

TRIPLE POINT VCT 2011 PLC

Offer for subscription to raise up to £10,000,000 by the issue of Hydro Shares of 1 pence each

REGISTRATION DOCUMENT

15 October 2014

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action to be taken, you should immediately consult your bank manager, stockbroker, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 ("FSMA").

This document constitutes a registration document (the "Registration Document"). Additional information relating to the Company is contained in a securities note (the "Securities Note"). A brief summary conveying the essential characteristics of, and risks associated with, the Company and the new Hydro Shares ("Offer Shares") which are being offered for subscription (the "Offer") is contained in a summary note (the "Summary"). The Registration Document, the Securities Note and the Summary together constitute a prospectus dated 15 October 2014 (the "Prospectus") which has been prepared in accordance with the Prospectus Rules made under Part VI of FSMA and has been approved for publication by the Financial Conduct Authority as a Prospectus under the Prospectus Rules on 15 October 2014.

The Company and the Directors, whose names appear on pages 11 and 12 of this document, accept responsibility for the information contained in the Registration Document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Persons receiving this document should note that Howard Kennedy Corporate Services LLP, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as sponsor for the Company and no-one else and will not, subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder, be responsible to any other person for providing the protections afforded to customers of Howard Kennedy Corporate Services LLP or providing advice in connection with any matters referred to herein.

Triple Point VCT 2011 plc

(registered number 7324448)

Offer for Subscription to raise up to £10,000,000* by the issue of Hydro Shares of 1 pence each in the capital of Triple Point VCT 2011 plc

Sponsor: Howard Kennedy

The Ordinary Shares in issue at the date of this document are listed on the premium segment of the Official List of the UK Listing Authority and traded on the London Stock Exchange's main market for listed securities. Application has been made to the UK Listing Authority for all of the Hydro Shares to be listed on the premium segment of the Official List and application will be made to the London Stock Exchange for the Hydro Shares to be admitted to trading on its main market for listed securities. It is expected that such admission will become effective and that trading will commence, in respect of the Hydro Shares, within ten Business Days of their allotment.

The attention of persons receiving this document who are resident in, or who are citizens of, territories outside the United Kingdom is drawn to the information under the heading "Investors not resident in the UK" in Section B of Part 1 of the Securities Note. In particular, the Hydro Shares have not and will not be registered under the United States Securities Act 1933 (as amended) or the United States Investment Company Act 1940 (as amended). The attention of persons receiving this document is also drawn to the risk factors on pages 4 to 6 of this document.

Copies of this document are available for inspection on the National Storage Mechanism's website <http://www.morningstar.co.uk/uk/NSM> following the date of publication and may be obtained free of charge for the duration of the Offer, by collection from:

Howard Kennedy Corporate Services LLP
19 Cavendish Square
London W1A 2AW

The Triple Point Group
18 St. Swithin's Lane
London EC4N 8AD

*If the Offer is over-subscribed, the Offer may be increased at the discretion of the Directors by up to a further £10,000,000.

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RISK FACTORS

The Company and the Directors consider the following risks to be material to the Company. Material risks relating to the Hydro Shares are set out in the Securities Note. Additional risks and uncertainties currently unknown to the Company and the Directors (such as changes in legal, regulatory or tax requirements), or which the Company and the Directors currently believe are immaterial to the Company, may also have a materially adverse effect on the financial condition or prospects of the Company.

General Risks

- Prospective investors whose decision to invest is based on the tax reliefs described in this document should be aware that these are those currently available and that levels and bases of, and relief from taxation are subject to change and could become less favourable to investors and that such change could be retrospective.
- Changes in legislation concerning VCTs in general, and concerning Qualifying Investments and qualifying trades in particular, may restrict or adversely affect the ability of the Company to meet its objectives and/or reduce the level of returns which would otherwise have been achievable.
- The Company's portfolios of Non-Qualifying Investments are subject to market fluctuations. There can be no assurance that appreciation will occur or that losses will not be incurred.
- Smaller unquoted companies, usually with limited trading records, requiring venture capital frequently experience significant change. Investments in such companies carry substantially higher risks than would an investment in larger or longer-established businesses.
- Investment in unquoted companies, by its nature, involves a higher degree of risk than investment in the main market. In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a smaller number of key individuals. In addition, the market for stock in smaller companies is often less liquid than that for stock in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such stock. Proper information for determining their value or the risks to which they are exposed may also not be available.
- Valuations of unquoted companies are determined by the Directors within BVCA guidelines. These valuation policies take account of stock market price earnings ratios for the relevant industry sectors, discounted for non-marketability. Therefore, the valuation of the portfolio and opportunities for realisation depend on stock market conditions which may become less favourable for investors.
- The Company's investments may be difficult to realise. There may also be constraints imposed on the realisation of investments by reason of the need to maintain the tax status of the Company.
- The Company may make investments into companies with similar trading profiles and with exposures in the same industry and/or to the same customer base. Whilst the Company will have no more than 15% by value of its investments in any single company or group at the time any investment is made or added to, those entities may be in the same sector (e.g. renewable energy) and their income may be derived from the same sources (e.g. electricity companies). The level of returns to the Company may, therefore, be adversely affected by any downturn in those sectors or the sources within those sectors from which income is derived.
- Although the Company expects to receive certain conventional venture capital rights in connection with its unquoted investments, as a minority investor it will not control the companies in which it invests (or their boards of directors) and may not always be in a position to fully protect its interests.
- An investment in the Company should be regarded as long-term in nature, as a sale by investors of their Hydro Shares within five years will require a repayment of the income tax relief obtained due to VCT status on issue of the shares. It is, therefore, not suitable for all individuals..
- The past performance of the Company, the Manager or members of the Investment Management Team is no indication of the future performance of the Company.

- Triple Point will provide discretionary and advisory investment management services to the Company in respect of its portfolio of investments. If Triple Point does not perform its obligations in accordance with the agreement regulating the provision of these services, the performance of the Company and/or its ability to achieve or maintain VCT status, may be adversely affected.
- Triple Point, or any of its officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an 'Interested Party') may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. An Interested Party may not be liable to account for any profit made in connection with these activities. For example, and without limitation, an Interested Party may:
 - deal or invest in any investment, whether or not for its own account and notwithstanding that similar investments may be held by the Company;
 - enter into or be interested in any financial or other transaction with any entity any of whose securities are held by or for the account of the Company;
 - allocate investment opportunities among the funds and accounts it manages in accordance with its internal policies;
 - arrange for the Company to acquire investments from or dispose of investments to any Interested Party or any investment fund or account advised or managed by any such person.
- Businesses in which the Company invests may incur unplanned costs and delays as a result of statutory and regulatory requirements in areas such as labour and health and safety, or where construction operations do not proceed as planned, which may prevent them from fulfilling their business plans and reduce the level of returns to the Company.
- The level of returns from investments may be reduced if there are delays in the investment programme, such that part of the net proceeds of the Offer are held in cash or cash-based similar liquid investments for longer than anticipated, or if the investments cannot be realised at the expected time and values.
- Completion of the Offer is conditional upon the passing of resolutions at the General Meeting. There can be no guarantee that these resolutions will be passed and that the Offer will become unconditional and that their resulting benefits will be realised.
- Potential investors in the United Kingdom are advised that all or most of the protections provided by the UK regulatory system do not apply to the Company's investments in or exposure to the Non-Qualifying Investments. For example, the Company will not benefit from the Financial Services Compensation Scheme and may not be eligible to make an application under the Financial Services Ombudsman Scheme.
- Income tax relief will not be available to an investor in Hydro Shares if, within six months of subscription, the investor has disposed of Shares.
- The Finance Act 2014 amends the VCT Rules in respect of VCT shares issued on or after 6 April 2014. VCT status will be withdrawn if, in respect of shares issued on or after 6 April 2014, a dividend is paid (or other forms of distribution or payments are made to investors) from capital within three years of the end of the accounting period in which shares were issued to investors. This may reduce the amount of distributable reserves available to the Company to fund dividends and share buy backs.

Specific risks associated with hydro-electric power

- The Company will be subject to risks associated with hydro-electric power projects, which may adversely affect expected returns. Such risks include, but are not limited to, lower or more variable precipitation, increasing severity of weather and/or climate change, blocking of the intake structure that controls water flow or of the enclosed pipe that delivers water to hydraulic turbines by foreign or other matter, turbine or other mechanical/electrical malfunctions, lower than projected generator efficiency, higher than projected generator downtime, increased operational costs, lack of

availability of power purchase agreements, and counterparty risk with grid connection providers. These risks may adversely affect expected returns. The development and operation of hydro-electric power projects is a specialist field and the Manager, in advising on investments, will engage with, and may rely on advice given and input provided by, technical and other third party specialist advisers and contractors.

- A referendum on Scotland's independence held in September 2014 resulted in a vote by 55% to 45% in favour of Scotland remaining as part of the UK. An agreement has been reached in principle between the main political parties in the UK to devolve more powers of taxation to the Scottish Parliament. Although the Scottish Government is currently supportive of renewable energy and current UK renewable energy policies, an independent Scottish Government or one with the relevant powers could reduce or remove the effective subsidy of hydro-electric power which would then reduce investment returns and could make it harder to agree terms for new investments.
- In the event of a vote for Scottish independence in any future referendum there can be no certainty over the currency that will be used by Scotland, and if it were not Sterling, the cash flows from investments in that domicile would be subject to, and could be adversely affected by, currency translation volatility.
- The Company intends to mitigate the associated development and operational risks through a diversified portfolio in proven technology, long-term contracts, due diligence and historical data. Annual energy output may fluctuate and as such annual revenue may experience volatility. This may influence the availability of dividends that can be paid out to investors.
- A change of Government or a change in Government policy in respect of hydro-electric projects could have an adverse effect upon electricity prices and thus revenues generated.
- The hydro-electric power projects expect to generate revenue from Feed-in Tariffs (an index-linked payment from an electricity company for every kilowatt hour generated and an additional index-linked payment for every kilowatt hour exported to the wider energy market). A retrospective reduction in or abolition of the Feed-in Tariff would reduce investment returns.
- Changes in interest rates or changes in the terms offered by senior lenders in financing hydro-electric power projects may negatively impact expected returns.
- There is no guarantee that the Investment Management Team will source sufficient deal flow of operational or fully consented hydro-electric power projects.

