relevant, the number of Shares inserted in Box 1B of the Tender Form or submitted in the TTE Instruction (as applicable), on and subject to the terms and conditions set out or referred to in this document and, once a Tender Form and/or TTE Instruction is submitted, such offer shall be irrevocable;
- 7.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by N+1 Singer, N+1 Singer will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date;
- 7.3 the execution of the Tender Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of N+1 Singer as such Shareholder's attorney and/or agent ("**attorney**"), and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Shares referred to in paragraph 5.1.2 above in favour of N+1 Singer or such other person or persons as N+1 Singer may direct and to deliver such instrument(s) of transfer and/or other document(s) at the discretion of the attorney, together with the share certificate(s) and/or other document(s) relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest such Shares in N+1 Singer or its nominee(s) or such other person(s) as N+1 Singer may direct;
- 7.4 the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of the Receiving Agent as such Shareholder's escrow agent and an irrevocable instruction and authority to the escrow agent, to transfer to itself and then to transfer to N+1 Singer by means of CREST (or to such person or persons as N+1 Singer may direct) all of the Relevant Shares (as defined below) accepted under the Tender Offer or where there are Shares which have not been successfully tendered under the Tender Offer, to transfer the Relevant Shares to the original available balances from which those Shares came. For the purposes of this paragraph 7.4, "Relevant Shares" means Shares held in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this Part 3;
- 7.5 each Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by N+1 Singer or the Receiving Agent (in the case of Shares tendered through CREST) or any of their respective directors or officers or any person nominated by N+1 Singer or the Receiving Agent (in the case of Shares tendered through CREST) in the proper exercise of its or his or her powers and/or authorities hereunder;
- 7.6 if such Shareholder holds Shares in certificated form, he, she or it will deliver to the Receiving Agent his, her or its share certificate(s) and/or other document(s) of title in respect of the Shares, or an indemnity acceptable to N+1 Singer in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, by no later than 1.00 p.m. on 6 November 2020;
- 7.7 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by N+1 Singer to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;

- 7.8 such Shareholder, if an Overseas Shareholder: (a) is not in any Restricted Jurisdiction or in any territory in which it is unlawful to make or accept the Tender Offer or to use the Tender Form in any manner in which such person has used or will use it; (b) has fully observed any applicable legal and regulatory requirements of the territory in which such Overseas Shareholder is resident or located; and (c) the invitation under the Tender Offer may lawfully be made to and accepted by him, her or it under the laws of the relevant jurisdiction;
- 7.9 such Shareholder has not received or sent copies or originals of the Tender Form to a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, internet, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Jurisdiction, that the Tender Form has not been mailed or otherwise sent in, into or from any Restricted Jurisdiction (or the TTE Instruction has not been sent from a Restricted Jurisdiction in the case of Shares held in uncertificated form (that is, in CREST)) and that such Shareholder is not accepting the Tender Offer from any Restricted Jurisdiction;
- 7.10 in the case of Shares held in certificated form, the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 7.11 in the case of Shares held in certificated form, the despatch of a cheque in respect of the Tender Price to a Shareholder at his, her or its respective registered addresses or such other address as is specified in the Tender Form will constitute a complete discharge by N+1 Singer of its obligations to make such payment to such Shareholders;
- 7.12 in the case of Shares held in uncertificated form (that is, in CREST) the creation of a CREST payment in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements as referred to in paragraph 5.2 above will, to the extent of the obligations so created, discharge fully any obligation of N+1 Singer to pay to such Shareholder the cash consideration to which he, she or it is entitled in the Tender Offer;
- 7.13 on execution, the Tender Form takes effect as a deed;
- 7.14 the execution of the Tender Form or the submission of a TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the English courts in relation to all matters arising out of or in connection with the Tender Offer;
- 7.15 in the case of Shares held in uncertificated form (that is, in CREST), if, for any reason any Shares in respect of which a TTE Instruction has been submitted are, prior to 1.00 p.m. on 6 November 2020, converted into certificated form, the tender(s) through CREST in respect of such Shares shall cease to be valid;
- 7.16 if the appointment of the attorney and/or agent under paragraph 7.3 above shall be unenforceable or invalid or shall not operate so as to afford to N+1 Singer the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed, do all such acts and things and execute all such documents that may be required to enable N+1 Singer to secure the full benefits of paragraph 7.3 above; and
- 7.17 in the case of Shares held in uncertificated form (that is in CREST), such Shareholder shall not take any action which would prevent the Company or the Registrars from cancelling the Shares to which the TTE Instructions relate.