INFORMATION RELATING TO THE COMPANY

Directors (all non-executive)	Jane Owen (Chairman) James Chadwick Murrin Timothy Clarke
all of: Registered Office	18 St. Swithin's Lane London EC4N 8AD
Sponsor	Howard Kennedy Corporate Services LLP 19 Cavendish Square London W1A 2AW
Solicitors	HowardKennedyFsi LLP 19 Cavendish Square London W1A 2AW
Investment Manager, Administrator and Company Secretary	Triple Point Investment Management LLP 18 St. Swithin's Lane London EC4N 8AD
VCT Tax Adviser	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Auditors	Grant Thornton UK LLP 3140 Rowan Place John Smith Drive Oxford Business Park South Oxford OX4 2WB
Registrars	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA

PART 1: THE MANAGER AND THE DIRECTORS

Triple Point, the investment manager

Triple Point is the investment manager to the Company, responsible for the management of the Non-Qualifying Investments. Triple Point advises the Board on Qualifying Investments with the Board taking decisions on such investments. Triple Point is a specialist investment manager and was established in 2004 to bring together complementary skills and experience in three core disciplines: structured finance, tax and investment. Triple Point is authorised and regulated by the FCA.

Triple Point specialises in finding and managing private company investments in which capital value volatility is reduced and the possibility of exit enhanced, typically by the cash generative characteristics of the underlying businesses. Triple Point seeks such investments for individuals or institutions, including private company investments which qualify under the VCT, EIS, and business property relief rules.

Triple Point's origination of investments derives both from its own network and from a network of intermediaries introducing thoroughly researched and carefully sourced opportunities in Triple Point's target sectors. In the last three years Triple Point has originated over £80 million of such investments for the VCTs it manages and over £30 million of such investments for the EIS funds it manages either raised directly or through the Triple Point EIS service. Investments have been concluded in the energy, leisure, and environment sectors.

The pace with which Triple Point delivers Qualifying Investments and EIS qualifying investments has accelerated, so that by 5 April 2013 all Triple Point managed VCTs were fully invested in Qualifying Investments (exceeding the 70% threshold to maintain VCT qualifying status), whilst TP12, which received £4,400,000 of new subscriptions, invested £4,000,000 in Qualifying Investments immediately after the closing of its offer for subscription.

Triple Point currently has a potential pipeline of Qualifying Investment opportunities in Scotland for the Hydro Share Fund, concentrated in renewable energy and environment. These opportunities are in various stages of maturity from early discussions to final negotiations.

In addition, the VCTs that are managed by Triple Point, and the EIS companies for which Triple Point has arranged funding, have a strong record of returning funds to shareholders at the end of the minimum five and three year holding periods for VCT and EIS shareholders respectively, the majority of such funds being returned within six to nine months after the end of those holding periods.

The Investment Management Team includes individuals with significant experience in private equity, stock market investment, infrastructure finance, public sector financing, and business management.

A summary of the relevant experience for each of the senior members of the Investment Management Team is shown below:

Claire Ainsworth

- Managing Partner, Chief Investment Officer and Chairman of the Investment Committee
- Eight years' venture capital investment experience
- 30 years' industry experience, including 16 years in structured finance at Deutsche Bank where she was Managing Director and involved in transactions totalling £10 billion
- BA in Law from the University of Oxford

Michael Bayer

- Partner, Head of Compliance and member of the Investment Committee
- 23 years' experience in the financial and investment sectors focusing on the provision of debt and equity capital including private equity investment at 3i, acquisition finance debt at Dresdner Kleinwort, and corporate finance advice at Ernst & Young
- Chartered Accountant and ICAEW/CISI qualified Corporate Finance practitioner
- BSc in Physics and Business Studies from the University of Warwick

Ben Beaton

- Partner, Head of Investment and member of the Investment Committee

- Seven years' venture capital investment experience
- Three years' hydro-electric power investment experience and led the sourcing and negotiating of a broad spectrum of investments including £80m in the cinema digitisation sector
- BSc in Biological Sciences from the University of Edinburgh

James Cranmer

- Partner and Head of Leasing
- 20 years' experience in structured, asset and vendor finance
- Responsible for originations in excess of £750m into UK Local Authorities, NHS Hospital Trusts, FTSE 100 and small and medium sized companies
- Graduate from St Andrews University

Bryan Curel

- Partner and Legal Counsel
- 25 years' asset finance experience
- Nine years' experience as Founding Partner of CBY Solicitors
- Nine years' experience as the Head of the Technology Finance legal team and a Director at Kleinwort Benson (later Dresdner Kleinwort Wasserstein)

Peter Hargreaves

- Group Company Secretary
- Partner at Ernst & Young for 10 years
- Jersey Law Commissioner and a professional Director and Trustee
- Oxford University Graduate
- Chartered Accountant and Member of the Society of Trust and Estate Practitioners

Ian McLennan

- Partner and member of Investment Committee
- Seven years' venture capital investment experience
- 27 years' investment industry experience with global players such as UBS AG & Brevan Howard
- Led the sourcing and negotiating of over £75m in the renewable energy sector
- First class Accountancy degree from the University of Glasgow and CFA Charterholder since 1991

Jonathan Parr

- Investment Manager and Head of Product Development
- Four years' venture capital investment experience and four years' tax advisory experience
- Completed over £50m of investment in the solar PV sector
- BSc in Physics from the University of Manchester
- Chartered Tax Adviser

Oliver Scutt

- Legal Counsel
- Five years' combined experience as a solicitor in the venture capital and private equity sectors
- Private practice experience with Pinsent Masons LLP
- GDL and LPC in Law at BPP and English Literature graduate of the University of Durham

Alex Tucker

- Investment Manager
- Six years' venture capital investment experience
- Completed investments in hydro-electric power, landfill gas and anaerobic digestion
- MA in Business Studies from the University of Edinburgh and the University of British Colombia

Management Fees

Investment Management Agreement

Under an agreement dated 23 September 2010 (the "IMA"), Triple Point was appointed as the Company's investment manager and administrator for a period of six years from admission of the Ordinary Shares to the Official List, which can be terminated thereafter by not less than twelve months' notice. Under the terms of the IMA the Company will pay to Triple Point:

- until 1 October 2016, a fee for the investment management services equal to 2.25% of the NAV of the Company's Ordinary Share Fund payable quarterly in arrear on each quarter day;

- a sum equal to 1% of any amounts returned to holders of Ordinary Shares after 1 October 2016;
- a fee for the administration services equal to 0.25% of the NAV of the Company's Ordinary Share Fund payable quarterly in arrear on each quarter day; and
- the sum of £7,500 per annum for the provision of company secretarial services, payable quarterly in arrear.

Triple Point may retain arrangement fees paid by investee companies of up to 3% of the sum invested which it receives in connection with investments made into unquoted companies. Whilst such charges are not payable by the Company, the effect may be to reduce modestly the net assets of the companies in which the Company invests. The Triple Point Group may also benefit from the receipt of business administration fees charged against such companies, the level of which may, in the case of a particular investee company, be related to that company's performance.

Any investment or other asset of any description of the Company will be held in the Company's name although in exceptional circumstances Triple Point may hold such investments or assets in the name of Triple Point or other FCA authorised person acting as custodian where, due to the nature of the law or market practice of an overseas jurisdiction, it is in the best interests of the Company to do so or it is not feasible to do otherwise.

Triple Point has agreed to indemnify the Company, until 1 October 2016, to the extent that the annual running costs excluding VAT of the Company exceed 3.5% of the Company's NAV.

Supplemental agreement varying the IMA pursuant to the Offer

Under an agreement dated 15 October 2014, the IMA will, subject to the Offer becoming effective and subject to the approval of Shareholders at the General Meeting, be varied to provide for the following:

- in respect of the Hydro Share Fund, Triple Point will receive investment management fees (exclusive of VAT) equal to 2.0% per annum of the Hydro Share Fund's NAV, payable quarterly in arrear;
- Triple Point's appointment under the IMA will continue for at least 5 years following the Admission and thereafter will terminate on 12 months' notice by either party subject to earlier termination in certain circumstances;
- Triple Point will receive the Performance Incentive Fee below; and
- Triple Point will receive a single fee equal to the aggregate of (i) 2.5% of the aggregate value of accepted applications for Offer Shares and (ii) the upfront commission paid to Execution Only Brokers and (iii) the upfront commission paid to those advising professional investors in respect of subscriptions under the Offer. From this sum, Triple Point will discharge all external costs, and its own costs, in respect of the Offer. Triple Point has agreed to indemnify the Company against the costs of the Offer excluding VAT exceeding 5.5% of the funds it raises.

Performance Incentive Fee on Hydro Shares

Triple Point will also be entitled to receive a Performance Incentive Fee based upon returns to holders of Hydro Shares. The amount of the Performance Incentive Fee payable is based on distributions made to holders of Hydro Shares.

To the extent that, on any distributions made to holders of Hydro Shares, the total of all distributions per Hydro Share made to holders of Hydro Shares (including the distribution in question being made) exceeds a hurdle, being at the time of any distribution to holders of Hydro Shares the higher of (i) 100 pence per Hydro Share and (ii) the total of all distributions per Hydro Share made to holders of Hydro Shares prior to that distribution (the "Hurdle"), Triple Point will be entitled to receive a sum equal to 20% of the excess over the Hurdle.

The amount of Performance Incentive Fee payable per Hydro Share in respect of indicative distributions for the first 15 years is set out in the table below (this is shown for the first fifteen years for illustrative purposes only and the actual Performance Incentive Fee will apply indefinitely and will depend on the actual

distributions made in respect of the Hydro Shares, not including the 30% VCT income tax relief available to investors):

Date	Cumulative distributions per Hydro Share paid to holders of Hydro Shares	Hurdle	Excess over Hurdle	20% of the excess (payable to Triple Point)
Immediately following investment	0.0p	100.0p	0.0p	0.0p
Year 2	7.0p	100.0p	0.0p	0.0p
Year 3	14.5p	100.0p	0.0p	0.0p
Year 4	22.5p	100.0p	0.0p	0.0p
Year 5	31.0p	100.0p	0.0p	0.0p
Year 6	40.0p	100.0p	0.0p	0.0p
Year 7	49.5p	100.0p	0.0p	0.0p
Year 8	59.5p	100.0p	0.0p	0.0p
Year 9	70.0p	100.0p	0.0p	0.0p
Year 10	81.0p	100.0p	0.0p	0.0p
Year 11	92.5p	100.0p	0.0p	0.0p
Year 12	104.5p	100.0p	4.5p	0.9p
Year 13	117.0p	104.5p	12.5p	2.5p
Year 14	130.0p	117.0p	13.0p	2.6p
Year 15	143.5p	130.0p	13.5p	2.7p

Annual Running Fees

Assuming £20,000,000 is raised under the Offer and that the costs of the Offer are 5.5%, the Directors estimate that the Annual Running Costs will be approximately 2.6% of the Company's NAV (excluding VAT), as opposed to 2.9% of the Company's NAV (excluding VAT) prior to the Offer,. Such running costs of the Company will include the management and administration fees described above as well as fees for Directors, the auditors, taxation advisers, registrar, other direct costs incurred in the management/running of the VCT and the costs of communicating with Shareholders. Triple Point has agreed to indemnify the Company in respect of any annual costs (but excluding any exceptional and extraordinary costs) in excess of 3.5% of the Company's NAV (excluding VAT).