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

## **8. Additional provisions**

- 8.1 Shareholders (other than a Restricted Shareholder and certain Overseas Shareholders) will be entitled to have accepted in the Tender Offer valid tenders to N+1 Singer up to his, her or its Basic Entitlement. In addition, Shareholders may tender Shares in excess of their Basic Entitlement

where other Shareholders tender less than their Basic Entitlement and subject to the scaling back of tenders, as set out in paragraph 2.3 above. If in N+1 Singer's determination (in its absolute discretion) Box 1A of any Tender Form has not been validly completed in respect of the number of Shares to be tendered, provided that that Tender Form is otherwise in order and accompanied by all other relevant documents, the relevant Shareholders may be deemed to have tendered such amounts of Shares as are equal to their respective Basic Entitlements.

- 8.2 Shares acquired by N+1 Singer in the Tender Offer and by the Company from N+1 Singer pursuant to the Repurchase Agreement will be market purchases in accordance with the rules of the FCA and the London Stock Exchange.
- 8.3 Shares sold by Shareholders pursuant to the Tender Offer will be acquired with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto on or after the Closing Date, including the right to receive all dividends and other distributions declared, paid or made after that date.
- 8.4 Each Shareholder who tenders or procures the tender of Shares will thereby be deemed to have agreed that, in consideration of N+1 Singer agreeing to process his, her or its tender, such Shareholder will not revoke his, her or its tender or withdraw his, her or its Shares. Shareholders should note that once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.
- 8.5 Any omission to despatch this document or the Tender Form or any notice required to be despatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 8.6 No acknowledgement of receipt of any Tender Form, TTE Instruction and/or other document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Shareholders (or their designated agents) will be delivered by or sent to or from such Shareholders (or their designated agents) at their own risk.
- 8.7 All powers of attorney and authorities on the terms conferred by or referred to in this Part 3 or in the Tender Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.
- 8.8 Subject to paragraphs 10 and 11 below, all tenders in relation to certificated holders must be made on the Tender Form, fully completed in accordance with the instructions set out thereon which constitute part of the terms and conditions of the Tender Offer and, for uncertificated holders, a TTE Instruction must be submitted in accordance with the instructions provided in paragraph 5.2 above. A Tender Form or TTE Instruction will only be valid when the procedures contained in the terms and conditions of the Tender Offer and in the Tender Form (as applicable) are complied with. The Tender Offer will be governed by and construed in accordance with English law. Delivery or posting of a Tender Form or the transmission of a TTE Instruction in CREST, as applicable, will constitute submission to the jurisdiction of the English courts in respect of all matters arising out of or in connection with the Tender Offer (including the Tender Form or the transmission of a TTE Instruction in CREST).
- 8.9 If the Tender Offer does not become unconditional, is terminated or lapses, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the Tender Offer terminating or lapsing, to the person or agent whose name and address is set out in Box 1 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder shown in Box 3 of the Tender Form or, in the case of joint holders, the address of the Shareholder first named in the Register. In the case of Shares held in uncertificated form, the Receiving Agent in its capacity as the escrow agent will, within 14 Business Days of the Tender Offer terminating or lapsing, give instructions to Euroclear to transfer all Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TTE Instruction to the original available balances from which those Shares came. In any of these circumstances, Tender Forms and TTE Instructions will cease to have any effect.



- 8.10 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form shall constitute part of the terms of the Tender Offer. The definitions set out in this document apply to the terms and conditions of the Tender Offer, including the Tender Form.
- 8.11 Subject to paragraph 11 below, the Tender Offer is open to those Shareholders whose names appear on the Register at 6.00 p.m. on the Record Date. The Tender Offer will close at 1.00 p.m. on 6 November 2020. Subject to paragraph 10.5 below, no Tender Form, share certificate(s) and/or other document(s) of title or indemnity or TTE Instruction received after that time will be accepted.
- 8.12 All documents and remittances despatched to or from Shareholders or their appointed agents in connection with the Tender Offer will be despatched at the Shareholder's own risk and no acknowledgement will be issued in respect of receipt of Forms of Proxy or Tender Forms.
- 8.13 Further copies of this document and copies of the Tender Form may be obtained on request from the Receiving Agent at the addresses set out in the Tender Form.

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

- 9.1 If at any time prior to N+1 Singer effecting the purchase as principal of the successfully tendered Shares pursuant to the Repurchase Agreement: (i) the Company (acting through the Board) notifies N+1 Singer in writing that in the Board's reasonable opinion the Tender Offer would no longer be in the interests of the Company and/or Shareholders; or (ii) in N+1 Singer's and/or the Company's absolute determination as a result of any change in national or international financial, economic, political or market conditions, the costs of the Tender Offer have become prohibitive; or (iii) in N+1 Singer's and/or the Company's absolute determination the completion of the repurchase of Shares tendered pursuant to the Tender Offer could have unexpected adverse fiscal or other consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed, N+1 Singer and/or the Company shall be entitled to terminate the Tender Offer at their complete discretion.
- 9.2 If the Tender Offer is terminated, the Company will make an announcement through a Regulatory Information Service that such is the case and the Tender Offer shall cease and determine absolutely, without any liability on the part of the Company or N+1 Singer.

## **10. Miscellaneous**

- 10.1 Any changes to the terms, or any extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof by no later than 1.00 p.m. on the Business Day following the date of such changes. In this case, the definitions, times and dates mentioned throughout this document shall be deemed to be adjusted accordingly. Such an announcement will be released to a Regulatory Information Service. References to the making of an announcement by the Company includes the release of an announcement on behalf of the Company by N+1 Singer to the press and delivery of, or telephone or facsimile or other electronic transmission of, such announcement to a Regulatory Information Service.
- 10.2 Shares purchased pursuant to the Tender Offer will, following the completion of the Tender Offer, be acquired from N+1 Singer by the Company on the London Stock Exchange pursuant to the Repurchase Agreement and such Shares will subsequently be cancelled.
- 10.3 The expenses of the Tender Offer (including stamp duty) together with the applicable VAT will be borne by all Shareholders and will be reflected in the Tender Price.
- 10.4 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by N+1 Singer or the Company. Under no circumstances should the delivery of this document or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this document.
- 10.5 N+1 Singer reserves the absolute right to inspect (either itself or through its agents or through the Receiving Agent) all Tender Forms and TTE Instructions and may consider void and reject any



tender that does not in N+1 Singer's sole judgement meet the requirements of the Tender Offer. N+1 Singer also reserves the absolute right to waive any defect or irregularity in the tender of any Shares, including any Tender Form (in whole or in part) which is not entirely in order or which is not accompanied by (in the case of Shares held in uncertificated form) the relevant TTE Instruction or (in the case of Shares held in certificated form), the related share certificate(s) and/or other document(s) of title or an indemnity acceptable to N+1 Singer in lieu thereof. However, in that event, the consideration payable under the Tender Offer for successfully tendered Shares held in certificated form will only be despatched when the relevant Tender Form is entirely in order and the relevant share certificate) and/or other document(s) of title or indemnities satisfactory to N+1 Singer has/have been received. None of N+1 Singer, the Company, the Registrars or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

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

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

11.1 The provisions of this paragraph 11 and any other terms of the Tender Offer relating to Restricted Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by N+1 Singer in consultation with the Company but only if N+1 Singer and the Company are satisfied that such a waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other laws.

11.2 Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Overseas Shareholder wishing to tender Shares to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection herewith, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Overseas Shareholders will be responsible for the payment of any such transfer or other taxes or other requisite payments due by whomsoever payable and N+1 Singer and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Forms in any territory outside the United Kingdom.

11.3 The Tender Offer is not being made to Restricted Shareholders. Restricted Shareholders are being excluded from the Tender Offer in order to avoid breaching applicable local laws relating to the implementation of the Tender Offer. Accordingly, copies of the Tender Form are not being and must not be mailed or otherwise distributed into a Restricted Jurisdiction, including to Shareholders with registered addresses in Restricted Jurisdictions, or to persons whom the Company or N+1 Singer knows to be custodians, nominees or trustees holding Shares for persons in Restricted Jurisdictions. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute or send them in or into a Restricted Jurisdiction or use such mails or any such means, instrumentality or facility in connection with the Tender Offer, as so doing will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose directly or indirectly relating to acceptance of the Tender Offer. Envelopes containing Tender Forms should not be postmarked from a Restricted Jurisdiction or otherwise despatched to a Restricted Jurisdiction and accepting Shareholders must not provide Restricted Jurisdiction addresses for the remittance of cash or return of Tender Forms.