The Board

The Board consists of three highly experienced Directors, all of whom are non-executive. The Board is responsible for the overall control and management of the Company with responsibility for its affairs, including determining its investment policy. Primary responsibility for the execution of the Company's investment policy lies with Triple Point, with the Board overseeing its activities. The Board will meet at least four times a year. Additionally, special meetings will take place or other arrangements will be made when Board decisions are required in advance of regular meetings.

Jane Owen

Jane Owen is the Chairman of the Company. After graduating in law from Oxford University, Jane was called to the Bar in 1978 and until 1989 was a practising barrister in the chambers of Sir Andrew Leggatt (now 3 Verulam Buildings). Subsequently Jane became UK group legal director at Alexander & Alexander Services, and was appointed Aon's General Counsel in the UK in 1997, a position she held until 2008, where she was also a director of Aon Limited from 2001 to 2008. She is also a Trustee of the Dulwich Estate, a governor of James Allen Girls' School and non-executive director of TWG Europe Ltd and related companies.

Chad Murrin

Chad Murrin graduated in law from Cambridge University, and then qualified as a barrister. He worked for 3i Group plc from 1986-2004, the last five years as 3i's Corporate Development Director. In 2004, he set up his own corporate advisory business, Murrin Associates Limited. He holds the Advanced Diploma in Corporate Finance from The Corporate Finance Faculty of the ICAEW. He is a non-executive director of TP70 VCT plc, E W Beard (Holdings) Limited, Peabody Group Maintenance Limited and Procom-IM Limited.

Tim Clarke

Tim Clarke is a graduate of Oxford University in PPE. He joined Panmure Gordon & Co in 1979 as an equities analyst, subsequently becoming a Partner and Head of Research. He moved to Bass plc in 1990, worked in a number of roles in Hotels, Pubs and Restaurants and became Chief Executive in 2000.

Following its demerger he was Chief Executive of Mitchells & Butler plc until 2009. He is currently the senior independent non-executive director of Associated British Foods plc, and a non-executive director of Hall & Woodhouse Ltd and Timothy Taylor & Co Ltd. He is a trustee director of the Birmingham Royal Ballet, The Foundation of the Schools of King Edward VI in Birmingham, and the Elgar Foundation.

In addition to their directorships of the Company the Directors currently hold, and during the five years preceding the date of this document have held, the following directorships, partnerships or been a member of the senior management:

Name	Position	Name of company/partnership	Position still held (Y/N)
Jane Owen	Director	Dulwich Estate Services Limited	Y
	Director	Alleyn Road 102 Limited	Y
	Director	James Allen's Girls' School	Y
	Director	London General Insurance Company Limited	Y
	Director	London General Life Company Limited	Y
	Director	TWG Europe Limited	Y
Chad Murrin	Director	TWG Services Limited	Y
	Director	Murrin Associates Limited	Y
	Director	Corporate Development Association Limited	Y
	Director	TP70 VCT plc (in liquidation)	Y
	Director	EW Beard (Holdings) Limited	Y
	Director	Guildford Cricket Club Limited	Y
	Director	Downing Absolute Income VCT 2 plc (in liquidation)	Y
	Director	Yorkset Managers 1 Limited	Y
	Director	Yorkset Managers 2 Limited	Y
	Director	Guildford Beer Festival Limited	Y
	Director	Procom-IM Ltd	Y
	Member	Magdalen Victoria LLP	Y
	Director	Baron House Investments Limited (dissolved)	N
	Director	Blundell's School	N
	Director	E.W. Beard Limited	N
	Director	Setsquare Recruitment Limited	N
	Director	Watson Ltd	N
	Director	Triple Point VCT plc (dissolved)	N
	Director	TP70 2008(II) VCT plc (dissolved)	N
	Director	Pennine Downing AIM VCT 2 plc (dissolved)	N
Tim Clarke	Director	TP70 2009 VCT plc (dissolved)	N
	Director	TP12(II) VCT plc (dissolved)	N
	Director	Associated British Foods plc	Y
	Director	Birmingham Royal Ballet	Y
	Director	The Elgar Foundation	Y

Director	Timothy Taylor & Co., Limited	Y
Director	Hall & Woodhouse Limited	Y
Director	The Drinkaware Trust	N

The business address of all the Directors is 18 St. Swithin's Lane, London EC4N 8AD.

None of the Directors has at any time within the last five years:

- had any convictions (whether spent or unspent) in relation to offences involving fraud or dishonesty;
- been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated recognised professional bodies) or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- been a director or senior manager of a company which has been put into receivership, compulsory liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors; or
- been the subject of any bankruptcy or been subject to an individual voluntary arrangement or a bankruptcy restrictions order.

There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any Director was selected as a member of the administrative, management or supervisory bodies or member of senior management.

There are no outstanding loans or guarantees provided by the Company for the benefit of any of the Directors nor are there any loans or any guarantees provided by any of the Directors for the Company.

The Directors and members of the Investment Management Team do not have any conflicts of interest between their duties to the Company and their private interests or other duties including duties owed by them to third parties.

For the financial year ended 28 February 2014, the remuneration of Jane Owen was £15,000, the remuneration for Chad Murrin was £12,500 and the remuneration for Tim Clarke was £12,500. No amounts have been set aside or have been accrued by the Company to provide pension, retirement or similar benefits to the Directors.

None of the Directors has a service contract with the Company and no such contract is proposed. Each of the Directors has been appointed on terms which can be terminated by either party on three months' notice.

The Directors are not entitled to compensation other than payment in lieu of notice on termination of their directorships.

Corporate Governance

The UK Corporate Governance Code published by the Financial Reporting Council in September 2012 (the "Code") applies to the Company. The Directors acknowledge the section headed "Comply or Explain" in the preamble to the Code which acknowledges that some provisions may have less relevance for investment companies and, in particular, consider some areas inappropriate to the size and nature of the business of the Company. Accordingly, the provisions of the Code are complied with save that (i) new Directors do not receive a full, formal and tailored induction on joining the Board (such matters are addressed on an individual basis as they arise), (ii) a formal performance evaluation of the Board, its committees, the Directors and the chairman has not been undertaken, (iii) the Company does not have a senior independent Director, (iv) the Company does not conduct a formal review as to whether there is a need for an internal audit function as the Directors do not consider that an internal audit would be an appropriate control for a venture capital trust, (v) as all the Directors are non-executive it is not considered appropriate to appoint a nomination or remuneration committee and (vi) whilst one of the three non executive directors on the Company's audit committee is not considered independent, the Board does not consider it appropriate to appoint an additional director to that committee.

Audit Committee

The audit committee of the Company comprises the Board and meets at least twice a year. The Company's auditors may be required to attend such meetings. The audit committee prepares a report each year addressed to the Shareholders for inclusion in the Company's annual report and accounts. The duties of the audit committee are, *inter alia*:

- to review and approve the half yearly and annual results of the Company and the statutory accounts before submission to the Board;
- to review management accounts;
- to consider the appointment of the external auditor, the level of audit fees and to discuss with the external auditor the nature and scope of the audit;
- to consider matters of corporate governance as may generally be applicable to the Company and make recommendations to the Board in connection therewith as appropriate.

Nomination and Remuneration Committees

To date no nomination or remuneration committees have been established. Recommendations for the re-election of Directors are considered by the Board. Matters relating to remuneration of Directors are considered by the Board and any Director is excluded from meetings whose purpose is the setting of his own remuneration.

Policies

Dividend policy

Generally, a VCT must distribute by way of dividend such amount as to ensure that it retains not more than 15% of its income from shares and securities. The Directors aim to maximise tax free distributions to Shareholders of income or realised gains. It is envisaged that the Company will distribute most of its net income each year by way of dividend, subject to liquidity.

Investors who wish to have dividends paid directly into a bank account, rather than by cheque to their registered address, should complete the dividend mandate form which it is expected will be sent to an investor within 30 days of an allotment. Further dividend mandate forms can be obtained upon request from the registered office of the Company.

Share Buy Back Policy

The Company aims, but is not committed, to offer liquidity to Shareholders through on-going buy-backs, subject to the availability of distributable reserves, at a target discount of 10% to net asset value.

Reporting to Shareholders

Communicating with Shareholders

The Directors believe that communication with Shareholders is important. A copy of the Company's annual report and financial statements (expected to be published each June) and a copy of the Company's unaudited interim financial report (expected to be published each October) will be made available on the Company's website at www.triplepoint.co.uk and sent to those Shareholders who have requested a hard copy. The Company's annual report and financial statements, made up to 28 February in each year, and interim financial reports, made up to 31 August in each year, will each detail the NAV per Share. Information on the NAV per Share will also be included in interim management statements expected to be made up to 31 May and 30 November in each year and published on the above website.

HM Revenue & Customs Approval

The Directors intend to manage the Company's affairs in order that it, and there are internal controls in place to ensure that that the Company, complies with the legislation applicable to VCTs. In this regard PricewaterhouseCoopers has been appointed to advise on tax matters generally and, in particular, on the Company's VCT status. The Company must continue to satisfy the requirements to qualify as a VCT or lose such status.

PART 2: INVESTMENT POLICY

Current Investment Policy

The Company's current investment policy is set out below.

At least 70% of the Company's net assets should be invested in VCT qualifying investments. The remaining assets are exposed either to (i) cash or cash-based similar liquid investments or (ii) investments originated in line with the Company's VCT qualifying investment policy but with realisation dates which fit with the liquidity needs of the Company. The investment in Broadpoint Limited fits into this category.

To comply with VCT rules, the Company has acquired (and subsequently maintained) a portfolio of VCT qualifying investments. These VCT-qualifying investments typically range between £500,000 and £1,000,000 and encompass businesses with strong asset bases, predictable revenue streams or with contractual revenues from financially sound counterparties. No single investment by the Company represents more than 15 per cent of the aggregate net asset value of the Company.

In respect of Venture Capital Investments (which represent qualifying investments under the tax rules applying to VCTs) Triple Point sought:

- (a) investments in which robust due diligence has been undertaken into target investments;
- (b) investments where there is a high level of access to regular material financial and other information;
- (c) investments where the risk of capital losses is minimised through careful analysis of the collateral available to investee companies;
- (d) investments where there is a strong relationship with the key decision makers.

The Directors intend to return cash raised from exits promptly to shareholders, who will be given the opportunity to vote for the Company's discontinuation after six years.

Qualifying Investments

The Company pursued investments in a range of industries but the type of business being targeted was subject to the specific investment criteria discussed below. The objective was to build a diversified portfolio of unquoted companies which are cash generative and, therefore, capable of producing income and capital repayments to the Company prior to their disposal by the Company.

Although invested in diverse industries, it was intended that the Company's portfolio would comprise companies with certain characteristics, for example clear commercial and financial objectives, strong customer relationships and, where possible, tangible assets with value. Triple Point focused on identifying businesses typically with contractual revenues from financially sound counterparties or a stream of predictable transactions with multiple clients. Businesses with assets providing valuable security may also be considered. The objective was to reduce the risk of losses through reliability of cash flow or quality of asset backing and to provide Investors with a potentially attractive income stream and modest but accessible capital growth.

The criteria against which investment targets were assessed included the following:

- (a) an attractive valuation at the time of the investment;
- (b) minimising the risk capital losses;
- (c) the predictability and reliability of the company's cash flows;
- (d) the quality of the business's counterparties, suppliers;
- (e) the sector in which the business is active. Key target sectors include health, leisure and environmentally responsible and social enterprise sectors;
- (f) the quality of the company's assets;

- (g) the opportunity to structure an investment that can produce distributable income;
- (h) the prospect of achieving an exit after 5 years of the life of the Company.

Non-Qualifying Investments

The Non-Qualifying Investments consist of cash, highly liquid interest bearing investments and investments of a similar profile to the Qualifying Investments but with an expected realisation date which fits the liquidity needs the Company. The Directors do, however, reserve the right to adopt alternative investment strategies for the non qualifying investments, including the use of pooled investment vehicles.

Borrowing Powers

The Company has no present intention of utilising direct borrowing as a strategy for improving or enhancing returns. To the extent that borrowing is required, the Directors will restrict the borrowings of the Company and exercise all voting and other rights or powers of control over its subsidiary undertakings (if any) to ensure that the aggregate amount of money borrowed by the group, being the Company and any subsidiary undertakings for the time being, (excluding intra-group borrowings), shall not without the previous sanction of an ordinary resolution of the Company exceed 30 per cent of its NAV at the time of any borrowing.

As the Hydro Share Fund is not intended to have a limited life, it is proposed to amend the Company's investment policy at the General Meeting to delete the reference to this discontinuation vote and to restrict the criteria relating to an exit after 5 years to the Ordinary Share Fund. It is also proposed to amend the statement in the Company's investment policy that provides that the Company's VCT qualifying investments will typically range between £500,000 and £1,000,000, to increase the upper limit from £1,000,000 to £5,000,000.

Proposed Investment Policy to be Adopted at the General Meeting

The Company's proposed investment policy to be adopted at the General Meeting is set out below.

At least 70% of the Company's net assets will be invested in VCT qualifying investments. The remaining assets will be exposed either to (i) cash or cash-based similar liquid investments or (ii) investments originated in line with the Company's VCT qualifying investment policy but with realisation dates which fit with the liquidity needs of the Company. The investment in Broadpoint Limited fits into this category.

To comply with VCT rules, the Company will acquire (and subsequently maintain) a portfolio of VCT qualifying investments. These VCT-qualifying investments will typically range between £500,000 and £5,000,000 and encompass businesses with strong asset bases, predictable revenue streams or with contractual revenues from financially sound counterparties. No single investment by the Company will represent more than 15 per cent of the aggregate net asset value of the Company.

In respect of Venture Capital Investments (which represent qualifying investments under the tax rules applying to VCTs) Triple Point will seek:

- (a) investments in which robust due diligence has been undertaken into target investments;
- (b) investments where there is a high level of access to regular material financial and other information;
- (c) investments where the risk of capital losses is minimised through careful analysis of the collateral available to investee companies;
- (d) investments where there is a strong relationship with the key decision makers.

The Directors intend to return cash raised from exits promptly to shareholders.

Qualifying Investments

The Company will pursue investments in a range of industries but the type of business being targeted is subject to the specific investment criteria discussed below. The objective is to build a diversified portfolio of

unquoted companies which are cash generative and, therefore, capable of producing income and capital repayments to the Company prior to their disposal by the Company.

Although invested in diverse industries, it is intended that the Company's portfolio will comprise companies with certain characteristics, for example clear commercial and financial objectives, strong customer relationships and, where possible, tangible assets with value. Triple Point will focus on identifying businesses typically with contractual revenues from financially sound counterparties or a stream of predictable transactions with multiple clients. Businesses with assets providing valuable security may also be considered. The objective is to reduce the risk of losses through reliability of cash flow or quality of asset backing and to provide Investors with a potentially attractive income stream and modest but accessible capital growth.

The criteria against which investment targets would be assessed included the following:

- (a) an attractive valuation at the time of the investment;
- (b) minimising the risk capital losses;
- (c) the predictability and reliability of the company's cash flows;
- (d) the quality of the business's counterparties, suppliers;
- (e) the sector in which the business is active. Key target sectors include health, leisure and environmentally responsible and social enterprise sectors;
- (f) the quality of the company's assets;
- (g) the opportunity to structure an investment that can produce distributable income
- (h) in respect of the Ordinary Share Fund, the prospect of achieving an exit after 5 years of the life of the Company.

Non-Qualifying Investments

The Non-Qualifying Investments will consist of cash, highly liquid interest bearing investments and investments of a similar profile to the Qualifying Investments but with an expected realisation date which fits the liquidity needs the Company. The Directors do, however, reserve the right to adopt alternative investment strategies for the non qualifying investments, including the use of pooled investment vehicles.

Borrowing Powers

The Company has no present intention of utilising direct borrowing as a strategy for improving or enhancing returns. To the extent that borrowing is required, the Directors will restrict the borrowings of the Company and exercise all voting and other rights or powers of control over its subsidiary undertakings (if any) to ensure that the aggregate amount of money borrowed by the group, being the Company and any subsidiary undertakings for the time being, (excluding intra-group borrowings), shall not without the previous sanction of an ordinary resolution of the Company exceed 30 per cent of its NAV at the time of any borrowing.

PART 3: FINANCIAL INFORMATION ON THE COMPANY

Audited financial information on the Company is published in the annual reports for the years ended 29 February 2012, 28 February 2013 and 28 February 2014.

These annual reports were audited by Grant Thornton UK LLP of 3140 Rowan Place, John Smith Drive, Oxford Business Park South, Oxford OX4 2WB. All reports were without qualification and contained no statements under section 498(2) or (3) of the CA 2006.

The annual reports referred to above were prepared in accordance with IFRS, the fair value rules of the CA 2006 and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies'. The annual reports contain a description of the Company's financial condition, changes in financial condition and results of operation for each relevant financial year and the pages of these referred to below are being incorporated by reference and can be accessed at the following website: www.triplepoint.co.uk.

Where these documents make reference to other documents, such other documents, together with those pages of the annual reports that are not referred to below, are not relevant to investors and are not incorporated into and do not form part of this document.

Such information includes the following:

	Annual report for the year ended 29 February 2012	Annual report for the year ended 28 February 2013	Annual report for the year ended 28 February 2014
Balance sheet	Page 25	Page 26	Page 28
Income statement or equivalent	Page 24	Page 25	Page 27
Statement showing all changes in equity (or equivalent note	Page 26	Page 27	Page 29
Cash flow statement	Page 27	Page 28	Page 30
Accounting policies and notes	Page 28	Page 29	Page 31
Auditor's report	Page 23	Page 24	Page 24

The information in the annual reports has been prepared in a form consistent with that which will be adopted in the Company's next published annual financial statements with regard to accounting standards and policies and legislation applicable to those financial statements.

Such information also includes operating/financial reviews as follows:

	Annual report for the year ended 29 February 2012	Annual report for the year ended 28 February 2013	Annual report for the year ended 28 February 2014
Financial summary	Page 1	Page 1	Page 1
Chairman's statement	Page 2	Page 2	Page 2
Investment policy	Page 11	Page 15	Page 3
Investment manager's review	Page 6	Page 5	Page 6

Investment portfolio	Page 8	Page 7	Page 8
Business review	Page 11	Page 15	Page 3
Valuation policy	Page 36	Page 34	Page 35

As at 28 February 2014, the date to which the most recent audited financial information on the Company has been drawn up, the NAV per Ordinary Share was 89.63p.

There has been no significant change in the financial or trading position of the Company since 28 February 2014 (being the date on which audited financial information was last published).

PART 4: INVESTMENT PORTFOLIO AND PRINCIPAL INVESTMENTS OF THE COMPANY

Ordinary Share Portfolio

The investment portfolio of the Ordinary Share Fund as at the date this document is set out in the table below (the valuations being the audited valuations as at 28 February 2014, the latest date for which valuations have been announced).

Company	28 February 2014			
	Cost		Valuation	
	£'000	%	£'000	%
Unquoted qualifying holdings	14,953	86.12	15,839	86.77
Unquoted non-qualifying holdings	2,331	13.42	2,331	12.77
	17,284	99.54	18,170	99.54
Cash and cash equivalents	80	0.46	80	0.46
	17,364	100.00	18,250	100.00

Unquoted Qualifying Holdings

Cinema Digitisation

DLN Digital Ltd	830	4.78	909	4.98
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Hydro Project Management

Highland Hydro Services Ltd	813	4.68	903	4.95
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Electricity Generation

Solar

AH Power Ltd	800	4.61	802	4.39
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Arraze Ltd	700	4.03	759	4.16
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Bandspace Ltd	500	2.88	564	3.09
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Bridge Power Ltd	1,000	5.76	1,074	5.88
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Core Generation Ltd	1,000	5.76	1,081	5.92
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Druman Green Ltd	1,000	5.76	1,068	5.85
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Fellman Solar Ltd	1,000	5.76	1,062	5.82
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Flowers Power Ltd	400	2.30	431	2.36
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Haul Power Ltd	1,000	5.76	1,060	5.81
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Helioflair Ltd	400	2.30	398	2.18
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New Energy Network Ltd	1,000	5.76	1,063	5.82
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Ranmore Environmental Ltd	624	3.59	623	3.41
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September Star Energy Ltd	1,000	5.76	1,079	5.91
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Trym Power Ltd	1,000	5.76	1,064	5.83
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Anaerobic Digestion

GreenTec Energy Ltd	1,000	5.76	1,000	5.48
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Landfill Gas

Aeris Power Ltd	576	3.32	576	3.16
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Craigahulliar Energy Ltd	310	1.79	323	1.77
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14,953	86.12	15,839	86.77
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Unquoted Non Qualifying Holdings

Anaerobic Digestion

Drumnahare Biogas Ltd	11	0.06	11	0.06
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SME lending

Broadpoint Ltd:

- shares and securities	2,320	13.36	2,320	12.71
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2,331	13.42	2,331	12.77
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Since 28 February 2014, the following realisations were made by the Ordinary Share Fund:

- a realisation was made from DLN Digital Ltd on 23 June 2014, when a loan of £530,000 was repaid along with a redemption premium of £280,000; and
- a realisation was made from Drumnahare Biogas Ltd, when the remaining equity of £10,500, valued at cost, was disposed.