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

11.4.1 such Shareholder is unable to make the representations and warranties set out in paragraph 7 of this Part 3; or

11.4.2 such Shareholder inserts in Box 3 of the Tender Form the name and address of a person or agent in a Restricted Jurisdiction to whom he, she or it wishes the consideration to which such Shareholder is entitled in the Tender Offer to be sent; or

- 11.4.3 the Tender Form received from him, her or it is in an envelope postmarked in, or which otherwise appears to N+1 Singer or its agents to have been sent from, a Restricted Jurisdiction. N+1 Singer reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in paragraph 7 of this Part 3 given by any Shareholder are correct and, if such investigation is undertaken and as a result N+1 Singer determines (for any reason) that such representations and warranties are not correct, such acceptance shall not be valid.
- 11.5 If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Tender Form or any related offering documents in or into a Restricted Jurisdiction or uses the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex, internet and telephone) of interstate or foreign commerce of, or any facility of a national securities exchange in, a Restricted Jurisdiction in connection with such forwarding, such person should:
- 11.5.1 inform the recipient of such fact;
- 11.5.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
- 11.5.3 draw the attention of the recipient to this paragraph 11.
- 11.6 If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.
- 11.7 The provisions of this paragraph 11 supersede any terms of the Tender Offer inconsistent herewith.
- 11.8 Overseas Shareholders (who are not Restricted Shareholders) should inform themselves about and observe any applicable legal or regulatory requirements. The comments set out in this document are intended as a general guide only and Shareholders who are in any doubt about their position should consult their professional adviser in the relevant territory.

## **12. Modifications**

- 12.1 The terms of the Tender Offer shall have effect subject to such non-material modifications or additions as the Company and N+1 Singer may from time to time approve in writing. The times and dates referred to in this document may be amended by agreement between the Company and N+1 Singer and any such amendment shall be publicly announced as promptly as practicable by way of an RIS.

## PART 4

### RISKS ASSOCIATED WITH THE TENDER OFFER

Shareholders should consider carefully all of the information set out in this document including, in particular, the risks associated with the Tender Offer described below, as well as their own personal circumstances, prior to making any decision as to whether or not to tender any Shares in the Tender Offer.

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

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

Shareholders should be aware of the following considerations relating to the Tender Offer.

- Implementation of the Tender Offer is conditional, *inter alia* upon the passing as a special resolution, by no later than 10 November 2020, of the resolution to be proposed at the General Meeting authorising the Company to make market purchases of Shares purchased by N+1 Singer pursuant to the Tender Offer. In the event that the Resolution is not passed, the Tender Offer will not proceed and the Company would have to bear the abortive costs of having proposed the Tender Offer.
- If the Tender Offer does not proceed for any reason, the Company would bear the fixed costs in relation to the Tender Offer.
- If the Tender Offer is not taken up in full or to a significant extent, the Company will have surplus uninvested cash which will depress investment returns to Shareholders.
- Shareholders tendering Shares for sale under the Tender Offer will receive the Tender Price per Share, which may be less than the price at which they bought their Shares or the price or value at which they might ultimately realise their Shares should they continue to hold them.
- Tender Forms and TTE Instructions, once submitted, are irrevocable. Shareholders should note that all Shares tendered will be held in escrow by the Registrars and may not be switched, sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer. The price of the Shares and the Company's Net Asset Value may rise or fall following submission of a Tender Form and/or TTE Instruction. If the Tender Offer lapses or is terminated in accordance with the terms and conditions set out in this document, all tendered Shares will be returned to the relevant Shareholders.
- If any Shares permitted to be tendered pursuant to the Tender Offer are tendered, the issued share capital of the Company will be reduced as a result of the Tender Offer (and associated repurchase) and the Company will be smaller. As a result, the funds used to repurchase the Shares acquired by N+1 Singer pursuant to the Tender Offer will no longer be available for application in the ordinary course of the Company's business or to meet contingencies, and the ongoing fixed costs of the Company will be spread over fewer Shares.
- The lower number of Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Shares, which could, accordingly, adversely affect a Shareholder's ability to sell their Shares in the market.
- Changes in economic conditions (including, for example, changes in interest rates, rates of inflation, industry conditions and competition), political, diplomatic, social and demographic events and trends, tax laws and other factors such as the COVID-19 pandemic could substantially and adversely affect the value of the Company's portfolio and, as a consequence, the Company's investment performance, Share price and the returns attributable to Shareholders.