Since 28 February 2014, the following further investments were made by the Ordinary Share Fund:

- an investment of £30,000 was made in Green Highland Allt Choire A Bhalachain (255) Ltd on 18 July 2014; and
- a further investment of approximately £86,000, in the form of rolled-up interest, was made in Broadpoint Ltd.

Save in respect of these realisations and investments, no further investments or realisations in the above portfolio have been made by the Company since 28 February 2014, the latest date for which audited valuations have been announced.

Since 28 February 2014 there has been no significant change in the value of the unquoted investments in the Ordinary Share portfolio.

The information set out in this Part 4 has been extracted from the Company's audited accounts as at 28 February 2014

PART 5: GENERAL INFORMATION

1. INCORPORATION

- 1.1. The Company was incorporated and registered in England and Wales on 23 July 2010 under the CA 1985 with registered number 7324448 as a public company limited by shares.
- 1.2. On 7 September 2010, the Registrar of Companies issued the Company with a certificate under Section 117 of the CA 1985 entitling it to commence business.
- 1.3. Triple Point was incorporated in England and Wales on 28 July 2006 as a limited liability partnership with registered number OC321250.

2. REGISTERED OFFICES AND PRINCIPAL LEGISLATION

- 2.1 The registered office of the Company is at 18 St. Swithin's Lane, London EC4N 8AD and its telephone number is +44 (0) 20 7201 8989. The principal legislation under which the Company operates and which governs its shares is the CA 2006 and regulations made thereunder. The Company is authorised and regulated by the FCA as a self managed alternative investment fund.
- 2.2 The registered office of Triple Point is at 18 St. Swithin's Lane, London EC4N 8AD and its telephone number is +44 (0) 20 7201 8989. The principal legislation under which Triple Point operates is the Limited Liability Partnerships Act 2000 and regulations made thereunder. Triple Point is authorised and regulated by the FCA in the conduct of its investment businesses.

3. SHARE AND LOAN CAPITAL

- 3.1. The Company was incorporated with an issued share capital of £600,000 divided into 55,000,000 ordinary shares of 1p each and 50,000 redeemable preference shares of £1 each. 50,000 redeemable preference shares were redeemed on 6 September 2011 and were each redesignated and sub-divided into 100 shares in the authorised, but unissued, ordinary share capital of the Company.
- 3.2. The Company is currently authorised to make one or more market purchases (within the meaning of Section 693(4) of the CA 2006) of Ordinary Shares provided that the maximum aggregate number of Ordinary Shares authorised to be purchased is an amount equal to 10% of the issued Ordinary Shares as at 11 July 2013.
- 3.3. The following ordinary and special resolutions will be proposed at the General Meeting:

Ordinary Resolutions

1. That, the IMA Deed of Variation, details of which are set out on pages 7 and 8 of the circular issued to the Company's shareholders dated 15 October 2014 (the "Circular"), be approved.
2. That, the Directors be and hereby are authorised in accordance with Section 551 of the CA 2006 to exercise all of the powers of the Company to allot A Shares up to an aggregate nominal value of £190,200.09 in connection with the Offer, representing 93.4 per cent of the issued share capital of the Company as at 28 February 2014, being the latest practical date prior to publication of this document, provided that the authority conferred by this Resolution 2 shall expire at the conclusion of the Company's next annual general meeting or on the expiry of fifteen months following the passing of this Resolution, whichever is the later (unless previously renewed, varied or revoked by the Company in general meeting).
3. That the proposed change in the Company's investment policy as set out on page 10 and Part III of the Circular, be approved.

Special Resolutions

4. That, the articles of association produced to the meeting, and for the purposes of identification initialled by the Chairman, be adopted as the articles of association of the Company.

5. That, the Directors be and hereby are empowered pursuant to Section 570(1) of CA 2006 to allot or make offers or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of CA 2006) for cash pursuant to the authority given in accordance with Section 551 of CA 2006 by Resolution 2 above as if Section 561(1) of CA 2006 did not apply to such allotments, provided that the power provided by this Resolution 5 shall expire at the conclusion of the Company's next annual general meeting or on the expiry of fifteen months following the passing of this Resolution, whichever is the later (unless previously renewed, varied or revoked by the Company in general meeting).
6. That, the Company be and is hereby authorised to make one or more market purchases (within the meaning of section 693(4) of the CA 2006) of Ordinary Shares and A Shares provided that:
 - (i) the maximum aggregate number of Ordinary Shares authorised to be purchased is an amount equal to 10% of the issued Ordinary Shares as at the date of this Resolution;
 - (ii) the maximum aggregate number of A Shares authorised to be purchased is an amount equal to 10% of the issued A Shares immediately following the closing of the Offer;
 - (iii) the minimum price which may be paid for an Ordinary Share and an A Share is their nominal value;
 - (iv) the maximum price which may be paid for an Ordinary Share and an A Share is an amount, exclusive of expenses, equal to 105 per cent. of the average of the middle market prices shown in the quotations for a share in the Daily Official List of the London Stock Exchange for the five Business Days immediately preceding the day on which that Ordinary Share and an A Share (as applicable) is purchased; and
 - (v) unless renewed, the authority hereby conferred shall expire either at the conclusion of the annual general meeting of the Company following the passing of this Resolution or on the expiry of 15 months from the passing of this Resolution, whichever is the latest to occur, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares and A Shares which will or may be completed or executed wholly or partly after such expiry.

3.4. At the date of this document the authorised and issued fully paid share capital of the Company is:

Class of Share	Authorised Nominal value (£)	Authorised Number	Authorised Amount (£'000)	Issued Nominal value (£)	Issued Number	Issued Amount (£'000)
Ordinary Shares	£0.01	60,000,000	600,000	£0.01	20,374,869	203,749

- 3.5. The New Articles remove the requirement for the Company to have an authorised share capital, as provided for under the CA 2006. The issued fully paid share capital of the Company immediately after the Offer has closed (assuming £20,000,000 is raised under the Offer, an NAV per Hydro Share of 100 pence for the purpose of the calculation of the price of the Hydro Shares, that all of the subscription monies are received by 31 October 2014, that £19,000,000 of the subscription monies are for allotment of Hydro Shares in the 2014/2015 tax year, that £1,000,000 of the subscription monies are for allotment of Hydro Shares in the 2015/2016 tax year, that the issue costs per Hydro Share are 5.5% and that no Shares are bought back by the Company or issued outside of the Offer) will be as follows:

Class of Share	Issued Nominal value (£)	Issued Number	Issued Amount (£'000)
Ordinary Shares	£0.01	20,374,869	203,749
Hydro Shares	£0.01	19,020,009	190,200

- 3.6. Other than the issue of Hydro Shares under the Offer the Company has no present intention to issue any Shares.

- 3.7. The Company does not have in issue any securities not representing share capital.
- 3.8. The provisions of Section 561(1) of the 2006 Act (to the extent not dis-applied pursuant to Sections 570 or 571 of the CA 2006) confer on shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in Section 560(1) of the CA 2006) which are, or are to be, paid up in cash and will apply to the Company, except to the extent dis-applied by the Company in a general meeting. Subject to certain limited exceptions, unless the approval of Shareholders in a general meeting is obtained, the Company must normally offer shares to be issued for cash to holders on a *pro rata* basis.
- 3.9. No Shares are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 3.10. Save as disclosed in this paragraph 3, there has been no issue of share or loan capital of the Company in the three years immediately preceding the date of this document and (other than pursuant to the Offer) no such issues are proposed.
- 3.11. No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.
- 3.12. Except for commissions paid to authorised introducers in respect of previous offers for subscription of Shares, no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company in the three years immediately preceding the date of this document.
- 3.13. Other than pursuant to the Offer, none of the Hydro Shares have been sold or are available in whole or in part to the public in conjunction with the application for the Hydro Shares to be admitted to the Official List.
- 3.14. The Hydro Shares will be in registered form. No temporary documents of title will be issued and prior to the issue of definitive certificates, transfers will be certified against the register. It is expected that definitive share certificates for the Hydro Shares not to be held through CREST will be posted to those allotted Hydro Shares as soon as practicable following allotment of the relevant shares. Hydro Shares to be held through CREST will be credited to CREST accounts on Admission. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and otherwise than by a written instrument. The Articles permit the holding of shares in CREST.
- 3.15. The ISIN and SEDOL Codes of the Hydro Shares are GB00BNCBFM82 and BNCFM8 respectively.

4. MEMORANDUM AND ARTICLES OF ASSOCIATION

- 4.1. The memorandum of association of the Company provides that its principal object is to carry on the business of a VCT. The objects of the Company are set out in full in article 2.1 of the Articles.
- 4.2. The Articles contain, *inter alia*, the following provisions:

4.2.1. Voting Rights

Subject to any disenfranchisement as provided in paragraph 4.2.4 below the Shares shall carry the right to receive notice of or to attend or vote at any general meeting of the Company and on a show of hands every holder of Shares present in person (or being a corporation, present by authorised representative) shall have one vote and, on a poll, every holder of Shares who is present in person or by proxy shall have one vote for every Share of which he is the holder. The Shares shall rank *pari-passu* as to rights to attend and vote at any general meeting of the Company.

4.2.2. Transfer of Shares

The Shares are in registered form and will be freely transferable free of all liens. All transfers of Shares must be effected by a transfer in writing in any usual form or any other form

approved by the Directors. The instrument of transfer of a Share shall be executed by or on behalf of the transferor and, in the case of a partly paid Share, by or on behalf of the transferee. The Directors may refuse to register any transfer of a partly paid Share, provided that such refusal does not prevent dealings taking place on an open and proper basis, and may also refuse to register any instrument of transfer unless:

4.2.2.1. it is duly stamped (if so required), is lodged with the Company's registrars or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

4.2.2.2. it is in respect of only one class of Share;

4.2.2.3. the transferees do not exceed four in number.

4.2.3. Dividends

The Company may in general meeting by ordinary resolution declare dividends to be paid to members in accordance with the Articles, provided that no dividend shall be payable in excess of the amount recommended by the Directors. The Directors may pay such interim dividends as appear to them to be justified. No dividend or other monies payable in respect of a Share shall bear interest as against the Company. There are no fixed dates on which entitlement to a dividend arises. All dividends unclaimed for a period of twelve years after being declared or becoming due for payment shall be forfeited and shall revert to the Company.

The Ordinary Shares shall entitle their holders to receive such dividends as the Directors may resolve to pay out of the net assets attributable to the Ordinary Shares and from income received and accrued which is attributable to the Ordinary Shares.

Subject to Resolution 4 being passed at the General Meeting, the Hydro Shares shall entitle their holders to receive such dividends as the Directors may resolve to pay out of the net assets attributable to the Hydro Shares and from income received and accrued which is attributable to the Hydro Shares.

The Directors may, with the prior sanction of an ordinary resolution of the Company, offer Shareholders the right to elect to receive, in respect of all or part of their holding of Shares, additional Shares credited as fully paid instead of cash in respect of all or part of such dividend or dividends and (subject as hereinafter provided) upon such terms and conditions and in such manner as may be specified in such ordinary resolution. The ordinary resolution shall confer the said power on the Directors in respect of all or part of a particular dividend or in respect of all or any dividends (or any part of such dividends) declared or paid within a specified period but such period may not end later than the date of the annual general meeting next following the date of the general meeting at which such ordinary resolution is passed.

4.2.4. Disclosure of Interest in Shares

If any Shareholder or other person appearing to be interested in Shares is in default in supplying within 14 days after the date of service of a notice requiring such member or other person to supply to the Company in writing all or any such information as is referred to in Section 793 of the CA 2006, the Directors may, for such period as the default shall continue, impose restrictions upon the relevant Shares.

The restrictions available are the suspension of voting or other rights conferred by membership in relation to meetings of the Company in respect of the relevant Shares and additionally in the case of a Shareholder representing at least 0.25% by nominal value of any class of shares of the Company then in issue, the withholding of payment of any dividends on, and the restriction of transfer of, the relevant Shares.

4.2.5. Distribution of Assets on Liquidation

On a winding-up any surplus assets will be divided amongst the holders of each class of Shares in the Company according to the respective numbers of Shares held by them and in accordance with the provisions of the Act, subject to the rights of any shares which may be issued with special rights or privileges.

To the extent that there are Ordinary Shares, an amount equivalent to the aggregate Net Asset Value of the Ordinary Shares, calculated in accordance with the Company's usual accounting policies and adjusted for any amounts as the liquidator may consider appropriate so as to be a fair value for the Ordinary Shares, will be divided amongst the holders of the Ordinary Shares.

Subject to Resolution 4 being passed at the General Meeting, to the extent that there are Hydro Shares, an amount equivalent to the aggregate Net Asset Value of the Hydro Shares, calculated in accordance with the Company's usual accounting policies and adjusted for any amounts as the liquidator may consider appropriate so as to be a fair value for the Hydro Shares, will be divided amongst the holders of the Hydro Shares.

The Articles provide that the liquidator may, with the sanction of a special resolution and any other sanction required by the Act, divide amongst the members in specie the whole or any part of the assets of the Company in such manner as he may determine.

4.2.6. Changes in Share Capital

4.2.6.1. Without prejudice to any rights attaching to any existing Shares, any Share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, in the absence of such determination, as the Directors may determine. Subject to the Act, the Company may issue Shares, which are, or at the option of the Company or the holder are, liable to be redeemed.

4.2.6.2. The Company may by ordinary resolution increase its share capital, consolidate and divide all or any of its share capital into Shares of larger amount, sub-divide its Shares or any of them into Shares of smaller amounts or cancel or reduce the nominal value of any Shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount so cancelled or the amount of the reduction.

4.2.6.3. Subject to the CA 2006, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account, and may also, subject to the CA 2006, purchase its own Shares.

4.2.6.4. The Company may by ordinary resolution convert any fully paid up Shares into stock of the same class as the Shares which shall be so converted and reconvert such stock into fully paid up Shares of the same class and of any denomination.

4.2.7. Variation of Rights

Whenever the capital of the Company is divided into different classes of Shares, the rights attached to any class may (unless otherwise provided by the terms of issue of that class) be varied or abrogated either with the consent in writing of the holders of not less than three-fourths of the nominal amount of the issued Shares of the class or with the sanction of a resolution passed at a separate meeting of such holders.

4.2.8. Conversion Rights

The Ordinary Shares may, subject to the approval of a class meeting of the holders of Ordinary Shares, be converted, in accordance with the provisions of the Articles, into Hydro Shares at a date to be determined by the Directors.

4.2.9. Directors

Unless and until otherwise determined by the Company in general meeting, pursuant to Article 122, the number of Directors shall not be fewer than two or more than ten. The continuing Directors may act notwithstanding any vacancy in their body, provided that if the number of the Directors be fewer than the prescribed minimum the remaining Director or Directors shall forthwith appoint an additional Director or additional Directors to make up such minimum or shall convene a general meeting of the Company for the purpose of making such appointment.

Any Director may in writing under his hand appoint (a) any other Director, or (b) any other person who is approved by the Board as hereinafter provided, to be his alternate. A Director may at any time revoke the appointment of an alternate appointed by him. Every person acting as an alternate Director of the Company shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults, and shall not be deemed to be the agent of or for the Director appointing him.

Subject to the provisions of the Statutes (as defined in the Company's articles of association), the Directors may from time to time appoint one or more of their body to be managing director or joint managing directors of the Company or to hold such other executive office in relation to the management of the business of the Company as they may decide.

A Director may continue or become a Director or other officer, servant or member of any company promoted by the Company or in which they may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any remuneration or other benefits derived as Director or other officer, servant or member of such company.

The Directors may from time to time appoint a chairman of the Company (who need not be a Director of the Company) and may determine his duties and remuneration and the period for which he is to hold office.

The Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether at home or abroad, in such manner as they think fit.

4.2.10. Directors' Interests

4.2.10.1. A Director who is in any way, directly or indirectly, interested in a transaction or arrangement with the Company shall, at a meeting of the Directors, declare, in accordance with the CA 2006, the nature of his interest.

4.2.10.2. Provided that he has declared his interest in accordance with paragraph 4.2.10.1, a Director may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer or otherwise interested in any body corporate promoted by the Company or in which the Company is otherwise interested. No Director so interested shall be accountable to the Company, by reason of his being a Director, for any benefit that he derives from such office or interest or any such transaction or arrangement.

4.2.10.3. A Director shall not vote nor be counted in the *quorum* at a meeting of the Directors in respect of a matter in which he has any material interest otherwise than by virtue of his interest in shares, debentures or other securities of, or otherwise in or through the Company, unless his interest arises only because the case falls within one or more of the following paragraphs:

- (a) the giving to him of any guarantee, security or indemnity in respect of money lent or an obligation incurred by him at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (b) the giving to a third party of any guarantee, security or indemnity in respect of a debt or an obligation of the Company or any of its subsidiary undertakings

for which he has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- (c) any proposal concerning the subscription by him of shares, debentures or other securities of the Company or any of its subsidiary undertakings or by virtue of his participating in the underwriting or sub-underwriting of an offer of such shares, debentures or other securities;
- (d) any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he and any persons connected with him do not to his knowledge hold an interest in shares representing 1% or more of any class of the equity share capital of such company or of the voting rights available to members of the relevant company;
- (e) any proposal relating to an arrangement for the benefit of the employees of the Company or any subsidiary undertaking which does not award to any Director as such any privilege or advantage not generally awarded to the employees to whom such arrangement relates;
- (f) any arrangement for purchasing or maintaining for any officer or auditor of the Company or any of its subsidiaries insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, breach of duty or breach of trust for which he may be guilty in relation to the Company or any of its subsidiaries of which he is a Director, officer or auditor.

4.2.10.4. When proposals are under consideration concerning the appointment of two or more Directors to offices or employment with the Company or any company in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (if not otherwise precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the *quorum* in respect of each resolution except that concerning his own appointment.

4.2.11. Remuneration of Directors

4.2.11.1. The ordinary remuneration of the Directors shall be such amount as the Directors shall from time to time determine (provided that unless otherwise approved by the Company in general meeting the aggregate ordinary remuneration of such Directors, including fees, shall not exceed £100,000 per year) to be divided among them in such proportion and manner as the Directors may determine. The Directors shall also be paid by the Company all reasonable travelling, hotel and other expenses they may incur in attending meetings of the Directors or general meetings or otherwise in connection with the discharge of their duties.

4.2.11.2. Any Director who, by request of the Directors, performs special services for any purposes of the Company may be paid such reasonable extra remuneration as the Directors may determine.

4.2.11.3. The emoluments and benefits of any executive Director for his services as such shall be determined by the Directors and may be of any description, including membership of any pension or life assurance scheme for employees or their dependants or, apart from membership of any such scheme, the payment of a pension or other benefits to him or his dependants on or after retirement or death.

4.2.12. Retirement of Directors

At the annual general meeting of the Company next following the appointment of a Director he shall retire from office. A Director shall also retire from office at or before the third annual general meeting following the annual general meeting at which he last retired and was re-elected. A retiring Director shall be eligible for re-election. A Director shall be capable of being appointed or re-appointed despite having attained any particular age and shall not be

required to retire by reason of his having attained any particular age, subject to the provisions of the Act.

4.2.13. Borrowing Powers

Subject as provided below, the Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital. The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control over its subsidiary undertakings (if any) so as to secure that the aggregate amount of money borrowed by the group, being the Company and any subsidiary undertakings for the time being (excluding intra-group borrowings), shall not without the previous sanction of an ordinary resolution of the Company exceed a sum equal to 30% of the Company's NAV at the time of any borrowing.