- Any change in the Company's tax status, or in taxation legislation or in the interpretation or application of taxation legislation, could affect the value of investments held by the Company, the Company's ability to achieve its investment objective, the ability of the Company to provide returns to Shareholders and/or alter the post-tax returns of Shareholders. Shareholders should refer to the information contained in the Part 5 of this document in relation to any tax consequences relating to the Tender Offer.
- The Tender Offer should not be taken as any indication as to the likely timing or quantum of any future return of capital to Shareholders or that such returns of capital are likely.

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

## PART 5

### TAXATION

#### UK Taxation

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

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

Individual Shareholders may have gains reduced by the Annual Exempt Amount which is £12,300 for the fiscal year 2020/21 or allowable losses, whereas corporate Shareholders subject to UK corporation tax may have their gains reduced by indexation allowance but this allowance will not create or increase an allowable loss. Under measures enacted in Finance Act 2018, indexation allowance (which applied solely to corporate bodies and not individuals from 6 April 2008) was frozen as at 31 December 2017 and no longer accrues past this date. Therefore, for chargeable assets disposed of on or after 1 January 2018 by corporate bodies, indexation allowance will only be calculated up to 31 December 2017. If an asset has been acquired after 31 December 2017, indexation allowance will no longer be available.

The current rates of UK capital gains tax applicable on the sale of Shares is 10 per cent, for individual Shareholders who are chargeable to UK income tax at the basic rate, and 20 per cent. for individual Shareholders taxable at rates other than the basic rate or where (and then to the extent only that) the Shareholder pays UK income tax at the basic rate of tax and the gain exceeds the unused portion of the Shareholder's basic rate band). Corporate Shareholders may be subject to UK corporation tax at the current rate of 19 per cent.

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

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

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

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

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



## PART 6

### ADDITIONAL INFORMATION

#### 1. Directors' Interests

As at 8 October 2020 (being the latest practicable date prior to the publication of this document), the interests of each Director (together with their connected persons) in the voting rights of the Company were as follows:

|                         | <i>No. of<br/>Shares</i> | <i>Percentage of<br/>issued share<br/>capital</i> |
|-------------------------|--------------------------|---------------------------------------------------|
| Duncan Budge (Chairman) | 49,900                   | 0.24%                                             |
| Brian Finlayson         | 164,420                  | 0.80%                                             |
| Angela Lane             | 34,712                   | 0.17%                                             |

#### 2. Major Shareholders

As at 8 October 2020 (being the latest practicable date prior to the publication of this document), the Company was aware of the following interests in three per cent. or more of the issued share capital of the Company:

|                            | <i>No. of<br/>Shares</i> | <i>Percentage of<br/>issued share<br/>capital</i> |
|----------------------------|--------------------------|---------------------------------------------------|
| Lind Invest                | 3,485,626                | 16.88%                                            |
| Premier Miton Investors    | 2,212,669                | 10.72%                                            |
| Barwon Investment Partners | 1,500,000                | 7.27%                                             |
| LGT Capital Management     | 791,588                  | 3.83%                                             |
| Jupiter Asset Management   | 618,690                  | 3.00%                                             |

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

#### 3. No significant change

There has been no significant change in the financial position of the Company since 30 June 2020 (being the last financial period of the Company for which financial information has been published).

#### 4. Repurchase Agreement

The Company and N+1 Singer entered into a repurchase agreement on 12 October 2020 pursuant to which the Company has agreed, subject to the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms, to purchase from N+1 Singer, on the London Stock Exchange, such number of Shares as N+1 Singer shall purchase pursuant to the Tender Offer, at an aggregate price equal to the amount paid by N+1 Singer for its purchase of the tendered Shares. The Tender Offer may be terminated if any of the circumstances set out in paragraph 9 of Part 3 of this document has arisen or in the event that the Repurchase Agreement is terminated in accordance with its terms.

In acquiring Shares pursuant to valid tenders made under the Tender Offer and in selling such Shares to the Company, N+1 Singer will act as principal.