4.2.14. Distribution of Realised Capital Profits

In respect of any period prior to 5 April 2012, at any time when the Company has given notice in the prescribed form (which has not been revoked) to the Registrar of Companies of its intention to carry on business as an investment company ("a Relevant Period") the distribution of the Company's capital profits shall be prohibited. The Board shall establish a reserve to be called the capital reserve. ("Capital Reserve"). During a Relevant Period, all surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the Board to be in the nature of accretion to capital shall be credited to the Capital Reserve. Subject to the Act, the Board may determine whether any amount received by the Companies is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment or other dealing with investments, or other capital losses, and, subject to the Act, any expenses, loss or liability (or provision therefor) which the Board considers to relate to a capital item or which the Board otherwise considers appropriate to be debited to the Capital Reserve shall be carried to the debit of the Capital Reserve. During a Relevant Period, all sums carried and standing to the credit of the Capital Reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that during a Relevant Period no part of the Capital Reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution except for the purpose of redeeming or purchasing its own shares in accordance with Sections 687 and 692 of the CA 2006 or applied in paying dividends on any shares in the Company. In periods other than a Relevant Period, any amount standing to the credit of the Capital Reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution or applied in paying dividends on any shares in the Company.

4.2.15. Duration of Company

Article 182 of the Articles provides that the Directors shall put an ordinary resolution to the annual general meeting of the Company held in 2017 and, if passed, the Directors shall draw up proposals for the reorganisation, reconstruction or voluntary winding up of the Company for submission to the members of the Company at a general meeting to be convened by the Directors as soon as reasonably practicable without prejudice to the VCT status of the Company. Implementation of the proposals will require the approval of members by special resolution. For the purpose of this, an ordinary resolution will only have been carried if those members present in person or by proxy who vote for such resolution hold in aggregate not less than twenty five per cent of the issued share capital of the Company at such time.

4.2.16. General Meetings

Annual general meetings shall be held at such time and place as may be determined by the Directors and not more than fifteen months shall elapse between the date of one annual general meeting and that of the next. The Directors may, whenever they think fit, convene a general meeting of the Company, and general meetings shall also be convened on such requisition or in default may be convened by requisition as are provided by the Statutes, as defined in the Company's articles of association. Any meeting so convened by requisition

shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Directors.

An annual general meeting and a general meeting called for the passing of a special resolution shall be called by not less than twenty-one days' notice in writing, and all other general meetings of the Company shall be called by not less than fourteen days' notice in writing. The notice shall be exclusive of the day on which it is given and of the day of the meeting and shall specify the place, the day and hour of meeting, and, in case of special business, the general nature of such business. The notice shall be given to the members, other than those who, under the provisions of the Company's articles or the terms of issue of the shares they hold, are not entitled to receive notice from the Company, to the Directors and to the Auditors. A notice calling an annual general meeting shall specify the meeting as such and the notice convening a meeting to pass a special resolution or an ordinary resolution as the case may be shall specify the intention to propose the resolution as such.

In every notice calling a meeting of the Company or any class of the members of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him and that a proxy need not also be a member.

If within half an hour from the time appointed for the meeting a *quorum* is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such time (being not less than fourteen days and not more than twenty-eight days hence) and at such place as the Chairman shall appoint. At any such adjourned meeting the member or members present in person or by proxy and entitled to vote shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place. The Company shall give not less than seven clear days' notice of any meeting adjourned for the want of a *quorum* and the notice shall state that the member or members present as aforesaid shall form a *quorum*.

The chairman may, with the consent of the meeting (and shall, if so directed by the meeting), adjourn any meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

5. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles are consistent with CREST membership and allow for the holding and transfer of Shares in un-certificated form pursuant to the Uncertified Securities Regulations 1995. The Offer Shares have been made eligible for settlement in CREST.

6. DIRECTORS' INTERESTS

- 6.1. As at the date of this document the Directors, their immediate families and connected persons within the meaning of Rule 3 of the Disclosure and Transparency Rules ("DTR 3") have, and, assuming: (1) a full subscription and an allotment of 19,020,009 Hydro Shares under the Offer; (2) that the Directors are entitled to receive a 2% share bonus; and (3) that the cost of the Offer (including any fees payable to an intermediary) are 5.5%, immediately following the Offer the Directors, their immediate families and connected persons within the meaning of DTR 3 will have, the following interests in the share capital of the Company, the existence of which is known to or could with reasonable diligence be ascertained by that Director:

	Number of Shares before the Offer	% of Issued Share Capital	Number of Shares following the Offer		% of Issued Share Capital following the Offer	
			Ordinary	Hydro	Ordinary	Hydro
Jane Owen	50,750	0.25%	50,750	24,125	0.25%	0.13%
Chad Murrin	0	0.00%	0	14,475	0.00%	0.08%
Tim Clarke	15,300	0.08%	15,300	0	0.08%	0.00%

- 6.2. The Company is not aware of any person who (i) at the date of this document and after the Offer has closed, has or will hold, directly or indirectly, voting rights representing 3% or more of the issued share capital of the Company to which voting rights are attached or (ii) could, directly or indirectly, jointly or severally, exercise control over the Company.
- 6.3. No Shareholder has voting rights in respect of the share capital of the Company (issued or to be issued) which differ from any other Shareholder.
- 6.4. The Company and the Directors are not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.
- 6.5. No Director has any interest in any transactions which are or were unusual in their nature or conditions or which are or were significant to the business of the Company and which were effected by the Company in the current or immediately preceding financial year or which were effected during an earlier financial year and which remain in any respect outstanding or unperformed.

7. THE COMPANY AND ITS SUBSIDIARIES

The Company does not have any subsidiaries.

8. OFFER AGREEMENT

Under an offer agreement dated 15 October 2014, between the Company, the Directors, Howard Kennedy, Triple Point and the Investment Management Team, Howard Kennedy has agreed to act as sponsor to the Offer and Triple Point has agreed, as agent of the Company, to use its reasonable endeavours to procure subscribers for the Hydro Shares on the terms and subject to the conditions set out in the Prospectus (the "Offer Agreement").

Under the Offer Agreement, which may be terminated by Howard Kennedy in certain circumstances of breach, Triple Point, the Investment Management Team and the Directors have given certain warranties, customary for this type of agreement, relating to the accuracy and completeness of the information contained in the Prospectus. Warranty claims must be made by no later than 30 days after the date of the publication of the audited accounts of the Company for the accounting year ending 2016. The liability of the Directors and each member of the Investment Management Team in respect of a breach of a warranty or representation is limited to £12,500 each. The Company has also agreed to indemnify Howard Kennedy, without limit in time or amount, in respect of its role as Sponsor and in respect of certain losses arising under the Offer Agreement. The Offer Agreement may be terminated if any statement in the Prospectus is untrue, any material omission from the Prospectus arises or any breach of warranty in the Offer Agreement occurs and provided that such termination takes place prior to Admission.

9. TAKEOVERS AND MERGERS

9.1. Mandatory takeover bids

The City Code on Takeovers and Mergers (the "Code") applies to all takeover and merger transactions in relation to the Company and operates principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment. The Code provides an orderly framework within which takeovers are conducted and the Panel on Takeovers and Mergers has now been placed on a statutory footing. The Takeovers Directive was implemented in the UK in May 2006 and since 6 April 2007 has effect through the CA 2006. The Directive applies to takeovers of companies registered in an EU member state and admitted to trading on a regulated market in the EU or EEA.

The Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. General Principle One states that all holders of securities of an offeree company of the same class must be afforded equivalent treatment and if a person acquires control of a company the other holders of securities must be protected. This is reinforced by Rule 9 of the Code which requires that a person, together with persons acting in concert with him, who acquires shares carrying voting rights which amount to 30% or more of the voting rights

to make a general offer. "Voting rights" for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. A general offer will also be required where a person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights, acquires additional shares which increase his percentage of the voting rights. Unless the Panel consents, the offer must be made to all other shareholders, be in cash (or have a cash alternative) and cannot be conditional on anything other than the securing of acceptances which will result in the offeror and persons acting in concert with him holding shares carrying more than 50% of the voting rights.

There are not in existence any current mandatory takeover bids in relation to the Company.

9.2. Squeeze out

Section 979 of the CA 2006 provides that if, within certain time limits, an offer is made for the share capital of the Company, the offeror is entitled to acquire compulsorily any remaining shares if it has, by virtue of acceptances of the offer, acquired or unconditionally contracted to acquire not less than 90% in value of the shares to which the offer relates and in a case where the shares to which the offer relates are voting shares, not less than 90%, of the voting rights carried by those shares. The offeror would effect the compulsory acquisition by sending a notice to outstanding shareholders telling them that it will compulsorily acquire their shares and then, six weeks from the date of the notice, pay the consideration for the shares to the relevant Company to hold on trust for the outstanding shareholders. The consideration offered to shareholders whose shares are compulsorily acquired under the CA 2006 must, in general, be the same as the consideration available under the takeover offer.

9.3. Sell out

Section 983 of the CA 2006 permits a minority shareholder to require an offeror to acquire its shares if the offeror has acquired or contracted to acquire shares in a company which amount to not less than 90% in value of all the voting shares in the company and carry not less than 90%, of the voting rights. Certain time limits apply to this entitlement. If a shareholder exercises its rights under these provisions, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

10. NOTIFICATIONS OF SHAREHOLDINGS

The provisions of DTR 3 will apply to the Company and its shareholders. DTR 3 sets out the notification requirements for shareholders and the Company where the voting rights of a shareholder exceed, reach or fall below the threshold of 3% and each 1% thereafter up to 100%. DTR 5 provides that disclosure by a shareholder to the Company must be made within two trading days of the event giving rise to the notification requirement and the Company must release details to a Regulatory Information Service as soon as possible following receipt of a notification and by no later than the end of the trading day following such receipt.

11. MATERIAL CONTRACTS

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company in the two years immediately preceding the date of this document or which are expected to be entered into prior to Admission and which are, or may be, material or which have been entered into at any time by the Company and which contain any provision under which the Company has any obligation or entitlement which is, or may be, material to the Company as at the date of this document:

- 11.1. The offer agreement, details of which are set out in paragraph 8 above;
- 11.2. The investment management and administration agreement and supplemental agreement relating thereto, set out at pages 10 and 11;
- 11.3. The Directors' letters of appointment set out at page 13.

12. RELATED PARTY TRANSACTIONS

Other than the agreements referred to at paragraphs [11.1, 11.2 and 11.3] above, there have been no related party transactions relating to the Company during the period covered by the statutory accounts referred to in paragraph 15.1 below and up to the date of this document.