The Repurchase Agreement contains representations and warranties from the Company in favour of N+1 Singer and incorporates an indemnity in favour of N+1 Singer in respect of any liability which it may suffer in relation to its performance under the Tender Offer.

The Repurchase Agreement, which is stated not to create a relationship of agency between N+1 Singer and the Company, is governed by and construed in accordance with English law.

## **5. Consent**

N+1 Singer, which is authorised and regulated in the UK by the FCA, has given and not withdrawn its written consent to the issue of this document with its letter and with the references to its name in the form and context in which they are included.

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

Copies of this document will be available for inspection on the Company's website ([www.dunedinenterprise.com](http://www.dunedinenterprise.com)) and at the Company's registered office during normal business hours from the date of this document until the completion, lapse or termination of the Tender Offer.

**12 October 2020**

## DEFINITIONS

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

|                              |                                                                                                                                                                                                                                                                                       |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Basic Entitlement</b>     | the number of Shares that each Shareholder will be entitled to sell to N+1 Singer (expressed as a percentage), which will be calculated in accordance with the provisions of paragraph 2.2 of Part 3 of this document and is expected to be announced on 2 November 2020              |
| <b>Board</b>                 | the board of Directors of the Company or any duly constituted committee thereof                                                                                                                                                                                                       |
| <b>Business Day</b>          | any day other than a Saturday, Sunday or public holiday in England and Wales                                                                                                                                                                                                          |
| <b>Closing Date</b>          | 1.00 p.m. on 6 November 2020                                                                                                                                                                                                                                                          |
| <b>Companies Act</b>         | the Companies Act 2006, as amended                                                                                                                                                                                                                                                    |
| <b>Company</b>               | Dunedin Enterprise Investment Trust plc, a company incorporated in Scotland with registered number SC052844                                                                                                                                                                           |
| <b>Conditions</b>            | the conditions of the Tender Offer set out in paragraph 3 of Part 3 of this document                                                                                                                                                                                                  |
| <b>CREST</b>                 | the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations                                                                                                                            |
| <b>CREST Manual</b>          | the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms |
| <b>CREST Regulations</b>     | the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)                                                                                                                                                                                                                     |
| <b>CREST Settlement Date</b> | the date by which the consideration for Shares purchased in the Tender Offer will be settled by a CREST payment, expected to be on 12 November 2020                                                                                                                                   |
| <b>CREST Sponsor</b>         | a CREST participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)                                                                                                                                                 |
| <b>CTA 2010</b>              | Corporation Tax Act 2010, as amended                                                                                                                                                                                                                                                  |
| <b>Directors</b>             | the directors of the Company                                                                                                                                                                                                                                                          |
| <b>Euroclear</b>             | Euroclear UK & Ireland Limited, the operator of CREST                                                                                                                                                                                                                                 |
| <b>FCA</b>                   | the Financial Conduct Authority of the United Kingdom including any replacement or substitute thereof, and any regulatory body or person succeeding, in whole or in part, to the functions thereof                                                                                    |
| <b>Form of Proxy</b>         | the form of proxy for use by Shareholders at the General Meeting, which accompanies this document                                                                                                                                                                                     |
| <b>FSMA</b>                  | Financial Services and Markets Act 2000, as amended                                                                                                                                                                                                                                   |

|                                                       |                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>General Meeting</b>                                | the general meeting of the Company to be held at 12 noon on 4 November 2020, notice of which is set out at the end of this document, at which the resolution will be proposed to approve the Tender Offer                                                                                                                                                                                      |
| <b>HMRC</b>                                           | HM Revenue & Customs                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Interactive Investor</b>                           | Interactive Investor Services Limited, a company incorporated in England and Wales with registered number 02101863                                                                                                                                                                                                                                                                             |
| <b>Interactive Investor Savings Product Investors</b> | investors in Shares through the Interactive Investor Savings Product Range                                                                                                                                                                                                                                                                                                                     |
| <b>Interactive Investor Savings Product Range</b>     | in order to facilitate investment in the Company, the arrangements put in place for the Company to be part of Interactive Investor's product range (formerly Alliance Trust Savings Limited), which includes an investment dealing account, stocks and shares ISA and SIPP                                                                                                                     |
| <b>Investment Manager</b>                             | Dunedin LLP, a limited liability partnership incorporated in Scotland with registered number SO302262                                                                                                                                                                                                                                                                                          |
| <b>ITA 2007</b>                                       | Income Tax Act 2007, as amended                                                                                                                                                                                                                                                                                                                                                                |
| <b>London Stock Exchange</b>                          | London Stock Exchange plc, a company incorporated in England and Wales with registered number 02075721                                                                                                                                                                                                                                                                                         |
| <b>N+1 Singer</b>                                     | Nplus1 Singer Advisory LLP, a limited liability partnership incorporated in England and Wales with registered number 0C364131 and whose registered office is at One Bartholomew Lane, London EC2N 2AX                                                                                                                                                                                          |
| <b>Net Asset Value or NAV</b>                         | the net asset value of the Company which shall be the total value of all of the assets of the Company less its liabilities as determined by the Board and calculated in accordance with the Company's accounting policies (for the avoidance of doubt, this includes accumulated revenue reserves and current period revenue and is after the deduction of any borrowings at their fair value) |
| <b>Net Asset Value per Share or NAV per Share</b>     | the Net Asset Value divided by the number of Shares then in issue (excluding treasury shares)                                                                                                                                                                                                                                                                                                  |
| <b>Overseas Shareholders</b>                          | Shareholders who are resident in, or citizens of, territories outside the United Kingdom, the Channel Islands and the isle of Man and not resident in, or citizens of, any of the Restricted Jurisdictions                                                                                                                                                                                     |
| <b>Receiving Agent or Registrars</b>                  | Equiniti Limited, a company incorporated in England and Wales with registered number 06226088 and having its registered office at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA                                                                                                                                                                                                    |
| <b>Record Date</b>                                    | 6.00 p.m. on 15 October 2020                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Register</b>                                       | the register of Shareholders                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Regulatory Information Service or RIS</b>          | any of the regulatory information services set out in Appendix 3 of the listing rules of the FCA                                                                                                                                                                                                                                                                                               |
| <b>Repurchase Agreement</b>                           | the agreement dated 12 October 2020 between the Company and N+1 Singer relating to the repurchase by the Company on the London Stock Exchange of all the Shares purchased by N+1 Singer pursuant to the Tender Offer as summarised in paragraph 4 of Part 6 of this document                                                                                                                   |

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Restricted Jurisdiction</b>   | any of the following territories: Canada, Japan, New Zealand, the Republic of South Africa and the United States                                                                                                                                                                                                                                                                                                                                           |
| <b>Restricted Shareholders</b>   | Shareholders who are resident in, or citizens of, a Restricted Jurisdiction including for the avoidance of doubt US persons as defined in Regulation S under the United States Securities Act of 1933 (as amended)                                                                                                                                                                                                                                         |
| <b>Shareholders</b>              | holders of Shares                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Shares or Ordinary Shares</b> | ordinary shares of 25 pence each in the capital of the Company                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Sterling or £</b>             | the lawful currency of the United Kingdom                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Takeover Code</b>             | the UK City Code on Takeovers and Mergers                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Takeover Panel</b>            | the Panel on Takeovers and Mergers                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Tender Form</b>               | the tender form enclosed with this document for use by Shareholders who hold their Shares in certificated form in connection with the Tender Offer                                                                                                                                                                                                                                                                                                         |
| <b>Tender Offer</b>              | the invitation by N+1 Singer to each Shareholder (other than Restricted Shareholders and certain Overseas Shareholders) to tender up to their Basic Entitlement of Shares, and the acceptance of such tenders by N+1 Singer on the terms and subject to the conditions set out in this document and, in the case of Shares held in certificated form, the Tender Form, or any one or more of such invitation, tender or acceptance as the context requires |
| <b>Tender Price</b>              | a 2.1 per cent. discount to the fair value cum income NAV per Share (inclusive of undistributed revenue reserves) as at 30 September 2020, as calculated in accordance with paragraph 4 of Part 3 of this document                                                                                                                                                                                                                                         |
| <b>TTE Instruction</b>           | a transfer to escrow instruction, as defined by the CREST Manual                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>United Kingdom or UK</b>      | the United Kingdom of Great Britain and Northern Ireland                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>United States or US</b>       | the United States of America, its territories and possessions, any State of the United States and the District of Columbia                                                                                                                                                                                                                                                                                                                                 |

## NOTICE OF GENERAL MEETING

### DUNEDIN ENTERPRISE INVESTMENT TRUST PLC

*(Incorporated in Scotland with registered number SC052844)  
(An investment company within the meaning of section 833 of the Companies Act 2006)*

Notice is hereby given that a general meeting of Dunedin Enterprise Investment Trust plc (the “**Company**”) will be held at the offices of Dunedin LLP, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EN on 4 November 2020 at 12 noon to consider and, if thought fit, pass the following resolution as a special resolution.