13. SPECIFIC DISCLOSURES IN RESPECT OF CLOSED ENDED FUNDS

- 13.1. The Manager intends to use the proceeds of the Offer in accordance with the Company's object of spreading investment risk and in accordance with the Investment Policy set out in Part 2. The Investment Policy is in line with the VCT Rules and the Company will not deviate from them.
- 13.2. The Company is required to comply with VCT Rules in respect of the investments it makes, as described in Section C of Part I of the Securities Note. The Company has appointed PricewaterhouseCoopers LLP as its VCT status adviser. PricewaterhouseCoopers LLP will report to the Company as a part of its annual reporting obligations. In respect of any breach of the VCT Rules, the Company, together with PricewaterhouseCoopers LLP, will report directly and immediately to HMRC to rectify the breach and announce the same immediately to the Company's shareholders via a Regulatory Information Service provider.
- 13.3. The Company will not invest more than 15% of its gross assets in any single company, in accordance with the VCT legislation, nor will the Company control the companies in which it invests in such a way as to render them subsidiary undertakings until it has obtained approval as a VCT from HMRC.
- 13.4. The Company will not conduct any trading activity which is significant in the context of its group (if any) as a whole. No more than 10%, in aggregate, of the value of the total assets of the Company at the time an investment is made may be invested in other listed closed-ended investment funds, except where those funds themselves have published investment policies which permit them to invest no more than 15% of their total assets in other listed closed-ended investment funds.
- 13.5. The Board must be able to demonstrate that it will act independently of the Manager. A majority of the Board (including the Chairman) must not be directors, employees, partners, officers, or professional advisers of or to the Manager or any company in the Manager's group or any other investment entity which they manage.
- 13.6. The Company will not invest directly in physical commodities.
- 13.7. The Company will not invest in any property collective investment undertaking.
- 13.8. Other than as provided for under the Investment Policy, the Company will not invest in any derivatives, financial instruments, money market instruments or currencies other than for the purposes of efficient portfolio management (i.e. solely for the purpose of reducing, transferring or eliminating investment risk in the underlying investments of the collective investment undertaking, including any technique or instrument used to provide protection against exchange and credit risks).
- 13.9. The Manager is responsible for the determination and calculation of the NAV of the Company on a quarterly basis.
- 13.10. The NAV of the Ordinary Share Fund and the Hydro Share Fund will be determined quarterly, concurrent with the annual announcement to 28 February, half-yearly announcement to 31 August (which are expected in May and October respectively) and interim management statements to 31 May and 30 November respectively in accordance with the BVCA's recommendations as set out in the BVCA notes of guidance. The value of investments will be determined according to their listing status. Quoted securities will be valued at mid-market price unless the investment is subject to restrictions or the holding is significant in relation to the share capital of a small quoted company, in which case a discount may be appropriate as per the BVCA guidelines. The Company has no current intention to acquire quoted securities. Unquoted investments will be valued on a cost basis in the first year and reviewed subsequently on the basis of the progression of the businesses. The NAV of the Company will be communicated to Shareholders via a Regulatory Information Service provider at the same frequency as the

determinations. In the event of any suspension, valuations are held at the suspended price and a view is taken with consideration to best market practice and information from advisers.

- 13.11. The Directors do not anticipate any circumstances arising under which the valuations may be suspended. Should the valuations be suspended or the determination of NAV differ from that set out above, then this will be communicated to Shareholders through a Regulatory Information Service provider.

14. LITIGATION

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the period since the Company's incorporation which may have, or have had in the recent past, significant effects on the Company's financial position or profitability.

15. GENERAL

- 15.1. Grant Thornton UK LLP, chartered accountants of 3140 Rowan Place, John Smith Drive, Oxford Business Park South, Oxford OX4 2WB have been the auditors of the Company since its incorporation and have given unqualified audit reports on the statutory accounts of the Company for the financial years since incorporation within the meaning of Section 495 of the CA 2006. None of those reports contained any statements under Section 237(2) or (3) of the CA 2006. Statutory accounts of the Company for each of those financial years have been delivered to the Registrar of Companies in England and Wales pursuant to Section 242 of the CA 2006. The statutory accounts of the Company for the year ended 29 February 2012, 28 February 2013 and 28 February 2014 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").
- 15.2. There has been no significant change in the financial or trading position of the Company since 28 February 2014, the date to which the last audited financial statements have been published, to the date of this document.
- 15.3. There have been no significant factors, whether governmental, economic, fiscal, monetary or political, including unusual or infrequent events or new developments nor any known trends, uncertainties, demands, commitments or events that are reasonably likely to have an effect on the Company's prospects or which have materially affected the Company's income from operations so far as the Company and the Directors are aware. There have been no important developments, so far as the Company and the Directors are aware, relating to the development of the Company or its business.
- 15.4. Shareholders will be informed by means of the interim and/or annual report or through a Regulatory Information Service announcement if the investment restrictions which apply to the Company as a VCT detailed in this document are breached.
- 15.5. The Company's capital resources are restricted insofar as they may be used only in putting into effect the Investment Policy in this document. There are no firm commitments in respect of the Company's principal future investments. As at 31 May 2014, the Company had £61,982 of un-invested cash which has been retained for working capital and follow-on or new investments.
- 15.6. The Company has no employees.
- 15.7. The typical investor for whom investment in the Company is designed is an ordinary retail, sophisticated, high net worth or professional individual with sufficient income and capital such that his investment in the Company can be tied up for at least five years, who is attracted by the income tax relief available for a VCT investment, and who seeks a venture capital strategy focused on capital stability and early realisations.
- 15.8. The Directors believe that the Offer will result in a significant gross change in the Company. Had the Offer been undertaken at 28 February 2014 (being the Company's last balance sheet date), the net assets would have increased by an amount that is equal to the net proceeds the Company received under the Offer. Had the Offer taken place on 1 March 2014 (being the commencement of the present accounting period), the earnings of the Company would have increased. The total net proceeds of the Offer, after all fees, are £18,900,000 (assuming a full subscription of

£10,000,000 and an increase in the size of the Offer at the discretion of the Directors of a further £10,000,000 and that the issue costs per Hydro Share are 5.5%). Subject to the level of subscription of the Offer, an increase in net assets would have certain consequences, potentially including a reduction in the annual expenses ratio of the Company, increasing the size and range of investments which the Company could undertake and increasing the number of investments the Company would be required to make in order to meet the VCT Rules.

- 15.9 Certain information in this document has been sourced from third parties and the Company confirms that this information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by those parties respectively, no facts have been omitted which would render the be eliminated reproduced information inaccurate or misleading.

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal Business Hours at the registered office of the Company and at the offices of Howard Kennedy, 19 Cavendish Square, London, W1A 2AW whilst the Offer remains open:

- 16.1. the Articles and the New Articles;
- 16.2. the material contracts referred to in paragraph 11 above;
- 16.3. the annual accounts for the periods ended 29 February 2012, 28 February 2013 and 28 February 2014;
- 16.4. the circular to Shareholders dated 15 October 2014; and
- 16.5. this document.

15 October 2014

PART 6: DEFINITIONS

“Admission” the admission of the Hydro Shares allotted pursuant to the Offer to a premium listing on the Official List and to trading on the London Stock Exchange’s main market for listed securities

“Annual Running Costs” annual costs and expenses incurred by the Company in the ordinary course of its business (including irrecoverable value added tax)

“Articles” the articles of association of the Company, as amended from time to time

“Board” or “Directors” the board of directors of the Company

“Business Day” any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling

“Business Hours” the hours between 09:00 to 18:00 on any Business Day

“BVCA” the British Venture Capital Association

“CA 1985” Companies Act 1985 (as amended)

“CA 2006” Companies Act 2006 (as amended)

“Company” Triple Point VCT 2011 plc

“EIS” the Enterprise Investment Scheme, satisfying the requirements of Part 5 of ITA 2007

“FCA” the Financial Conduct Authority

“FSMA” the Financial Services and Markets Act 1986 (as amended)

“General Meeting” the general meeting of the Company convened for 25 November 2014 (or any adjournment thereof)

“HMRC” Her Majesty’s Revenue and Customs

“Howard Kennedy” Howard Kennedy Corporate Services LLP

“Hydro Shares” A ordinary shares of 1 pence each in the capital of the Company

“Hydro Share Fund” the net assets of the Company represented by the Hydro Shares

“Hydro Share Fund Qualifying Investments” the Qualifying Investments acquired by the Hydro Share Fund

“IFRS” International Financial Reporting Standards as adopted by the European Union

“Investment Management Team” those members of Triple Point’s investment management team whose details are set out on pages 8 and 9

“Investment Policy” the investment policy adopted by the Company

“ITA 2007” Income Tax Act 2007 (as amended)

“Listing Rules” the listing rules of the UKLA

“London Stock Exchange” London Stock Exchange plc

“NAV” net asset value

“New Articles” the articles of association of the Company to be adopted pursuant to Resolution 4 at the General Meeting

“Non-Qualifying Investments” the assets of the Company that are not Qualifying Investments

“Offer” the offer for subscription by the Company as described in this document

“Official List” the official list of the UKLA

“Ordinary Share Fund” the net assets of the Company represented by the Ordinary Shares

“Ordinary Share Fund Qualifying Investments” Qualifying Investments comprised within the Ordinary Share Fund

“Ordinary Shares” ordinary shares of 1 pence each in the capital of the Company

“Performance Incentive Fee” the performance-related incentive payable to Triple Point as described in the subsection headed “Performance Incentive Fee on Hydro Shares” on pages 10 and 11

“Prospectus” this document, relating to the Offer

“Prospectus Rules” the prospectus rules of the FCA

“Qualifying Company” a company satisfying the requirements of Chapter 4 of Part 6 of ITA 2007

“Qualifying Investments” shares in, or securities of, a Qualifying Company held by a VCT which meets the requirements described in chapter 4 of Part 6 ITA 2007

“Regulatory Information Service” a regulatory information service that is on the list of regulatory information services maintained by the FCA

“Resolutions” the resolutions to be proposed at the General Meeting

“Shareholder” a holder of Shares

“Shares” Ordinary Shares and Hydro Shares as the context may require (and each a “Share”)

“TPAL” Triple Point Administration LLP

“Triple Point” or “Manager” Triple Point Investment Management LLP of 18 St. Swithin’s Lane, London EC4N 8AD

“Triple Point Group” Triple Point, Triple Point LLP and TPAL

“UK” the United Kingdom

“UKLA” or “UK Listing Authority” the UK Listing Authority, being the FCA acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Market Act 2000

“unquoted” private or public companies not quoted on any market or exchange

“VCT” or “venture capital trust” a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts

“VCT Rules” Part 6 ITA 2007 and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning VCTs