#### SPECIAL RESOLUTION

That, without prejudice to and in addition to, and not in substitution for, any existing authorities, the Company be and is hereby authorised for the purpose of section 701 of the Companies Act 2006 (the “**Companies Act**”) to make market purchases (within the meaning of section 693 of the Companies Act) of its issued ordinary shares of 25 pence each (the “**Shares**”) following completion of the tender offer to all shareholders in the Company made by Nplus1 Singer Advisory LLP on the terms set out in the circular to shareholders of the Company dated 12 October 2020 (the “**Circular**”) provided that:

- (i) the maximum aggregate number of Shares hereby authorised to be purchased is 3,000,000 Shares;
- (ii) the price which shall be paid for a Share shall be the Tender Price (as defined in the Circular) (which shall be both the maximum and the minimum price for the purposes of section 701 of the Companies Act); and
- (iii) unless previously renewed, revoked or varied the authority hereby conferred shall expire at midnight on 30 November 2020 save that the Company may before such expiry make a contract or contracts to purchase Shares under the authority hereby conferred prior to the expiry of such authority which will or may be completed or executed wholly or partly after such expiry and may make a purchase of Shares in pursuance of any such contract or contracts.

*By order of the Board*

**Dunedin LLP**  
*Company Secretary*

*Registered office:*

Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EN

Dated: 12 October 2020



**Notes:**

1. Given the current situation in relation to the COVID-19 pandemic and in particular Government guidelines in relation to public gatherings, the Board is concerned for the safety and wellbeing of Shareholders. Therefore the Board has resolved that, in accordance with the Articles, Shareholders will not be permitted to attend the General Meeting on health and safety grounds.
2. A member is entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote on their behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. Shareholders are strongly advised to appoint the chairman of the General Meeting as their proxy, as a third party proxy holder will not be able to be given access to the General Meeting.
3. A form of proxy for use by shareholders is enclosed with this document. To be valid, the form of proxy should be lodged, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority at the address stated thereon, so as to be received by post at the Registrars of the Company at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or [www.sharevote.co.uk](http://www.sharevote.co.uk) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjourned meeting.
4. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to have the right to vote at the meeting a member must first have his or her name entered in the Company's register of members by not later than close of business 48 hours (excluding non-working days) prior to the commencement of the of the Meeting (or, in the event that the meeting is adjourned, 48 hours (excluding non-working days) before the time of the adjourned Meeting). Changes to entries on that register after that time shall be disregarded in determining the rights of any member to vote at the meeting referred to above.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the website [www.euroclear.com](http://www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST Sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID RA19) no later than 48 hours (or in the event the meeting is adjourned no later than 48 hours (excluding non-working days) before the time of the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST Sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST Sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST Sponsors or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat as invalid a CREST Proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("**Nominated Persons**"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes 2, 3 and 5 above does not apply to Nominated Persons. The rights described in these notes can only be exercised by members of the Company.

10. Shareholders who prefer to register the appointment of their proxy electronically via the internet can do so through Equiniti's website at [www.sharevote.co.uk](http://www.sharevote.co.uk) where full instructions on the procedure are given. The Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy will be required in order to use this electronic proxy appointment system. Alternatively, shareholders who have already registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk) and then log onto your portfolio using your usual ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on-screen instructions. The on-screen instructions give details on how to complete the appointment process. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 12 noon on 2 November 2020 (excluding any parts of the day that is not a business day).
11. As at close of business on 8 October 2020 (being the latest practicable date prior to publication of this document), the Company's issued share capital comprised 20,644,062 ordinary shares of 25 pence each with no shares held in treasury. Each ordinary share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at close of business on 8 October 2020 was 20,644,062.
12. Any person holding 3 per cent. or more of the total voting rights in the Company who appoints a person other than the Chairman as his/her proxy will need to ensure that both he/she and such third party complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
13. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
14. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this notice (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
15. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at [www.dunedinenterprise.com](http://www.dunedinenterprise.com).